

**LORENA TIRZ #1 EAST
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY, FEBRUARY 1, 2021, AT 6:30 P.M.
VIRTUAL MEETING, ONLINE VIA ZOOM**

Join Zoom Meeting

<https://us02web.zoom.us/j/87672568889?pwd=QVlZRTNsVmF5YXlyaEp4QjFsS2NtZz09>

Meeting ID: 876 7256 8889

Passcode: 894843

One tap mobile

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Dial by your location

+1 346 248 7799

Meeting ID: 876 7256 8889

Passcode: 894843

MINUTES

Call to Order and Verification of Agenda Posting

The meeting was convened at 6:33 pm and Chairman Coleman noted that the meeting was posted in accordance with the requirements of the Texas Open Meetings Act and a quorum was present. Members Present: Bill Coleman, Chuck Roper, Chad Hanson, Tommy Ross, Commissioner Jim Smith and William Callan. Members Not Present: Steve Meadows. Also Present: Joseph Pace (City Manager), Jason Mundo of Mundo and Associates, Inc. (TIRZ Administration and Program Management Consultants), Chrissy Brault (McLennan County); Mark Rizzuto (WB Development).

1. Welcome and Introduction of the new County Commissioner to the Lorena TIRZ #1 East Board.

Chairman Coleman introduced and welcomed Precinct 1 County Commissioner Smith to the TIRZ Board.

2. Discussion and possible action to approve Lorena TIRZ #1 East Meeting Minutes – December 7, 2020;

The Board reviewed the meeting minutes. Chuck Roper moved to approve the Lorena TIRZ #1 East Meeting Minutes – December 7, 2020. William Callan seconded the motion. The motion was unanimously approved.

3. Update on Path Forward of Lorena TIRZ #1 East.

Mr. Mundo updated the Board on the Administration of Lorena TIRZ #1 East.

December 2020 - Administration Contract:

meeting preparation; drafting of TIRZ agenda, preparation of financial reports, review of invoices, coordination with Gary Tully sending him commercial realtor prospect interested in Lorena Crossing; meeting preparation; sent TIRZ Agenda to Chairman Coleman for review; preparation of TIRZ Path Forward document; preparation of October meeting minutes; sent agenda to city secretary for posting at city hall; posted agenda to website; sent board pack and meeting login info to Board; TIRZ meeting preparation; conduct TIRZ meeting; reviewed prepared and coordinated with City Financial Officer on payment and processing of monthly invoices approved at the TIRZ meeting Monday night; send Semi Annual report to Chrissy for processing by County Commissioners; posted Semi Annual report to website, updated listing for County Commissioner seat 7 on the website, posted October minutes to the website; collected sent requested water line and sewer line utility information to the realtor for the Barnes property on IH-35; completion of Semi-Annual report for period July – December 2020

January 2021 - Administration Contract

preparation of financial report, preparation of cash flow report, preparation of invoices, review of certificate of obligation payments, compilation of Financial Pack; preparation of TIRZ Financial Pack; sent Financial Pack to Chairman for review, also sent Chairman the completed TIRZ Semi-Annual Report for the period July to December 2020; sent October TIRZ minutes to City Financial Officer for use in 2020 audit; drafting of December meeting minutes; sent draft of December meeting minutes to City Financial Officer for use in 2020 City Audit; sent TIRZ Financial Pack approved by Chairman to City Financial Officer for processing and payment; sent completed TIRZ Semi-Annual Report for the period July to December 2020 to Chrissy Brault of the County for use by the County Commissioners; coordination with Chrissy Brault of County on projected TIRZ meetings in 2021; TIRZ meeting and Board pack preparation; drafting of meeting agenda, preparation of monthly financial report and cash flow report, review of invoices to process including bond agent fees and city audit payment; TIRZ meeting and Board pack preparation; drafting of Path Forward document; coordination with City Financial Officer on Bond Agent fees; coordination with city Financial Officer on TIRZ share of City audit; coordination with Gary Tully sending reminder of Feb. 1 \$50,000 annual contribution to TIRZ; coordination with EDC Treasurer Mark McLean sending reminder of EDC's Feb. 1 \$15,000 contribution

from EDC to TIRZ; coordination with City Financial Officer sending reminder of City's Feb. 1 \$15,000 contribution from City to TIRZ; updating of Path Forward report; update and revisions to 2/1 meeting agenda; sent draft TIRZ meeting agenda to Chairman for review and approval; coordination with legal counsel Bovey & Cochran requesting invoice for inclusion in monthly financial reports and invoices; posting of TIRZ Agenda to website; review of Bovey & Cochran invoice; coordination with Bovey & Cochran regarding invoice; update monthly financial report and cash flow report with legal invoice; update of Path Forward report; update of Board Pack; send agenda to City for posting; send Board Pack to Board;

Look Ahead Months: 2/01/21 to 4/01/2021

Administration Contract (may include but not limited to):

Preparation of annual TIF Registry report to State Comptroller and submit to State.

Review and tracking of State of Texas Legislative Session for bills and legislation that may negatively impact Lorena TIRZ #1 East;

Preparation of TIRZ Financial Pack in March including preparation and review of all financial reports and invoices for February services. Coordination with City on approval and payment of those invoices.

Project Planning: Pct. 1/TIRZ Park Project Planning.(Implementation of TIRZ Project Plan)

Coordination with Tax Assessor/Collector regarding rollback taxes in properties changing from Ag to residential and commercial zoning.

