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JUL 27 2022

BECKY LANDRUM  
County Clerk, Hunt County, Tex.  
By 

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into to be effective as of the 26<sup>th</sup> day of July, 2022, ("Effective Date") by and between the City of Caddo Mills, Texas, the City of Greenville, Texas, Hunt County, Texas, Hunt Memorial Hospital District, Texas and Green Brick Partners, Inc. (collectively referred to as "parties"), as follows:

WHEREAS, Green Brick Partners owns or has contracted to own approximately 1094 acres of property located in the Caddo Mills ETJ, Greenville's ETJ, and in Hunt County and intends to develop the property with residential, retail and commercial uses.

WHEREAS, the parties desire to participate in a high quality residential, retail and commercial development for the property with financial incentives for development; and

WHEREAS, the parties desire to pursue and explore possibly entering into a development agreement addressing the residential, retail and commercial development for the property, the provision of public infrastructure for water, sewer, roads and drainage, and including financial incentives to support construction of public infrastructure through a public improvement district under Texas Local Government Code ch. 372 and tax increment financing under Texas Tax Code ch. 311 provided by Caddo Mills, Greenville, Hunt County, and Hunt Memorial Hospital District.

NOW, THEREFORE, the parties agree as follows:

Section 1. Purpose and Effect. The purpose of this MOU is to establish a basic framework for the parties to negotiate a development agreement between them that will enable the property to be developed into residential, retail and commercial uses, provide public infrastructure on and off-site to serve the development, provide retail water and sewer service to the property, provide financial incentives to Green Brick in development of the property including both a PID and a TIRZ by the public entities, and annexation of the property into Caddo Mills and Greenville. This MOU is expressly conditioned upon and subject to the parties entering into a mutually satisfactory agreement as to all aspects of the proposed transaction. Accordingly, this MOU shall not be binding upon the parties in any way except to the extent it reflects the intent to proceed with and negotiate a definitive written development agreement. No third party shall be a beneficiary to, or have an interest in, this MOU. The parties would seek to actively negotiate a development agreement so that it would be on the agendas of Caddo Mills, Greenville, and Hunt County for consideration in **October 2022**.

Section 2. Basic Subject Matter of Agreements. The parties agree to negotiate terms for the Agreement regarding each of the following:

- A. A PID with levy of assessments on the property to pay for public infrastructure in each city's limits and ETJ. It is anticipated that there will be two separate but equal PIDs and TIRZ'S, one for the northern tract in the Caddo Mill development area and one for the southern tract in the Greenville development area.

- B. The property will be in one or more tax increment reinvestment zones, with Caddo Mills, Greenville, Hunt County, and the Hospital District participating at approximately 50% to pay for public infrastructure.
- C. The cities EDC's may provide funding for infrastructure costs.
- D. The cities may negotiate impact fee credits as applicable (but PID/ TIRZ funded projects would be reimbursed by impact fee credits).
- E. Caddo Mills providing the retail water to the property with Greenville being the wholesale water provider.
- F. Caddo Mills providing retail wastewater service to the property with Greenville being the wholesale wastewater provider and treatment facility.
- G. On-site and off-site public improvements for water, sewer, drainage and roads.
- H. Parks, trails and open space maintained by an HOA but with a public access easement for use by the public.
- I. Caddo Mills will provide first responder services (ie, police, fire, EMS) to the northern tract, and Greenville will provide first responder services to the southern tract.
- J. Subdivision regulations apply as agreed to by cities and developer.
- K. Development fees of Caddo Mills and Greenville would be frozen at the current level for 2 years.
- L. Annexation of the northern tract by Caddo Mills and the southern tract by Greenville at the time of PID assessment levy.
- M. Caddo Mills and Greenville, respectively, can disannex from the MUD and the MUD can be used in the event that either city does not issue PID bonds.

Section 3. Relationship of the Parties. This MOU is not assignable or transferable by any party.

Section 4. Legal Effect of MOU. All parties expressly agree that this MOU reflects only the basic subject matters to be negotiated, and that this does NOT constitute a complete statement or a legally binding or enforceable agreement between them.

Section 5. Counterparts. This MOU may be executed in counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

**EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:**

**City of Caddo Mills, Texas:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**City of Greenville, Texas:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Hunt County, Texas:**

By:  \_\_\_\_\_

Name: Bobby W. Stovall

Title: Hunt County Judge

**Hunt Memorial Hospital District, Texas:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Green Brick Partners, Inc.:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_