

**AZLE MUNICIPAL DEVELOPMENT DISTRICT  
REGULAR MEETING**

**CITY HALL - COMMUNITY ROOM  
505 W. MAIN STREET  
AZLE, TEXAS 76020**

**TUESDAY, March 10, 2020**

**AGENDA**

**President Jeremy Moen  
Vice President David McClure  
Secretary Bill Jones**

**Director Jack Stevens  
Director Ray Ivey  
Director Jessica Brace  
Director Justin Berg**

**REGULAR SESSION  
CALL TO ORDER**

**6:00 p.m.**

**ACTION ITEM**

1. Consider approving the minutes of the January 14, 2020 MDD regular meeting and the March 2, 2020 special meeting.  
**Bill Jones, Secretary**

**PRESENTATIONS**

2. Quarterly Investment Report.  
**Renita Bishop, Finance Director**
3. Director's Report.  
**Karen Dickson, Economic Development Director**

**EXECUTIVE SESSION**

The Board will convene into executive session pursuant to the Texas Government Code as authorized by:

**SECTION 551.087 – DELIBERATION REGARDING ECONOMIC  
DEVELOPMENT NEGOTIATIONS**

Discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.

4. Consider any action authorizing the President to execute a Chapter 380 and Economic Development Performance Agreement with Gary Shelton and Azle Management Partners, LP.  
**Tom Muir, Executive Director**

## **ADJOURNMENT**

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on March 6, 2020 at the City's official bulletin board and is readily accessible to the public at all times in accordance with V.T.C.A. Chapter 551, Texas Government Code.



**Susie Hiles, Assistant to the City Manager**

**Date Agenda Removed from Posting**

*This facility is wheelchair accessible and handicapped parking spaces are available. Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in city functions and activities. Auxiliary aids and services or accommodations should be requested forty-eight (48) hours prior to the scheduled starting time by calling the City Secretary's Office at 817-444-7101. Complete MDD Agenda packet with background information is available for review at the City Secretary's Office and on our website [www.cityofazle.org](http://www.cityofazle.org).*

# Municipal Development District Communication

Item # 1

<b>Submitted By:</b> Susie Hiles, Assistant to the City Manager	<b>Date:</b> March 6, 2020
<b>Subject:</b> Azle MDD Board Minutes.	

**Action Requested:** Consider approving the Minutes of the January 14, 2020 Azle MDD regular meeting and the March 2, 2020 special meeting

**Purpose (Outline – Who, What, Where, Why & How).**  
Procedural.

**Checklist of Attachments**

<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input checked="" type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Applicant	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input type="checkbox"/> Staff	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
<input type="checkbox"/> <b>Other</b>	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

**MINUTES  
REGULAR MEETING  
AZLE MUNICIPAL DEVELOPMENT DISTRICT  
January 14, 2020**

STATE OF TEXAS           §  
COUNTIES OF           §  
PARKER AND TARRANT   §  
CITY OF AZLE           §

The Azle Municipal Development District of the City of Azle, Texas convened in Regular Session at 6:30 P.M. in the Community Room of City Hall, 505 W. Main Street, Azle, Texas, on the 14th day of January 2020 with the following members present:

Jeremy Moen	President – Place 3
Council Member Bill Jones	Secretary – Place 1
Ray Ivey	Director - Place 4
Jack Stevens	Director - Place 5
Jessica Brace	Director - Place 6
Justin Berg	Director - Place 7
Tom Muir	Executive Director/City Manager

Constituting a quorum. Vice President David McClure was excused from tonight’s meeting.

**Staff Present were:**

Karen Dickson	Economic Development Director
Susie Hiles	Scribe

**REGULAR SESSION**  
**CALL TO ORDER**

6:30 p.m.

President Jeremy Moen called the meeting to order at 6:30 pm

**ACTION ITEMS**

- 1. Consider approving the minutes of the November 12, 2019 Azle MDD regular meeting.**

Director Jack Stevens moved to approve the Minutes as discussed, with second by Secretary Bill Jones. The motion was unanimously approved

**PRESENTATION**

- 2. Director’s Report.**

Economic Development Director Karen Dickson gave an update to the Board:

- **Façade Application:**  
The Shop Hair Salon, 165 W. Main Street - \$7814.48  
Work to be performed includes painting exterior, replacing windows, repairing rotted wood and porch railings, and landscaping.
- **Projects:**  
QT is moving forward with their project. They have been conducting utility line locates.

