

**ORDER APPROVING AMENDED AND RESTATED INTERLOCAL
AGREEMENT AMONG HIDALGO COUNTY, CITY OF PENITAS AND
REINVESTMENT ZONE NUMBER ONE, CITY OF PENITAS**

WHEREAS, in 2004, the City Commission of the **CITY OF PENITAS, TEXAS** (the “**City**”) created **REINVESTMENT ZONE NUMBER ONE, CITY OF PENITAS, TEXAS** (the “**Zone**”) in accordance with the provisions of Chapter 311, Texas Tax Code, as amended; and

WHEREAS, **HIDALGO COUNTY, TEXAS** (the “**County**”) agreed to participate in the Zone, based on the benefits for economic development that will be generated through the creation of, and participation by the County in, the project; and

WHEREAS, the City, the County, and the Zone entered into that certain *Interlocal Agreement*, effective March 3, 2009 (the “**Interlocal Agreement**”), which provides for the City and the County to participate in the Zone; and

WHEREAS, due to a myriad of issues, including an unanticipated downturn in the economy that negatively impacted development in Texas, and significantly delayed development in the Zone, the City and the board of the Zone decided to extend the term of the Zone and requested the County agree to the extended term and to changes to the Project Plan and Reinvestment Zone Financing Plan (the “**Plan**”); and

WHEREAS, the proposed extended term exceeds the limit in the Amended and Restated Tax Increment Reinvestment Zone Participation Policy for Hidalgo County (the “**TIRZ Policy**”), which required an exception, limited to this Zone, to the TIRZ Policy be allowed by Commissioners Court in order for the County to participate in the Zone for an extended period, which has been granted to the extent required to permit the Zone term to be extended in accordance with the final Amended and Restated Interlocal Agreement (defined below) ; and

WHEREAS, the City and the board of the Zone took various actions to amend the Plan and adopt and execute amendments to the Interlocal Agreement, and

WHEREAS, in order to implement the parties intent with respect to extending the term of the Zone, the parties now deem it necessary and appropriate to amend and restate the Interlocal Agreement, all as set forth in that certain *Amended and Restated Interlocal Agreement* (the “**Amended and Restated Interlocal Agreement**”) among the parties dated December 18, 2018; and

WHEREAS, the Commissioners Court of the County approved a substantially final draft of the Amended and Restated Agreement, with such changes thereto as are approved by the County Judge of the County, with advice of the County's attorneys; and

WHEREAS, the necessary revisions to complete and finalize the Amended and Restated Interlocal Agreement have now been made;

WHEREAS, the final Amended and Restated Agreement has been presented to and reviewed by the Commissioners Court of the County, and the Commissioners Court of the County has determined that it is necessary and appropriate to ratify the prior action by approving

the final Amended and Restated Interlocal Agreement in order to accomplish the purposes set forth therein; 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 AMENDED AND RESTATED INTERLOCAL AGREEMENT. The Amended and Restated Interlocal Agreement is hereby approved in the form attached hereto as Exhibit "T", and the County Judge is authorized to execute, and the County Clerk is authorized to attest, the Amended and Restated Interlocal Agreement on behalf of the County and deliver same, and when executed and delivered, the Amended and Restated 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 Amended and Restated 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 Curt hereby incorporates such recitals as a part of this Order.

SECTION 4. EFFECTIVE DATE. This Order shall become effective immediately upon on the passage hereof.

PASSED, APPROVED and ADOPTED this 18th day of December, 2018.

HIDALGO COUNTY, TEXAS

By: _____

Ramon Garcia
County Judge
Hidalgo County, Texas

ATTEST:

Arturo Guajardo, Jr.
Hidalgo County Clerk

Exhibit I to County Order

FINAL AMENDED AND RESTATED INTERLOCAL AGREEMENT