CONSULTING AGREEMENT
BETWEEN THE TOWN OF FLOWER MOUND
AND
HAWES HILL & ASSOCIATES

This Consulting Agreement ("Agreement") is made and entered into as of March 4, 2019 (the "Effective Date") by and between The Town of Flower Mound, TX ("Flower Mound" and "Client") and Hawes Hill & Associates, LLP ("HHA" and "Consultant").

WHEREAS Client and HHA desire to enter into an agreement for Consultant’s professional services in connection with the creation of a reinvestment zone, including the development of the required Project Plan and Reinvestment Zone Financing Plan ("Services") associated with the creation of a Tax Increment Reinvestment Zone ("TIRZ") for the approximately 32-acre tract generally depicted on the attached Exhibit "A," and known as Lakeside Village Mixed-Use development for the Town of Flower Mound, per the proposal submitted on March 28, 2018.

NOW, THEREFORE, in consideration of the premises and of the mutual promises herein, the parties hereby agree as follows:

1. Purpose: Consultant shall provide activities related to the creation of a reinvestment zone, including development of the required Project Plan and Reinvestment Zone Financing Plan, and associated administrative services to Flower Mound in order to fully establish a TIRZ for the Lakeside Village Mixed-Use development.

2. Term: This Agreement is effective as of the Effective Date and, unless terminated earlier, shall continue until satisfactory completion of the Services, anticipated to be completed on or before July 1, 2019.

3. Scope of Services: Consultant agrees to work with Client to create a TIRZ set forth as follows:
   - Conduct meetings with elected officials and staff from proposed participating jurisdictions regarding a zone creation and implementation strategy. The HHA Team will provide financial impact information to each jurisdiction and clarify how tax increment financing will impact the jurisdiction’s tax base and further each jurisdiction’s economic development goals and objectives.
   - Complete the Preliminary Project Plan and Preliminary Reinvestment Zone Financing Plan that is used in briefings on the proposed zone’s creation, including costs of all proposed public improvements. The Preliminary Project Plan will, at a minimum, include the following: a) maps showing the existing uses and conditions or real property in the zone and maps showing proposed improvements to and use of that property; b) proposed changes to any zoning ordinance applicable to the area; c) a list of the estimated non-project costs; and d) a statement of the method of relocating any persons to be displaced as a result of the implementation of the project plan. The Preliminary Financing Plan will include: a) a detailed list of estimated project costs for the zone, including administrative expenses; b) a statement listing the kind, number and location of proposed capital improvements, projects or programs to be undertaken in the zone; c) the estimated amount of bonded indebtedness to be incurred; d) the time when related costs or monetary obligations are to be incurred; e) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real property in the zone.
   - Develop and submit to the Town all documents needed to issue a notification to all area taxing jurisdictions regarding the proposed creation of the reinvestment zone. Notice must be placed in the area newspaper of general circulation in the Town.
   - Conduct a workshop (if needed) with the Town Council on the creation of the zone. Present the proposed development strategy, the process for creating the reinvestment zone, and the administrative issues associated with implementation of the project plan and reinvestment zone financing plan and serve as support staff to Town staff in their role as advisors to the elected leadership.
   - Make any recommended revisions to the Preliminary Project Plan and Preliminary Reinvestment Zone Financing Plan prior to the public hearing. Changes will include revisions to the proposed boundaries,
adjustments to related data sets associated with the area targeted for development, types and locations of proposed improvements, and any other changes required.

- Prepare and deliver to the Town and legal counsel a draft public notice of the hearing and provide copies of the Preliminary Project Plan and Preliminary Reinvestment Zone Financing Plan for distribution to all other taxing jurisdictions with the notice. In addition, the HHA team will serve as the point of contact for any questions or issues that arise related to the hearing before the hearing is held (or as support to the Town if that is determined to be more appropriate).
- Prepare presentations as needed regarding the creation of the reinvestment zone.
- Assist the Town with conducting a public hearing on the creation of the tax increment reinvestment zone. In doing so, the HHA team is happy to conduct the hearing on the Town’s behalf, or be present to serve as technical advisor to the Town during the hearing.
- Prepare and deliver to the Town and legal counsel the creation ordinance for the reinvestment zone. The ordinance will follow all of the requirements of, and make all the required statutory findings required in Chapter 311 of the Property Tax Code.
- Work with the Town to nominate and appoint an initial Board of Directors for the TIRZ.
- Prepare a final Project Plan and Reinvestment Zone Financing Plan for presentation to the Board of Directors of the TIRZ. Should any changes to the plan be required based on the public hearing process, the HHA team will incorporate the necessary changes into the document and make it ready for presentation to the TIRZ Board of Directors for their consideration and approval.
- Prepare and submit to the Town and legal counsel an ordinance for consideration by the Town Council approving the Project Plan and Reinvestment Zone Financing Plan as adopted by the TIRZ Board.
- Transmit the approved plan to all taxing jurisdictions.
- Negotiate final participation agreements with taxing jurisdictions. Each agreement will delineate the rate of participation for the jurisdiction, the term of the agreement, and any special negotiated provisions required by the jurisdiction for their participation in the TIRZ.
- Present all participation agreements to the TIRZ Board of Directors for approval.
- Prepare ordinances to submit to the Town and legal counsel for consideration by the Town of Flower Mound Town Council to approve participation agreements for other taxing jurisdictions.

