

TOWN OF HORIZON CITY REINVESTMENT ZONE NUMBER ONE

BYLAWS

ARTICLE I. POWERS AND PURPOSE

Section 1. Financing Development or Redevelopment in the Zone. In order to implement the purposes for which Reinvestment Zone No. One, Town of Horizon City, Texas ("Zone") was formed, as set forth in Ordinance No. 0264, dated December 8, 2020, creating the Zone, the Town of Horizon City, Texas (the "City") may issue obligations to finance all or part of the cost of implementing the "project plan" for the Zone as defined in the Tax Increment Financing Act of the Tax Code, Chapter 311, Vernon's Texas Codes Annotated (the "Act").

Section 2. Books and Records: Approval of Programs and Financial Statements. The Board of Directors shall keep correct and complete books and records of account and shall also keep minutes of its proceedings and the proceedings of committees having any of the authority of the Board of Directors. All books and records of the Zone may be inspected by any director or his agent or attorney for any proper purpose at any reasonable time; and at all times the City Council and the City Auditor will have access to the books and records of the Zone. The City Council must approve all programs and expenditures for the Zone and annually review any financial statements of the Zone.

ARTICLE II. BOARD OF DIRECTORS

Section 1. Powers, Number, and Term of Office. The property and affairs of the Zone shall be managed and controlled by the City Council based on the recommendations of the Board of Directors of the Zone ("Board of Directors" or "Board"), subject to the restrictions imposed by law, the ordinance creating the Zone, and these Bylaws. It is the intention of the City Council that the Board of Directors shall function only in an advisory or study capacity with respect to the Zone and shall exercise only those powers, advisory in nature, which are either granted to the Board pursuant to the Act or delegated to the Board by the City Council. The Board will comply with the policies and procedures of the City, including, but not limited to, matters regarding ethics conflicts of interest, and the Open Meetings Act.

All members of the board shall meet the eligibility requirements set forth in the Act. Board membership shall consist of the following: 1. The members of the City Council for the Town of Horizon City, 2. One member shall be appointed by the governing body of each of the taxing entities that enter into a Participation Agreement and contribute to the Zone. The terms of the board members who are members of City Council will serve terms concurrent with their terms on City Council. All other Board members will serve 2 year terms. A board member may serve no more than three consecutive terms.

The Mayor shall serve as Chairperson and the Board shall elect from its members a , vice chairman, and other officers as it sees fit.

Any director may be removed from office by the City Council for cause deemed by the City Council as sufficient for their removal in the interest of the public, but only after a public hearing before the City Council on charges publicly made, if demanded by such Board member within ten (10) days. In the event of a vacancy caused by the resignation, death, or removal for any reason, of a director, the governing body of the respective taxing unit which made such Board appointment shall be responsible for filling the vacancy.

Section 2. Meetings of Directors. The directors shall hold their meetings within a public building in the City as the Board of Directors may from time to time determine.

Section 3. Regular and Special Meetings. Regular and Special Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by the Board of Directors. All meetings of the Board shall be of a public nature unless pertaining to matters authorized to be discussed in closed session in accordance with Chapter 551, Texas Government Code. Notice of all regular and special meetings of the Board and any committees thereof shall be posted in accordance with the provisions of Chapter 551, Texas Government Code. There shall be at least one Regular Meeting held each year.

Section 4. Emergency Meetings. Emergency Meetings of the Board of Directors shall be held whenever called by the chair, by the secretary, by a majority of the directors then in office or upon advice of or request by the City Council. The secretary shall give notice to each director of each Emergency Meeting. Notice of all Emergency Meetings shall state the purpose, which shall be the only business conducted and shall be subject to the requirements of State Law.

Section 5. Quorum. A majority of the directors holding current appointments shall constitute a quorum for the consideration of matters pertaining to the purposes of the Zone. The act of a majority of directors present at a meeting at which a quorum is in attendance shall constitute an official act of the Board of Directors, unless the act of a greater number is required by law.

Section 6. Conduct of Business. At the meetings of the Board of Directors, matters pertaining to the purposes of the Zone shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the chair shall preside and in the absence of the chair, the vice chair shall exercise the power of the chair. The Town of Horizon City shall serve as the secretary of the Board of Directors at all meetings of the Board of Directors, but in the absence of the secretary, the Chairperson may appoint any person to act as secretary of the meeting. City staff shall provide notice of meetings and prepare meeting agendas.

