

**FIRST AMENDMENT TO THE CITY OF MCKINNEY, TEXAS  
AND  
McKINNEY SH I, LTD.  
CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT**

This First Amendment to the Chapter 380 Economic Development Agreement (the "First Amendment") by and between the **CITY OF MCKINNEY, TEXAS** (hereinafter "CITY") and **MCKINNEY SH I, LTD.**, a Texas Limited Partnership (hereinafter "MSHI") is entered into for the purposes set forth herein below.

WITNESSETH:

WHEREAS, CITY and MSHI previously entered into that certain Chapter 380 Economic Development Agreement ("Agreement") on or about the 27<sup>th</sup> day of September, 2017, for the primary purpose of providing a conditional economic development grant to MSHI based on the timely completion of one 55,000 square foot twelve (12) screen movie theater with lounge seating and food/drink delivery, and two (2) Class A retail buildings containing a total of approximately 20,250 square feet of improved conditioned retail space that was a part of a larger "Private Development," and including but not limited to the construction of certain building and site improvements and other economic development criteria to be funded by the CITY upon the timely performance of MSHI under the Agreement; and

WHEREAS, CITY and MSHI now desire to amend the Agreement to modify and amend the definition of "Public Infrastructure" and the amount of the grant provided for such "Public Infrastructure," as set forth in this First Amendment;

**NOW, THEREFORE**, for and in consideration of the agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CITY and MSHI do hereby mutually agree to amend the Agreement as follows:

1. From and after the "Effective Date" (defined hereinbelow) of this First Amendment, Section 2 entitled "DEFINITIONS" of the Agreement is amended by replacing Subparagraph h, entitled "Public Improvements," in its entirety with a new Subparagraph h that is also entitled "Public Improvements" to read as follows:

"h. Public Infrastructure. The words "Public Infrastructure" as used in this Agreement for the purpose of the Grant mean the design and construction of Bois D'Arc Road from U.S. Highway 380 (West University Drive) to Crowe Lane including a left-turn lane and a right-turn lane from northbound Bois D'Arc Road onto U.S.

Highway 380 (West University Drive) as well as a right-turn lane from eastbound U.S. Highway 380 (West University Drive) onto southbound Bois D'Arc Road together with all related appurtenances including, by way of illustration and not limitation, transitions, intersection signalization, street lighting, curb and gutter, sidewalks, and crosswalks as required by the CITY's Master Thoroughfare Plan, Street Design Standards Manual and as determined or approved by the City Engineer for a completed roadway section; the general location of the roadway component of such Public Infrastructure is more specifically shown on Exhibit A attached hereto and incorporated herein by reference."

2. From and after the "Effective Date" of this First Amendment, Section 3 entitled "GRANT FUNDING OBLIGATION OF CITY" of the Agreement is amended by replacing Subparagraph a in its entirety with a new Subparagraph a to read as follows:

"a. CITY shall fund a Grant in an amount equal to the verified, actual construction costs of constructing the entirety of the Public Infrastructure up to an amount not to exceed One Million Three Hundred Thirty-Three Thousand Dollars (\$1,333,000.00). It is specifically understood and agreed by and between MSHI and CITY that should MSHI not construct the Public Infrastructure upon and across the "MISD ROW," defined below, that the amount of the Grant will be reduced by an amount equal to the estimated cost to construct the Public Infrastructure upon and across the MISD ROW. Such reduction in the scope of work performed will result in the CITY funding a Grant in an amount equal to the verified, actual construction costs of the Public Infrastructure (exclusive of the MISD ROW segments) up to an amount not to exceed One Million One Hundred Seventy-Three Thousand Dollars (\$1,173,000.00)."

3. The effective date (the "Effective Date") of this First Amendment shall be the latter of the dates on which MSHI and CITY have each executed this First Amendment.

4. This First Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

5. All other provisions, terms and sections of the Agreement shall remain in full force and effect, and this First Amendment to the Agreement shall in no way release, affect or impair any other provision or responsibility contained in the Agreement.

**CITY OF MCKINNEY**

By: \_\_\_\_\_  
PAUL G. GRIMES  
City Manager

Date Signed: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
EMPRESS DRANE  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
MARK S. HOUSER  
City Attorney

**McKINNEY SH I, LTD.,**  
a Texas limited partnership

By: McKinney SH I GP, LLC,  
a Texas limited liability company,  
its General Partner

By:   
\_\_\_\_\_  
R. ERIC SEITZ  
Manager

Date Signed: 5-28-19