ECONOMIC DEVELOPMENT AGREEMENT:

City of Kyle Economic Development Agreement With Burkett Media

THIS AGREEMENT ("Agreement") is entered into as of the date the last party executed this Agreement (the "Effective Date") by and between City of Kyle, Texas ("City") and Burkett Media ("Burkett") OR ("Company"). Collectively, the City and the Company may be referred to as "Parties/" and individually as a "Party," acting by and through their respective authorized officers.

RECITALS:

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code ("Chapter 380"), the City may establish and provide for the administration of an economic development program to advance economic growth, while also stimulating business and commercial activity within the City of Kyle;

WHEREAS, Burkett Media has applied to the City for permission to post a double-sided digital billboard adjacent to Interstate 35 at Kyle Chapman Motors (18300 South IH-35), such billboard being no taller than 55 feet in height above the base of the sign pole, with advertising faces measuring 672 square feet in area ("the Digital Billboard");

WHEREAS, the Company shall construct on the Property, a Digital billboard, which will include a monopole back to back structure directly embedded into a drilled foundation and comply substantially with the Development Standards of the City of Kyle 1-35 Overlay;

WHEREAS, the Company is willing to construct and pay for the Project, including the beautification costs necessary to offset the impact of the billboard, in exchange for the City's approval of the Project subject to the terms and conditions of this Agreement;

WHEREAS, the City of Kyle wishes to encourage and to assist economic development in the City of Kyle and the greater Kyle area by utilizing the Company's Digital billboard as an introduction to the City of Kyle to advertise city-sponsored events in communities outside of the City of Kyle;

WHEREAS, the City of Kyle wishes to encourage and to assist economic development in the City of Kyle and the greater Kyle area by utilizing the Company's Digital billboard to advertise proposed developments and other opportunities for commercial investment in the City of Kyle;

WHEREAS, the City has the authority to enter into this Agreement and this Agreement sets up a structured arrangement wherein the City will have use of the Company's Digital billboard network;

NOW, THEREFORE, for and in consideration of the terms, conditions and covenants set forth herein, the parties agree as follows:

RECITALS INCORPORATED. The representations, covenants and recitations set forth in the recitals to this Agreement are material to this Agreement and are hereby found and agreed to be true and correct and are incorporated into and made a part of this Agreement for all purposes.

ARTICLE I DEFINITIONS

"City" means the City of Kyle, a municipal corporation of the State of Texas.

"Comply" and "compliance" means timely, full, and complete performance of each requirement, obligation, duty, condition, or warranty as stated in this agreement. "Comply" and "compliance" mean complete compliance in all material respects and do not mean substantial compliance, unless otherwise specifically stated.

"Construct" and "construction" mean construction in a good and workmanlike manner and in compliance with applicable State and local laws, codes and regulations (including but not limited to substantial compliance with the Development Standards of the City of Kyle 1-35 Overlay); or valid waivers thereof or variances thereunder and the construction plans approved by the City and the State of Texas.

"Development Standards of the City of Kyle 1-35 Overlay" means the development standards set forth in Chapter 53, City of Kyle Code of Ordinances.

"Digital Billboard" means a monopole sign with back to back 14' x 48' changeable electronic variable message sign faces; which permits alteration of the sign's message or images by electronic means, Including by light-emitting diodes (LEDs) or other means of digital display to present a message or images that complies with this Agreement, as generally shown in the attached exhibits and the plans approved by the City and State of Texas.

ARTICLE II PERFORMANCE CRITERIA AND DEFAULT

Section 2.01 Construction Criteria. The Company agrees and covenants that it shall:

- a) Construct or cause to be constructed and completed within Company's control the "Digital Billboard" in compliance with all City ordinances and specifications of this agreement.
 - b) The billboard shall comply with the following design and location parameters:
 - 1. The billboard shall be designed and built pursuant to the specifications provided in the attached **Exhibit A.** Any deviation from the specification in Exhibit A must be approved in writing by the City.

