



**AGENDA
MAY 19, 2020
TAX INCREMENT REINVESTMENT ZONE (TIF) BOARD
(CITY COUNCIL)
REGULAR MEETING
6:30 PM**

**DIAL IN TO PARTICIPATE: (425) 436-6349
or (844) 854-2222; enter ACCESS CODE: 856485**

In accordance with the orders of the Office of the Governor, the meeting will be conducted by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of the Coronavirus (COVID-19). There will be no physical location for the meeting. The meeting agenda and packet are posted online at www.cityoflavon.com.

The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting. A recording of the telephonic meeting will be made and will be available to the public in accordance with the Open Meetings Act upon written request.

- 1. PRESIDING OFFICER TO CALL THE MEETING TO ORDER AND ANNOUNCE THAT A QUORUM IS PRESENT**
- 2. INVOCATION**
- 3. CITIZENS COMMENTS**
Citizens may provide comments (3-minute time limit/person). The response regarding items that are not on the agenda may be to request the items to be placed on a future agenda or referred to city staff.
- 4. EXECUTIVE SESSION**
In accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council may recess into Executive Session (closed meeting) to discuss the following items pursuant to Section 551.071: Consultation with City Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Grand Heritage Development.
- 5. RECONVENE INTO REGULAR SESSION**
Consider and take any action necessary as a result of executive session.
- 6. ITEMS FOR CONSIDERATION**
 - A.** Discussion and action regarding the Minutes of the May 5, 2020 meeting.
 - B.** Discussion and action regarding Resolution No. 2020-05-02-TIF recommending approval of a Letter Agreement Mutually Terminating an Amended and Restated Master Development Agreement between the City of Lavon, Texas and World Land Developers, L.P. and authorizing payments as set forth therein; recommending approval of termination of the City of Lavon, Texas and Collin County, Texas Agreement to Participate in Reinvestment Zone Number One, City of Lavon; recommending termination of the Zone upon fulfillment of all obligations and termination of all agreements; and providing for an effective date.
- 7. PRESIDING OFFICER TO ADJOURN THE MEETING**

This is to certify that this Agenda was duly posted on the City's website at www.cityoflavon.com and at City Hall and on or before 6:00 PM on May 15, 2020.



Kim Dobbs, City Administrator/City Secretary

Lavon City Hall will provide reasonable accommodations for persons attending meetings. Please contact the City Secretary at 972-843-4220 no later than 48 hours prior to a meeting if you require special assistance | WiFi password: Guest2014



**MINUTES
MAY 5, 2020
LAVON TAX INCREMENT REINVESTMENT ZONE (TIF) BOARD
REGULAR MEETING
TELEPHONIC MEETING
CITY HALL, 120 SCHOOL ROAD, LAVON, TEXAS
6:00 P.M.**

The meeting was conducted telephonically in accordance with the orders of the Office of the Governor in order to advance the public health goal of limiting face-to-face meetings to slow the spread of the Coronavirus (COVID-19). The meeting agenda and packet were posted on the city website prior to the meeting.

ATTENDING: KAY WRIGHT, CHAIRMAN SEAT 3
JOHN KELL, SEAT 1
MIKE COOK, SEAT 2
TED DILL, SEAT 4
MINDI SERKLAND, SEAT 5

1. **CHAIRMAN KAY WRIGHT CALLED THE MEETING TO ORDER AT 6:00 P.M., TOOK ROLL AND CONFIRMED A QUORUM PRESENT.**
2. **CHAIRMAN WRIGHT OBSERVED A MOMENT OF SILENCE**
3. **CITIZENS COMMENTS**

There were no comments.

4. **EXECUTIVE SESSION**

At 6:03 p.m., in accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council may recess into Executive Session (closed meeting) to discuss the following items pursuant to Section 551.071; under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.

- 1) Section 551.071 Consultation with Attorney regarding the Grand Heritage Development.

5. **RECONVENE INTO REGULAR SESSION**

In accordance with Texas Government Code, Section 551.001, et seq., Chairman Wright reconvened the meeting at 6:42 p.m. and stated that no action was taken in executive session.

6. **ITEMS FOR CONSIDERATION**

- A. **Discussion and action regarding Resolution No. 2020-05-01-TIF of the Board of Directors of Reinvestment Zone Number One, City of Lavon, Texas, adopting a project and Financing Plan for Tax Increment Reinvestment Zone Number One, City of Lavon, Texas; and providing an effective date.**

City Administrator Kim Dobbs provided information regarding the resolution and introduced Mary Petty, P3Works, LLC who offered to answer questions regarding the matter.

