

FIRST AMENDMENT TO THE FUNDING AGREEMENT
BY AND BETWEEN
CITY OF MISSION, TEXAS AND
THE GREATER MISSION CHAMBER OF COMMERCE, INC.

This **FIRST AMENDMENT to FUNDING AGREEMENT by and between City of Mission, Texas and the Greater Mission Chamber of Commerce, Inc.** (the “First Amendment”) is, now, entered between the City of Mission, Texas, a home-rule Texas municipal corporation (the “City”) and the Greater Mission Chamber of Commerce, Inc. (the “Chamber”), and is effective as of the December 18, 2023.

WHEREAS, the City and Chamber entered into the Funding Agreement by and between City of Mission, Texas and the Greater Mission Chamber of Commerce, Inc. on September 26, 2022, and made effective October 1, 2022 (the “Original Agreement”) in consideration for the Chamber to advertise and promote tourism for the visitor market from which the City derives direct tourism income funds, see **Exhibit A**, attached hereto and incorporated herein by reference; and

WHEREAS, since the execution of the Original Agreement the parties have identified terms that should be further clarified; and

WHEREAS, the City and Chamber desire to amend the Original Agreement as is set forth in this First Amendment.

NOW, THEREFORE, for and in consideration of the premises and mutual agreements and covenants set forth herein, the City and Chamber agree as follows:

AGREEMENTS AND COVENANTS

1. The foregoing recitals are incorporated into this First Amendment by reference as findings of fact as if expressly set forth herein.
2. Amendments to the Original Agreement:

A. Under Section 3 of the Original Agreement, City and Chamber agree to amend this clause to read as follows:

III:

The following Performance Measures will be used as indicators of the services being provided by the Chamber:

- A. Increased Sales Tax Revenues
- B. Increased Hotel Occupancy Tax Revenues
- C. Enhance to maintain business relationships with tourism partners, ie. Hoteliers, RV Parks, etc.
- D. Timely and thorough tourism and financial reporting
- E. Creativity and innovation exhibited in Chamber Programs
- F. Level of participation at Chamber tourism activities

B. Under Section 6 of the Original Agreement, City and Chamber agree to amend this clause to read as follows:

VI:

The Chamber shall provide to the City bi-monthly reports, on the activities that are conducted to benefit the City, as well as an annual review by a certified financial firm (to be aligned with accreditation industry standards) and statement listing the expenditures made from revenue from the local hotel occupancy tax. This audit shall be presented no later than the third quarter of the Fiscal Year. It is further agreed by the Chamber that it shall maintain said revenue in a separate account established for that purpose and that it shall not co-mingle that revenue with any other money or maintain it in any other account.

The Chamber shall maintain complete and accurate financial records of each expenditure of local hotel occupancy tax revenue and, upon request by the City, shall make the records available for inspection and review.

C. Under Section 8 of the Original Agreement, City and Chamber agree to amend this clause to read as follows:

VIII:

The City agrees to pay the Chamber Hotel Occupancy Tax Funds in the annual sum of \$310,000.00 payable in quarterly installments. Such payments will be dependent upon and shall not exceed the availability of Hotel Occupancy Revenues for the fiscal year contracted.

Payment for services to the Chamber shall be based upon requests for reimbursement with proper documentation. Payment will be made in compliance with and as required by state legislative law, and as amended. The City shall have the right to audit and inspect the Chamber's record in order to verify expenditures.

3. Representations and Warranties: The City and Chamber each represent and warrant to each other respectively that they have the requisite power and authority to enter into this First Amendment; that all necessary and appropriate approvals, authorizations and other steps have been taken to effect the legality of this First Amendment; that signatories executing this First Amendment on behalf of such party has been duly authorized and empowered to execute this First Amendment on behalf of such party; and that this First Amendment is valid and shall be binding upon and enforceable against the Parties and their successors and assigns and shall inure to the benefit of the parties and their successors and assigns.

4. Ratification of Agreement: Except as specifically modified by this First Amendment, all the terms and conditions of the Original Agreement remain in full force and effect and are hereby ratified by the City and Chamber. Notwithstanding the foregoing, in the event there is any conflict

between the terms and provisions of the Original Agreement and this First Amendment, the terms and provisions of this First Amendment shall control.

5. No Oral Modification: This First Amendment and the Original Agreement cannot be further modified in any manner other than by written modification executed by the City and Chamber.

6. Counterparts: This First Amendment may be executed in any number of counter parts, each of which shall be deemed an original. Electronic (email) copies of the signature pages to this First Amendment shall be deemed to be originals for all purposes of this First Amendment.

EXECUTED, THIS FIRST AMENDMENT IS EFFECTIVE AS OF THE DATE SET FORTH ABOVE.

GREATER MISSION OF CHAMBER OF COMMERCE, INC:

By: _____

Name [PRINT]: _____

CHAIRMAN OF THE BOARD

CITY OF MISSION:

NORIE GONZALEZ GARZA, MAYOR