- 2. The billboard shall be designed and built pursuant to the rendering that is Exhibit B. Any deviation from the specification in Exhibit B must be approved in writing by the City.
- 3. The billboard shall be designed and built pursuant to the location and site rendering that is shown in Exhibit C. Any deviation from the specification in Exhibit C must be approved in writing by the City.
- c) The billboard shall comply with the following ambient light protections:
- 1. The billboard shall utilize self-adjusting technology so the brightness adjusts with the intensity of the surrounding ambient light. The Digital Billboard must automatically adjust the sign brightness so that the brightness level of the sign is no more than 0.3 foot-candles over ambient light conditions at a distance of 250 feet from the sign. A digital display sign must be equipped with both a dimmer control and photocell that automatically adjusts the display's intensity according to natural ambient light conditions.
 - a. The Digital Billboard may not increase the light level on a lot in a residential district over ambient conditions without the digital display, measured in foot-candles at the point closest to the sign that is five feet inside the residential lot and five feet above the ground.
 - b. Before the issuance of approval of the plans for the Digital Billboard, the Company shall provide written certification from the sign manufacturer that:
 - i. The light intensity has been factory programmed to comply with the maximum brightness and dimming standards in this subsection; and
 - ii. The light intensity is protected from end-use manipulation by password- protected software or other method satisfactory to the building official.

Section 2.01 Performance Criteria. The Company agrees and covenants that it shall:

- a) Maintain the billboard in good and working condition. Promptly conduct any repairs should the billboard become damaged, unsightly, or otherwise out of compliance with City ordinances or the aesthetic requirements of this agreement.
- b) The billboard shall never be used for ad copy that is sexual, profane, lewd, or attacking in nature.
- c) Advertise City of Kyle content on the digital billboard according to the terms set forth herein, without charging the City for any costs associated with doing so:

- 1. Burkett will promptly make available, in perpetuity, the LED (light emitting diode) displays installed on the Digital Billboard to City law enforcement and fire department for emergency messaging, to include Amber Alerts and other missing persons announcements, disaster evacuation information, and other urgent public safety topics. Such messages will be added to the advertising rotation promptly and will remain in the advertising rotation for 48 hours, unless more or less time is requested in relation to the nature of the emergency and the message.
- 2. Burkett will donate, in perpetuity, one space in the advertising rotation on each of the LED displays installed on the Digital Billboard to the City free-of-charge for public messages. Both spaces may be used for any City message, such as promoting City sponsored events ("Come to the Kyle Founders' Parade," "Enjoy Center Street Trick or Treat," "Celebrate Veterans at the Kyle Veterans' Day Parade," and "Come to the Pie in the Sky Festival"), City meetings, promoting business and tourism, or posting hiring notices for police, fire, and City offices. Burkett will also provide content management for such advertisements free-of-charge. The City shall provide Burkett with scaled artwork designs at least two business days in advance of the day on which the City requests to change its message on the Digital Billboard. An example of the digital advertising space is attached hereto as Exhibit D; and
- 3. The City will not sell any of the advertising space provided herein and will not use their advertising space to directly promote businesses in or out of the City except as associated with City sponsored events or deals. The City may promote events, public service messages, or similar, for other cities if doing so is considered to bring a direct benefit to the City;
- 4. Burkett shall use best efforts to tie the Digital Billboard into the Texas state system for posting emergency messages by the Division of Emergency Management, Department of Transportation, Department of Public Safety, and others as they enter the program; and
- d) Burkett shall provide preferred, discounted rates off standard advertising rates to all local groups, churches, and businesses with their primary offices located inside of the Kyle city limits. Such discount shall be at least fifteen percent (15%) off the standard rate (known as "rate card" in the industry) once the advertiser makes clear they are located within the city limits; and
- e) Burkett will pay a one-time beautification and impact fee of one hundred fifty thousand dollars (\$150,000) upon issuance of the City permit. Such payment shall be made payable to "City of Kyle, Texas" and shall be paid at the time of issuance any and all City permits needed for the Digital Billboard; and
- f) Burkett will make a one-time donation of ten thousand dollars (\$10,000) to the City of Kyle Arts and Cultural Commission at the time of issuance of any and all City permits needed for the Digital Billboard; and

g) Burkett will pay its legal counsel to provide any requested assistance in updating the City's sign ordinance, if requested.

ARTICLE III BREACH AND REMEDIES

Section 3.01 Remedies. The Parties expressly recognize and acknowledge:

- a) that a breach of this Agreement by either Party may cause damage to the non-breaching Party for which there will not be an adequate remedy at law. Accordingly, in addition to all the rights and remedies provided by the laws of the State of Texas, in the event of a breach hereof by either Party, the other Party shall be entitled, but not limited to, the equitable remedy of specific performance or a writ of mandamus to compel any necessary action by the breaching Party.
- b) that the specifications, conditions, and performance requirements herein will attach to the permit provided by the City. Therefore, in addition to any judicial enforcement through breach of contract, Burkett is also subject to enforcement through any and all remedies available through code and permit violations including, but not limited to, citations and permit revocation.
- c) Each of the Parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other Party.