MOTION: APPROVE RESOLUTION NO. 2020-05-01-TIF OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF LAVON, TEXAS, ADOPTING A PROJECT AND FINANCING PLAN FOR TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, CITY OF LAVON, TEXAS; AND PROVIDING AN EFFECTIVE DATE SUBJECT TO THE SATISFACTION OF CITY ATTORNEY.

MOTION MADE: SERKLAND
SECONDED: KELL
APPROVED: UNANIMOUS
The Chairman called roll for the vote:

PLACE 1-JOHN KELL	FOR
PLACE 2-MIKE COOK	FOR
PLACE 3-KAY WRIGHT	FOR
PLACE 4-TED DILL	FOR
PLACE 5-MINIDI SERKLAND	FOR

7. CHAIRMAN WRIGHT ADJOURNED THE TAX INCREMENT REINVESTMENT ZONE (TIFF) BOARD MEETING AT 6:46 P.M.

DULY PASSED and APPROVED by the TIFF Board of Lavon, Texas, on this 19th day of May 2020.

Vicki Sanson
Mayor

ATTEST:

Kim Dobbs
City Administrator/City Secretary

CITY OF LAVON, TEXAS
TIRZ NO. 1 BOARD OF DIRECTORS
RESOLUTION NO. 2020-05-02-TIF

A RESOLUTION RECOMMENDING APPROVAL OF A LETTER AGREEMENT MUTUALLY TERMINATING AN AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAVON, TEXAS AND WORLD LAND DEVELOPERS, L.P. AND AUTHORIZING PAYMENTS AS SET FORTH THEREIN; RECOMMENDING APPROVAL OF TERMINATION OF THE CITY OF LAVON, TEXAS AND COLLIN COUNTY, TEXAS AGREEMENT TO PARTICIPATE IN REINVESTMENT ZONE NUMBER ONE, CITY OF LAVON; RECOMMENDING TERMINATION OF THE ZONE UPON FULFILLMENT OF ALL OBLIGATIONS AND TERMINATION OF ALL AGREEMENTS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Board of Directors of the Reinvestment Zone Number One, City of Lavon (“Zone”) has determined that it is in the best interest of the citizens of the City to terminate an existing Amended and Restated Master Development Agreement by recommending to the City Council that it approve the “Letter Agreement” mutually terminating such agreement attached hereto as Exhibit “A” and recommending approval of payments as contemplated in the Letter Agreement; and

WHEREAS, the Board of Directors has determined that the purpose and obligations of the “City of Lavon, Texas and Collin County, Texas Agreement to Participate in Reinvestment Zone Number One, City of Lavon” (“County Agreement”) have been fulfilled and that the County Agreement should be terminated by the City and Collin County; and

WHEREAS, The Board of Directors recommends termination of the Zone upon (a) termination of the Letter Agreement and making of payments due thereunder, (b) payment of all administrative costs, (c) disbursement of any remaining funds to the City and County pursuant to the Zone’s Project and Financing Plan (collectively the “Remaining Obligations”), and (d) termination of the County Agreement by the City and by Collin County; and

WHEREAS, the Board of Directors has determined that the Remaining Obligations constitute all obligations of the Zone.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REIMBURSEMENT ZONE NUMBER ONE, CITY OF LAVON, TEXAS, THAT:

SECTION 1: Recitals Incorporated. The findings recited above are incorporated as if fully set forth in the body of this Resolution.

SECTION 2: Approval of Letter Agreement and Payment. The Board of Directors of the Zone hereby recommends approval of the Letter Agreement, a copy of which is attached hereto as Exhibit "A", mutually terminating the Amended and Restated Master Development Agreement by and between the City of Lavon and World Land Developers, L.P., dated February 20, 2007, and the making of the payment(s) in the amounts, and at the times, as set forth in Exhibit "A", following execution by all parties.

SECTION 3: Termination of County Agreement. The Board of Directors of the Zone hereby recommends termination of the County Agreement.

SECTION 4: Termination of Zone. The Board of Directors of the Zone hereby finds that upon payment of the Remaining Obligations all obligations of the Zone will be fulfilled. The Board of Directors recommends termination of the Zone upon payment of the Remaining Obligations and termination of the County Agreement.

SECTION 5: This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED on the 19th day of May 2020.

APPROVED:

ATTEST:

Kay Wright, Chair

Kim Dobbs, City Administrator

EXHIBIT A

GRAND HERITAGE

MUTUAL TERMINATION OF AMENDED AND RESTATED

MASTER DEVELOPMENT AGREEMENT

**GRAND HERITAGE
MUTUAL TERMINATION OF AMENDED AND RESTATED
MASTER DEVELOPMENT AGREEMENT**

Via Certified Mail Return Receipt Requested:

World Land Partners, L.P. and Petro-Hunt, LLC
Attn: Alan Bain
1601 Elm Street, Ste. 3400
Dallas, TX 75201

Re: Mutual Termination of Master Development Agreement (this "Letter Agreement")

Dear Sir:

This Letter Agreement binds the signatories to the terms herein.

On February 20, 2007, the City Council of the City of Lavon, Texas (the "City"), a general-law municipality, (hereinafter referred to as the "City"), approved the Amended and Restated Master Development Agreement, related to infrastructure in the Grand Heritage development (the "Master Development Agreement"), between the City and the developer of Grand Heritage, World Land Partners, LP (the "Developer"). Capitalized terms not defined herein shall have the same meaning as in the Master Development Agreement.

In accordance with Section 10.10 of the Master Development Agreement, the Master Development Agreement may be terminated when Developer has been fully reimbursed for all expenditures set forth therein and upon termination of the 4B Reimbursement Agreement and the TIF Reimbursement Agreement.

Developer and City agree and acknowledge that Temporary Note No. 2, the 4B Corporation Plan Participation Agreement, the 4B Reimbursement Agreement and the TIF Reimbursement Agreement (a) were never adopted or executed by the City or Developer, (b) never created obligations, and (c) did not create any rights to monetary compensation.

Developer and City further agree and acknowledge that all rights and obligations created under the Master Development Agreement will be fulfilled by City reimbursing Developer \$1,388,980.59 (the "Final Payout").

Upon execution of this Letter Agreement by the City and Developer, the Master Development Agreement is terminated. The City shall pay Developer the Final Payout before June 30, 2020 as full payment for any reimbursements, or other amounts, owed, or claimed to be owed, to Developer under the Master Development Agreement . Other than the amount of \$1,665,000.00 presently owed under Temporary Note No. 1, Developer expressly acknowledges

and agrees no other amounts, whether under the Master Development Agreement or any document referenced therein, are required to be paid to Developer by City, whether from general funds, public improvement district assessments, or funds from Reinvestment Zone Number One, City of Lavon. Developer consents to the termination of Reinvestment Zone Number One, City of Lavon. Developer further consents to termination of the County's TIF Participation Agreement.

Developer and City both represent and acknowledge that they have not pledged, assigned, transferred or otherwise conveyed any of their rights or obligations under the Master Development Agreement and the documents referenced therein to any other party, except that the Construction and Funding Agreement and Temporary Note No. 1 will be, or have been, assigned by Developer to Bloomfield Homes, L.P., a Texas limited partnership. Developer represents and acknowledges that no other party besides Developer is entitled to the Final Payout.

This Letter Agreement is entered into upon mutual consent of the City and Developer, and the City and Developer agree that no party to the Master Development Agreement is in default of the Master Development Agreement. All claims which could be made, whether known or unknown, by one Party against the other as of the date of this Letter Agreement are completely and finally waived by the Parties.

The signatories to the Letter Agreement warrant and represent that they have full authority to bind the Party they are signing on behalf of. This Letter Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A signature of a party transmitted by facsimile or by other electronic means shall be binding on such party to the same extent as an original signature. If this Letter Agreement is signed by the Parties or Party and delivered by means of facsimile or other electronic transmission, the Parties agree promptly to thereafter exchange original, executed counterparts thereof, but failure to do so shall not affect the validity, enforceability or binding effect thereof.

SIGNED AND EFFECTIVE on the date last set forth below.

[EXECUTION PAGE FOLLOWS]

WORLD LAND DEVELOPERS, LP,
a Texas limited partnership

By: World Land Developers GP, LLC,
a Texas limited liability company, its General Partner

By: _____
Alan Bain, Vice President

Date: _____

CITY OF LAVON, TEXAS

By: _____
Vicki Sanson, Mayor

Date: _____

ATTEST:

By: _____
Kim Dobbs, City Administrator