

September 9, 2015

Pflugerville Crossing, LP
Attn: Scott Mann, Managing Director
5271 Memorial Drive, 2nd Floor
Houston TX 77007

CMRRR:
VIA EMAIL:

RE: Chapter 380 Agreement – Notice of Intent to Terminate
Initial Cure Period Ends: October 19, 2015
Termination Date: January 17, 2016
Failure to Cure – Final Notice

Dear Mr. Mann:

On July 17, 2015, the city forwarded its Notice of Noncompliance to you by mail and email regarding the failure to perform required terms of the Chapter 380 Economic Development Agreement ("Agreement") between the City of Pflugerville, Texas and Pflugerville Crossing, LP. Despite your July 23, 2015 letter response, Pflugerville Crossing has not cured the default in the agreement and has provided no date certain within which it intends to cure this initial default. Additionally, when considering that pursuant to Section 6.1 of the agreement, you hold a limited and extremely aggressive time period to complete millions of dollars of infrastructure improvements in now just a little over 2 years, it appears that the performance under the agreement terms is not possible.

At this point, the city does not have the confidence it once had in this project being developed as scheduled. Rather than allowing the parties to continue in this holding pattern and the project to terminate on its own terms as provided above, the city would entertain reworking the project and developing the project into a TIRZ in place of current incentives to ensure the project is sustaining. In addition, we have had informal discussions about the inclusion of a City Hall in your development. Be aware that the City will now begin planning for a new City Hall at various other locations throughout the City.

Please contact me to discuss this alternative at your earliest convenience. Unless other actions are taken immediately to cure this matter, please consider this letter the city's written notice terminating the Agreement effective January 17, 2016 unless all defaults are cured before that date.

Sincerely,


Brandon Wade
City Manager