Section 3.02 Default. A party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such party fails to perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

Section 3.03 Notice of Default or Breach.

The complaining Party must give the non-complaining Party written notice of default or breach, including specification of the alleged default(s) or breach(es), and a cure period of at least 30 days. Notice must be sent by certified mail, return receipt requested, but may also be sent by other methods; notice, however, is effective only as of the date delivery of the certified mail correspondence is initially attempted. The Parties' addresses for notice are:

City of Kyle

Attn: City Manager 100 W Center St Kyle, TX 78640

Burkett Media

Attention: Beau Burkett PO Box 163266 Austin, TD 78716-3266

Section 3.04 Mediation.

If a dispute arises out of or relates to this Agreement or the breach thereof, the Parties shall first in good faith seek to resolve the dispute through negotiation between the upper management of each respective Party. If such dispute cannot be settled through negotiation, the Parties agree to try in good faith to settle the dispute by mediation before resorting to litigation, or some other dispute resolution procedure; provided that a Party may not invoke mediation unless it has provided the other Party with written notice of the dispute and has attempted in good faith to resolve such dispute through negotiation. All costs of negotiation and mediation collectively known as alternate dispute resolution ("ADR") shall be assessed equally between the City and Company with each party bearing their own costs for attorney's fees, experts, and other costs of ADR and any ensuing litigation.

ARTICLE IV COVENANTS AND DUTIES

Section 4.01Company's Covenants and Duties.

Company makes the following covenants and warranties to the City and agrees to timely and fully perform the obligations and duties contained in Article II of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Company.

- a) Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement.
- b) The execution of this Agreement has been duly authorized by the Company, and the individual signing this Agreement on behalf of the Company is empowered to execute such Agreement and bind the company. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of the agreement, by-laws, or of any agreement or instrument to which Company is a party to or by which it may be bound.
- c) The Company is not a party to any bankruptcy proceedings currently pending or contemplated, and Company has not been informed of any potential involuntary bankruptcy proceedings.
- d) The Company agrees to obtain or cause to be obtained, all necessary permits and approvals from City and/or all other governmental agencies having jurisdiction over the Project on the Property which lie within the City limits including payment of any required permit or annual fees.
- e) The Company shall obtain City approval of plans and specifications for the Project improvements prior to starting any construction.

f) The Company shall have a continuing duty to cooperate with the City in providing all necessary information to assist City in complying with this Agreement; and to execute such other and further documents as may be reasonably required to comply therewith.

Section 4.02 Representation and Warranties by the City of Kyle.

- a) The City of Kyle agrees to authorize the construction of a Digital Billboard on the Property according to the specifications and requirements provided herein. The City of Kyle represents and warrants that this Agreement is within the scope of its authority, and that it has been duly authorized and empowered to enter this agreement.
- b) The City of Kyle agrees to adhere to the Company's standard operating procedures for placing outdoor advertising and the Company's advertising content specifications.

ARTICLE V TERMINATION

Section 5.01 Termination.

This Agreement shall terminate upon the earliest occurrence of any one or more of the following: (a) The written agreement of the Parties; (b) The Agreement's Expiration Date; or (c) An uncured Default by the Company, if the City elects to terminate the Agreement for an Uncured Default.

Section 5.02 Agreement Expiration Date.

The agreement shall expire upon the twentieth anniversary of this agreement at the option of Burkett or its successor. This will automatically renew annually thereafter unless written notice of termination is provided by Burkett or its successor.

ARTICLE VI MISCELLANEOUS PROVISIONS

Section 6.01 Limitations on Liability.

No public official or employee shall be personally responsible for any liability arising under or growing out of this Agreement. The City shall not be liable for consequential damages, specifically lost profits, and any damages claimed against the City shall be limited to amounts recoverable under §271.153 of the Texas Local Government Code; provided that the parties agree that this Agreement shall not be interpreted as or otherwise claimed to be a waiver of sovereignty on the part of the City.

Section 6.02 Force Majeure.

In the event either Party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, then the obligations of such Party, to the extent affected by such force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused, to the extent provided, but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose

contractual obligations are affected thereby shall give notice and the full of such force majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence.

The term "force majeure" as employed herein shall mean and refer, without limitation, to acts of God; strikes and/or lockouts; acts of public enemies, orders of any kind of the government of the United States, the State of Texas or any civil or military authority (other than the City): insurrections; riots; lightning, earthquakes, fires, hurricanes, storms, floods and other natural disasters; washouts and other weather-related delays' restraint of government and people; civil disturbance; explosions; or other causes not reasonably within the control of the party claiming such inability.

