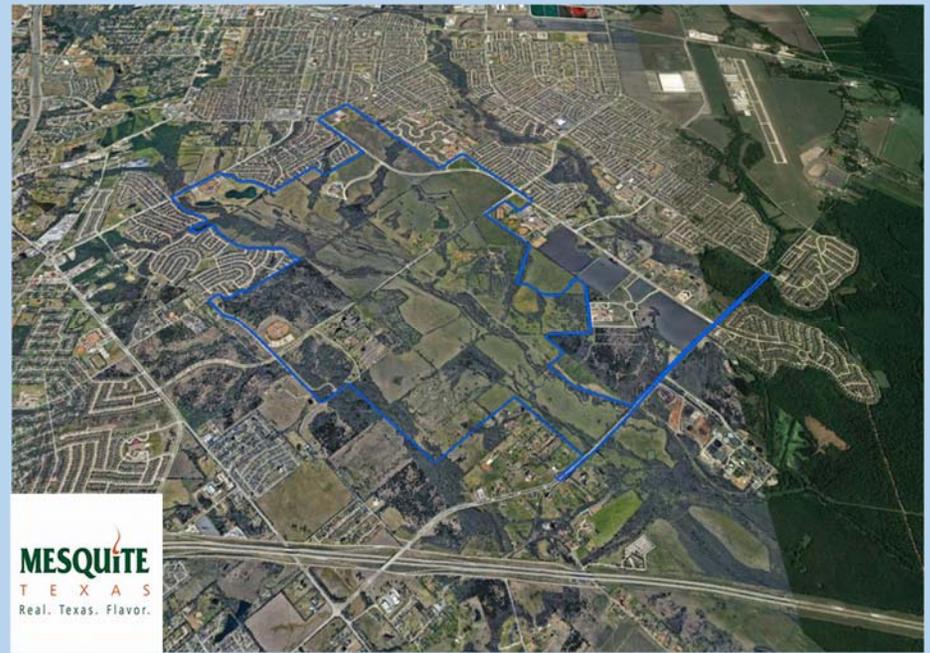




# Preliminary Reinvestment Zone Financing Plan

Reinvestment Zone Number Fifteen,  
City of Mesquite, Texas  
(Solterra)

May 3, 2021



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**1515 N. Galloway Ave. Mesquite, TX 75149**

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# Introduction

## Tax Increment Financing Program

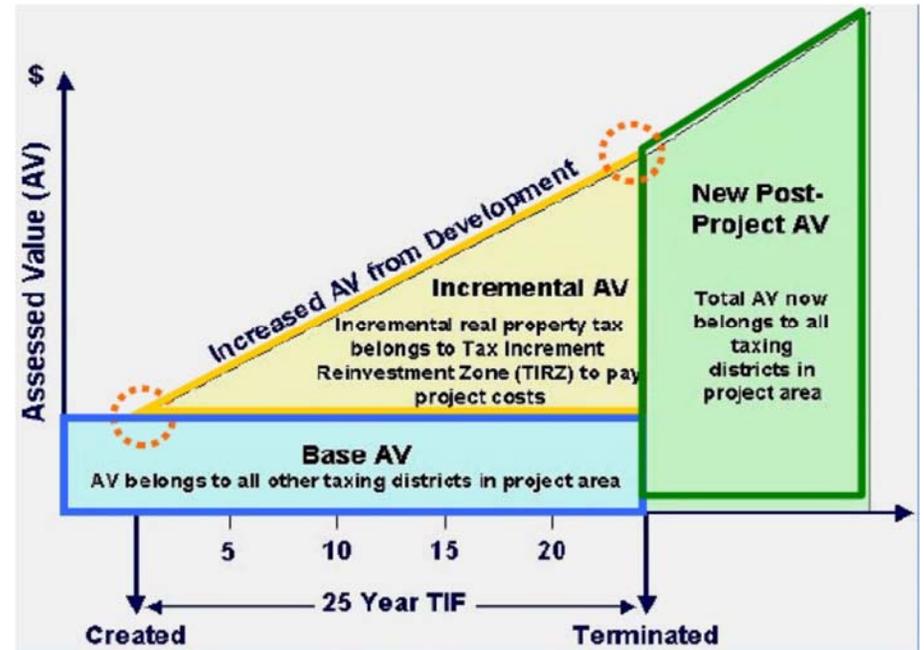
Chapter 311 of the Texas Tax Code (the TIRZ Act) authorizes the governing body of a municipality to promote redevelopment of a contiguous or noncontiguous geographic area by designating it a Tax Increment Reinvestment Zone (TIRZ). The future value of private investment within a TIRZ is leveraged to finance public improvements, to enhance existing public infrastructure, and to maximize the benefits of other incentive tools. Public investment in TIRZ, using tax increment as a financing mechanism, stimulates private sector investment in areas of the City that would not otherwise attract market interest. Taxing entities, including school districts, can opt in at a participation rate of their choosing, electing to contribute 0% to 100% of their tax increment into the zone.

### Key Points:

- Chapter 311 of the Texas Code controls all procedures for the creation of a TIRZ
- Base Value is assessed value in year TIRZ is designated (as of January 1)
- Development over time increases value
- Higher assessed value results in additional real property tax revenues

Once a TIRZ has been established, incremental real property taxes resulting from new construction, public improvements and redevelopment efforts accrue to the various taxing entities. Local taxing entities retain the right to determine the amount of the tax increment. The City enters into written Interlocal Agreements with all participating taxing entities to specify: (1) the conditions for payment of tax increment into a tax increment fund, (2) the portion of tax increment to be paid by each entity into the tax increment fund, and (3) the term of the Interlocal Agreement.

The amount of a taxing unit's tax increment for a year is the amount of property taxes levied and collected by the unit for that year on the "captured" appraised value of real property taxable by the unit and located in the TIRZ. Captured appraised value is the total appraised value of all real property taxable by the unit and located in a TIRZ for that year less the total appraised value of taxable real property in the base year (the year in which zone was designated by ordinance).



Note: The above Chart is for illustration purposes only. The Term of the TIRZ is 50 Years.

## Board of Director Responsibilities

The TIRZ Board prepares and adopts a project plan and a reinvestment zone financing plan and submits the plans to the City Council that designated the zone. Once a TIRZ project and financing plan has been approved by the City Council, the Board monitors the ongoing performance of the TIRZ by reviewing the construction status of proposed public improvements and amenities, reviewing the status of the tax increment fund, approving amendments to the project and financing plan, and recommending certain actions by City Council related to the TIRZ. The TIRZ Board must comply with the Texas Open Meetings Act as well as with all subsequent City Code provisions for City Boards and Commissions, to the extent that there is no conflict with the TIRZ Act.

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## Actions Taken to Date

On September 13, 2019, Huffines Communities, a family-owned residential real estate development company specializing in new urbanism, mixed-use sustainable communities, approached City staff with a concept for their latest signature community, known as *Solterra*, on 1,400 acres of undeveloped land owned by the prominent and historic Lucas Family.

There had been a number of prior master planned community concepts proposed for the property by different developers in 2002 and 2008 prior to the Great Recession, and then again in 2014, but those early concepts never materialized. Following the introduction, City staff and the Developer held a kick-off meeting on September 19, 2019, to outline the necessary steps in the development process. Later that month, City Councilmembers and staff toured several of the Developer's highly successful communities in north Texas, notably *Inspiration*, located in St. Paul; *Savannah*, located in unincorporated Denton County, and *Providence*, located in Providence Village, Texas.

On January 10, 2020, the Developer submitted an application for a zoning pre-application meeting, which was held on January 15, 2020, and City staff reviewed the concept plan for Solterra encompassing 1,424.398 acres of undeveloped property generally located southwest of East Cartwright Road and both northwest and southeast of Faithon P. Lucas, Sr. Boulevard.

On February 3, 2020, the Developer submitted Application No. Z0220-0129 for a change of zoning of the property from Agricultural zoning and from an earlier Planned Development District Ordinance No. 3538 that was adopted back on November 4, 2002, to a new Planned Development District to allow residential and mixed uses contemplated for the Solterra signature community.

On February 27, 2020, a widely advertised community input meeting was held at Dr. John D. Horn High School where a large audience of nearby residents were given a presentation on the vision and scope of the Solterra development. The presentation was well received, and the Superintendent of Mesquite ISD noted that the School District was well prepared to handle the anticipated increase in student enrollment within current School facilities and middle school feeder patterns.

On February 30, 2020, the Developer entered into a Professional Services Agreement and Indemnity to reimburse the City's costs for outside consultants related to the Solterra development.

