

RESOLUTION NO. 2021-13

**A RESOLUTION OF THE CITY OF MANOR, TEXAS APPROVING
AND AUTHORIZING THE FIRST AMENDMENT TO THE MANOR HEIGHTS
PUBLIC IMPROVEMENT DISTRICT REIMBURSEMENT AGREEMENT
(MAJOR IMPROVEMENT AREA)**

WHEREAS, the City of Manor, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), authorized the creation of the "Manor Heights Public Improvement District" (the "District") pursuant to Resolution No. 2018-10 adopted by the Manor City Council (the "City Council") on November 7, 2018; and

WHEREAS, on October 7, 2020, the City authorized additional land be included within the District pursuant to Resolution No. 2020-11; and

WHEREAS, the City entered into a Development Agreement with Sky Village Kimbro Estates LLC ("Sky Village") and RHOF, LLC ("RHOF") that stated the intent and expectation of the parties that the City would reimburse Sky Village and RHOF, or their successors in interest, for the costs of the construction of certain public improvements constructed for the benefit of the District; and

WHEREAS, Forestar (USA) Real Estate Group, Inc., a Delaware corporation ("Forestar") is, for the purposes of the Development Agreement, the successor in interest to the obligations and interests of Sky Village and RHOF under the Development Agreement; and

WHEREAS, in connection with the development of the property within the District and the planned issuance of the "City of Manor, Texas Special Assessment Revenue Bonds, Series 2021 (Manor Heights Public Improvement District Major Improvement Area Project)" (the "Bonds"), on April 21, 2021, by Resolution No. 2021-05, the City Council approved entering into the Manor Heights Public Improvement District Reimbursement Agreement (Major Improvement Area) by and between the City and Forestar (the "Reimbursement Agreement"); and

WHEREAS, the Bonds priced at a lower interest rate than anticipated and the projected revenues to be received from the Bonds will be more than originally contemplated when the Reimbursement Agreement was approved by the City Council of Manor, Texas; and

WHEREAS, the City and Forestar now want to amend the Reimbursement Agreement to reflect such increases in projected PID Bond revenue; and

WHEREAS, the City Council intends to approve the forms, term, and/or provisions of the First Amendment to the Manor Heights Public Improvement District Reimbursement Agreement (Major Improvement Area) by and between the City and Forestar; and

WHEREAS, this Resolution and the First Amendment to the Reimbursement Agreement approved by it, are in furtherance of the intentions of the parties to the Development Agreement; and

WHEREAS, the meeting at which this Resolution is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANOR, TEXAS:

Section 1. Findings. The findings and determinations set forth in the preamble hereof are hereby incorporated by reference for all purposes as if set forth in full herein. Capitalized terms used in this Resolution and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan.

Section 2. Approval of First Amendment to Reimbursement Agreement. The First Amendment to the Manor Heights Public Improvement District Reimbursement Agreement (Major Improvement Area) (the "First Amendment to the Reimbursement Agreement"), between the City of Manor, Texas and Forestar, is hereby approved in substantially the form attached hereto as Exhibit A, and the Mayor of the City is hereby authorized and directed to execute and deliver the First Amendment to the Reimbursement Agreement, with such changes as may be required by the Mayor to carry out the purposes of this Resolution, such approval to be evidenced by the execution thereof. The Mayor's signature on the First Amendment to the Reimbursement Agreement may be attested by the City Secretary.

Section 3. Additional Actions. The Mayor, Finance Director, City Manager, and City Secretary of the City are hereby authorized and directed to take all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Resolution. The Mayor, Finance Director, City Manager, and City Secretary of the City are hereby directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in the carrying out of the purposes and intent of this Resolution.

Section 4. Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 5. Effect of Headings. The section headings herein are for convenience only and shall not affect the construction hereof.

Section 6. Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

Section 7. Construction of Terms. If appropriate in the context of this Resolution, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

[Execution page follows.]

PASSED AND APPROVED on the 19th day of May 2021.

THE CITY OF MANOR, TEXAS

Dr. Larry Wallace Jr.
Mayor, City of Manor, Texas

ATTEST:

Lluvia T. Almaraz
City Secretary

EXHIBIT A

**FIRST AMENDMENT TO THE MANOR HEIGHTS PUBLIC IMPROVEMENT
DISTRICT REIMBURSEMENT AGREEMENT (MAJOR IMPROVEMENT AREA)**

**FIRST AMENDMENT TO THE
MANOR HEIGHTS PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENT AGREEMENT
(MAJOR IMPROVEMENT AREA)**

THIS FIRST AMENDMENT TO THE MANOR HEIGHTS PUBLIC IMPROVEMENT DISTRICT REIMBURSEMENT AGREEMENT (MAJOR IMPROVEMENT AREA) (the “**First Amendment**”) is made and entered into as of this ____ day of _____, 2021 (the “**Effective Date**”), by and between the City of Manor, Texas (“**City**”) and Forestar (USA) Real Estate Group, Inc., a Delaware corporation (“**Owner**”) (each individually referred to as a “**Party**” and collectively as the “**Parties**”).

RECITALS

WHEREAS, City and Owner are parties to that certain Manor Heights Public Improvement District Reimbursement Agreement (Major Improvement Area) dated May 5, 2021 (as amended, the “**Reimbursement Agreement**”).

WHEREAS, interest rates were lower than anticipated when the PID Bonds were priced which occurred after the Reimbursement Agreement was approved by the City Council of Manor, Texas and as a result, the projected revenues to be received from the PID Bonds will be more than originally contemplated; and

WHEREAS, the City has agreed to increase the Reimbursement Obligations to capture the increased projected revenues.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and in the Reimbursement Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Increase in Reimbursement Obligation.** Notwithstanding anything to the contrary contained in Section 5 of the Reimbursement Agreement, the “**Major Improvement Area Reimbursement Obligation**” shall be in an amount not to exceed \$8,080,000.00.
2. **Findings.** In the event of any conflict between the terms of this First Amendment and the Reimbursement Agreement, this First Amendment shall prevail.
3. **Recitals / Construction.** The foregoing Recitals, including any exhibits referenced therein, are hereby incorporated by reference and made a part of this First Amendment for all purposes. Any capitalized terms used in this First Amendment unless expressly defined otherwise shall have the meanings given to them in the Reimbursement Agreement. Unless the context specifically indicates otherwise, any and all references to sections or other enumerated provisions made in this First Amendment shall refer to such sections or provisions of the Reimbursement Agreement.

4. No Other Amendments. Except as set forth in this First Amendment, the Reimbursement Agreement shall remain in full force and effect and unamended.

(Signatures on following page)

IN WITNESS WHEREOF the parties have caused this Agreement to be executed as of the Effective Date.

OWNER:
FORESTAR (USA) REAL ESTATE GROUP, INC., a Delaware corporation

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

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COUNTY OF TRAVIS §

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This instrument was acknowledged before me on the ____ day of _____, 2021 by _____, _____, of FORESTAR (USA) REAL ESTATE GROUP, INC., a Delaware corporation, on behalf of said corporation.

Notary Public, State of Texas

(SEAL)

Name printed or typed
Commission Expires: _____

**CITY:
CITY OF MANOR, TEXAS**

By: _____
Name: Dr. Larry Wallace Jr.
Title: Mayor

ATTEST:

By: _____
Lluvia T. Almaraz, City Secretary

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, a Notary Public, on this day personally appeared, Dr. Larry Wallace Jr., Mayor of The City of Manor, Texas known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.
GIVEN UNDER MY HAND AND SEAL of office this ____ day of _____, 2021.

(SEAL)

Notary Public, State of Texas