If, because of force majeure, any party hereto shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then such party shall give written notice of the full of such force majeure to the other party within thirty (30) days after the occurrence thereof. The obligations of the party giving such notice, to the extent effected by the force majeure, shall be suspended during the continuance of the inability claimed except as hereinafter provide, but of no longer period, and the party shall endeavor to remove or overcome such inability with all reasonable dispatch.

It is understood and agreed that the settlement of strikes and lockouts shall entirely within the discretion of the party having the difficulty, and that the above requirement and any force majeure shall be remedied with all reasonable dispatch shall not require that the settlement be unfavorable in the judgment of the party having the difficulty.

Section 6.03 Independent Contractors.

It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, the Company or its subcontractors or tenants at no time will be acting as agents of the City. The Parties hereto understand and agree that the City will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by the Company under this Agreement, unless any such claims are due to the fault of the City.

Section 6.04 Interpretation.

Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

Section 6.05 Section or Other Headings.

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 6.06 Entire Agreement.

This Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein. Any Exhibits attached hereto are incorporated by reference for all purposes.

Section 6.07 Amendment.

This Agreement may only be amended, altered, or revoked by written instrument signed by the parties and as approved by the City Council of the City of Kyle, Texas.

Section 6.08 Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns; provided however (i) the benefits of this Agreement in favor of the Company may not be assigned to any party, without written permission from the City.

Section 6.09 Applicable Law and Venue.

This Agreement is made and all obligations arising hereunder shall be construed and interpreted under the laws of the State of Texas and the venue for any action arising from the Agreement shall be Hays County, Texas.

Section 6.10 Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

Section 6.11 No Additional Waiver Implied.

The failure of either Party to insist upon performance of any provision of this Agreement shall not be construed as a waiver of the future performance of such provision by the other Party.

Section 6.12 Parties In Interest.

This Agreement shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any rights upon any third parties.

Section 6.13 Severability.

If any provision of this Agreement or the application thereof to any person or circumstances is ever judicially declared invalid, such provision shall be deemed severed from this Agreement and the remaining portions of this Agreement shall remain in effect.

Section 6.14 Indemnification.

BURKETT COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS, CITY AND (AND THEIR ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, AND REPRESENTATIVES), INDIVIDUALLY AND COLLECTIVELY, FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE BROUGHT BY ANY THIRD PARTY AND RELATING TO COMPANY'S ACTIONS PURSUANT TO THIS AGREEMENT OR USE OF THE BILLBOARD.

THE INDEMNIFICATION HERE IN INCLUDES BUT NOT LIMITED TO, PERSONAL INJURY OR DEATH AND PROPERTY DAMAGE, MADE UPON CITY OR DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO COMPANY OR

COMPANY'S TENANTS' OR ASSIGN'S NEGLIGENCE, WILLFUL MISCONDUCT OR CRIMINAL CONDUCT IN ITS ACTIVITIES UNDER THIS AGREEMENT, INCLUDING ANY SUCH ACTS OR OMISSIONS OF COMPANY OR COMPANY'S TENANTS OR ASSIGNS, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONSULTANTS OF COMPANY OR COMPANY'S TENANTS OR ASSIGNS, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES WHILE IN THE EXERCISE OR PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT.

INDEMNIFICATION HERE IN DOES NOT WAIVE ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY, UNDER TEXAS OR FEDERAL LAW, AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS OR FEDERAL LAW. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE CITY AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. COMPANY SHALL PROMPTLY ADVISE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST CITY, RELATED TO OR ARISING OUT OF COMPANY OR COMPANY'S TENANTS' ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT COMPANY'S COST TO THE EXTENT REQUIRED UNDER THE INDEMNITY IN THIS PARAGRAPH. CITY SHALL HAVE THE RIGHT, AT THEIR OPTION AND AT THEIR OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING COMPANY OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

