

**AGREEMENT FOR BILLING AND COLLECTION SERVICES
BETWEEN TRAVIS COUNTY AND THE CITY OF AUSTIN
RELATED TO THE AUSTIN DOWNTOWN PUBLIC IMPROVEMENT DISTRICT**

This agreement (the “Agreement”) is between Travis County (the “County”), a political subdivision of the State of Texas, and the City of Austin (the “City”), a home rule municipality of the State of Texas, for billing and collection services related to the Austin Downtown Public Improvement District (the “District”), a public improvement district created by and authorized by the City.

RECITALS

A. The City authorized the creation of the District, effective on June 9, 2022, by a majority vote of all members of the City Council adopting a resolution in accordance with the City Council’s findings under Section 372.010 of the Texas Public Improvement District Assessment Act (the “PID Act”) (Tex. Local Gov’t Code Secs. 372.001 to 372.030). The City may, from time to time, amend such resolution or reauthorize the District in the future, and this Agreement will remain in force.

B. The City adopted an assessment plan that apportions the cost of the planned services and improvements among the parcels of real property in the District and prepared an assessment roll stating the amount of the assessment due from each such parcel and provided that the assessments may be paid in annual installments (the “Assessments”) pursuant to Sec. 372.016 of the PID Act.

C. The City will manage and administer public improvement districts created by the City, including the District. The City has selected a third-party PID administrator (the “Administrator”) to assist the City in the billing and collection of the District. The City’s

Public Improvement District Policy requires that the annual installments of the Assessments be billed and collected by the County Tax Assessor-Collector.

D. This Agreement sets out the duties and responsibilities of the County and the City related to the billing and collection of the Assessments, as authorized by Sec. 372.0175 of the PID Act and pursuant to the Interlocal Cooperation Act (Tex. Gov't Code Chapter 791).

E. Except as otherwise specifically provided herein, the term "Assessment" as used in this Agreement refers to both the fully-apportioned cost of the planned services and improvements due from each parcel according to the assessment roll and the annual installment due from each such parcel.

AGREEMENT

In consideration of the mutual promises stated herein, the County and the City agree as follows:

1. Agreement for Billing and Collection of Installments of Assessments. Beginning on the effective date of this Agreement and continuing until the Agreement is terminated as provided below, the City authorizes the County exclusively, acting through the Travis County Tax Assessor-Collector (the "Tax Assessor-Collector") and the Travis County Attorney (the "County Attorney"), to bill and collect the annual installments of the Assessments and to represent the City for all purposes related to the billing and collection of such installments, except as stated below. The County, acting through the Tax Assessor-Collector, agrees to perform for the City all of the duties of the City related to the billing and collection of the installments provided in the assessment plan and Texas law.

2. Exclusions. This Agreement will not include billing or collection of the following:
- 2.1 Any installments of the Assessments due prior to the effective date of this Agreement,
 - 2.2 Assessments in amounts other than annual installments,
 - 2.3 Any installments of the Assessments that are for years for which a tax lien on the property has been transferred by the County to a transferee at the request of the owner according to Texas Tax Code Sec. 32.06, and
 - 2.4 Any Assessments on property for which the owner has deferred collection of the property taxes as allowed by Texas Tax Code Sec. 33.06 or 33.065.
- The billing and collection of such excluded Assessments will remain the responsibility of the City and its Administrator. The County will notify the City and its Administrator of any Assessments that are excluded under paragraph 2.3 or 2.4 above within 60 days after the Tax Assessor-Collector is notified of the tax lien transfer or collection deferral.
3. Term of Agreement. The term of this Agreement will begin on the latest date of execution set out below (“the Effective Date”) and will terminate on December 31, 2023 unless renewed and extended as provided below. The Agreement will be renewed and extended automatically for additional terms of one year unless either party terminates the Agreement by giving written notice of termination to the other party not later than 90 days before the end of the current term. If a notice of termination is given, the Agreement will nevertheless remain in effect for the remainder of the term in which the notice is given and will remain in effect thereafter with respect to any Assessment for which a suit to foreclose the assessment lien

has been filed prior to such notice, until the suit is dismissed or a sale of the property occurs and the proceeds are collected and disbursed pursuant to this Agreement.