On May 21, 2020, the City's bond counsel submitted a memorandum to the Texas Attorney General's Office (AGO) seeking clarification on a proposal to create one large Public Improvement District (PID) to be developed in eight phases over 15 to 20 years with the City deferring collection of assessments for each PID Phase until such time each Phase is platted.

On July 15, 2020, the AGO verbally approved the Solterra PID financing concept, and the City and Developer began in earnest towards drafting a Development Agreement that would establish the provisions for the creation of the PID, the construction, maintenance and ownership of public improvements, the issuance of PID bonds and use of TIRZ Revenues.

On August 31, 2020, the Developer gave a presentation on Solterra to City Councilmembers and Planning & Zoning Commissioners at a Special City Council and Planning & Zoning Commission joint meeting.

On September 14, 2020, the Planning & Zoning Commission held a public hearing regarding the Developer's re-zoning application. The Developer also gave a presentation on the development, and at the conclusion of the public hearing, Commissioners approved Zoning Application No. Z0220-0129.

On September 21, 2020, the City Council opened a public hearing to consider Zoning Application No. Z0220-0129. After public discussion and concerns regarding maintenance of the amenity concept and the sustainability of proposed crop and cattle operations, traffic concerns and home sizes, the City Council postponed action to the next meeting.

On October 5, 2020, upon further refinement of the PD Ordinance, the City Council adopted Ordinance No. 4818 approving the change in zoning of the 1,424.398 acres to Planned Development District to allow a master-planned community that would provide development standards and all mixed uses, residential and commercial uses.

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# Actions Taken to Date

On October 15, 2020, the City Council held a special meeting to receive a presentation by City consultants regarding the Solterra Development Agreement and the use of PID and TIRZ financing elements. As presented, total PID bond authorization would be capped at \$295 million and would provide sufficient bond proceeds to finance approximately \$201 million in authorized public improvements. The City's TIRZ participation rate would not exceed 60 percent, and TIRZ revenues would be used to reduce the property owner assessments used to pay off the PID bond debt service. Any excess TIRZ revenues would be applied to TIRZ project costs and to help fund a portion of Lawson Road.

On October 19, 2020, the City Council passed Resolution No. 53-2020 authorizing the City Manager to finalize and execute the Development Agreement, and on December 14, 2020, the Solterra Development Agreement was fully executed by the Developer.

On February 5, 2021, property owners within the proposed PID filed a petition requesting the City Council to create the Solterra PID.

On March 1, 2021, the City Council passed Resolution No. 07-2021 calling for a public hearing to consider the creation of the Solterra PID, and notice of the public hearing was published on March 18, 2021. The City Council also authorized the City Manager to finalize and execute a PID Administration contract with P3Works, LLC, and this contract was later executed on April 9, 2021.

On March 15, 2021, the City and Developer executed a First Amendment to the Solterra Development Agreement to further refine the future alignment of McKenzie Road and the related obligations of the City and Developer regarding construction of a McKenzie Road connector to the Solterra development.

On April 5, 2021, the City Council held a public hearing and passed Resolution No. 15-2021 authorizing and creating the Solterra Public Improvement District. This Resolution, or "*Improvement Order*," was later published on April 15, 2021, establishing the authorization effective date.

On April 5, 2021, the City Council passed Resolution No. 16-2021 calling for a public hearing to be held on May 3, 2021, to allow any interested person to speak for or against the creation of the TIRZ, and directed noticing of the public hearing by the City Secretary and preparation of this Preliminary Reinvestment Zone Financing Plan.

Notice of the public hearing was published on April 22, 2021, in the *Daily Commercial Record*.

## Future Actions

- May 3, 2021 City Council will conduct a public hearing and consider an ordinance creating TIRZ.
- May 5, 2021 20-day written protest period expires for PID project construction commencement.
- June 7, 2021 City Council will consider an ordinance approving a Project Plan and Reinvestment Zone Financing Plan for Reinvestment Zone Number Fifteen, City of Mesquite, Texas (Solterra).

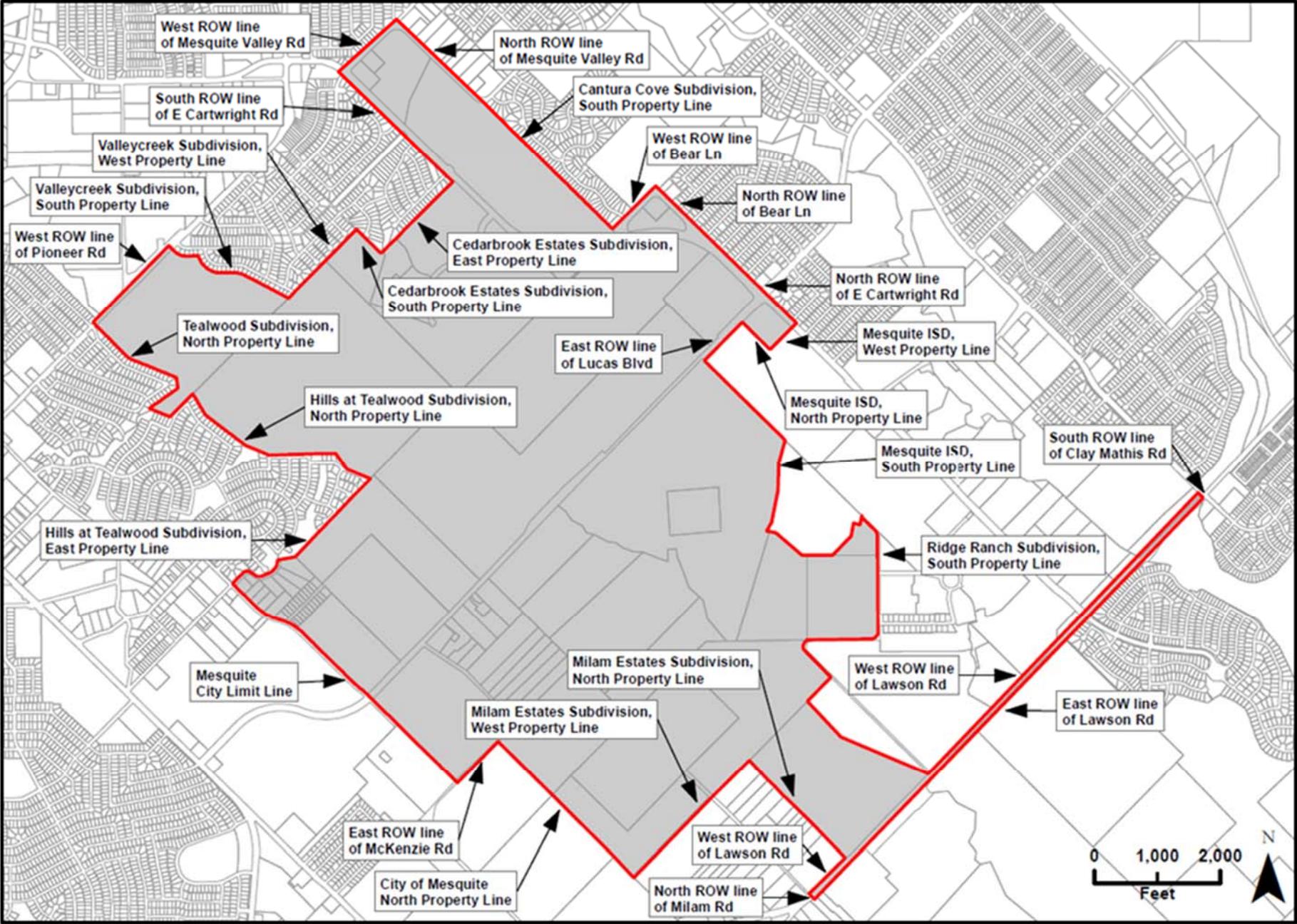
## Future TIRZ Board Recommendations

Upon creation of the TIRZ, the TIRZ Board will consider adoption of a ***Reinvestment Zone Project and Financing Plan for Reinvestment Zone Number Fifteen, City of Mesquite, Texas (Solterra)***, including a TIRZ Reimbursement Agreement with the City and Developer pursuant to which the City will contribute 60% of its ad valorem tax increment into a tax increment fund to pay the costs of public improvements, programs, and other projects benefiting the Zone at their initial Board Meeting scheduled for June 7, 2021.