Economic Development Director Dickson provided information to the Board on visits she and City Manager Tom Muir had with the cities of Mansfield and Forney regarding their participation in the TxDOT Turnback Program and the redevelopment of their Main Street as a result. They will be visiting other cities that have participated in this program.

The Board discussed the benefits of Azle taking ownership of Main Street from TxDOT and ideas for redevelopment. Agreed this is something to pursue this year.

**EXECUTIVE SESSION**

President Jeremy Moen convened into Executive Session at 6:50 pm

The Municipal Development District will convene into executive session pursuant to the Texas Government Code as authorized by:

**SECTION 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS**

The Board will convene into executive session to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.

President Jeremy Moen reconvened to open session at 7:29 pm.

No action was taken.

**ADJOURNMENT**

President Moen adjourned the meeting at 7:29 pm.

**Presented and approved this 10th day of March 2020**

**APPROVED**

\_\_\_\_\_  
**Jeremy Moen, Board President**

**ATTEST**

\_\_\_\_\_  
**Bill Jones, Board Secretary**

MINUTES  
SPECIAL MEETING  
AZLE MUNICIPAL DEVELOPMENT DISTRICT  
March 2, 2020

STATE OF TEXAS §  
COUNTIES OF §  
PARKER AND TARRANT §  
CITY OF AZLE §

The Azle Municipal Development District of the City of Azle, Texas convened in Special Session at 6:00 P.M. in the Council Chambers at City Hall, 505 W. Main Street, Azle, Texas, on the 2nd day of March 2020 with the following members present:

Jeremy Moen	President - Place 3
Councilmember David McClure	Vice President - Place 2
Council Member Bill Jones	Secretary - Place 1
Ray Ivey	Director - Place 4
Jack Stevens	Director - Place 5
Jessica Brace	Director - Place 6
Justin Berg	Director - Place 7
Tom Muir	Executive Director/City Manager

Constituting a quorum .

Staff Present were:	
Karen Dickson	Economic Development Director
Betsy Elam	City Attorney - TOASE
Susie Hiles	Scribe

**REGULAR SESSION**  
**CALL TO ORDER**

6:00 p.m.

President Jeremy Moen called the meeting to order at 6:01 pm

**EXECUTIVE SESSION**

President Jeremy Moen convened into Executive Session at 6:01 pm

The Municipal Development District will convene into executive session pursuant to the Texas Government Code as authorized by:

**SECTION 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS**

The Board will convene into executive session to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.

Director Justin Berg left the meeting at 6:29 pm.

President Jeremy Moen reconvened to open session at 6:40 pm.

No action was taken.

**ADJOURNMENT**

President Moen adjourned the meeting at 6:40 pm.

**DRAFT**

**Presented and approved this 10th day of March 2020**

**APPROVED**

**\_\_\_\_\_  
Jeremy Moen, Board President**

**ATTEST**

**\_\_\_\_\_  
Bill Jones, Board Secretary**

# Municipal Development District Communicator

Item # 2

<b>Submitted By:</b> Renita Bishop – Finance Director	<b>Date:</b> March 6, 2020
<b>Subject:</b> Presentation of the Quarterly Investment Report for month ended December 31, 2019.	

<b>Action Requested:</b> Presentation, no action required.
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<b>Purpose (Outline – Who, What, Where, Why &amp; How).</b> Finance.
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<b>Checklist of Attachments</b>			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo / Report From Applicant	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Staff	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input checked="" type="checkbox"/> Other	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter





## **Municipal Development District QUARTERLY INVESTMENT REPORT**

**For the Quarter Ended  
December 31, 2019**

**Prepared by  
Valley View Consulting, L.L.C.**

The investment portfolio of the City of Azle Municipal Development District is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

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Investment Officer

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Investment Officer

**Disclaimer:** These reports were compiled using information provided by the City of Azle. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment adviser fees.