4. Assessment Data. Each year during the term of this Agreement, the City will provide data to the Tax Assessor-Collector on or before September 1 as to the amount of the annual installment due for that year on the Assessment against each tract of real property in the District except tracts that are exempt. The data will be provided to the Tax Assessor-Collector electronically in a format that is compatible with the format of the County's property tax records. The Tax Assessor-Collector will provide no less than 90 days' notice to the City in the event of any required format change in the electronic file. The City will notify the Tax Assessor-Collector of any adjustments of the annual installments and will be responsible for paying any refunds that result from such adjustments. The City will not provide the Tax Assessor-Collector with the total amounts of the Assessments, and the County will not be responsible for the billing or collection of the Assessments other than in annual installments. Determining exemptions, calculating the amounts of the annual installments, computing the cumulative balances of the Assessments, and any collection of the Assessments other than in annual installments will remain the responsibility of the City. The annual installments will be billed to the property owners named in the current tax appraisal roll of the Travis Central Appraisal District for the year of the installments. If the City fails to inform the Tax Assessor-Collector of the amounts of the annual installments by September 15 of the initial or any renewed term of this Agreement, the Agreement may be terminated by the

County upon written notice to the City according to paragraph 13 below. The initial delivery of data by the City to the Tax Assessor-Collector will also include a record of all payments made on the Assessments prior to the Effective Date of this Agreement. The Tax Assessor-Collector will make available to the City a continuous on-line disbursement report summarizing the payments collected.

5. Billing of Assessments. The Tax Assessor-Collector will bill the annual installments of the Assessments to the property owners by including the amount of the installment as a line item in the consolidated property tax bill mailed by the Tax Assessor-Collector to each non-exempt owner of real property in the District. The bills will be mailed about October 1 of each year or as soon thereafter as practicable. Each tax bill that includes a line item for an installment of an Assessment will also include a statement in substantially the following language: "Assessments of public improvement districts are not taxes but are collected by the Travis County Tax Office under an agreement with the City of Austin."
6. Collection of Assessments. The Tax Assessor-Collector will collect the installments of the Assessments and remit the amount collected to the City's Depository Bank daily by electronic funds transfer, after deducting the amount due to the County as billing and collection fees, as provided in paragraph 10 below. The City will provide the Tax Assessor-Collector with the instructions for making such daily remittances to the City's Depository Bank. The Tax Assessor-Collector and the County Attorney will also collect any delinquent installments of the Assessments, including filing suits for foreclosure of the lien securing the Assessments provided in Sec. 372.018 of the PID Act. All of the terms of Sec.

372.018 of the PID Act and all of the provisions of the Texas Tax Code with respect to payment, refunds, delinquency, penalties and interest, waiver of penalties and interest, costs and expenses of collection, attorney's fees, personal liability, installment payment of delinquent amounts, suits, lien foreclosure, limitation of collection, redemption, and other matters related to the collection of property taxes will also apply to the collection of the installments of the Assessments, except that the provisions of Texas Tax Code Sec. 32.06 on property tax loans and the transfer of tax liens, and Secs. 33.045, 33.06, and 33.065 on the deferral of collection of property taxes on certain residential homesteads will not apply. Billing and collection of the installments of Assessments on property for which a tax lien has been transferred to a transferee or that is subject to such deferral of collection of taxes will remain the responsibility of the City, as provided in paragraphs 2.3 and 2.4 above. Any partial collection of delinquent taxes and delinquent installments of Assessments will be divided pro rata among the entities imposing the taxes and the Assessments without preferring one entity over another. During the term of this Agreement, only the Tax Assessor-Collector will collect the installments of the Assessments. If any payments are received by the City or its Administrator for amounts billed by the Tax Assessor-Collector, they will be remitted by the City to the Tax Assessor-Collector. The City will notify the Tax Assessor-Collector if any Assessment is prepaid to the City, in full or in part.

7. Notice to Property Owners. Prior to the mailing by the County of the first bills for annual installments of the Assessments, the City will notify or have notified each owner of property in the District, except for owners of exempt property, by first

class mail that the installments of the Assessment on the owner's property will be billed by and paid to the Tax Assessor-Collector until the owner is notified that this Agreement is terminated.

8. Foreclosure Suits. The County Attorney will act as the attorney for the City in any suit for collection of the delinquent installment of an Assessment. The maturity of the subsequent installments will not accelerate following a default in payment. In consultation with the City, the County Attorney and the Tax Assessor-Collector will control the filing and conduct of foreclosure suits. Attorney's fees, costs, and expenses of collection that are collected after the filing of a suit for foreclosure will be retained by the County in addition to the billing and collection fees provided in paragraph 10 below. If a suit is filed for a delinquent installment of an Assessment and delinquent taxes on the property and the suit results in an order for foreclosure of the assessment lien and the tax lien, the City recognizes that the ad valorem tax lien is superior to the assessment lien, according to Sec. 372.018(b)(2) of the PID Act. However, the assessment lien runs with the land, and the portion of the Assessment that has not yet come due is not eliminated by the foreclosure of an ad valorem tax lien, according to Section 372.018(d) of the PID Act.
9. No Third Party Beneficiaries. Nothing in this Agreement is intended to benefit a third party beneficiary. The County and the City will act independently in carrying out their respective obligations under this Agreement, and neither the County nor the City assumes any responsibility to a third party in connection with this Agreement.