City of Mesquite, TX

# Boundary Description



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# Boundary Description

Beginning at a point of intersection of the south ROW line of East Cartwright Road and the projection of the west ROW line of Mesquite Valley Road, thence

Northerly along the west ROW line of Mesquite Valley Road to a point where said line intersects with the north ROW line of Mesquite Valley Road, thence

Easterly along the north ROW line of Mesquite Valley Road to a point where said line intersects with the south property line of Cantura Cove Subdivision, thence

Easterly along the south property of Cantura Cove Subdivision to a point where said line intersects with the west ROW line of Bear Lane, thence

Northerly along the west ROW line of Bear Lane to a point where said line intersects with the north ROW line of Bear Lane, thence

Easterly along the north ROW line of Bear Lane to a point where said line intersects with the north ROW line of East Cartwright Road, thence

Easterly along the north ROW line of East Cartwright Road to a point where said line intersects with the projection of the west property line of Mesquite ISD tract, thence

Southerly along the west property line of Mesquite ISD tract to a point where said line intersects with the north property line of Mesquite ISD tract, thence

Westerly along the north property line of Mesquite ISD tract to a point where said line intersects with the east ROW line of Faithon P. Lucas, Sr. Boulevard, thence

Southerly along the east ROW line of Faithon P. Lucas, Sr. Boulevard to a point where said line intersects with the south property line of Mesquite ISD tract, thence

Easterly along the south property line of Mesquite ISD tract to a point where said line intersects with the south property line of Ridge Ranch Subdivision, thence

Southeasterly along the west property line of Mesquite ISD tract to a point where said line intersects with the south property line of Ridge Ranch Subdivision, thence

Southeasterly along the south property line of Ridge Ranch Subdivision to a point where said line intersects with the west ROW line of Lawson Road, thence

Northerly along the west ROW line of Lawson Road to a point where said line intersects with the south ROW line of Clay Mathis Road, thence

Easterly along the south ROW line of Clay Mathis Road to a point where said line intersects with the east ROW line of Lawson Road, thence

Southerly along the east ROW line of Lawson Road to a point where said line intersects with the north ROW line of Milam Road, thence

Westerly along the north ROW line of Milam Road to a point where said line intersects with the east ROW line of Lawson Road, thence

Northerly along the east ROW line of Lawson Road to a point where said line intersects with the north property line of the Milam Estates Subdivision, thence

Westerly along the north property line of Milam Estates Subdivision to a point where said line intersects the west property line of Milam Estates Subdivision, thence

Southerly along the west property line of Milam Estates Subdivision to a point where said line intersects with the north property line of City of Mesquite tract, thence

# Boundary Description

Easterly along the north property line of City of Mesquite tract to a point where said line intersects with the east ROW line of McKenzie Road, thence

Southerly along the east ROW line of McKenzie Road to a point where said line intersects with the City Limit line of the City of Mesquite, thence

Westerly along the City Limit line of the City of Mesquite to a point where said line intersects with the east property line of Hills at Tealwood Subdivision, thence

Northerly along the east property line of Hills at Tealwood Subdivision to a point where said line intersects with the north property line of Hills at Tealwood Subdivision, thence

Westerly along the north property line of Hills at Tealwood Subdivision to a point where said line intersects with the north property line of Tealwood Subdivision, thence

Westerly along the north property line of Tealwood Subdivision to a point where the projection of said line intersects with the west ROW line of Pioneer Road, thence

Northerly along the west ROW line of Pioneer Road to a point where said line intersects with the projection of the south property line of Valleycreek Subdivision, thence

Easterly along the south property line of Valleycreek Subdivision to a point where said line intersects with the east property line of Valleycreek Subdivision, thence

Northerly along the east property line of Valleycreek Subdivision to a point where said line intersects with the south property line of Cedarbrook Estates Subdivision, thence

Easterly along the south property line of Cedarbrook Estates Subdivision to a point where said line intersects with the east property line of Cedarbrook Estates Subdivision, thence

Northerly along the east property line of Cedarbrook Estates Subdivision to a point where said line intersects with the south ROW of East Cartwright Road, thence

Westerly along the south ROW line of East Cartwright Road to a point where said line intersects with the projection of the west ROW line of Mesquite Valley Road, which is the point of beginning.

**THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY CREATION OR RECONFIGURATION OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.**



## Lucas Farms Legacy

The proposed reinvestment zone is located wholly within the City of Mesquite. The 1,400-acre property was acquired in 1928 by Faithon P. Lucas, Sr., a Greek immigrant who had arrived in Dallas in 1910 with just seventy-five cents in his pocket, and who established a café in Downtown Dallas within one year upon arrival. The café, known as Lucas B&B Restaurant, later relocated to 3520 Oak Lawn in 1953 (the present day location of Pappadeaux Seafood Kitchen).

Mr. Lucas acquired the property, for what he described as “worthless black clay land,” for \$27.50 per acre to raise meat and produce to supply his Lucas B&B Restaurant. Having little experience in farming, Mr. Lucas turned to A. B. Jolley, County Agricultural Agent, and the Texas A&M Extension Service for technical advice and quickly set about improving the land. As part of the soil rebuilding process, Mr. Lucas would visit neighboring farms to clean manure from barnyards and use it to fertilize his land. As the years passed, and through implementation of soil conservation practices learned through Texas A&M, he had become known as one of Texas’ leading soil conservationists, and in 1952 was named “*Farmer of the Year*” by the Dallas Agriculture Club.

In 1955, Mr. Lucas was recognized as “*Headliner of the Year*” in Dallas, and in 1956 was the recipient of the Theodore Roosevelt Award as one of the outstanding immigrants of Texas. He carved his philosophy in stone on the entrance columns to the Lucas Farm, and this plaque will be preserved as a lasting tribute to the Lucas Farms Family legacy:

*“Top soil, the source of all life. It is the duty of every good citizen to conserve what’s there and to rebuild what others destroy”*

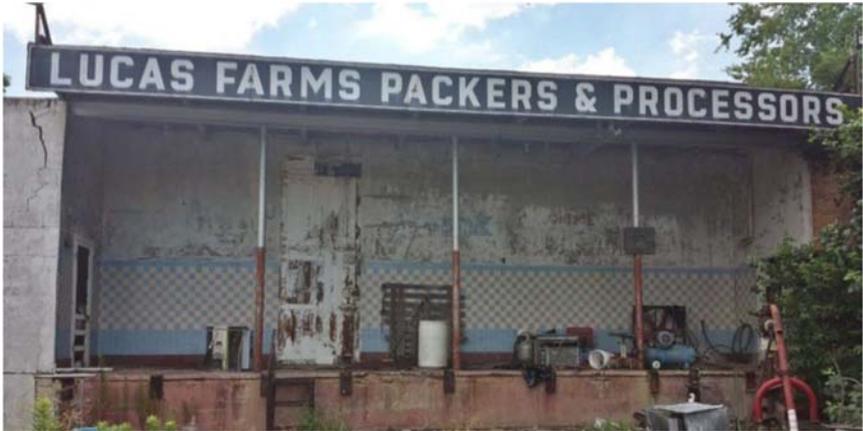
Source: *A Stake In The Prairie Mesquite, Texas* 1984, Mesquite Historical Committee



The original Lucas B&B Restaurant sign still stands today (Faithon’s brother-in-law founded Pappas Restaurants)



Faithon P. Lucas, Sr. shown inside his meat processing plant at Lucas Farms.



Est. 1952, Lucas Farms Packers & Processors was heralded as “Mesquite’s first big industrial plant.”

## Current Uses and Conditions

MISD has two school facilities located within the TIRZ, Vanguard High School (under construction) and Gentry Elementary School, with one future elementary school site undeveloped adjacent to Vanguard High School. Approximately 60 acres is single-family residential on large five acre lots located along McKenzie Road. Two general retail tracts located at Faithon P. Lucas, Sr. Boulevard and Cartwright Road are undeveloped.

Other than the Devine Mercy of Our Lord Catholic Church and City park and recreation facilities, property within the TIRZ is mostly undeveloped and uncultivated farmland, with limited interior public infrastructure to support development. Development will require extensive public infrastructure for private development that: (1) the City cannot provide financially; and (2) will not be provided solely through private investment in the foreseeable future. A majority of the undeveloped property would be developed consistent with the terms of the Solterra Development Agreement. Maps of current land use and zoning are shown on the following pages.



View of Solterra looking west from Faithon P. Lucas, Sr. Blvd.



View of Solterra looking southeast from Gentry Elementary



View of Solterra looking northwest from Faithon P. Lucas, Sr. Blvd. (Family Barn to the Right)

# Current Land Use



City of Mesquite, TX

# Current Land Use

## Current Property Ownership

There are 19 property owners who own 91 separate parcels (DCAD Property IDs) within the approximately 1,920-acre TIRZ boundary, including the Developer and Lucas Family parcels comprising 1,424.398 acres within the Solterra PID boundary. The total appraised value of all taxable real property within the Zone is currently \$3,970,823.

