

**RESOLUTION NO. 616
DEVELOPMENT AGREEMENT
EXECUTION RESOLUTION**

**A RESOLUTION OF THE CITY OF TERRELL, TEXAS
AUTHORIZING THE EXECUTION OF A DEVELOPMENT
AGREEMENT BETWEEN TERRELL MARKET CENTER,
LTD AND BAYLOR HEALTH CARE SYSTEM ON BEHALF
OF THE TAX INCREMENT FINANCING REINVESTMENT
ZONE NO. 1.**

WHEREAS, the City Council of the City of Terrell, Texas recognizes the importance of its role in local economic development; and

WHEREAS, on November 20, 2007 , the City Council approved Ordinance No. 2355 establishing Tax Increment Financing (TIF) Reinvestment Zone Number One, City of Terrell, Texas (TIF District), in accordance with the Tax Increment Financing Act, as amended (V.C.T.A., Tax Code, Chapter 311, hereafter the "Act") to promote development in the TIF District through the use of tax increment financing; and

WHEREAS, the City Council, pursuant to Ordinance No. 2384, approved on September 23, 2008 authorized the final TIF District Project Plan and Reinvestment Zone Financing Plan; and

WHEREAS, the two (2) prior City Council actions referenced above provide for the TIF District to provide funding on construction of roadways, utilities and drainage located in the TIF District; and NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:

Section 1. The City Manager is hereby authorized to execute a development agreement between Terrell Market Center, Ltd., Baylor Health Care System and the City of Terrell, on behalf of the Tax Increment Financing District, in an amount not to exceed \$7,826,483 for funding for roadways, drainage, landscaping/signage, water and sewer. In the event the cost exceeds \$7,826,483, the scope of the project shall be reduced to remain within the budget or Terrell Market Center, Ltd agrees to fund the excess above \$7,826,483 with no TIF reimbursement.

Section 2. That Terrell Market Center, LTD shall be reimbursed from the TIF District Tax Increment Funds in accordance with the terms of the development agreement, but only to the extent such TIF District Tax Increment Funds are available for such purpose.

Section 3. That nothing in this resolution shall be construed to require the City to approve reimbursements from any source of City funds other than the TIF District Tax Increment Fund or to require the City to issue Tax Increment bonds, said issuing of such bonds being within the sole discretion of the City Council; and upon expiration of the terms of the TIF District as provided in Ordinance No. 2355, any funds advanced by Terrell Market Center, LTD under the development agreement with interest accrued thereon that remain unreimbursed, due to lack or unavailability of TIF District Funds shall no longer be considered project costs of the TIF District, and the obligation of the TIF District or the City to reimburse shall automatically expire.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Terrell, and it is accordingly so resolved.

PASSED AND APPROVED ON THIS THE 7TH DAY OF OCTOBER, 2008.

HAL RICHARDS, MAYOR

ATTEST:

JOHN ROUNSAVALL, CITY SECRETARY