10. Billing and Collection Fees. As fees for the billing and collection services provided under this Agreement, the City agrees to pay the County the following:
- 10.1 A one-time fee of \$1,000.00, no later than 30 days after the effective date of this Agreement, for software modification, data entry, contract drafting, and other start-up costs;
- 10.2 An annual parcel fee for each parcel or tract of land in the District, in an amount to be set annually by the Travis County Commissioner's Court. The parcel fee will be equal to the parcel fee set for the year by the Commissioners Court for the billing and collection by the Tax Assessor-Collector of property taxes for jurisdictions located wholly or partially in Travis County. The City agrees that the Tax Assessor-Collector may deduct the pro rata amount of the parcel fee from the first installments collected, prior to the remittance of the collections to the City's Depository Bank. The parcel fee will be retained by the Tax Assessor-Collector to defray the costs of billing and collection. The City will include the parcel fee in each annual budget of administrative expenses for the District; and
- 10.3 Should the County incur any actual additional costs that may subsequently be required to modify software, make other data processing changes, or comply with legal requirements associated with collecting the installments, the County shall give notice of these additional costs to the City. Within 30 days of receiving this notice, the City will either agree to reimburse such costs or terminate this Agreement. If the City agrees to reimburse the costs, it will do so within 30 days after being billed for them by the County;

provided, however, that such reimbursement shall solely be payable from Assessments or the administrative expenses collected as part of the annual installment of assessments pursuant to the service and assessment plan.

11. Administrator. Pursuant to the agreement between the Administrator and the City or at the direction of the City, the Administrator may perform, on behalf of the City, any action to be taken by the City hereunder.
12. Entire Agreement. This Agreement sets out the entire agreement between the County and the City with respect to the billing and collection of the Assessments and supersedes all previous negotiations, representations, and agreements, whether written or oral. This Agreement may be amended only by a written instrument executed by the representatives of the County and the City authorized by their respective governing bodies.
13. Notices. Any notice that a party is required or permitted to give under this Agreement will be in writing and mailed by first class mail to the address of the other party shown below or to such other address of which the other party may notify the party in writing.

COUNTY: Travis County Tax Assessor-Collector
P.O. Box 149328
Austin, Texas 78714-9328

WITH A COPY TO: Delia Garza (or successor)
Travis County Attorney
P. O. Box 1748
Austin, Texas 78767

CITY: City of Austin
Attn: Marija Jukic, Controller
Financial Services Department
P.O. Box 2920
Austin, TX 78768

14. Limited Liability. The County will not be liable to the City or the bond holders of the District for any failure to collect the installments of the Assessments. The Tax Assessor-Collector will not be liable for any failure to collect the installments of the Assessments unless such failure is the result of the Tax Assessor-Collector's failure to perform the duties imposed on him or her by law or this Agreement. The Tax Assessor-Collector also will not be liable for any failure to collect the installments if the Tax Assessor-Collector's failure to perform the duties imposed by law or this Agreement was due to circumstances beyond the Tax Assessor-Collector's control. In executing this Agreement, neither the County nor the City intends to waive or will be deemed to waive any immunity or defense that would otherwise be available to it against claims arising from the exercise of governmental powers and functions.
15. Applicable Law. This Agreement will be governed, interpreted, and enforced according to the laws of the State of Texas. The terms of the Agreement are severable. If any term or provision is held to be invalid, illegal, or unenforceable, the remainder of the Agreement will remain in effect.
16. Persons Bound. This Agreement is binding on the parties and their respective successors and assigns.
17. Venue. All obligations under this Agreement are performable in Travis County, Texas. The venue for any suit over a dispute based on or arising out of this Agreement will be in Travis County, Texas.

18. Party Representatives. The County designates the Tax Assessor-Collector to represent the County, and the City designates the City Controller to represent the City for all purposes related to this Agreement.
19. Authorization. The undersigned representatives warrant that they are duly authorized by their respective governing bodies to execute this Agreement on behalf of the parties.
20. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original. Signatures transmitted electronically by e-mail in a "PDF" format, by DocuSign or similar e-signature service shall have the same force and effect as original signatures in this Agreement.

EXECUTED ON BEHALF OF –

TRAVIS COUNTY, TEXAS

CITY OF AUSTIN

By: _____

Andy Brown
County Judge
P.O. Box 1748
Austin, Texas 78767-1748

By: _____

Ed Van Eenoo, CFO
Financial Services Department
P.O. Box 2920
Austin, Texas 78768

DATE: _____

DATE: _____

Approved:

Delia Garza
Travis County Attorney
P.O. Box 1748
Austin, Texas 78767
Telephone: (512) 854-9513
FAX: (512) 854-4808

By: _____

Melissa Hargis
State Bar No. 24055766
Assistant County Attorney