



City of Hutto

Agenda

Cottonwood Development Corporation Meeting Wednesday, June 3, 2020 at 5:00 PM City Council Chambers

In accordance with the Texas Open Meetings Act this meeting agenda is posted for public information, continuously, for at least 72 hours prior to the scheduled time of the meeting on the bulletin board located on the exterior wall of the City Hall building at 500 West Live Oak, Hutto, Texas. This meeting agenda is also accessible via the Internet at www.huttotx.gov

Page

1. CALL SESSION TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

[Note: The Texas Open Meetings Act, Texas Government Code, Chapter 551, prohibits the Board from fully discussing, debating, or considering subjects for which public notice has not been given on the agenda. Issues that cannot be referred to the City Staff for action may be placed on the agenda of a future Board Meeting.]

4. AGENDA ITEMS

- 4.1. Consideration and possible action regarding the minutes from December 30, 2019 Cottonwood Board of Directors meeting. 3 - 4

[12-30-19 DRAFT Minutes Cottonwood](#)

- 4.2. Consideration and possible action regarding the minutes from January 27, 2020 Cottonwood Board of Directors meeting.

- 4.3. Consideration and possible action regarding the minutes from February 10, 2020 Cottonwood Board of Directors meeting 5 - 6

[2-10-2020 DRAFT Minutes Cottonwood](#)

- 4.4. Consideration and possible action regarding the minutes from April 30, 2020 Cottonwood Board of Directors meeting. 7 - 9

[4-30-2020 DRAFT Minutes Cottonwood](#)

- 4.5. Consider and possible action on an agreement with the Bojorquez Law Firm,, P.C. to serve as General Counsel for the Cottonwood Development Corporation and authorize the Chairman to execute the agreement and authorize the Chairman to notify McGinnis Lochridge, Austin, Texas of the termination of legal services provided by McGinnis Lochridge, and consent to Bojorquez Law Firm, P.C. also representing Cottonwood Development Corporation.

- 4.6. Consider and approve an agreement with the Russell Rodriguez Hyde & Bullock LLP to serve as Special Counsel for the Cottonwood Development Corporation.

5. EXECUTIVE SESSION

The Board of Directors for the City of Hutto Cottonwood Development Corporation reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above as authorized by the Texas Government Code Sections 551.071 [Litigation/Consultation with Attorney], 551.072 [Deliberations regarding real property], 551.073 [Deliberations regarding gifts and donations], 551.074 [Deliberations regarding personnel matters] or 551.076 [Deliberations regarding deployment/implementation of security personnel or devices] and 551.087 [Deliberations regarding Economic Development negotiations].

- 5.1. Receive legal advice concerning the Hutto Sports, Health and Entertainment District in accordance with Tex. Govt. Code § 551.071 and deliberations regarding Economic Development pursuant to Tex. Govt. Code § 551.087; and deliberate the purchase or sale of real property within the Hutto Sports, Health and Entertainment District.
- 5.2. Receive legal advice concerning legal representation of Cottonwood Development Corporation.

6. RECONVENE TO OPEN SESSION

- 6.1. Discussion and possible action concerning the Hutto Sports, Health and Entertainment District in accordance with Tex. Govt. Code § 551.071 and deliberations regarding Economic Development pursuant to Tex. Govt. Code § 551.087; and deliberate the purchase or sale of real property within the Hutto Sports, Health and Entertainment District.
- 6.2. Discussion and possible action concerning legal representation of Cottonwood Development Corporation.

7. ADJOURNMENT

8. CERTIFICATION

I certify that this notice of the **6/3/2020** Cottonwood Development Corporation meeting was posted on the City of Hutto website and the City Hall bulletin board of the City of Hutto on **5/29/2020 at 1:00 P.M.**




Holly Nagy, City Secretary

The City of Hutto is committed to comply with the Americans Disability Act. The Hutto City Council Chamber is wheelchair accessible. Request for reasonable special accommodations must be made 48 hours prior to the meeting. Please email the City Secretary's office at City.Secretary@huttotx.gov or call (512) 759-4033 for assistance.



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
MONDAY, DECEMBER 30, 2019**

The Cottonwood Development Corporation met in a regular session on Monday, December 30, 2019 in the Hutto City Council Chamber, 500 W. Live Oak Street, Hutto, TX 78634.

CALL SESSION TO ORDER

The meeting was called to order at 9:43pm.

ROLL CALL

Members of the Board present were Doug Gaul, Tom Hines, and Patti Martinez. Hutto City Council appointed Director Dan Thornton was also present.