## Summary

### Quarter End Results by Investment Category:

Asset Type	September 30, 2019		December 31, 2019		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank/Pool/MMMFs	\$ 786,834	\$ 786,834	\$ 883,335	\$ 883,335	1.62%
CDs/Securities	1,193,224	1,193,224	1,201,016	1,201,016	2.63%
<b>Totals</b>	<b>\$ 1,980,058</b>	<b>\$ 1,980,058</b>	<b>\$ 2,084,352</b>	<b>\$ 2,084,352</b>	

#### Current Quarter Portfolio Performance (1)

Average Quarterly Yield	2.20%
Rolling Three Month Treasury	1.60%
Rolling Six Month Treasury	1.78%
TexPool	1.62%

#### Fiscal Year-to-Date Portfolio Performance (2)

Average Quarter-End Yield	2.20%
Rolling Three Month Treasury	1.60%
Rolling Six Month Treasury	1.78%
Average Quarter-End TexPool Yield	1.62%

#### Interest Earnings (Unaudited)

Quarterly Interest Earnings	\$ 11,494
Fiscal YTD Interest Earnings	\$ 11,494

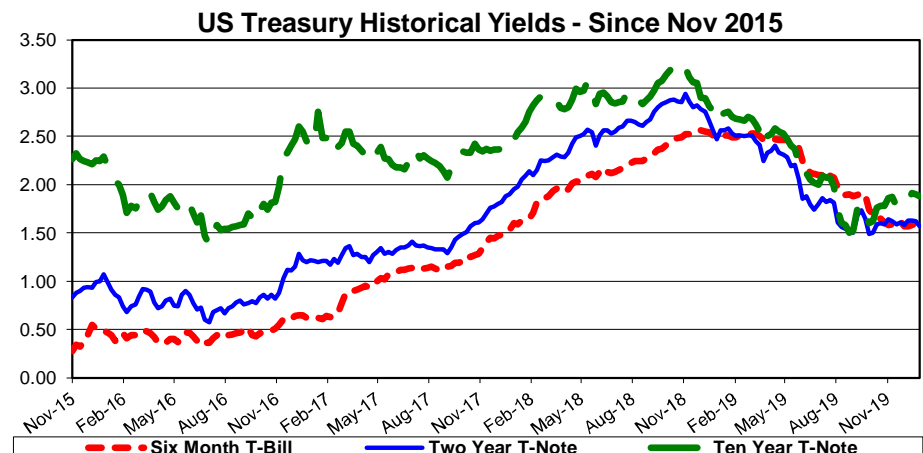
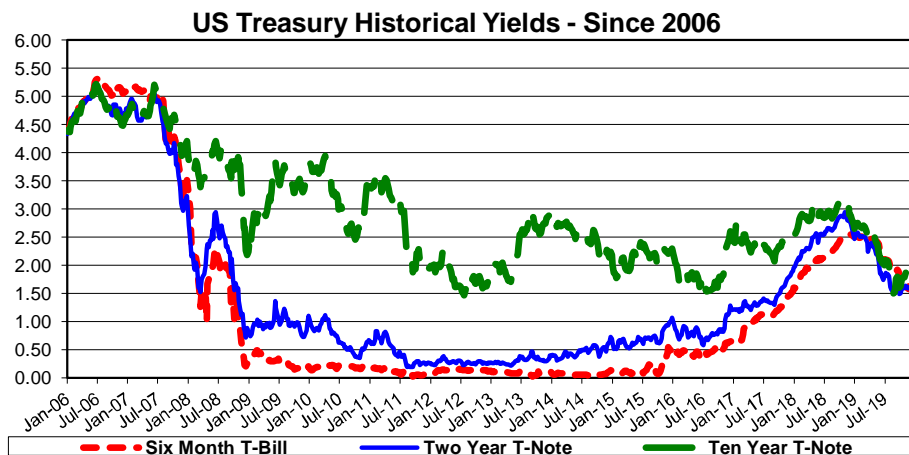
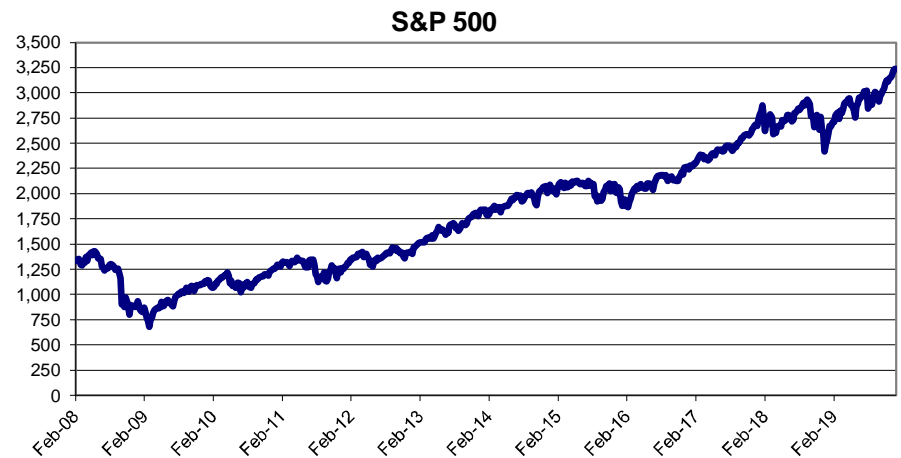
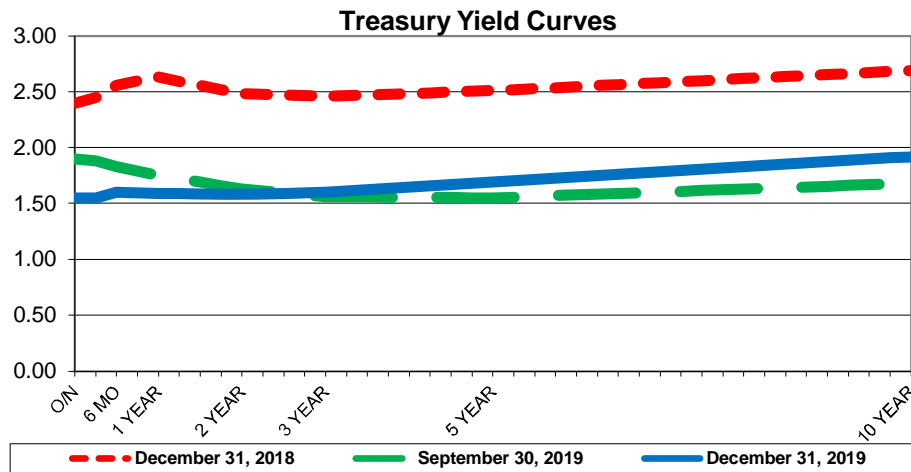
(1) **Current Quarter Weighted Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Weighted Average Yields** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