The Developer of Solterra estimates a total of \$1.6 billion will be added to the taxable value by buildout of 3,900 residential lots, which build-out period is estimated to be 2043. The City's conservative financial projections further estimate that upon expiration of the term of the Zone in 50 years (2071), that the Solterra development will have added approximately \$3.9 billion in taxable real property to the City's tax base.

PROPERTY ID	OWNER	ACREAGE	LEGAL DESCRIPTION	LAND	IMPROVEMENTS	MARKET VALUE	EXEMPT VALUE	TOTAL ASSESSED VALUE
38160000010020000	ALLEN RICHARD & BELINDA	4.96	RALEIGH ESTATES BLK 1 LOT 2 ACS 4.9625	\$ 173,710	\$ 296,290	\$ 470,000	\$ 126,264	\$ 343,736
6500010151058020H	ANDERSON TERRY SAM	1.00	J P ANDERSON ABST 1 PG 015 TR 58.1 ACS 1.00	35,000	387,500	422,500	65,000	357,500
65000101510580200	ANDERSON TERRY SAM	1.28	J P ANDERSON ABST 1 PG 015 TR 58.1 ACS 1.277	44,700	-	44,700	-	44,700
65000101510580300	ANDERSON TERRY SAM	0.29	J P ANDERSON ABST 1 PG 015 TR 58.3 ACS 0.294	10,290	25,080	35,370	-	35,370
65000104010860000	BASS CAROLYN LUCAS TR	84.73	J P ANDERSON ABST 1 PG 040 TR 86 ACS 84.7335	1,016,810	-	1,016,810	1,005,795	11,015
65000102010450000	BASS CAROLYN LUCAS TR	75.24	J P ANDERSON ABST 1 PG 020 TR 45 ACS 75.2360	60,190	-	60,190	50,410	9,780
65000101510260100	BASS CAROLYN LUCAS TR	48.00	J P ANDERSON ABST 1 PG 015 TR 26.1 ACS 48.0	576,000	-	576,000	569,760	6,240
65000104010860100	BASS CAROLYN LUCAS TR	7.09	J P ANDERSON ABST 1 PG 040 TR 86.1 ACS 7.0874	70,870	-	70,870	69,949	921
65000104010860300	BASS CAROLYN LUCAS TR	2.39	J P ANDERSON ABST 1 PG 040 TR 86.3 ACS 2.392	59,800	-	59,800	59,490	310
65000101510270400	BLAIR BILL EDWARD	5.49	J P ANDERSON ABST 1 PG 015 TR 27.4 ACS 5.4940	192,150	226,890	419,040	209,056	209,984
650001015105400H	BRISCOE THOMAS & MARY	1.00	J P ANDERSON ABST 1 PG 015 TR 54 ACS 1.00	35,000	147,050	182,050	-	182,050
65000101510540000	BRISCOE THOMAS & MARY	8.87	J P ANDERSON ABST 1 PG 015 TR 54 ACS 8.87	310,450	-	310,450	309,741	709
38058150040010000	DMOL CP RC	18.38	DIVINE MERCY BLK A LT 1 ACS 18.376	-	-	-	-	-
65000101510270200	ELLIOTT ELIZABETH A	4.92	J P ANDERSON ABST 1 PG 015 TR 27.2 ACS 4.918	172,130	130,150	302,280	202,478	99,802
65000101510240000	HC SOLTERRA LLC	72.28	J P ANDERSON ABST 1 PG 015 TR 24 ACS 72.283	795,740	-	795,740	789,953	5,787
65000101510220200	HC SOLTERRA LLC	33.98	J P ANDERSON ABST 1 PG 015 TR 22.2 ACS 33.981	373,790	-	373,790	371,072	2,718
65000102510870000	LF GATEWAY LP	6.79	J P ANDERSON ABST 1 PG 025 TR 87 ACS 6.787	739,100	-	739,100	-	739,100
65000103010770000	LUCAS CAROLYN BASS TR	2.01	J P ANDERSON ABST 1 PG 030 TR 77 ACS 2.0110	70,390	24,610	95,000	-	95,000
65000102010460100	LUCAS FAITHON PANTELI JR	115.75	J P ANDERSON ABST 1 PG 020 TR 46.1 ACS 115.75	620,600	-	620,600	605,553	15,047
65000103010740000	LUCAS FARMS JOINT VENTURE	189.14	J P ANDERSON ABST 1 PG 030 TR 74 ACS 189.140	151,310	-	151,310	126,722	24,588
65000103010710000	LUCAS FARMS JOINT VENTURE	175.45	J P ANDERSON ABST 1 PG 030 TR 71 ACS 175.453	868,800	1,230	870,030	845,992	24,038
65000103010720000	LUCAS FARMS JOINT VENTURE	125.99	J P ANDERSON ABST 1 PG 030 TR 72 ACS 125.986	1,259,860	-	1,259,860	1,243,482	16,378
65000102010620100	LUCAS FARMS JOINT VENTURE	165.34	J P ANDERSON ABST 1 PG 020 TR 52.1 ACS 165.339	1,400,000	-	1,400,000	1,385,006	14,994
65000103010730000	LUCAS FARMS JOINT VENTURE	83.54	J P ANDERSON ABST 1 PG 030 TR 73 ACS 83.5362	835,360	-	835,360	824,501	10,859
65000102010480100	LUCAS FARMS JOINT VENTURE	54.15	J P ANDERSON ABST 1 PG 020 TR 48.1 ACS 54.1504	108,300	-	108,300	101,261	7,039
65000102010630100	LUCAS FARMS JOINT VENTURE	37.77	J P ANDERSON ABST 1 PG 020 TR 53.1 ACS 37.769	181,290	-	181,290	176,381	4,909
65000102010610000	LUCAS FARMS JOINT VENTURE	-	J P ANDERSON ABST 1 PG 020 TR 51	-	4,800	4,800	-	4,800

