

JO ANNE BERNAL
COUNTY ATTORNEY

MEMORANDUM FROM:
KEVIN McCARY
ASSISTANT COUNTY ATTORNEY

Date: August 8, 2022

To: Hon. County Judge & Commissioners Court

C: Mr. Jose Landeros, Director of Strategic Development; Christina R. Sanchez, Assistant County Attorney; Erica Rosales, Assistant County Attorney; Ana Schumacher, Assistant County Attorney.

Re: Written Determination of Necessity for Closed Meeting under Texas Government Code Section 551.0725; Horizon TIRZ negotiations

Under Texas Government Code Section 551.0725, the Commissioners Court may conduct a closed meeting to “deliberate business and financial issues relating to a contract being negotiated if, *before* conducting the closed meeting:”

- (1) The Court votes unanimously that a deliberation in an open meeting would have a detrimental effect on the Court’s negotiations with a third person; and
- (2) The attorney advising the Court issues a written determination that deliberation in an open meeting would have such a detrimental effect.

Please accept this memo as my written determination under (2) that deliberation in an open meeting would have a detrimental effect on the Court’s negotiations with the City of Horizon, its officials, and affiliated entities.

The negotiations at hand involve the City of Horizon’s efforts to create a Tax Increment Reinvestment Zone. The City has asked the County to participate in the TIRZ by pledging its tax increment to the City in order to finance the proposed project(s). Over the course of this week, County staff has again engaged with City staff in furtherance of these negotiations and progress has been made. Further deliberation and discussion with the commissioners court will likely be helpful to finalize these negotiations.

As you know, the City has created draft bylaws that will create a board for the TIRZ. The creation of the TIRZ will also have certain financial effects on the County’s future revenues. The bylaws also address board appointments, distribution of authority, and conflict of interest issues. Board appointments have been of particular interest in recent negotiations. Because the TIRZ plainly implicates county business and financial issues, I have determined

that deliberation in an open session could have, and likely would have, a detrimental effect on the County's negotiating position.

Before the Court is the City of Horizon's proposed Tax Increment Agreement with the County and appropriate appendices and attachments, including draft bylaws.

If you agree, please file this memo as appropriate and vote unanimously that: deliberation in an open meeting would have a detrimental effect on the County's negotiations with the City of Horizon and its affiliated entities and officials.