

**REINVESTMENT ZONE NO. 5 RESOLUTION 2021-01**

**ADOPTING AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR THE SAN MARCOS, TEXAS TAX INCREMENT REINVESTMENT ZONE NO. 5 IN DOWNTOWN SAN MARCOS, RECOMMENDING THAT THE CITY OF SAN MARCOS, TEXAS APPROVE THE AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN; AND OTHER MATTERS IN CONNECTION THEREWITH.**

**WHEREAS**, the City Council (the “Council”) of the City of San Marcos, Texas (the “City”) adopted Ordinance No. 2011-150R on December 6, 2011, which designated the San Marcos, Texas Reinvestment Zone No. 5 (the “Zone”) pursuant to Section 3111.005(a) of the Tax Increment Finance Act, Texas Tax Code, Chapter 311, as amended (the “Act”), and

**WHEREAS**, the Board of Directors of the Zone (the “Zone Board”) prepared and adopted a Project Plan and Reinvestment Zone Financing Plan (the “Project and Financing Plan”) for the Zone in Reinvestment Zone No. 5 Resolution 2020-04 pursuant to Section 311.011 of the Act, and

**WHEREAS**, the Council adopted Resolution No. 2011-145R on November 14, 2011, which gave effect to the Project and Financing Plan pursuant to Section 311.011(d) of the Act, and

**WHEREAS**, pursuant to Section 311.011(e) of the Act, the Zone Board at any time may adopt an amendment to the Project and Financing Plan consistent with the requirement and limitation of the Act, which shall take effect upon approval by the Council in accordance with Section 311.011(e) of the Act, and

**WHEREAS**, the “Zone Board” amended the Project and Financing Plan and Council adopted Ordinance No. 2020-46 on June 18, 2020 approving the amended plan that included adding eligible projects and associated eligible project costs, including the acquisition of property for parking and other public priorities, and approved amending the tax increment participation interlocal agreement with Hays County to reduce the City’s and County’s contribution rate of the tax increment deposited into the tax increment fund from 70 percent to 25 percent for one year and

**WHEREAS**, the Zone Board desires to amend the Project and Financing Plan to include the continued reduction in the City’s and County’s contribution rate of the tax increment deposited into the tax increment fund from 70 percent to 25 percent for one additional year, as set forth and further described in the amended Project and Financing Plan (the “Amended Project and Financing Plan”) attached as Exhibit A,

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MARCOS, TEXAS REINVESTMENT ZONE NO. 5:**

**SECTION 1. ADOPTING THE AMENDED PROJECT AND FINANCING PLAN.**  
The Zone Board hereby adopts the Amended Project and Financing Plan for the Zone with

modifications to conform to the final business terms as agreed to by the City Manager of the City and directs its submission to the Council for approval.

**SECTION 2. RECOMMENDING THE CITY APPROVE THE AMENDED PROJECT AND FINANCING PLAN.** The Zone Board recommends that the City approve the Amended Project and Financing Plan reflecting the reduction in the City's and County's contribution rate of the tax increment deposited into the tax increment fund from 70 percent to 25 percent for one additional year, as set forth and further described in the amended Project and Financing Plan.

**SECTION 3. FURTHER PROCEEDINGS.** The Zone Board is authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the documents approved hereby or otherwise to give effect to the action authorized hereby and the intent hereof including revising any necessary documents to conform to the terms hereof or State law.

**SECTION 4. INCORPORATION OF RECITALS.** The Zone Board hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Zone Board hereby incorporates such recitals as part of this Resolution.

**SECTION 5. SEVERABILITY.** If any provisions of this Resolution or the application thereof to any circumstances shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, as if such invalid provision had never appeared herein, and the Zone Board hereby declares that this Resolution would have been enacted without such invalid provisions.

PASSED APPROVED THIS 22<sup>nd</sup> DAY OF March, 2021.

By: Jane Hughson  
Chairperson, Board of Directors

**EXHIBIT A**  
Amended Project and Financing Plan