If a substitute secretary is appointed, within five days following each Regular, Special and Emergency meeting, a copy of the minutes of the meeting shall be submitted to the City Clerk of the City.

Section 7. Compensation of Directors. Directors shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual reasonable expenses incurred in the performance of their duties hereunder; provided those expenses are approved in advance by the Board of Directors and are incurred and expended in accordance with City policies.

Section 8. Attendance. Board members shall make every effort to attend all Regular, Special and Emergency meetings of the Board and/or Committees. The City Council may remove a member of the Board appointed by participating entity who misses three consecutive meetings. The participating entity may then replace the member who was expelled for failure to attend meetings.

ARTICLE III. OFFICERS

Section 1. Titles and Term of Office. The officers shall consist of a chair, a vice chair, a secretary, and such other officers as the Board of Directors may from time to time elect or appoint. The Board of Directors shall, on an annual basis, appoint the vice chair whose term of office shall end on December 31 of each year. One person may hold more than one office, except that the chair shall not hold the office of secretary. Terms of office for officers, other than the chair and secretary, shall not exceed two terms. All officers, other than the chair and secretary, shall be subject to removal from office, with or without cause, at any time by a vote of a majority of the entire Board of Directors. A vacancy in the office of any officer, other than the chair and secretary, shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the Chair. The chair shall be the chief executive officer of the Board of Directors and, subject to the approval of the City Council, he/she shall be in general charge of the properties and affairs of the Zone and shall preside at all meetings of the Board of Directors.

Section 3. Vice Chair. The Vice chair shall be a member of the Board of Directors, shall have such powers and duties as may be assigned to him by the Board of Directors

and shall exercise the powers of the chair during that officer's absence or inability to act. Any action taken by the vice chair in the performance of the duties of the chair shall

be conclusive evidence of the absence or inability to act of the chair at the time such action was taken.

Section 4. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for the purpose, he/she shall have charge of such books, records, documents and instruments as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection, and he/she shall in general perform all duties incident to the office of secretary subject to the control of the City Council and the Board of Directors. The function of Secretary will be performed by the Town of Horizon City Clerk

Section 5. Compensation. Officers shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual reasonable expenses incurred in the performance of their duties hereunder; provided however all such expenses shall be approved by the Board before they are incurred and all expenditures shall be made in accordance to City policy.

Section 6. Staff. Staff functions for the Board of Directors may be performed by the City employees or consultants engaged by the City or the Board.

ARTICLE IV. PROVISIONS REGARDING BYLAWS

Section 1. Effective Date. These Bylaws shall become effective only upon the occurrence of the following events: (1) The adoption of these Bylaws by the Board of Directors, and (2) The approval of these Bylaws by the City Council.

Section 2. Amendments to Bylaws. A proposed amendment to Bylaws must be approved by a majority of the Board of Directors. The Board of Directors shall make a written application requesting that the City Council approve amendments to the Bylaws, specifying in such application, the amendments proposed to be made. The City Council may adopt amendments to the Bylaws by resolution, if it is advisable that the proposed amendment be made. After consultation with the Board of Directors, the Bylaws may also be amended at any time by the City Council by adopting an amendment to the Bylaws by resolution of the City Council and delivering the Bylaws to the secretary of the Board of Directors.

Section 3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws

and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE V. GENERAL PROVISIONS

Section 1. Notice and Waiver of Notice. Unless otherwise required by State Law, whenever any notice whatsoever is required to be given under the provision of these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Zone, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. A waiver of notice in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 2. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the City Council. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 3. Approval or Delegation of Power by the City Council. To the extent that these Bylaws refer to any approval by the City, such approval of delegation shall be evidenced by a certified copy of an ordinance, or resolution (if permissible), duly adopted by the City Council.

Section 4. Rules of Order. The Board of Directors shall adopt their rules of order and the Chairperson shall be the presiding officer.

Approved by the Board of Directors of the **Town of Horizon City Reinvestment Zone Number One** on the 25th day of January, 2021.

Approved by the **City Council of the Town of Horizon City** on the 9th day of February, 2021.



ATTEST:


Secretary