## Economic Overview

12/31/2019

The Federal Open Market Committee (FOMC) held the Fed Funds target range at 1.50% - 1.75% (Effective Fed Funds are trading +/-1.55%). The Futures Market has reduced the probability of additional decreases until late summer/early fall 2020. Middle East turmoil had bumped crude oil over \$60, but it has retreated back below. December Non Farm Payroll rose 145,000 resulting in a three month moving average of 185,000. The Unemployed level remained at 3.5%. The Stock Markets remain at or near historic highs. Consumer spending has improved. Housing shows signs of growth. Overall economic activity remains positive, 3rd Quarter GDP was confirmed at 2.1%. The British are moving forward with Brexit. Several trade agreements are also progressing (China, North America, Japan). The Yield Curve shifted to slightly positive.



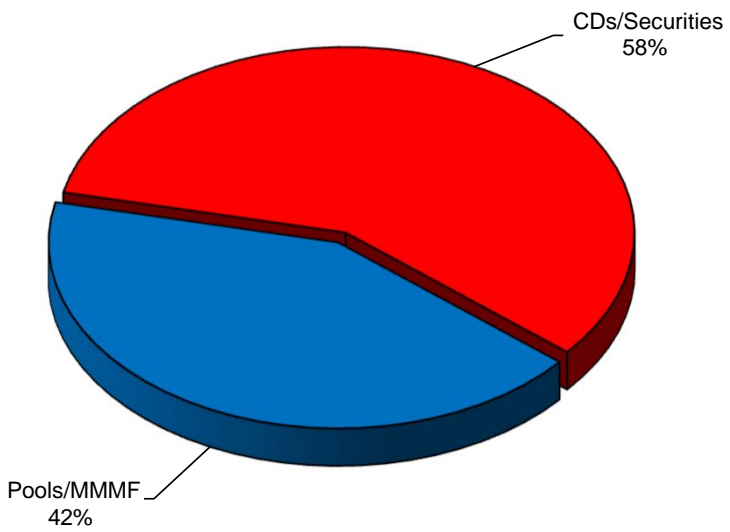
**Investment Holdings**  
**December 31, 2019**

