

**Bylaws of Tax Increment Reinvestment Zone
Number One, The City of Southlake, Texas**

Article 1: Powers and Purpose

Section 1: Financing Development or Redevelopment in the Zone.

In order to implement the purposes for which Tax Increment Financing Reinvestment Zone Number One, City of Southlake, Texas (the "Zone") was formed, as set forth in Ordinance No. 682, dated, September 23, 1997 and 682-A, dated, December 2, 1997, creating the Zone, the City of Southlake, 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 accounts 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, the City Auditor and the Finance Director of the City of Southlake, Texas, 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 of the City of Southlake, Texas (the "City Council"), 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 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.

As set forth in the ordinance creating the Zone, the Board shall consist of no less than seven and no greater than 12 members. The City Council shall appoint a total of eight members, with one member being nominated by Carroll Independent School District ("CISD"), and the remaining seven members at all times being the Mayor and Places 1 through 6 of the City Council. The positions occupied by the Mayor and Places 1 through 6 may sometimes hereafter be referred to as the "Council Directors."

CISD shall appoint one member; provided, however, that if CISD waives its right to appoint a member to the Board, as evidenced by written resolution duly adopted by the governing body of CISD, the City Council may appoint a member in its stead.

Each member shall serve for a term of three years, or until the member's successor is duly appointed and qualified, or in the case of the Council Directors, when the member's successor becomes qualified to serve on City Council.

Any member appointed by the City may be removed from office by the City Council in accordance with the City Charter and applicable ordinances. In the event of a vacancy caused by the resignation, death, or removal for any reason, of a member, the governing body of the respective taxing unit which made such appointment shall be responsible for filling the vacancy in accordance with these bylaws, the Act, and the ordinance creating the Zone.

Section 2: Meetings of Directors.

The Board of Directors shall hold their meetings within a public building in the city, so as to allow the community to attend such meetings. The Board shall determine an appropriate meeting schedule.

Section 3: Regular Meetings.

The Board shall hold regular meetings at such times and places as shall be designated, from time to time, by minute order of the Board. The secretary shall give notice to each director of each meeting by e-mail. Notice of all regular and special meetings of the Board and any committees thereof shall be posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551 of the Texas Government Code. There shall be at least one Regular Meeting held each year during the fourth quarter of the calendar year.

Section 4: Special or Emergency Meetings.

Special or Emergency Meetings of the Board of Directors shall be held whenever called by the chairman, 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 Special Meeting by e-mail. Notice of all Special Meetings shall state the purpose which shall be the only business conducted.

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, in other words a quorum, at a meeting shall constitute an act of the Board of Directors, unless law requires the act of a greater number.

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 may determine. At all meetings of the Board, the Chairman shall preside and in the absence of the Chairman, the Vice-Chairman shall exercise the power of the Chairman. If both Chairman and Vice-Chairman are absent, those present shall elect someone to serve as Chairman.

The City Secretary of the City of Southlake shall serve as Secretary of the Board, and shall act as secretary of all meetings of the Board, but in the absence of the City Secretary, the Deputy City Secretary may act as Secretary of the meeting. In the event of the absence of the City Secretary and Deputy City Secretary, the presiding officer may appoint any one person to act as Secretary of the meeting. City staff shall provide notice of meetings and prepare meeting agendas. Within 30 days following each meeting of the Board, the secretary shall submit a copy of the minutes of the meeting to the Chairman of the Board.

Section 7: Compensation of Directors.

Directors shall not receive any salary or compensation for their services, whether as an officer or just a member, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

Section 8: Attendance.

Board Members shall make every effort to attend all Regular and Special Meetings of the Board and/or committees. The City Council may replace any appointee of the Board or request replacement of an appointee from other taxing jurisdictions for non-attendance.

Article III: Officers

Section 1: Titles and Terms of Office.

The officers of the Zone shall consist of a Chairman, a Vice-Chairman, a Secretary and such other officers as the Board of Directors may from time to time elect or appoint; provided, however, that the City Council shall, on an annual basis, appoint the Chairman in accordance with the Act. Terms of office for officers, other than the Chairman, shall be one year.

All officers, other than the Chairman, shall be subject to removal from office, with or without cause, at any time by a vote of a majority of the entire Board. A vacancy in the office of any officer, other than the Chairman, shall be filled by a vote of a majority of the Directors.

Section 2: Powers and Duties of the Chairman.

The Chairman shall be the Chief Executive Officer of the Board of Directors, and subject to the approval of the City Council, 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: Powers and Duties of the Vice-Chairman.

The Vice-Chairman 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 those powers and duties. The Vice-Chairman shall also exercise the powers of the Chairman during that officer's absence or inability to act. Any action taken by the Vice-Chairman in the performance of the duties of the Chairman shall be conclusive evidence of the absence or inability to act of the Chairman at the time that such action was taken.

Section 4: Powers and Duties of the Secretary.

The Secretary shall keep the minutes of all meetings of the Board in books provided for the purpose, shall have charge of such books, records, documents and instruments as the Board may direct, all of which shall at all reasonable time be open to inspection, and shall in general perform all duties incident to the office of the Secretary subject to the control of the City Council and the Board.

Section 5: Staff.

Additional staff functions for the Board shall be performed by the City Manager and city staff as designated by the City Manager.

Article IV: Provisions Regarding Bylaws

Section 1: Effective Date.

These Bylaws shall become effective upon adoption by the Board and approval by the City Council.

Section 2: Amendments to the Bylaws.

These Bylaws may be amended by majority vote of the Board of Directors, and by a resolution approved by a majority vote of the City Council.

Section 3: Interpretation of the Bylaws.

These Bylaws and all the terms and provisions hereof shall be liberally construed to 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 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 of Waiver of Notice.

Whenever any notice whatsoever 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 hereto at their 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 for 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 herein, shall be deemed equivalent to the giving of such notice.

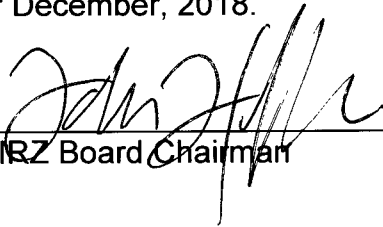
Section 2: Resignations.

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 was 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.

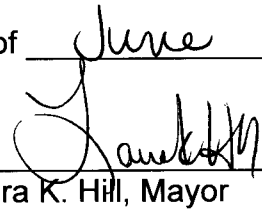
To the extent that these Bylaws refer to any approval by the City, such approval of delegation shall be evidenced by a certified copy of an ordinance, or resolution, duly adopted by the City Council.

PASSED AND APPROVED this 4th day of December, 2018.

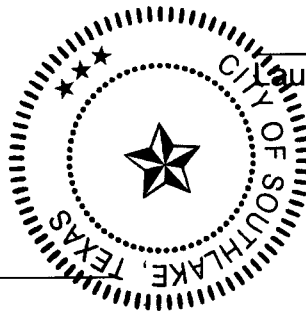


TIRZ Board Chairman

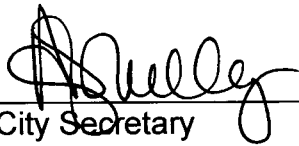
PASSED AND APPROVED this 18th day of June, 2019.



Laura K. Hill, Mayor



ATTEST:



City Secretary