PROPERTY ID	OWNER	ACREAGE	LEGAL DESCRIPTION	LAND	IMPROVEMENTS	MARKET VALUE	EXEMPT VALUE	TOTAL ASSESSED VALUE
65000102010600100	LUCAS FARMS JOINT VENTURE	32.00	J P ANDERSON ABST 1 PG 020 TR 50.1 ACS 32.00	64,000	-	64,000	59,840	4,160
65000103010730200	LUCAS FARMS JOINT VENTURE	27.13	J P ANDERSON ABST 1 PG 030 TR 73.2 ACS 27.1291	271,290	-	271,290	267,764	3,526
65000102010470100	LUCAS FARMS JOINT VENTURE	25.00	J P ANDERSON ABST 1 PG 020 TR 47.1 ACS 25.00	50,000	-	50,000	46,750	3,250
65000102010490100	LUCAS FARMS JOINT VENTURE	25.00	J P ANDERSON ABST 1 PG 020 TR 49.1 ACS 25.00	50,000	-	50,000	46,750	3,250
65000102010610100	LUCAS FARMS JOINT VENTURE	10.00	J P ANDERSON ABST 1 PG 020 TR 51	48,000	-	48,000	46,700	1,300
65000102010630300	LUCAS FARMS JOINT VENTURE	5.62	J P ANDERSON ABST 1 PG 020 TR 53.3 ACS 5.624	27,000	-	27,000	26,269	731
65000103010720100	LUCAS FARMS JOINT VENTURE	4.94	J P ANDERSON ABST 1 PG 030 TR 72.1 ACS 4.9367	49,370	-	49,370	48,729	641
65000101510240101	LUCAS GEORGE F IRREV	2.00	J P ANDERSON ABST 1 PG 015 TR 26.1 ACS 2.0	60,000	2,160	62,160	-	62,160
65000101510690000	MCCORD DAN NY JOE & GINGER LEE	4.00	J P ANDERSON ABST 1 PG 015 TR 59 CHAIN 1 ACS 4.00	140,000	-	140,000	-	140,000
65000101510690000	MCCORD DAN NY JOE & GINGER LEE	1.00	J P ANDERSON ABST 1 PG 015 TR 59 ACS 1.0 REM ACS ON CHAIN 1	77,000	35,000	112,000	65,000	47,000
38074000100100000	MESQUITE CITY OF	8.35	BONNIE LU CILLE GENTRY ELEM SCHOOL BLK 1 LT 2 ACS 8.351	-	-	-	-	-
650001015102180000	MESQUITE CITY OF	56.01	J P ANDERSON ABST 1 PG 015 TR 28 ACS 56.0108	-	-	-	-	-
65000103010710000	MESQUITE CITY OF	49.64	J P ANDERSON ABST 1 PG 030 TR 70 ACS 49.6431	-	-	-	-	-
65000103010680100	MESQUITE CITY OF	27.48	J P ANDERSON ABST 1 PG 030 TR 62.1 ACS 27.4822	-	-	-	-	-
65000103010680300	MESQUITE CITY OF	88.07	J P ANDERSON ABST 1 PG 030 TR 69 ACS 88.0689	-	-	-	-	-
65000104010860400	MESQUITE CITY OF	1.61	J P ANDERSON ABST 1 PG 040 TR 86.4 ACS 1.609	-	-	-	-	-
60123500110290000	MESQUITE ISD	42.61	MEADOW LAKE BLK LOTS 1-34	-	-	-	-	-
38074000100100000	MESQUITE ISD	8.44	BONNIE LU CILLE GENTRY ELEM SCHOOL BLK 1 LT 1 ACS 8.443	-	-	-	-	-
65000103010700100	MESQUITE ISD	44.10	J P ANDERSON ABST 1 PG 030 TR 70.1 ACS 44.097	-	-	-	-	-
65000101510600000	Owner withheld - Tx Prop Tax Code	4.50	J P ANDERSON ABST 1 PG 015 TR 60 ACS 4.50	157,500	-	157,500	157,140	360
38160000010010000	REYNA STEVEN & KIM	1.87	RALEIGH ESTATES BLK 1 LOT 1 ACS 1.873	243,620	65,560	309,180	-	309,180
65000101510580400	REYNA STEVEN & KIM	1.58	J P ANDERSON ABST 1 PG 015 TR 58.4 ACS 1.576	55,160	-	55,160	-	55,160
65000101510580000	S & A GROUP LLC	2.94	J P ANDERSON ABST 1 PG 015 TR 58 ACS 2.9391 CALC	102,870	-	102,870	-	102,870
650001015102703H	SNOW DARLA HENSLEY	1.00	J P ANDERSON ABST 1 PG 015 TR 27.3 ACS 1.00	35,000	108,780	143,780	102,421	41,359
65000101510270300	SNOW DARLA HENSLEY	3.81	J P ANDERSON ABST 1 PG 015 TR 27.3 ACS 3.8130	95,330	-	95,330	94,835	495
65000101510270100	TEMPLETON MARY C LIFE ESTATE	3.48	J P ANDERSON ABST 1 PG 015 TR 27.1 ACS 3.477	134,300	72,370	206,670	169,233	37,437
65000101510270900	TEMPLETON MARY C LIFE ESTATE	0.36	J P ANDERSON ABST 1 PG 015 TR 27.5 ACS 0.360	12,600	-	12,600	10,844	1,756
65000101510594001	TEMPLETON MICHAEL ALAN	0.96	J P ANDERSON ABST 1 PG 015 TR 59A ACS 976	34,160	69,070	103,230	103,230	-
65000103010710100	WALMART REAL ESTATE BUSINESS TR	25.13	J P ANDERSON ABST 1 PG 030 TR 71.1 ACS 25.131	628,280	-	628,280	-	628,280
38160000010010001	WILLIAMS KARL D	0.50	RALEIGH ESTATES BLK 2 LT 1 LESS ROW ACS 0.50	17,500	242,670	260,170	-	260,170
38160000010010000	WILLIAMS KARL DANIEL	4.55	RALEIGH ESTATES BLK 2 LT 1 LESS ROW ACS 4.5548	159,430	-	159,430	159,066	364
<b>TOTALS</b>				<b>\$12,674,050</b>	<b>\$ 1,839,210</b>	<b>\$14,513,260</b>	<b>\$10,542,437</b>	<b>\$3,970,823</b>

## Zoning

The 1,424-acre proposed development was annexed into the City in 1984 and had been zoned Agricultural. On November 4, 2002, the City Council adopted PD Ordinance No. 3538 to re-zoned the property to Planned Development District to allow a 3,100 lot single-family mixed used development known as *Lucas Farms*. The property had long ceased to be a working farm, and by 1998, with the passing of George Lucas, son of Faithon P. Lucas, Sr. and Family patriarch, Family descendants were prepared for the inevitable residential growth that was occurring in the surrounding area. The earlier *Lucas Farms* concept was not able to get off the ground before the Great Recession hit and the effects of the recession slowed the local housing market for many years after the economic recovery.

Huffines Communities submitted Application No. Z0220-0129 for a change in zoning for the property from Agricultural zoning, and the earlier PD Ordinance No. 3538, to a new Planned Development District to allow residential and mixed uses contemplated for their new Solterra signature community. On September 14, 2020, the Planning & Zoning Commission voted to recommend the change in zoning, and after some deliberation, the City Council adopted PD Ordinance No. 4818 on October 5, 2020, approving the change in zoning.

The Solterra PD Ordinance meets the intent of *Low Density Residential* as described by the Mesquite Comprehensive Plan. Solterra will offer new residents a range of diverse housing options and a variety of different housing and lot sizes. In addition, Solterra will provide Mesquite its first premier community with a distinct character and amenities, including open spaces, trails, amenity center, a variety of housing products with high architectural standards.

## Proposed Changes to Ordinances, Codes, and Regulations

There are no proposed changes to zoning for the 1,424-acre Solterra property; however, other property within the 1,920-acre TIRZ may be subject to future rezoning and regulations as retail and restaurant development is expected to follow.

The gross density for Solterra is slightly below three units per acre, which is in line with the density anticipate for *Low Density Residential*.

The approved Solterra concept plan consists of 3,900 single-family residential lots, an amenity center with retail and restaurant use on 9.4 acres and 603 acres of open space with an extensive trail system and other amenities. The residential lots will be distributed as follows:

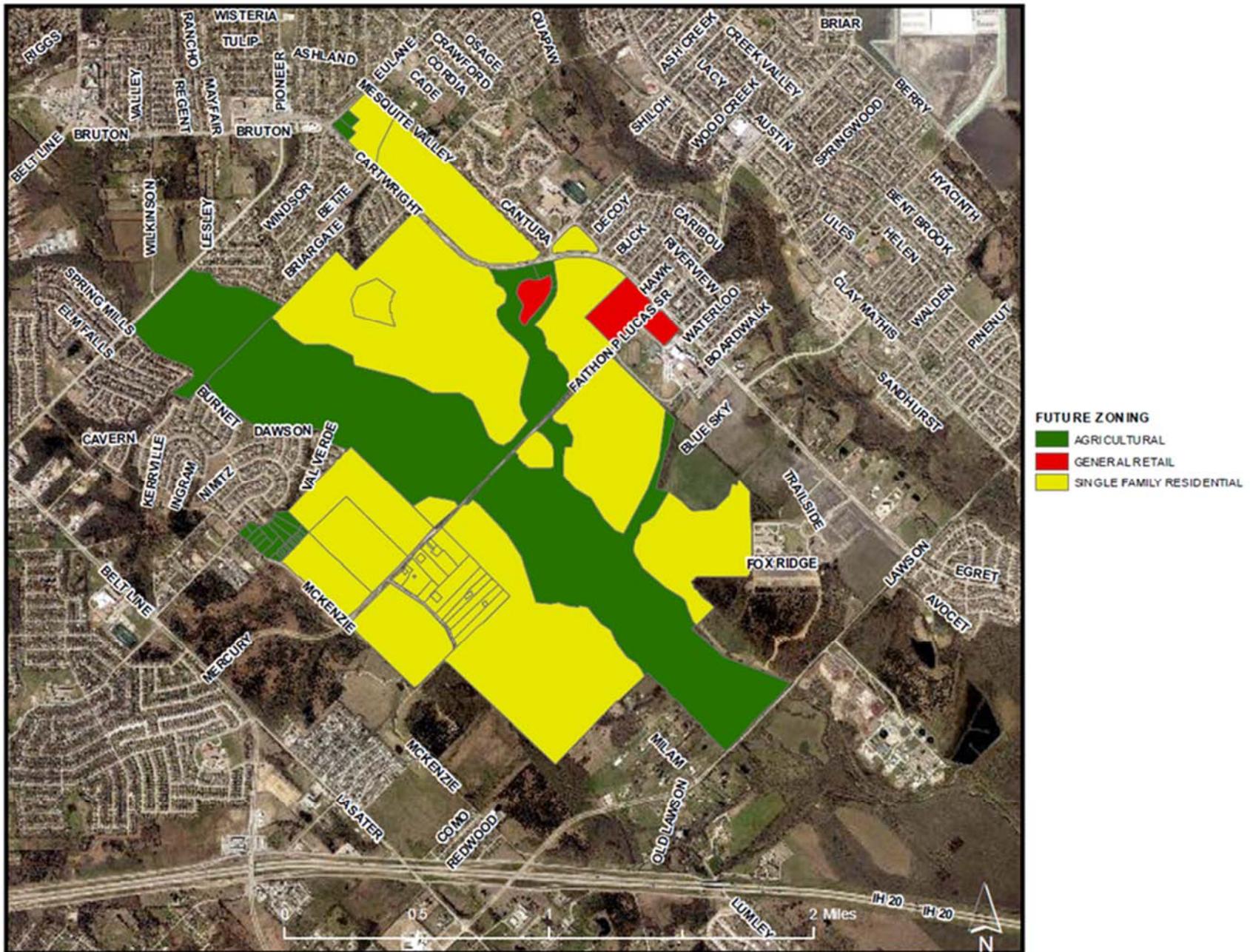
<u>Lot Type</u>	<u>Minimum Home Size</u>	<u>Restrictions</u>
Duplex (SF-A)	1,100 square feet	15% maximum
Townhome (SF-A)	1,200 square feet	for SF-A
30-foot width lots (SF-D1)	1,250 square feet	30% maximum
40-foot width lots (SF-D1)	1,500 square feet	for SF-D1
50-foot width lots (SF-D2)	1,750 square feet	60% maximum
60-foot width lots (SF-D3)	2,000 square feet	8% minimum
70-foot width lots (SF-D4)	2,400 square feet	2% minimum