<b>Description</b>	<b>Rating</b>	<b>Coupon/ Discount</b>	<b>Maturity Date</b>	<b>Settlement Date</b>	<b>Original Face\ Par Value</b>	<b>Book Value</b>	<b>Market Price</b>	<b>Market Value</b>	<b>Life (Days)</b>	<b>Yield</b>
TexPool	AAAm	1.62%	01/01/20	12/31/19	\$ 883,335	\$ 883,335	1.00	\$ 883,335	1	1.62%
LegacyTexas Bank CD		2.66%	02/03/20	02/04/19	207,747	207,747	100.00	207,747	34	2.70%
Herring Bank CDARS		2.74%	02/20/20	02/21/19	230,371	230,371	100.00	230,371	51	2.78%
WallisBank CD		2.90%	03/26/20	09/26/18	207,352	207,352	100.00	207,352	86	2.93%
Pinnacle Bank CD		2.40%	08/01/20	08/01/19	555,547	555,547	100.00	555,547	214	2.42%
					<b>\$ 2,084,352</b>	<b>\$ 2,084,352</b>		<b>\$ 2,084,352</b>	<b>75</b>	<b>2.20%</b>
									(1)	(2)

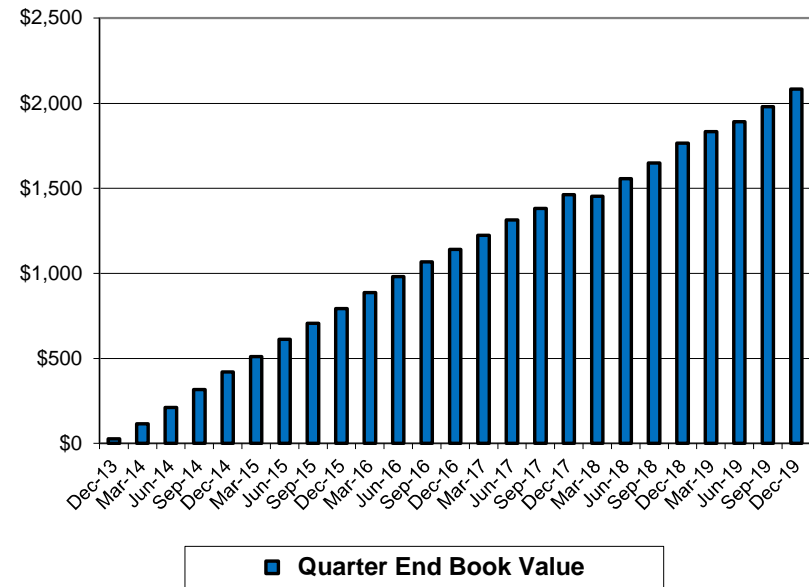
(1) **Weighted average life** - Pools, Money Market Funds, and Bank Deposits are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on Book Value, adviser fees and realized and unrealized gains/losses are not considered. The pool and mutual fund yields are the average for the last month of the quarter.