IT IS THE EXPRESS INTENT OF THE PARTIES TO THIS AGREEMENT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH, SHALL NOT BE AN INDEMNITY EXTENDED BY COMPANY TO INDEMNIFY, PROTECT AND HOLD HARMLESS CITY FROM THE CONSEQUENCES OF THE CITY'S OWN NEGLIGENCE OR INTENTIONAL MISCONDUCT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL APPLY ONLY, TO THE EXTENT OF ANY COMPARATIVE NEGLIGENCE STATUTES AND FINDINGS, WHEN THE NEGLIGENT ACT OF CITY IS A CONTRIBUTORY CAUSE OF THE RESULTANT INJURY, DEATH, OR DAMAGE, AND IT SHALL HAVE NO APPLICATION WHEN THE NEGLIGENT ACT OF CITY IS THE SOLE CAUSE OF THE RESULTANT INJURY, DEATH, OR DAMAGE. COMPANY FURTHER AGREES TO DEFEND, AT ITS OWN EXPENSE AND ON BEHALF OF CITY AND IN THE NAME OF CITY ANY CLAIM OR LITIGATION BROUGHT AGAINST CITY (AND ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES), IN CONNECTION WITH ANY SUCH INJURY, DEATH, OR DAMAGE FOR WHICH THIS INDEMNITY SHALL APPLY, AS SET FORTH ABOVE.

IT IS THE EXPRESS INTENT OF THIS SECTION THAT THE INDEMNITY PROVIDED TO THE CITY AND THE COMPANY SHALL SURVIVE THE TERMINATION AND OR EXPIRATION OF THIS AGREEMENT AND SHALL BE BROADLY INTEREPRETED AT ALL TIMES TO PROVIDE THE MAXIMUM INDEMNIFCATION OF THE CITY AND/ OR THEIR OFFICERS, EMPLOYEES AND ELECTED OFFICIALS PERMITTED BY LAW.

IN WITNESS, WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of equal dignity, to be effective on the latest date of execution. Any party may change the address which notices are to be sent by giving the other parties written notice in the manner provided herein.

COMPANY: Burkett Media

By:

Title: Beau Burkett, Manager

Date: March 2, 2023

CITY:

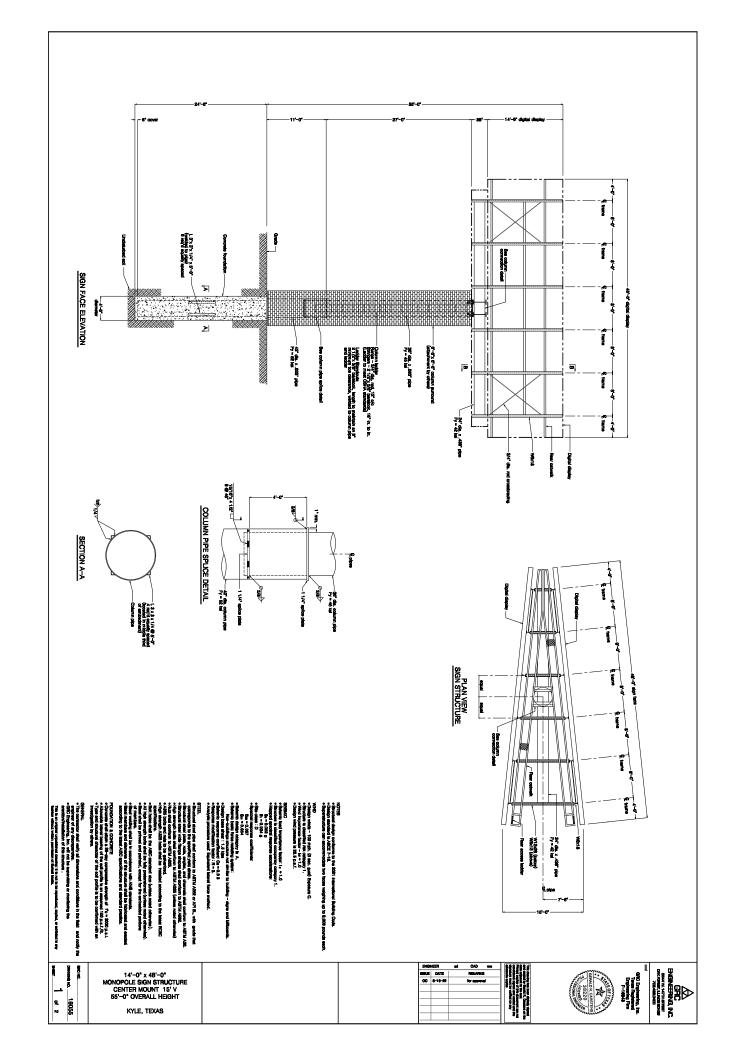
City of Kyle, Texas

By:

Title: Travis Mitchell, Mayor

Date: 3/1/2023

Exhibit "A"