**CLIP THIS MAP FOR EASY DIRECTIONS**

*Directions to Lucas Farms*

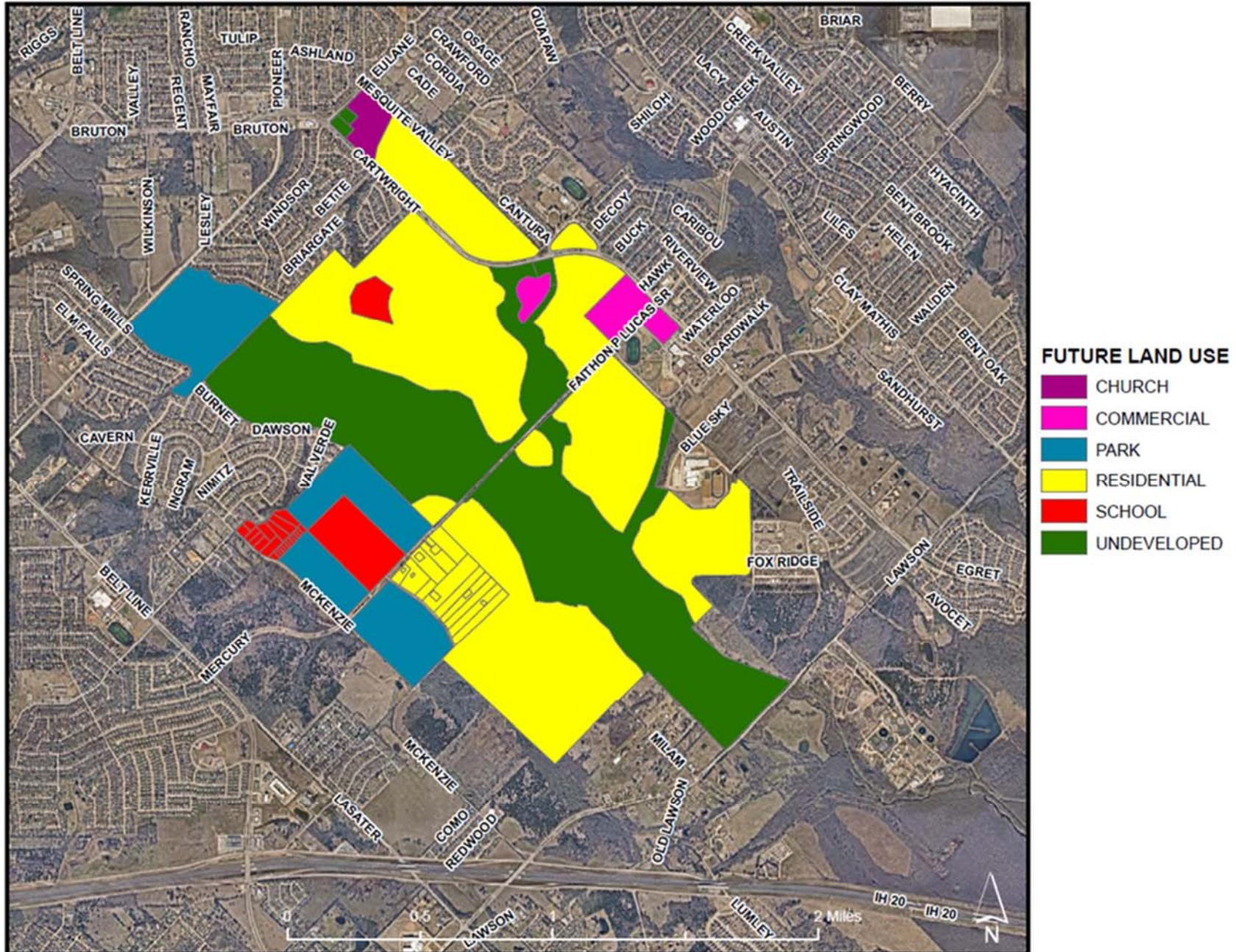
Follow Lucas Farms! Black-and-White Arrow Signs on Lake June Road

**HUNDREDS OF BUYERS DAILY PROVE GREATER SAVINGS ARE AT LUCAS FARMS!**



City of Mesquite, TX

# Future Land Use



## Proposed Uses

As a Huffines signature community, Solterra will be developed as a mixed-use residential community consistent with the concept plan and development standards approved in the Solterra Development Agreement. It's anticipated that the development will take place in eight phases over the next 20 years.

The Solterra concept plan calls for 3,900 single-family residential lots with a variety of housing options. The residential Lots Types are described as follows:

RESIDENTIAL TYPE		
SF-A	TOWNHOUSE (22'x92')	
	CLUSTER (35'x115')	
SF-D1	40'x120'	FRONT ENTRY
	40'x120'	REAR ENTRY
SF-D2	50'x120'	FRONT ENTRY
	50'x120'	REAR ENTRY
SF-D3	60'x120'	FRONT ENTRY
	60'x120'	REAR ENTRY
	60'x120'	FRONT ENTRY(NON STANDARD)
SF-D4	70'x130'	FRONT ENTRY
	70'x130'	REAR ENTRY