**Portfolio Composition**



**Total Portfolio (000's)**



## Book Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2019		Purchases at Cost	Sales\ Maturities	December 31, 2019	
			Original Face\ Par Value	Book Value			Original Face\ Par Value	Book Value
TexPool	1.62%	01/01/20	\$ 786,834	\$ 786,834	\$ 96,502	\$ -	\$ 883,335	\$ 883,335
LegacyTexas Bank CD	2.66%	02/03/20	206,371	206,371	1,377		207,747	207,747
Herring Bank CDARS	2.74%	02/20/20	228,784	228,784	1,587		230,371	230,371
WallisBank CD	2.90%	03/26/20	205,863	205,863	1,488		207,352	207,352
Pinnacle Bank CD	2.40%	08/01/20	552,206	552,206	3,340		555,547	555,547
<b>TOTAL</b>			<b>\$ 1,980,058</b>	<b>\$ 1,980,058</b>	<b>\$ 104,294</b>	<b>\$ -</b>	<b>\$ 2,084,352</b>	<b>\$ 2,084,352</b>

## Market Value Comparison

Description	Coupon/ Discount	September 30, 2019			Qtr to Qtr Change	December 31, 2019		
		Original Face\ Par Value	Market Price	Market Value		Original Face\ Par Value	Market Price	Market Value
TexPool	1.62%	\$ 786,834	1.00	\$ 786,834	\$ 96,502	\$ 883,335	1.00	\$ 883,335
LegacyTexas Bank CD	2.66%	206,371	100.00	206,371	1,377	207,747	100.00	207,747
Herring Bank CDARS	2.74%	228,784	100.00	228,784	1,587	230,371	100.00	230,371
WallisBank CD	2.90%	205,863	100.00	205,863	1,488	207,352	100.00	207,352
Pinnacle Bank CD	2.40%	552,206	100.00	552,206	3,340	555,547	100.00	555,547
<b>TOTAL</b>		<b>\$ 1,980,058</b>		<b>\$ 1,980,058</b>	<b>\$ 104,294</b>	<b>\$ 2,084,352</b>		<b>\$ 2,084,352</b>

# Municipal Development District Communication

Item # 3

<b>Submitted By:</b> Karen Dickson – Economic Dev Director	<b>Date:</b> March 6, 2020
<b>Subject:</b> Director's Report	

<b>Action Requested:</b> Present Economic Development Director's Report
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<b>Purpose (Outline – Who, What, Where, Why &amp; How).</b>
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<b>Checklist of Attachments</b>			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Applicant	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input type="checkbox"/> Staff	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
<input type="checkbox"/> <b>Other</b>	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

## Municipal Development District Communication

Item # 4

<b>Submitted By:</b> Tom Muir, Executive Director	<b>Date:</b> March 6, 2020
<b>Subject:</b> Chapter 380 and Economic Development Performance Agreement	

<b>Action Requested:</b>	Consider any action authorizing the President of the Municipal Development District to execute a Chapter 380 and Economic Development Performance Agreement with Gary Shelton and Azle Management Partners, LP.
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<b>Purpose (Outline – Who, What, Where, Why &amp; How)</b>
<p>There is 6.127 acres of land on the east side of, and adjacent to FM730N (Boyd Road) between O’Reilly Auto Parts (808 Boyd Road) and Domino’s Pizza (636 Boyd Road). The land consists of several properties, of which most of the properties are owned by Gary Shelton and two (2) properties are owned by Azle Management Partners, LP (AMP).</p> <p>The properties have significant drainage issues which render it virtually impossible to develop due to the costs of correcting the drainage. The City’s engineering consultant estimated design and construction costs to correct the drainage at approximately \$700,000.</p> <p>The MDD expressed an interest in supporting the property’s improvement so the property owners may ultimately develop the property. The City’s Economic Development Director, Karen Dickson, has been working with Mr. Shelton and AMP on a possible agreement whereby the MDD would reimburse the property owners 50% of the cost of the improvements up to \$500,000, after the entirety of the improvements have been made. In addition, an overlay district would be created to provide development standards for any future development on the properties.</p> <p>After many months of negotiating, the agreement is finally ready to be considered for execution. Staff will provide the latest updates to the agreement and exhibits in executive session. The agreement will need City Council approval prior to execution.</p>

<b>Checklist of Attachments</b>			
<input type="checkbox"/> Contract	<input checked="" type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/Memo From Applicant	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Council Minutes	<input type="checkbox"/> Other Minutes
<input type="checkbox"/> Staff	<input type="checkbox"/> Checklist	<input type="checkbox"/> Federal Law	<input type="checkbox"/> Plans / Drawings
<input type="checkbox"/> Other	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter