

**RESOLUTION 2013-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER ONE, CITY OF LA FERIA, TEXAS (THE "ZONE") APPROVING THE FINANCIAL PARTICIPATION OF THE ZONE IN THE FUNDING OF INSTALLATION OF OFF-SITE UTILITIES RELATED TO SUNRISE TERRACE SUBDIVISION, BEING UNDEVELOPED REAL PROPERTY LOCATED IN THE ZONE (THE "PROJECT)", AS CONSISTENT WITH THE FINANCE AND DEVELOPMENT PLAN OF THE ZONE, AND AUTHORIZING THE CHAIRMAN OR THE VICE CHAIRMAN OF THE ZONE TO EXECUTE A DEVELOPMENT AGREEMENT OBLIGATING THE EXPENDITURE OF ZONE FUNDS FOR THE PROJECT ON SUCH TERMS AND CONDITIONS AS SUCH OFFICERS DEEM TO BE IN THE BEST INTEREST OF THE ZONE**

WHEREAS, by Ordinance No. 2007-15, as amended by Ordinance No. 2012-02, the City of La Feria, Texas (the "City") in association with the County of Cameron (the "County") created the Zone to promote the common good and general welfare of the area included in the Zone and neighboring areas, as more particularly described in said ordinances, and as the boundaries may be amended from time to time; and

WHEREAS, pursuant to Chapter 311, Texas Tax Code (the "Act"), the Zone has adopted a Final Project Plan and Financing Plan (the "Plan") which provides for, among other things, the payment of eligible Public Improvement Costs from the tax increment funds received by the Zone in accordance with the Plan; and

WHEREAS, the Act and the Plan provide that the Zone may enter into agreements as the Zone considers necessary or convenient to implement the Plan and achieve its purposes; and

WHEREAS, SOUTH TEXAS COLLABORATIVE FOR HOUSING DEVELOPMENT, INC., ("STCHD") owns or controls certain undeveloped land within the Zone which it is seeking to develop through, in part, the establishment of a single-family residential subdivision containing 71 lots through a financing arrangement with the Texas Department of Housing and Community Affairs to be known as Sunrise Terrace (the "Project"); and

WHEREAS, as part of such Project, STCHD intends to install offsite water/sewer lines and a lift station which will be dedicated to the City and to cooperate with the area's designated electric provider to extend electric service to the Project (the "Public Improvements") which Public Improvements will serve not only the development of the Sunrise Project but the development of the entire surrounding area; and

WHEREAS, the Zone's Board of Directors has determined that the Tax Increment Fund of the Zone has currently available funds necessary for payment of the Zone's obligations as herein provided and that it is in the best interest of the Zone and the City to contract with STCHD in order

to provide for the efficient and effective implementation of certain aspects of the Project and the Plan.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ZONE AS FOLLOWS:**

1. The recitals set forth above are found to be true and correct and are hereby adopted by the Zone and made part of this Resolution 2013-01 for all purposes.
2. The Chairman or Vice Chairman of the Zone are authorized and directed to negotiate, execute and deliver a Development Agreement with SOUTH TEXAS COLLABORATIVE FOR HOUSING DEVELOPMENT, INC., to provide financing in an amount not to exceed TWO HUNDRED NINETY THOUSAND AND NO/100 DOLLARS (\$290,000.00) in Zone funds in relation to the construction of the off-site Public Improvements related to the development of Sunrise Terrace Subdivision as described above on such terms and conditions which said officers deem to be in the best interest of the Zone and otherwise in compliance with applicable law and the Plan.
3. The City of La Feria, as the designated financial management agency for the Zone and the Zone's Tax Increment Fund, is authorized and directed to disburse and deliver current funds of the Zone in accordance with the terms and conditions of such final and executed Development Agreement.

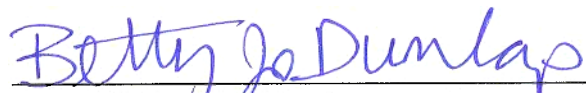
**PASSED AND APPROVED THIS 3<sup>rd</sup> DAY OF SEPTEMBER 2013.**



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**STEVE BREWER, Chairman**

**ATTEST:**



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**BETTY JO DUNLAP, Secretary/Treasurer**