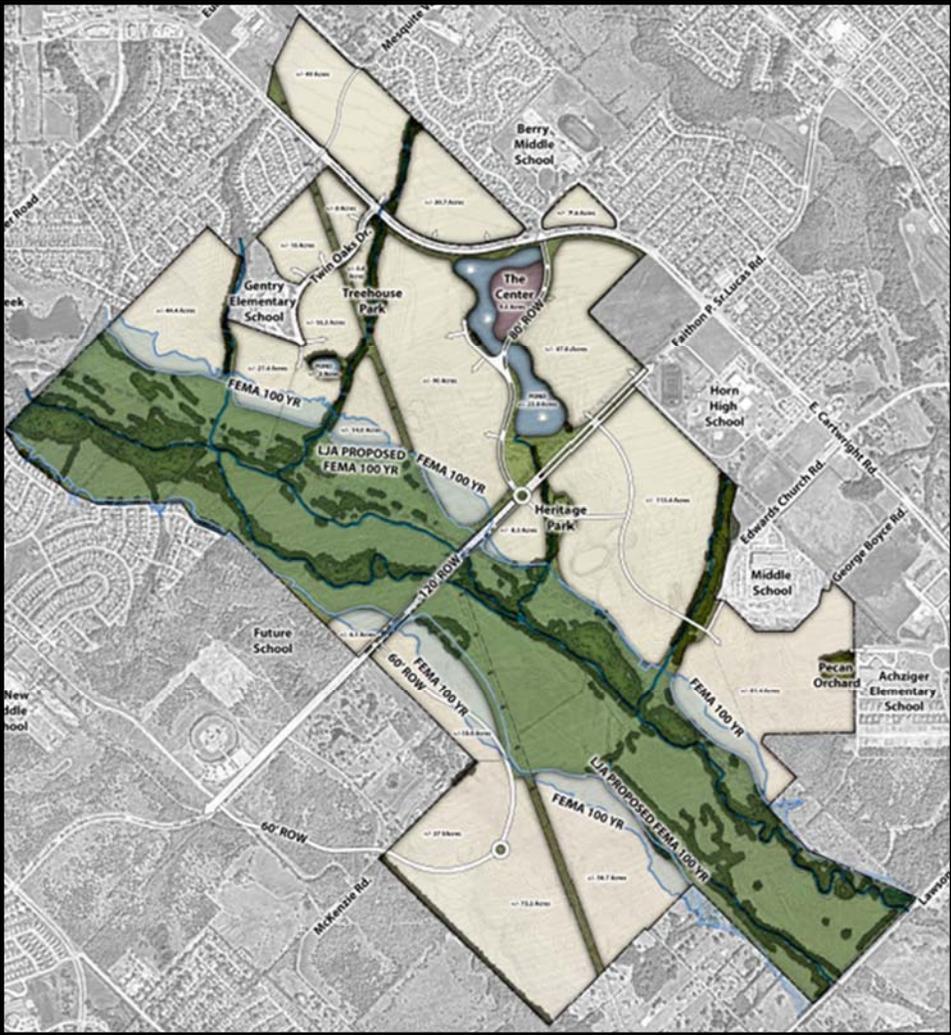
The 3,900 single-family residential units will include 141 homes on 70-foot width lots with an average sales price of \$581,000 at built-out; 459 homes on 60-foot width lots with an average sales price of \$533,153 at built-out; 1,361 homes on 50-foot width lots with an average sales price of \$444,294 at built-out; 1,362 homes on 40-foot width lots with an average sales price of \$403,282 at built-out; 241 homes on 40-foot width lots with an average sales price of \$355,435 at built-out; and 336 townhomes with an average sales price of \$334,929 at built-out. Illustrations of the planned home product are depicted to the right.



Lennar Homes: *The Liberty II Brookstone 3900 Collection* - 3,549 square-feet



Lennar Homes: *The Amber Brookstone 3900 Collection* - 1,672 square-feet



Solterra Concept Plan



Phase One ("Zone A")

# Solterra Home Construction Phasing Plan

## PHASE 1 AV - 2021

Product	# of units	Avg Sales Price	Total Improvement Value
SF-A (THs, Brownstones)	108	245,000	\$ 26,460,000
SF-D <40 (Paseos, Cluster)	20	260,000	5,200,000
SF-D 40'	203	295,000	59,885,000
SF-D 50'	279	325,000	90,675,000
SF-D 60'	130	390,000	50,700,000
SF-D 70'	46	425,000	19,550,000
	<u>786</u>		<u>\$252,470,000</u>
Average Home AV per unit			\$ 321,209

## Phase 1 Lots

Product	# of units	Lot - Avg Sales Price	Total Improvement Value
SF-A	108	50,000	\$ 5,400,000
SF-D <40	20	58,000	1,160,000
SF-D 40'	203	65,000	13,195,000
SF-D 50'	279	75,000	20,925,000
SF-D 60'	130	87,000	11,310,000
SF-D 70'	46	96,250	4,427,500
	<u>786</u>		<u>\$ 56,417,500</u>
Average Lot AV per unit			\$ 71,778

## FULL BUILDOUT AV

Product	# of units	Avg Sales Price	Total Improvement Value
SF-A	336	334,929	\$ 112,536,201
SF-D <40	241	355,435	85,659,844
SF-D 40'	1,362	403,282	549,270,166
SF-D 50'	1,361	444,294	604,683,855
SF-D 60'	459	533,153	244,717,022
SF-D 70'	141	581,000	81,920,941
	<u>3,900</u>		<u>\$1,678,788,029</u>
Average AV per unit			\$ 430,458

## FUTURE PHASES - AV

COMPLETED HOMES: Assume the aggregate units for each product are as follows with 1.5% annual inflation factor for Home Sales Price.

Product	Year - 2025		Year - 2028		Year - 2031		Year - 2034		Year - 2037		Year - 2040		Year - 2043	
	# of units	Avg Sales Price												
SF-A (THs, Brownstones)	108	256,191	129	267,894	172	280,131	215	292,926	258	306,307	302	320,298	336	334,929
SF-D <40 (Paseos, Cluster)	62	271,876	93	284,295	124	297,281	154	310,861	185	325,060	216	339,909	241	355,435
SF-D 40'	327	308,475	524	322,566	698	337,300	873	352,707	1,048	368,818	1,222	385,665	1,362	403,282
SF-D 50'	327	339,845	523	355,369	698	371,602	872	388,576	1,047	406,325	1,221	424,886	1,361	444,294
SF-D 60'	130	407,815	177	426,443	235	445,922	294	466,291	353	487,591	412	509,863	459	533,153
SF-D 70'	46	444,413	54	464,713	72	485,941	90	508,138	108	531,349	127	555,620	141	581,000
	<u>1,000</u>		<u>1,500</u>		<u>2,000</u>		<u>2,500</u>		<u>3,000</u>		<u>3,500</u>		<u>3,900</u>	

## FUTURE PHASES - Costs

PHASED COSTS: Assume 3.5% annual inflation factor for Construction Costs.

Product	Year - 2025 (Ph 2)		Year - 2028 (Ph 3)		Year - 2031 (Ph 4)		Year - 2034 (Ph 5)		Year - 2037 (Ph 6)		Year - 2040 (Ph 7)		Year - 2043 (Ph 8)	
	# of units	Costs	# of units	Costs	# of units	Costs	# of units	Costs	# of units	Costs	# of units	Costs	# of units	Costs
SF-A (THs, Brownstones)	0	4,940	21	750,350	43	1,700,287	43	1,885,139	43	2,090,087	43	2,317,317	34	2,055,400
SF-D <40 (Paseos, Cluster)	42	1,571,395	31	1,287,970	31	1,427,996	31	1,583,244	31	1,755,371	31	1,946,212	25	1,726,240
SF-D 40'	124	5,582,257	197	9,795,333	175	9,645,067	175	10,693,658	175	11,856,250	175	13,145,236	140	11,659,487
SF-D 50'	48	2,446,675	196	11,110,214	174	10,938,878	174	12,128,130	174	13,446,674	174	14,908,568	140	13,223,517
SF-D 60'	(0)	(16,691)	47	2,817,450	59	3,923,932	59	4,350,533	59	4,823,514	59	5,347,916	47	4,743,464
SF-D 70'	0	9,209	8	536,006	18	1,330,054	18	1,474,655	18	1,634,976	18	1,812,727	14	1,607,842
	<u>214</u>	<u>9,597,785</u>	<u>500</u>	<u>26,297,323</u>	<u>500</u>	<u>28,966,214</u>	<u>500</u>	<u>32,115,359</u>	<u>500</u>	<u>35,606,872</u>	<u>500</u>	<u>39,477,976</u>	<u>400</u>	<u>35,015,950</u>

## TOTAL COSTS

Product	Phase 1		All Future Phases		Total	
	# of units	Costs	# of units	Costs	# of units	Costs
SF-A (THs, Brownstones)	108	3,003,070	228	10,803,519	336	13,806,589
SF-D <40 (Paseos, Cluster)	20	659,084	221	11,298,428	241	11,957,512
SF-D 40'	203	7,769,583	1,159	72,377,289	1,362	80,146,871
SF-D 50'	279	12,114,684	1,082	78,202,657	1,361	90,317,341
SF-D 60'	130	6,314,075	329	25,990,119	459	32,304,193
SF-D 70'	46	2,476,281	95	8,405,468	141	10,881,750
	<u>786</u>	<u>32,336,777</u>	<u>3,114</u>	<u>207,077,479</u>	<u>3,900</u>	<u>239,414,256</u>

Total 3,900 Units \$1,678,788,029 Taxable Value at Buildout

# Solterra Estimated Project Costs

### Project Costs

There are a number of public improvements within the TIRZ that will be financed in part by incremental real property tax generated within the zone. The categories listed in the table below outline public improvements related to water, sanitary sewer, and storm water facilities, parking improvements, street and intersection improvements, open space, park and recreation facilities and improvements, public facilities, and are meant to include all projects eligible under Chapter 311, Section 311.002 of the Texas Tax Code.

The project costs described in the table are estimates based on the Developer’s engineering Estimate of Probable Cost (EOPC) and may be revised. Savings from one category may be applied to a cost increase in another category. It is anticipated that the individual TIRZ project cost allocations will be evaluated on a case by case basis, consistent with the categories listed below, and brought forward to the TIRZ board and City Council for consideration.