4. Payment: Client agrees to pay Consultant as follows:

Client will pay Consultant $50,000 (plus pre-approved travel and reasonable out of pocket expenses) for all services and expenses related to the Services and this Agreement. Client will pay Consultant in three installments as follows:

- Upon completion of the draft Preliminary Project Plan & Financing Plan  $25,000.00
- Upon creation of the Zone by Town Council  $20,000.00
- Upon adoption of the Final Project Plan and Financing Plan by Town Council  $ 5,000.00

The Client shall reimburse the Consultant for all reasonable and necessary travel and other expenses incurred or paid by the Consultant in connection with the performance of its duties under this Agreement upon presentation of expense statements or vouchers and such other supporting information as the Client may from time to time reasonably request. However, the amount available for such travel and other expenses shall not exceed 15% ($3,000) of the contract amount. The Client will reimburse Consultant within forty-five (45) days after Client receives such supporting documentation.

5. Performance of Work: Consultant will perform its Services with care, skill, and diligence, and in accordance with currently-recognized professional standards. Consultant will also comply with all federal, state, and local laws, ordinances, codes, and regulations in performing its Services.

6. Prompt Performance of Work: Consultant shall perform all duties and services and make all decisions called for hereunder promptly and without unreasonable delay and will give these Services such priority in its office as is necessary to cause Consultant’s services hereunder to be timely and properly performed.

7. Independent Contractor: Client and Consultant intend that an independent contractor relationship be created by this Agreement. While Client will not exercise supervision of Consultant in any way, Consultant is to report
regularly to Client on work in progress. The nature and frequency of these reports will be determined with the Client in establishing a work plan and project flow.

a. Consultant is required to make appropriate filings with the taxing authorities to account for and make all payments required by the local, state, and federal authorities, including income tax, social security, and SDI payments.

b. Consultant agrees to defend, indemnify and hold Client harmless from any and all claims made by any entity on account of an alleged failure by Consultant to satisfy any such tax or withholding obligations.

8. Assignment: This Agreement may not be assigned, in whole or in part, without mutual written consent between HHA and the Client.

9. Confidential Information: Consultant agrees to maintain in strict confidence Client’s confidential information. This includes any non-public information Consultant receives directly or indirectly from the Client and their representatives or acquired or developed in the performance of the Services, including but not limited to trades secrets, reports, documents, plans, ideas, inventions, methods, designs, formulas, systems, improvements, business affairs, data and know-how and technical information of any kind whatsoever, unless such information has been publicly disclosed by the Client. Consultant further agrees that, without the prior written consent of Client, Consultant shall not, either directly or indirectly: (i) disclose any such information to anyone; (ii) use any such information for the benefit of anyone other than the owner-entity; or (iii) permit any information to be disclosed to or used by anyone other than the owner-entity.

10. Intellectual Property

a. Intellectual Property

i. Consultant acknowledges and agrees that Client shall be the sole and exclusive owner of any and all rights to any works Consultant creates or develops, alone or in conjunction with any other person or entity, while providing the Services under this Agreement, including, but not limited to, trade secrets, discoveries, processes, reports, documents, plans, ideas, inventions, methods, designs, formulas, systems, improvements, business affairs, data and know-how and technical information ("Intellectual Property").

b. Background Intellectual Property

i. Client and Consultant acknowledge and agree that each will retain any and all rights to any Intellectual Property that it owned pre-existing this Agreement or generated after this Agreement but independent of the Services ("Background Intellectual Property").

ii. If Consultant incorporates any of its Background Intellectual Property into the Intellectual Property, Consultant hereby grants a royalty-free nonexclusive and irreversible license to Client to reproduce, publish, and use such Background Intellectual Property in whole or in part and to authorize others to do so.

c. Consultant agrees that it will not use or disclose any Intellectual Property owned by Client to benefit a competitor, individual, or other entity without Client’s prior written consent.