Website updates as needed and any other administrative items as they arise.

Any additional coordination with TIRZ and City as needed regarding suggested path forward steps to address annexation and development issues and move forward with proposed Loera, McElla, Braswell, and Mitchell-Tully developments.

4. Update on Loera Residential Development

City Manager Pace updated the Board that the Final Plat and Construction Plans had been approved and that residential home construction had begun.

5. Update on McElla and Braswell voluntary annexation

City Manager Pace updated the Board that the City and the city's new attorney had begun coordination with McElla and Braswell regarding the voluntary annexation now that the new city attorney was hired.

6. Update on residential development of McElla properties.

Regarding next steps for their residential development, Land owner William Callan and Mark Rizzuto of WB Development updated the Board that they are coordinating with the City of Waco to release them from the CCN so that water can be provided. They added they will be coordinating with the new city attorney on their planned development.

7. Update on development interest in Braswell Properties

Consultant Mundo updated the Board that in November/December the Lorena EDC had teamed with the Waco Chamber to market the Braswell Properties to a statewide prospect for a commercial greenhouse development that produces salad greens. Mundo added that the prospect visited the Braswell site in mid-January for a site visit also attended by Mundo (LEDC & TIRZ), the Waco Chamber, and City Staff. This site visit was part of a multi-site tour by the prospect from visiting prospective sites from Austin to Dallas including 3 in the greater Waco area. The prospect clearly liked the site during the visit. Chairman Coleman requested that Mundo reach out to Braswell to visit with the Board if available regarding his development plans. Mundo noted that he would reach out to Braswell and added that he will continue coordination with the prospect. It was discussed that if the Lorena/Braswell site were selected, the proposed commercial greenhouse development would cover 60 acres, create \$40 Million capital improvements, and generate \$217,000 in property taxes annually, \$150,000 of which would go to the TIRZ. Additionally, the greenhouse would create 120 full-time jobs at \$45,000 avg. annual salary. The 120 employees will be new shoppers at Lorena's stores creating sales tax and many of them will be new home buyers in Lorena as well.

8. Update on development of Mitchell-Tully Properties.

Mr. Mundo stated that he had no new update on development but noted that previously Gary Tully had noted that he was in a non-disclosure agreement with a developer and planned to be proceeding with development mid-year.

9. Update on TIRZ Precinct 1 Park.

Consultant Mundo updated the Board that in coordination with the City of Waco, he learned that the City of Waco had approved the plat for what will be the Precinct 1 parkland. Mundo added that next steps would be to coordinate with the City of Waco to develop the long-term lease of the land for the Precinct 1 Park.

10. Update on completion of Lorena TIRZ #1 East Semi-Annual Report for period July – December 2020.

Consultant Mundo updated the Board that the Lorena TIRZ #1 East Semi-Annual Report for the period July – December 2020 had been completed and submitted to the County to fulfill our reporting requirement with the County. Mundo added that he would be posting it to the website as well.

11. Update on State of Texas Legislative Session.

Consultant Mundo updated the Board that the Legislative Session had begun and currently there were no bills filed with significant impacts to Lorena TIRZ #1 East or Tax Increment Financing. A few bills were discussed with minor impacts to property tax regulations. It was noted that the legislative session had slowly begun with a pause during the time of the presidential inauguration for security reasons, so most bills would be filed in the coming 2 months.

12. Update on grant opportunities from federal/state COVID response that can assist Lorena TIRZ #1 East.

Consultant Mundo updated the Board that he is watching for forthcoming infrastructure related grant funding opportunities from the federal and state COVID response and the forthcoming federal stimulus that can assist Lorena TIRZ #1 East and Lorena address its water infrastructure needs on the east side of Lorena. Mr. Mundo referenced as an example previous federal CARES Act funding which paid for 80% of infrastructure and anticipates similar programs in the coming months.

13. Discussion and possible action(s) to approve the following financial reports and invoices:

A) Lorena TIRZ #1 East monthly Financial Report and monthly Cash Flow Report;

***Lorena TIRZ #1 East
Minutes of Regular Meeting of the Board of Directors
Monday, February 1, 2021***

- B) Mundo and Associates invoice representing Administration services January 2021;
- C) Bond Agent Fees for Certificates of Obligation Series 2017, Series 2017A, Series 2018;
- D) Payment to City for TIRZ Share of City Audit;
- E) Bovey Cochran invoice representing TIRZ legal services January 2021.

The Board reviewed and discussed items A through E listed above. Commissioner Jim Smith moved to approve items A through E listed below:

A. Lorena TIRZ #1 East Financial Report and Cash Flow Report.

B: authorize payment of \$2,000.00 to Mundo and Associates representing Administration services January 2021

C: authorize payment of \$2,047.50 to City of Lorena representing Bond Agent Fees for Certificates of Obligation Series 2017, Series 2017A, and Series 2018 for period Feb. 15 2021-Feb. 14 2022.

D: authorize payment of \$500 to City of Lorena representing Lorena TIRZ #1 East share of the City of Lorena 2020 audit.

C: authorize payments of \$167.30 to Bovey Cochran for TIRZ Legal services January 2021

Tommy Ross seconded the motion. The motion was unanimously approved.

14. Adjournment

The meeting was adjourned at 7:26 pm

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

Bill Coleman, Board Chairman, Date

Chuck Roper, Board Secretary, Date