

DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PLANO, TEXAS AND HNL INVESTMENT PROPERTIES, LLC FOR THE LAMB CRAFTED PROJECT

This Development Agreement ("Agreement") is entered into by and between the City of Plano, a Texas municipal corporation ("City"), acting by and through its duly authorized officers, and HNL Investment Properties, LLC, a Texas limited liability company ("Developer").

RECITALS

WHEREAS, the City is authorized pursuant to the laws of Texas and its Home Rule Charter to enter into agreements with persons or entities intending to undertake a project determined to be necessary or convenient to implement the project plan of a tax increment financing zone and serve its purposes; and

WHEREAS, Developer desires to rehabilitate a site of approximately 46,483 square feet located at 932 14th Street ("Property") and as shown in Exhibit "A" attached hereto; and

WHEREAS, Developer has proposed the rehabilitation of a vacant auto parts and machine shop on the Property in substantial compliance with a site plan and elevations prepared by Developer attached hereto as Exhibit "B" ("Plan" or "Development"); and

WHEREAS, Developer's proposed development is located in Tax Increment Financing Zone District No. 2 ("TIF 2") TIF 2 and is in keeping with the intent of that reinvestment zone to promote sound growth; and

WHEREAS, a portion of the proposed improvements shown in the Plan are to be funded through the revenue derived by TIF 2 in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, to promote development and redevelopment in the area through the use of tax increment financing; and

WHEREAS, the portion of the improvements that will be funded through TIF 2 revenue are identified in the current *Project Plan and Financing Plan* for TIF 2 under General Category Allocations (economic development projects; and demolition and hazard abatement), for which at least Two Hundred Thousand Dollars (\$200,000) has been budgeted; and

WHEREAS, the termination date for TIF 2 is December 31, 2029; and

WHEREAS, Developer's proposed development is consistent with the goals and objectives as set forth in the Downtown Plano Vision and Strategy Update, adopted by the City Council by Resolution No. 2013-2-20(R), dated February 25, 2013.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND OBLIGATIONS HEREIN, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. DEVELOPER'S OBLIGATIONS

Prior to receiving any funding from the City as authorized by this Agreement, Developer shall:

- A. Obtain approval of a site plan for the "Development";
- B. Provide documentation to the reasonable satisfaction of the City of financial ability to complete the obligations under this Agreement in a form acceptable to the City;
- C. Obtain all necessary City permits to begin construction of the Development and begin construction of the Development no later than April 30, 2020; Construction shall be deemed to have begun when Developer commences work (i.e., interior demolition, exterior modifications, etc.) on the Property;
- D. Complete the design, construction, and installation of the private improvements comprising the Development, at its sole cost and expense, and which when completed shall have a private investment value (land and improvements) of not less than 1 Million Dollars (\$1,000,000.00);
- E. Complete the design, construction, and installation of the façade rehabilitation described in Exhibit "C" attached hereto (the "Improvements.") The Improvements shall be designed, constructed and installed in a good and workmanlike manner in accordance with all applicable laws, statutes and ordinances, rules and regulations of the City and any other governmental authority having jurisdiction, including, without limitation, Building Code, the City Code of Ordinances and the City Zoning and Subdivision Ordinances. The Improvements shall be substantially completed on or before June 30, 2021;and
- F. After final inspection by the Building Inspections Department and a visual inspection by the Director of Special Projects or his delegee, request payment from the City in writing. Payments shall include all supporting documentation that may be reasonably requested by the City.

SECTION 2. CITY'S OBLIGATIONS

- A. The City shall perform the following obligations:
 - 1. Pay an amount not to exceed Two Hundred Thousand Dollars (\$200,000) upon Developer's completion of all of the requirements in Section 1 above and after receipt of Developer's written request for payment. Reimbursement to the Developer for "Project Costs" (as defined hereinafter) will occur after final inspection of the Improvements by the City in accordance with Section 1.E and 1.F. However, such reimbursement shall exclude "Overhead Costs" (as defined hereinafter).
 - 2. "Project Costs" means actual construction and/or installation costs for Improvements, that are described or specified on the project plans approved by the City in the not to exceed amount of \$200,000; and
 - 3. "Overhead Costs" means:
 - i. overhead and management fees of Developer;
 - ii. financing charges;
 - iii. marketing costs;

- iv. legal fees; and
 - v. payments made to entities affiliated with or related to.
- B. All payments for Improvement reimbursement to Developer under this subsection shall be payable solely from TIF 2 funds as provided by law and shall not be payable from the City's general fund or any other City fund unrelated to TIF 2 funds;
- C. The Property is located within a Neighborhood Empowerment Zone. Therefore, in addition to the reimbursements provided for in Subsection A above, the Development is eligible for all fee waivers as defined in Resolution No. 2019-12-5(R). All applicable building permits, contractor registrations and licensing must be obtained prior to the commencement of any construction work.

