

**ORDER APPROVING AN INTERLOCAL AGREEMENT WITH THE CITY OF EDINBURG, TEXAS IN CONNECTION WITH REINVESTMENT ZONE NUMBER FOUR, CITY OF EDINBURG, TEXAS**

**WHEREAS**, representatives of the **CITY OF EDINBURG, TEXAS** (the "**City**") have advised **HIDALGO COUNTY, TEXAS** (the "**County**") that pursuant to Ordinance No. 07-3211 adopted by the City Council of the City on November 19, 2013, the City authorized the creation of **REINVESTMENT ZONE NUMBER FOUR, CITY OF EDINBURG, TEXAS** (the "**Zone**") in accordance with the provisions of Chapter 311, Texas Tax Code, as amended (the "**Act**"); and

**WHEREAS**, representatives of the City have further advised the County that pursuant to authority granted in Section 311.007(c) of the Act, on January 20, 2015, the City Council of the City (after giving published notice and holding a public hearing in the same manner as required for the original designation of the Zone, which provisions are set forth in Section 311.003(c) of the Act) approved Ordinance No. 2015-3794 for the purpose of extending the termination date of the Reinvestment Zone from December 31, 2043 to December 31, 2045; and

**WHEREAS**, representatives of the City have further advised the County that the City Council desires to bring to the City a new first-class, indoor multipurpose event center, to be located on approximately 49.57 acres of land at the corner of Alberta Road and State Highway 281 in the City, which is expected to include approximately 8,500 fixed seats, 10 luxury suites, 1,200 club seats, a restaurant/club area, locker rooms, offices for sports team personnel, offices for facility management, and a marquee, and will be designed to host a variety of entertainment events, including sporting events such as basketball and ice hockey, concerts, family shows and trade shows (which, together with related parking and infrastructure, is herein referred to as the "**Entertainment Center Project**"); and

**WHEREAS**, the Entertainment Center Project will be located within the County and the boundaries of the Zone; and

**WHEREAS**, the City and the County now deem it necessary and appropriate to enter into an interlocal agreement for the purposes of establishing their obligations with respect to the payment of tax increment revenues generated from certain ad valorem taxes levied within the Zone, as permitted by the Act, which payments will be used to support certain "Contract Revenue Bonds" being issued by the *City of Edinburg, Texas Local Government Finance Corporation* to finance a portion of the costs to construct and equip and Entertainment Center Project, all as set forth in that certain *Interlocal Agreement* between the City and the County relating to the Zone (the "**Interlocal Agreement**"); and

**WHEREAS**, a substantially final draft of the Interlocal Agreement has been presented to and reviewed by the staff and the Commissioners Court of the County, and the Commissioners Court of the County has determined that it is necessary and appropriate to assist with financing the Entertainment Center Project, and will be beneficial to the Zone, by approving the Interlocal Agreement to accomplish the purposes set forth therein; and

**WHEREAS**, based on information submitted to the County by the City and the Zone, the County has determined that pursuant to Section VI.3.a.i. of the Amended and Restated Tax Increment Reinvestment Participation Policy for Hidalgo County the special circumstances exist with respect to the Project such that the County will participate in the Zone at the rate and for the duration as set forth in the Interlocal Agreement; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Order was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; **NOW THEREFORE**:

**BE IT ORDERED BY THE COMMISSIONERS COURT OF HIDALGO COUNTY TEXAS:**

**SECTION 1. APPROVAL OF INTERLOCAL AGREEMENT.** The Interlocal Agreement is hereby approved in substantially the form attached hereto as Exhibit "I", with such changes thereto as are approved by the County Judge of the County, with advice of attorneys for the County, and the County Judge of the County is authorized to execute, and the County Clerk of the County is authorized to attest, the Interlocal Agreement on behalf of the County and deliver same, and when executed and delivered, the Interlocal Agreement shall become a valid and binding obligation of the County in accordance with its terms.

**SECTION 2. ENFORCEABILITY OF ORDER.** If any section, paragraph, clause, or provision of this Order shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Order. In case any obligation of the County authorized or established by this Order or the Interlocal Agreement is held to be in violation of law as applied to any person or any circumstance, such obligation shall be deemed to be the obligation of the County to the fullest extent permitted by law.

**SECTION 3. INCORPORATION OF RECITALS.** The Commissioners Court hereby finds that the statements set forth in the recitals of this Order are true and correct, and the Commissioners Court hereby incorporates such recitals as a part of this Order.

**SECTION 4. EFFECTIVE DATE.** This Order shall become effective immediately from the date of its passage by the Commissioners Court.

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**PASSED, APPROVED and ADOPTED this 10<sup>th</sup> day of March, 2015.**

**HIDALGO COUNTY, TEXAS**

By: \_\_\_\_\_  
Ramon Garcia  
County Judge  
Hidalgo County, Texas

ATTEST:

\_\_\_\_\_  
Arturo Guajardo, Jr.  
Hidalgo County Clerk

Signature Page to the Order Approving an Interlocal Agreement with Hidalgo County, Texas  
in Connection with Reinvestment Zone Number Four, City of Edinburg, Texas

**EXHIBIT I TO COUNTY ORDER**

**INTERLOCAL AGREEMENT AMONG THE CITY OF EDINBURG, TEXAS, HIDALGO COUNTY,  
TEXAS AND REINVESTMENT ZONE NUMBER FOUR, CITY OF EDINBURG, TEXAS**