11. Conflict Resolution/Venue: In the event of a disagreement that cannot be resolved informally, the parties shall first turn to non-binding mediation. The mediation must be conducted by a mediator mutually selected by the parties and with offices in Tarrant County or Denton County. If the parties cannot agree to a mediator or satisfactory resolution of the dispute is not reached and one party insists on legal action, the exclusive jurisdiction of any lawsuits shall be limited to state courts of Denton County, Texas, or the United States District Court for the Eastern District of Texas, Sherman Division. The prevailing party shall be entitled to court costs and reasonable attorney’s fees.

12. Insurance: Consultant shall maintain throughout the period of this Agreement and for a period of three years thereafter, the insurance coverage as set forth on the attached Exhibit "B", the provisions of which are expressly incorporated herein by reference. Consultant shall assure that any and all consultants, contractors, or subcontractors engaged or employed by Consultant carry and maintain similar insurance with reasonably prudent limits and coverage in light of the services to be rendered by such consultants, contractors, or subcontractors. The maintenance in full current force and effect of such form and amount of insurance, as
required by Exhibit "B", shall be a condition precedent to the Consultant's exercise or enforcement of any rights under this Agreement.

13. Indemnity: Consultant does hereby covenant and agree to release, indemnify and hold harmless TOWN and its officials, officers, agents, representatives, employees, and invitees, in their individual and official capacities, from and against any and all liability, claims, suits, demands, or causes of action, (including, but not limited to, attorney's fees and cost of litigation), for death or injury to property or persons arising out of the performance of this Agreement, but only to the extent occasioned by any error, omission or negligent act of CONSULTANT, its officials, officers, agents, employees, invitees, contractors, or subcontractors.

14. Termination: The Town may terminate this Agreement at any time, with or without cause, upon at least 30 days’ written notice delivered in person or by certified mail return receipt requested. Upon receipt of such notice, Consultant shall immediately discontinue all services and work in connection with the performance of this Agreement and shall proceed to cancel promptly all existing contracts and orders insofar as they relate to this Agreement.

In the event of termination, Consultant shall deliver to the Town all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs, etc., prepared by Consultant under this Agreement. In the event of any termination hereunder, Consultant consents to Town's selection of another Consultant of professional services of Town's choice to assist the Town in any way in completing the Services. Provided that Consultant has been properly paid under this Agreement, Consultant further agrees to cooperate and provide any information requested by Town in connection with the completion of the Services. Consultant shall not be responsible or liable in any manner for Town's use of unfinished work product or documents listed above.

Consultant shall be compensated for services performed and expenses incurred for satisfactory work up to the termination date. Consultant shall receive a portion of fees and expenses permitted under this Agreement in direct proportion to percentage of work actually completed up to the termination date.

15. Consultant's Representations: Consultant hereby represents, promises and warrants to Town that Consultant is financially solvent and possesses sufficient experience, licenses, authority, personnel and working capital to complete the services required hereunder

16. Severability: If any provision of this Agreement is held to be invalid, such provision shall be deemed to be amended so that the intent of the parties is fulfilled to the greatest extent possible, and the remaining provisions will continue in full force and effect.

17. Governing Law: This Agreement shall be governed according to laws of the State of Texas, without regard to principles of conflicts of law.

18. Entire Agreement; Amendment: This Agreement supersedes all prior agreements, and it can only be changed by a written document signed by all parties.

For Hawes Hill & Associates, LLP:

[Signature]

David W. Hawes, Managing Partner

Date Signed 3/27/2019

For the Town of Flower Mound, TX:

[Signature]

Steve Dixon, Mayor

3/6/2019 | 1:57 PM PST

Date Signed
Exhibit A

Concept Plan
Exhibit B

Insurance Requirements
CERTIFICATE OF LIABILITY INSURANCE

Policy Number:

Date Entered: 8/22/2018

PRODUCER
Frank Willingham Insurance Agency, Inc.
26424 Lexington Road
Spring, TX 77373

INSURED
Hawes Hill Associates LLC
Ms. Susan Hill
PO Box 22167
Houston, TX 77227-9906

CONTACT
PHONE (TX, Mo. Ed): (281) 353-4219
FAX (TX, Mo. Ed): (281) 353-6097

INSURER(S) AFFIRMING COVERAGE
INSURER A: TEXAS MUTUAL INSURANCE

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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Y/N: N/A X 0001228967

09/21/2017 09/21/2018

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

BLANKET WAIVER

CERTIFICATE HOLDER

TORN OF FLOWER MOUND
2121 CROSS TIMBERS ROAD
FLOWER MOUND, TX 75028

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

This certificate is issued as a matter of information only and conferring neither rights upon the certificate holder. This certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the policies below. This certificate of insurance does not constitute a contract between the issuing insurer and the certificate holder.

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Certificate Holder: Dan Carson

Date of Issue: [Date]

[Signature]

[Stamp]