SECTION 3. DESIGN AND CONSTRUCTION

- A. Design management for the Improvements and the Development will be provided by Developer's designated licensed architect and/or a licensed civil engineer for the Development, or such other party as shall be mutually agreed to by the parties to this Agreement.
- B. Developer shall obtain all required local, state and federal governmental approvals and permits required for construction of the Improvements.
- C. Developer shall require its general contractor to procure and maintain insurance coverage as set forth in Exhibit "D" for the duration of the construction of the Improvements at the Property. Developer shall provide their general contractor's signed insurance certificate to the City verifying that they have obtained the required insurance coverage prior to the commencement of construction of the Improvements and naming the City of Plano as additional insured.
- D. Developer shall procure and maintain insurance coverage as set forth in Exhibit "D" for the duration of this Agreement. Developer shall provide their signed insurance certificate to the City verifying that they have obtained the required insurance coverage prior to the commencement of construction of the Improvements and naming the City of Plano as additional insured.
- E. Except as provided herein, all project designs, drawings, site plans and other documents produced by Developer in connection with the Development, including those attached to this Agreement, shall remain the property of Developer. Developer understands that the documents may be public records subject to the Texas Public Information Act.

SECTION 4. DAMAGE, DESTRUCTION, OR FAILURE OF PERFORMANCE

Should Developer fail to complete installation of the Improvements by the date specified in Section 1.E. of this Agreement, the City shall have no obligation to expend funds to reimburse the Developer for partial completion of the Improvements or to complete the Improvements.

SECTION 5. FORCE MAJEURE

It is expressly understood and agreed by the parties to this Agreement that if the commencement, progress and/or completion of the construction of the Development contemplated hereunder is delayed by reason by war; civil commotion; acts of God; inclement weather; governmental restrictions, regulations, or interferences; delays caused by the franchise utilities; fire or other casualty; court injunction; necessary condemnation proceedings; or acts of the other party, its affiliates/related entities and/or their contractors, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

SECTION 6. TERM

The term of this Agreement shall begin on the date of execution and end upon the complete performance of all obligations and conditions precedent by parties to this Agreement but in no event later than December 31, 2021. The City Manager or his designee shall have the authority to extend, in writing, the commencement and completion dates, and all other deadlines contained within the Agreement for an additional period of one year.

SECTION 7. AUTHORITY OF DEVELOPER

Developer represents and warrants to the City that Developer is duly formed, validly existing and in good standing under the laws of the State of Texas. Developer will provide a certificate of status from the Texas Secretary of State's office evidencing Developer's current legal status and authority to conduct business in Texas. Developer represents that it has full power, authority and legal right to execute and deliver this Agreement. This Agreement constitutes a legal, valid, and binding obligation of Developer and the City, enforceable in accordance with its terms.

SECTION 8. EVENTS OF DEFAULT

A default shall exist if any of the following occurs:

1. Either party fails to perform or observe any material covenant contained in this Agreement.
2. Developer becomes delinquent on ad valorem taxes owed to the City, or any other Collin County taxing unit, provided that Developer retains the right to timely and properly protest and/or contest any such taxes and during the pendency of such proceedings such taxes shall not be deemed delinquent.

A party shall immediately notify the defaulting party in writing upon becoming aware of any change in the existence of any condition or event which would constitute a default by the defaulting party under this Agreement. Such notice shall specify the nature and the period of existence thereof and what action, if any, the notifying party requires or proposes to require with respect to curing the default.

SECTION 9. REMEDIES

The defaulting party shall have thirty (30) days to cure after receiving written notice of default from a party. If a default shall continue after the thirty (30) days' notice to cure the default, the non-defaulting party may, at its option, terminate the Agreement and/or pursue any and all remedies it may be entitled to, at law or in equity, in accordance with Texas law without the necessity of further notice to or demand upon the defaulting party. However, the non-defaulting party may, at its option, provide written extension for additional time to cure if the defaulting party proceeds in good faith and with due diligence to remedy and correct the default, provided that the defaulting party has commenced to cure such default within 30 days following the original notice.