Members of staff that were present were Bryon Franklin, Assistant City Manager, Michel Sorrell, Assistant City Manager, and Stacy Schmitt, Assistant to the City Manager/Public Information Officer.

REGULAR AGENDA

- 3A. Accept resignation of Vice-Chair Tom Hines, and acknowledge appointment of Director Dan Thornton by Hutto City Council.

MOTION: *Director Martinez motioned to accept resignation of Vice-Chair Tom Hines as presented, and acknowledge City Council appointment of Director Dan Thornton. Chair Doug Gaul seconded the motion.*

Motion Passes 2-0.

- 3B. Elect new Vice-Chair of Board of Directors.

MOTION: *Director Martinez motioned to elect Director Dan Thornton to Vice-Chair. Chair Doug Gaul seconded the motion.*

Motion Passes 2-0.

- 3C. Accept conveyance of approximately 78 acres of land from the City of Hutto on condition that the City's purchase price for the land of approximately \$7.34 million be repaid by the corporation to the City out of proceeds from the loan of funds to the corporation to develop the Perfect Game Project.



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
MONDAY, DECEMBER 30, 2019**

MOTION: *Director Martinez motioned to accept the conveyance as presented. Vice-Chair Dan Thornton seconded the motion.*

Motion Passes 2-0.

- 3D. Authorize the granting of a lien on approximately 78 acres to the corporation in order to secure a loan to Legacy Hutto, LLC in the approximate amount of \$4 million or in the alternative to convey the 78 acres to Legacy Hutto LLC for use as collateral for a loan to Legacy Hutto LLC with proceeds to be used to pay expenses related to the Perfect Game development.

No action was taken.

ADJOURNMENT

There being no further business to be heard, the meeting was adjourned at 9:47pm.

**COTTONWOOD
DEVELOPMENT CORPORATION**

Doug Gaul, Chairman

ATTESTED:

Patti Martinez, Secretary



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
FEBRUARY 10, 2020**

The Cottonwood Development Corporation met in a regular session on Monday February 10, 2020, in the Hutto City Council Chamber, 500 W. Live Oak Street, Hutto, TX 78634.

CALL SESSION TO ORDER

The meeting was called to order at 5:45 pm.

ROLL CALL

Members of the Board present were Doug Gaul, Patti Martinez, and Dan Thornton.

Members of staff that were present were Charles Daniels, Interim City Manager; Byron Frankland, Assistant City Manager, Michel Sorrell, Assistant City Manager, Jessica Geray, Director of Economic Development, and Cheri Bowman, Economic Specialist, and Bill Bingham, City Attorney.

REGULAR AGENDA

- 3A. Consider and approve an Interlocal Agreement between the City of Hutto and the Cottonwood Development Corporation for the Sports Health and Entertainment District.

STAFF PRESENTATION: *The Interlocal Agreement is in the packet.*

MOTION: *Vice Chair Thornton made the motion to approve the Interlocal Agreement between the City of Hutto and the Cottonwood Development Corporation for the Sports Health and Entertainment District as presented. Board member Martinez seconded the motion.*

Motion passes 3-0.

- 3B. Consider and approve assignment of contracts to Preston Hollow Financial in connection with Sports Health and Entertainment District financing transaction.

STAFF PRESENTATION: *Staff presented list of documents on screen. The documents are the part of the collateral for the Preston Hollow loan, the two (2) tracts of land that will be closed on February 14, 2020 and the assignment of the Multi-Party Development Agreement and the Master Development Agreement with Legacy and Perfect Game.*

MOTION: *Board member Martinez made the motion to approve item 3B as presented. Vice Chair Thornton seconded the motion.*

Motion passes 3-0.



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
FEBRUARY 10, 2020**

- 3C. Consider and approve Environment Indemnity Agreement in connection with financing of the Sports Health and Entertainment District.

MOTION: *Board member Martinez made the motion to the Environmental Indemnity Agreement. Vice Chair Thornton seconded the motion.*

Motion passes 3-0.

- 3D. Update and possible action to approve financial documents required by Preston Hollow in connection with the Sports Health District financing transaction.

MOTION: *Board member Martinez made the motion to approve the Intercreditor Agreement. Vice Chair Thornton seconded the motion.*

Motion passes 3-0.

ADJOURNMENT

There being no further business to be heard, the meeting was adjourned at 6:01 pm.