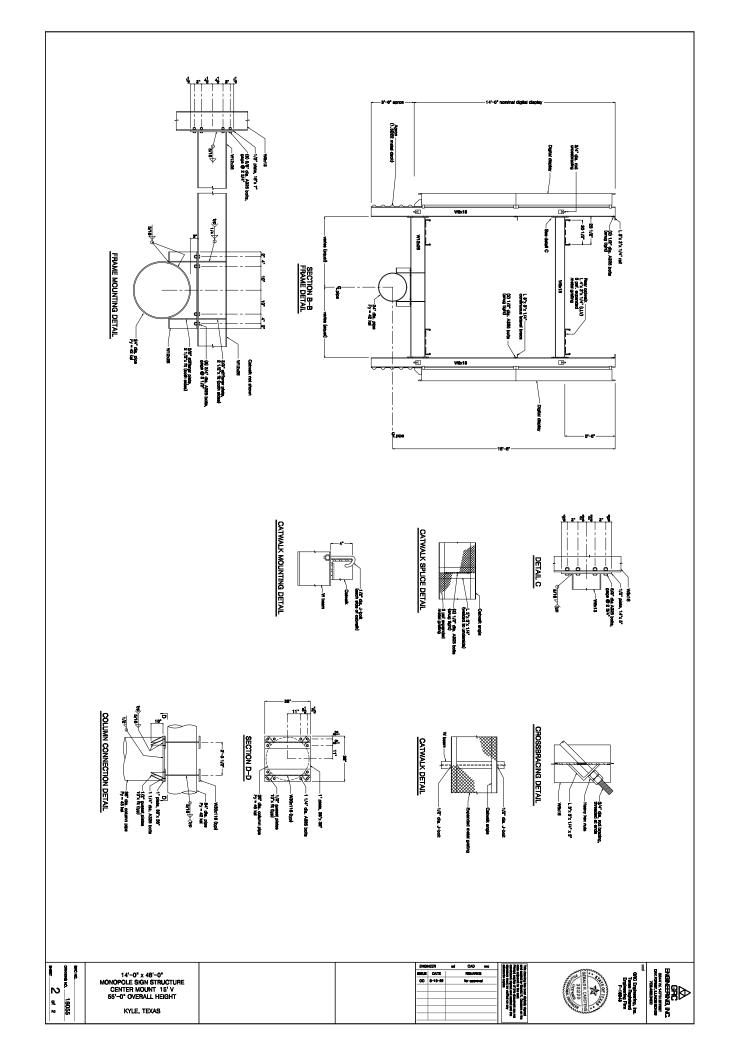


Exhibit "B"

Burkett Media - Kyle, TX - Sign Rendering & Sign Location Map

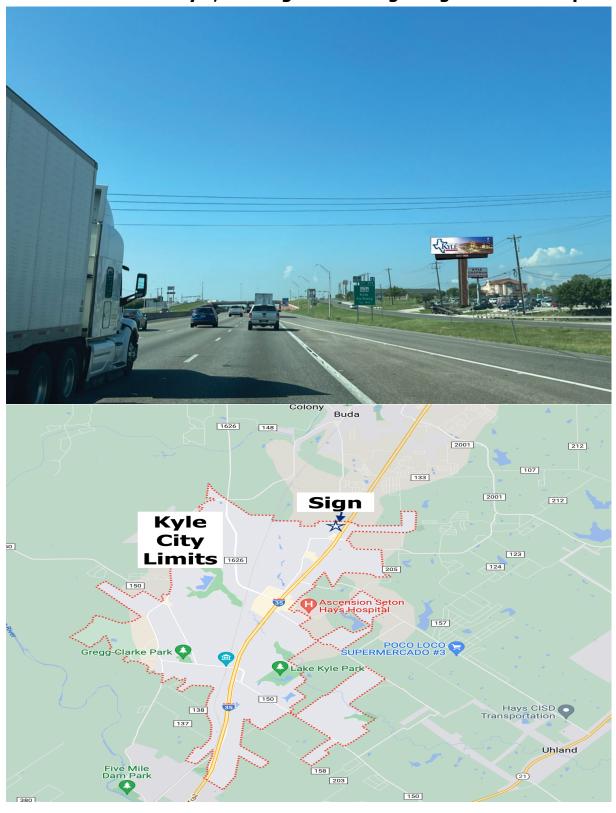


Exhibit "C"



Burkett Media: Site Plan - 18300 S IH-35 (Kyle Chapman Motors Site) New Gateway Billboard

Exhibit "D"

Free City Promotional Ad Design Examples