SECTION 10. BANKRUPTCY

In the event Developer files for bankruptcy, whether involuntarily or voluntary, Developer shall provide written notice to the City within three (3) business days of such event. Bankruptcy shall place Developer in immediate default with the terms and conditions of this Agreement.

SECTION 11. INDEMNIFICATION

DEVELOPER AGREES TO DEFEND, INDEMNIFY AND HOLD THE CITY AND ITS RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, FINES, PENALTIES, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM OR VIOLATIONS FOR WHICH RECOVERY OF DAMAGES, FINES, OR PENALTIES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY DEVELOPER'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, VIOLATIONS OF LAW, OR BY ANY NEGLIGENT, GROSSLY NEGLIGENT, INTENTIONAL, OR STRICTLY LIABLE ACT OR OMISSION OF DEVELOPER, ITS OFFICERS, AGENTS, EMPLOYEES, INVITEES, SUBCONTRACTORS, OR SUB-SUBCONTRACTORS AND THEIR RESPECTIVE OFFICERS, AGENTS, OR REPRESENTATIVES, OR ANY OTHER PERSONS OR ENTITIES FOR WHICH DEVELOPER IS LEGALLY RESPONSIBLE IN THE PERFORMANCE OF THIS CONTRACT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OF THE CITY, AND ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS. THE CITY DOES NOT WAIVE ANY GOVERNMENTAL IMMUNITY OR OTHER DEFENSES AVAILABLE TO IT UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. DEVELOPER AT ITS OWN EXPENSE IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ITS OWN ENTIRE DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO

INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN THE REQUIRED TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF AND DEVELOPER SHALL BE LIABLE FOR ALL COSTS INCURRED BY THE CITY.

SECTION 12. NO PROHIBITED INTEREST AND EQUAL RIGHTS COMPLIANCE

Developer acknowledges and represents it is aware of all applicable laws, City Charter, and City Code of Conduct regarding prohibited interests and that the existence of a prohibited interest at any time will render the Agreement voidable.

A. No Prohibited Interest

By entering into this Agreement, Developer confirms that it has made a reasonable inquiry and, to the best of Developer's knowledge, no person or officer of its company is employed by the City of Plano or is an elected or appointed official of the City of Plano within the restrictions of the Plano City Charter.

Developer is aware that Section 11.02 of the City Charter states:

"No officer or employee of the city shall have a financial interest, direct or indirect, in any agreement with the city, nor shall be financially interested, directly or indirectly, in the sale to the city of any land, or rights or interest in any land, materials, supplies or service. The above provision shall not apply where the interest is represented by ownership of stock in a corporation involved, provided such stock ownership amounts to less than one (1) per cent of the corporation stock. Any violation of this section shall constitute malfeasance in office, and any officer or employee of the city found guilty thereof shall thereby forfeit his office or position. Any violation of this section with the knowledge, express or implied, of the persons or corporation contracting with the city shall render the agreement voidable by the city manager or the city council."

B. Equal Rights Compliance

Section 2-11(F) of the City Code of Ordinances reads as follows:

"It shall be unlawful for an employer to discriminate against any person on the basis of race, color, sex, religion, age, national origin, genetic information, sexual orientation, gender identity, disability status or United States military/veteran status by the following actions or inactions:

- (a) for an employer to fail or refuse to hire, or to discharge, any person;
- (b) for an employer to discriminate against any person with respect to compensation, terms, conditions or privileges, of employment;
- (c) for an employer to limit, segregate or classify employees or applicants for employment in any way that would deprive or tend to deprive a person of employment or employment opportunities, or that would otherwise adversely affect a person's status as an employee;
- (d) for an employment agency to fail or refuse to refer for employment, or to otherwise discriminate against, any person because of a protected