**COTTONWOOD
DEVELOPMENT CORPORATION**

Doug Gaul, Chairman

ATTESTED:

Patti Martinez, Secretary



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
THURSDAY, APRIL 30, 2020**

The Cottonwood Development Corporation met in a regular session on Thursday, April 30, 2020 in the Hutto City Council Chamber, 500 W. Live Oak Street, Hutto, TX 78634.

CALL SESSION TO ORDER

The meeting was called to order at 6:00pm.

ROLL CALL

Members of the Board present were Doug Gaul, Dan Thornton and Patti Martinez.

Members of staff present: Byron Frankland, Assistant City Manager (ACM), Michel Sorrell, Assistant City Manager (ACM), Dottie Palumbo, City Attorney, and Cheri Bowman, Economic Development Specialist.

PUBLIC COMMENTS

No public comments

ACM Michel Sorrell addressed the Board, stating she and Bryon Franklin will be conducting the Cottonwood Directors meeting going forward.

REGULAR AGENDA

4. A Consideration and possible action regarding the minutes from the December 30, 2019 Cottonwood Board of Directors meeting. (Cheri Bowman)

Tabled

4. B Consideration and possible action regarding the minutes from the January 27, 2020 Cottonwood Board of Directors meeting. (Cheri Bowman)

Tabled

4. C Consideration and possible action regarding the minutes from the February 10, 2020 Cottonwood Board of Directors meeting. (Cheri Bowman)

Tabled

ACM Michel Sorrell asked the Board to table the all minutes until they have been reviewed. Director Martinez asked if the minutes would be available at the next Board meeting. ACM Michel Sorrell answered – yes, all the minutes will be available for the next Board meeting.



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
THURSDAY, APRIL 30, 2020**

MOTION: *Director Martinez motioned to table the minutes for the December 30, 2020, January 27, 2020 and February 10, 2020 Cottonwood Board of Directors meetings until the next Board of Directors meeting. Director Dan Thornton seconded the motion.*

ACTION: *Motion Passes 3-0.*

4. D Consider and approve an agreement with the Bojorquez Law Firm, P.C. to serve as General Counsel for the Cottonwood Development Corporation and authorize the Chairman to execute the agreement and authorize the Chairman to notify McGinnis Lochridge, Austin, Texas of the termination of legal services provided by McGinnis Lochridge.

ACM Michel Sorrell asked the Board to table Agenda Item 4D, informing the Board that Bojorquez Law Firm, P.C. cannot serve as Counsel for the Cottonwood Development Corporation due to “conflict of interest” as the Law Firm represents the City of Hutto. ACM Michel Sorrell said McGinnis Lochridge would be contacted for their service agreement information, and other law firms reviewed as possible representation for the Cottonwood Development Corporation. Director Martinez asked if there has been a “conflict of interest” with McGinnis Lochridge all this time. ACM Michel Sorrell replied – yes.

MOTION: *Director Martinez made a motion to table Agenda Item 4D until next Board of Directors meeting. Dan Thornton seconded the motion.*

ACTION: *Motion Passes 3-0.*

4. E Consider and acknowledge the receipt of the disbursement of funds for the Project, (Mixed Use Development and related public infrastructure and facilities) pursuant to the Loan Agreement, (Loan Agreement), between Cottonwood Development Corporation, a Texas nonprofit corporation as Borrower and Preston Hollow Capital, LLC, a Delaware limited liability company as Lender, dated February 13, 2020 pursuant to Article III, Section 3.1 as follows:

- a. Approximately \$1,100,000.00 to reimburse contractors for costs related to the Project; and
- b. Approximately \$1,070,000 for expenses that City has incurred or will incur as with regard to due diligence costs related to the Project.

Tabled



**COTTONWOOD DEVELOPMENT
CORPORATION
MEETING MINUTES
THURSDAY, APRIL 30, 2020**

4. F Consideration and approve payment of invoices submitted by Legacy PG Development, LLC or Legacy Hutto, LLC, to reimburse contractors for costs incurred and related to the Project not to exceed \$1,100,000 from funds received by Preston Hollow from Loan Agreement.

Tabled

4. G Consider and approve an amount not to exceed \$1,070,000 to reimburse the City pursuant to the Loan Agreement for costs incurred and related to the Project.

Tabled

4. H Consider and approve a professional services agreement with P3 Works for Public Improvement District and Tax Increment Reinvestment Administrative Services for the Project and authorize the Chairman to execute the agreement.

Tabled

ADJOURNMENT

There being no further business to be heard, the meeting was adjourned at 6:07pm.

**COTTONWOOD
DEVELOPMENT CORPORATION**

Doug Gaul, Chairman

ATTESTED:

Patti Martinez, Secretary