- employment characteristic;
- (e) for an employment agency to classify or refer for employment any person, on the basis of a protected employment characteristic;
- (f) for a labor organization to exclude or expel from its membership, or to otherwise discriminate against, any person because of a protected employment characteristic;
- (g) for a labor organization to fail or refuse to refer for employment any person because of a protected employment characteristic;
- (h) for a labor organization to limit, segregate or classify its members or applicants for membership, in any way that would deprive or tend to deprive a person of employment or employment opportunities, or that would otherwise adversely affect a person's status as an employee or as an applicant for employment; or
- (i) for a labor organization to cause or attempt to cause an employer to discriminate against a person in violation of this subsection;
- (j) for an employer, a labor organization or a joint labor-management committee, to discriminate against any person because of a protected employment characteristic in the admission to, or employment in, any program established to provide apprenticeship or other training;
- (k) for an employer to print or publish, or cause to be printed or published, any notice or advertisement relating to employment by the employer that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic;
- (l) for an employment agency to print or publish, or cause to be printed or published, any notice or advertisement relating to membership in or any classification or referral for employment by the employment agency that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic; or
- (m) for a joint labor-management committee to print or publish, or cause to be printed or published, any notice or advertisement relating to admission to, or employment in, any program established to provide apprenticeship or other training by the joint labor-management committee that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic."

Developer is aware that its company, its directors, officers and employees must comply with Section 2-11(F) of the City Code of Ordinances unless an exclusion applies. Further, Developer understands that if Section 2-11(F) applies, Developer is entitled to apply to the City Manager for a waiver based on a conflict with state or federal law. The agreement will not be executed prior to the waiver issue being resolved.

Having made reasonable inquiry, Developer affirms that its company, its directors, officers and employees agree to comply with Section 2-11(F); or Developer's company is excluded from this Ordinance based on an exclusion identified in the City Code of Ordinances.

SECTION 13. NOTICES

Any notice required by this Agreement shall be deemed to be properly served if deposited in the U.S. mail by certified letter, return receipt requested, addressed to the recipient at the recipient's address shown below, subject to the right of either party to designate a different address by notice given in the manner just described.

If intended for City, to:

City of Plano
Attention: City Manager
PO Box 860358
Plano, Texas 75086-0358

If intended for Developer, to:

HNL Investment Properties, LLC
Attention: Tyson Lamb
932 14th Street
Plano, Texas 75074

SECTION 14. WRITTEN NOTICES AND APPROVALS REQUIRED

Whenever under the provisions of this Agreement and other related documents and instruments or any supplemental agreements, any request, demand, approval, notice or consent of the City or Developer is required, or whenever the City or Developer is required to agree or to take some action at the request of the other, such request, demand, approval, notice or consent, or agreement shall be in writing. Approval by City, unless otherwise provided herein, shall be by the City Manager or his designated representative and approval by Developer shall be by the CEO, CFO or Vice President or any officer of Developer so authorized (and, in any event, the officers executing this Agreement are so authorized); and either party hereto shall be authorized to act in reliance upon any such request, demand, approval, notice or consent, or agreement.

SECTION 15. GIFT TO PUBLIC SERVANT

- A. City may terminate this Agreement immediately if Developer has knowingly offered, conferred, or agreed to confer any benefit upon a City employee or official that the City employee or official is prohibited by law from accepting.
- B. For purposes of this section, "benefit" means anything reasonably regarded as economic advantage, including benefit to any other person in whose welfare the beneficiary is interested, but does not include a contribution or expenditure made and reported in accordance with law.
- C. Notwithstanding any other legal remedies, City may require Developer to remove any employee of Developer from the development of the Improvements who has violated the restrictions of this section or any similar state or federal law, and City may obtain reimbursement for any expenditures made to Developer as a result of the improper offer, agreement to confer, or conferring of a benefit to a City employee or official.

SECTION 16. CERTIFICATION

Developer certifies that it does not and will not boycott Israel during the term of this Contract. Developer has executed the Certification, attached and incorporated herein as Exhibit "E".

SECTION 17. APPLICABLE LAWS

This Agreement is made subject to the provisions of the Charter and ordinances of City, as amended, and all applicable laws of the State of Texas and federal laws.

SECTION 18. VENUE AND GOVERNING LAW

This Agreement is performable in Collin County, Texas and venue of any action arising out of this Agreement shall be exclusively in Collin County, Texas. This Agreement shall be governed and construed in accordance with the laws of the State of Texas.

SECTION 19. LEGAL CONSTRUCTION

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

SECTION 20. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

SECTION 21. CAPTIONS

The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

SECTION 22. SUCCESSORS AND ASSIGNS

- A. The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. Provided, however, this Agreement shall not be assigned without the prior consent of Developer and the City of Plano City Council, which approvals shall not be unreasonably withheld.
- B. An assignment or delegation of this Agreement to an Affiliate of Developer shall not require City Council approval and shall not result in a breach of the Agreement if the Affiliate of Developer expressly assumes all of the obligations of Developer under this Agreement for the balance of the term of this Agreement and provides evidence establishing the relationship between Developer and an Affiliate. Developer shall notify the City in writing, however, within 30 days of such assignment. "Affiliate", as used herein, includes any parent, sister, partner, joint venturer, equity investor or subsidiary entity of Developer; any entity in which Developer is a major shareholder, owns an equity interest or is a joint venturer or partner (whether general or limited). Upon such assignment, Developer shall be released from all liability hereunder. Additionally, collateral assignment of this Agreement by Developer in connection with its financing of the Development shall not require City Council approval and shall not result in a breach of this Agreement so long as all obligations of Developer herein are included in such assignment.

SECTION 23. ENTIRE AGREEMENT

This Agreement embodies the complete agreement of the parties hereto with respect to the Property, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Agreement. This Agreement is the complete and final understanding and agreement between Developer and the City with respect to the Property. Except as otherwise provided herein the agreement cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

SECTION 24. INCORPORATION OF RECITALS

The recitals set forth herein are intended, and are hereby deemed to be a part of this Agreement.

EXECUTED on the _____ day of _____, 2020, by City, signing by and through its City Manager.

CITY OF PLANO, TEXAS, a home rule municipal corporation

By: _____
Mark D. Israelson, City Manager

APPROVED AS TO FORM:

Paige Mims, City Attorney

HNL Investment Properties, LLC

By: _____
Tyson Lamb, Partner

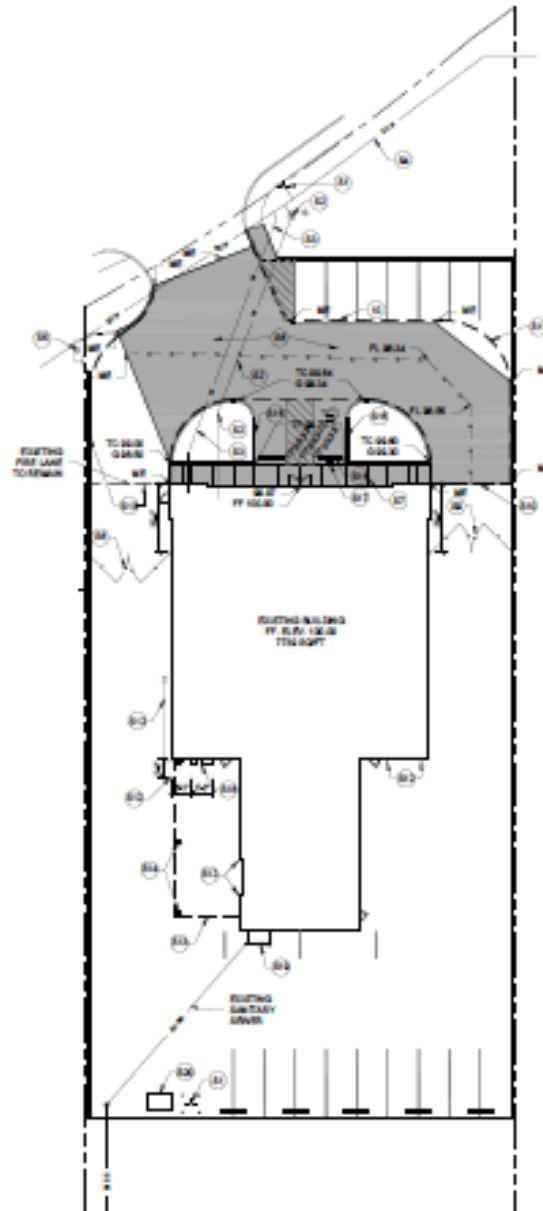
Legal Description


932 14th Street, Plano Texas 75074



EXHIBIT B

SITE PLAN



 **1** SITE PLAN
AT 1 SCALE: 1"=20' 0"

NORTH FAÇADE



GRAY/RED BRICK SCHEME

EXHIBIT C

Description and Cost Estimates of Improvements

SUMMARY DESCRIPTION AND CONSTRUCTION COST ALLOWANCE OF IMPROVEMENTS

Improvements costing up to Two Hundred Thousand Dollars (\$200,000) are comprised of the following scope items:

- Façade improvements to the north facing facades and painting of remaining building. All as depicted in Exhibit B and in conformance with all City regulations.

EXHIBIT D

Contractor's and Developer's Insurance Requirements

CITY OF PLANO GENERAL CONTRACTUAL INSURANCE REQUIREMENTS

Vendors/Contractors performing work on City property for the City of Plano shall provide the City a certificate of insurance evidencing the coverage's and coverage provisions identified herein. Vendors/Contractors shall provide the City evidence that all subcontractors performing work on the project have the same types and amounts of insurance as required herein or that the subcontractors are included under the vendors/contractor's policy. The City, at its discretion, may require a certified copy of the policies, including all relevant endorsements.

All insurance companies must be authorized by the Texas Department of Insurance to transact business in the State of Texas, must be acceptable to the City of Plano and be placed with an insurer possessing an A-VII A. M. Best rating or better.

Listed below are the types and amounts of insurance required. The City reserves the right to amend or require additional types and higher limits of coverage or provisions depending on the nature of the work.

1. The following insurance requirements, coverage's and limits apply to most minor construction (Non-CIP), renovation, service provider, installation and maintenance services, work on City property and professional service contracts.
2. Purchases of non-hazardous commodities, equipment, materials and products from distributors and retailers do not require any specific insurance.
3. Purchases or contracts involving any hazardous activity or equipment, tenant, concessionaire and lease agreements, alcohol sales, cyber-liability risks, environmental risks, special motorized equipment or property may require customized insurance requirements in addition to the general requirements listed.

Commercial General Liability Insurance—(Required for all minor construction, renovation, service provider contracts involving installation, maintenance or work on City property)

Commercial general liability insurance shall be written on an ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-complete operations, personal and advertising injury and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

The City, the City Council and its members, the City's agents, officers, directors and employees shall be included as an additional insured under the commercial general liability policy, including coverage for City with respect to liability arising out of the completed operations.

\$1,000,000 Limit per Occurrence/Aggregate

\$1,000,000 Limit for Personal/Advertising Injury and Products/Completed Operations

Commercial Automobile Liability—(Required for all contracts involving the use of vendor/contractor owned, non-owned or hired automobiles)

Vendor/contractor shall maintain business automobile liability insurance with a limit of not less than \$500,000 each accident or Combined Single Limit.

Such automobile liability insurance shall cover liability arising out of any auto (including owned, hired, and non-owned automobiles). Vendor/contractor waives all rights against City and its agents, officers, directors and employees for recovery by the commercial automobile liability obtained by vendor/contractor pursuant to this section or under any applicable automobile physical damage coverage.

Workers' Compensation & Employer Liability—(Required for all vendors/contractors with employees who perform work or contract services on City property)

Vendor/contractor shall maintain workers' compensation insurance in the amounts required by appropriate state workers compensation statutes. The employer's liability limit shall not be less than \$500,000.

Vendor/contractor waives all rights against City, the City Council and its members, the City's agents, officers, directors and employees for recovery of damages under vendors/contractor's workers' compensation and employer's liability. Vendor/contractor must cause a waiver of subrogation to be effected under its workers' compensation coverage.

Sole Proprietors and companies with no employees may be exempt from this requirement.

Professional Liability (E&O) Insurance--(Required for all Professional Service contracts including but not limited to: architects, engineers, consultants, counselors, medical professionals, attorneys, accountants, etc.)

Professional Liability Coverage (E&O) may be written on a claims made basis but must include an extended reporting period of at least three years after contract completion.

City, the City Council and its members, the City's agents, officers, directors and employees shall be included as an additional insured under the E&O policy, including coverage for City with respect to liability arising out of all errors and omissions of vendor/contractor.

Minimum Limit of \$1,000,000 Each Claim and \$1,000,000 Aggregate

EXHIBIT E

CERTIFICATION REQUIRED BY TEXAS GOVERNMENT CODE SECTION 2270.001

By signing below, Company hereby certifies the following:

1. Company does not boycott Israel; and
2. Company will not boycott Israel during the term of the contract.

Company Name: _____
SIGNED BY: _____
Print Name & Title: _____
Date Signed: _____

The following definitions apply to this state statute:

- (1) "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and
- (2) "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

This Certification is required from a Company for contracts of goods or services (which includes contracts formed through purchase orders) over \$50,000.

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