### Estimated Non-Project Costs

Non-project costs are private funds that will be spent to develop infrastructure within the TIRZ, but will not be financed with TIRZ revenues. The total non-project costs are estimated at \$65,952,260.

<b>Proposed Project Costs * does not include 4% construction management fee for hard costs</b>		
<b>Description</b>	<b>Estimated Cost</b>	<b>% of Total</b>
Water Facilities and Improvements	\$ 11,489,508	7.0%
Sanitary Sewer Facilities and Improvements	14,481,894	8.9%
Storm Water Facilities and Improvements	30,883,770	18.9%
Roadway and Excavation Improvements	48,758,320	29.9%
Landscaping and Retaining Walls	21,259,253	13.0%
Engineering, Inspection and Miscellaneous	21,461,115	13.2%
Contingency	14,835,500	9.1%
<b>Total</b>	<b>\$163,169,360</b>	<b>100.0%</b>

<b>Proposed Non- Project Costs</b>		
<b>Description</b>	<b>Estimated Cost</b>	<b>% of Total</b>
Excavation and Lot Improvements	\$ 3,767,450	5.7%
Landscaping	20,221,429	30.7%
Private Retaining Walls	17,006,730	25.8%
Engineering, Inspection and Miscellaneous	18,960,651	28.7%
Contingency	5,996,000	9.1%
<b>Total</b>	<b>\$65,952,260</b>	<b>100.0%</b>

### Relocation of Displaced Persons

No persons will be displaced or relocated due to the implementation of this Plan.

# Solterra Estimated Project Costs

## Categories of Authorized Public Improvements

The categories of authorized improvements proposed to be financed by the TIRZ are as follows: water improvements, sanitary sewer improvements, storm sewer and detention improvements, roadway improvements, erosion control and public landscape improvements. All public improvements shall be designed and constructed in accordance with all applicable City standards and shall otherwise be inspected, approved, and accepted by the City. At the City's option, the public improvements may be expanded to include any other category of improvements authorized by the TIRZ Act. Authorized improvements are subject to change.

### Roadway Improvements:

Consist of construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

### Water Distribution System Improvements:

Consist of construction and installation of water lines, mains, pipes, valves and appurtenances necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the assessed property. The water distribution system improvements will be designed and constructed in accordance with TCEQ standards and specifications and it is anticipated that the water distribution system will be owned and operated by the City.

### Sanitary Sewer Collection System Improvements:

Consist of construction and installation of pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with TCEQ standards and specifications. and will be owned and operated by the City of Mesquite.

### Storm Drainage Collection System Improvements:

Consist of reinforced concrete pipes, reinforced concrete boxes, public retaining walls, and multi-reinforced box culverts. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.



Phase One (Area A-1) Lot Locations

# Project Costs by Improvement Area

City of Mesquite  
Solterra  
Costs Allocation

Total Costs <sup>(1)</sup>					
Authorized Improvement Category	NIA Costs <sup>(2)</sup>	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>
Roads	\$ 39,551,914	\$ 1,847,848	\$ 2,741,822	\$ 1,407,021	\$ 4,237,500
Water	\$ 10,233,838	\$ 685,570	\$ -	\$ 462,870	\$ -
Sanitary Sewer	\$ 12,306,127	\$ 628,150	\$ -	\$ 1,547,617	\$ -
Storm Drainage	\$ 26,906,370	\$ 2,527,200	\$ -	\$ 977,400	\$ 750,000
Landscaping, Parks & Open Space	\$ 2,651,860	\$ 465,543	\$ 3,410,153	\$ 1,549,536	\$ 3,404,983
Soft Costs <sup>(4)</sup>	\$ 19,204,619	\$ 823,000	\$ 1,265,500	\$ 1,778,500	\$ 2,760,199
Contingency	\$ 10,718,872	\$ 697,731	\$ 941,748	\$ 772,294	\$ -
Subtotal	\$ 121,573,601	\$ 7,675,042	\$ 10,359,223	\$ 8,495,238	\$ 13,152,684
Grand Total		\$ 161,255,787.49			

Total Costs Escalated at 3% over Buildout <sup>(5)</sup>					
Authorized Improvement Category	NIA Costs <sup>(2)</sup>	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>
Roads	\$ 54,247,511	\$ 1,847,848	\$ 3,728,878	\$ 2,166,812	\$ 4,237,500
Water	\$ 14,345,190	\$ 685,570	\$ -	\$ 712,820	\$ -
Sanitary Sewer	\$ 16,819,188	\$ 628,150	\$ -	\$ 2,383,330	\$ -
Storm Drainage	\$ 36,358,724	\$ 2,527,200	\$ -	\$ 1,505,196	\$ 750,000
Landscaping, Parks & Open Space	\$ 3,067,179	\$ 465,543	\$ 7,357,808	\$ 2,386,285	\$ 5,404,983
Soft Costs <sup>(4)</sup>	\$ 24,605,028	\$ 823,000	\$ 1,721,080	\$ 2,738,890	\$ 2,760,199
Contingency	\$ 14,509,080	\$ 697,731	\$ 1,280,777	\$ 1,189,333	\$ -
Subtotal	\$ 163,951,899	\$ 7,675,042	\$ 14,088,543	\$ 13,082,667	\$ 13,152,684
Grand Total		\$ 221,850,834.72			

Improvement Area A-1 - Specified in EOPC						
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2022
Roads	\$ 8,906,960	\$ 693,204	\$ -	\$ -	\$ 744,783	
Water	\$ 2,656,200	\$ 257,928	\$ -	\$ -	\$ -	
Sanitary Sewer	\$ 2,763,250	\$ 236,325	\$ -	\$ -	\$ -	
Storm Drainage	\$ 3,626,532	\$ 950,793	\$ -	\$ -	\$ 131,820	
Landscaping, Parks & Open Space	\$ 38,250	\$ 173,148	\$ -	\$ -	\$ 949,982	
Soft Costs <sup>(4)</sup>	\$ 2,669,700	\$ 309,632	\$ -	\$ -	\$ 485,134	
Contingency	\$ 2,266,039	\$ 262,503	\$ -	\$ -	\$ -	
Subtotal	\$ 24,926,981	\$ 2,887,533	\$ -	\$ -	\$ 2,311,721	

Improvement Area B-1 Costs <sup>(6)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2034
Roads	\$ 7,053,499	\$ -	\$ 1,819,346	\$ -	\$ 555,653	
Water	\$ 1,825,054	\$ -	\$ -	\$ -	\$ -	
Sanitary Sewer	\$ 2,194,616	\$ -	\$ -	\$ -	\$ -	
Storm Drainage	\$ 4,798,353	\$ -	\$ -	\$ -	\$ 98,347	
Landscaping, Parks & Open Space	\$ 472,920	\$ -	\$ 3,529,927	\$ -	\$ 701,749	
Soft Costs <sup>(4)</sup>	\$ 3,424,860	\$ -	\$ 839,727	\$ -	\$ 361,942	
Contingency	\$ 1,911,552	\$ -	\$ 624,900	\$ -	\$ -	
Subtotal	\$ 21,680,853	\$ -	\$ 6,873,900	\$ -	\$ 1,724,696	

Improvement Area A-2 Costs <sup>(7)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2025
Roads	\$ 1,995,210	\$ 183,057	\$ -	\$ -	\$ 196,112	
Water	\$ 473,623	\$ 67,516	\$ -	\$ -	\$ -	
Sanitary Sewer	\$ 569,529	\$ 62,228	\$ -	\$ -	\$ -	
Storm Drainage	\$ 1,245,230	\$ 250,357	\$ -	\$ -	\$ 34,710	
Landscaping, Parks & Open Space	\$ 122,728	\$ 46,119	\$ -	\$ -	\$ 250,143	
Soft Costs <sup>(4)</sup>	\$ 888,792	\$ 81,590	\$ -	\$ -	\$ 127,742	
Contingency	\$ 496,071	\$ 69,121	\$ -	\$ -	\$ -	
Subtotal	\$ 5,791,185	\$ 760,327	\$ -	\$ -	\$ 608,708	

Improvement Area B-2 <sup>(6)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2037
Roads	\$ 7,893,058	\$ -	\$ 1,909,532	\$ -	\$ 583,203	
Water	\$ 2,042,285	\$ -	\$ -	\$ -	\$ -	
Sanitary Sewer	\$ 2,455,835	\$ -	\$ -	\$ -	\$ -	
Storm Drainage	\$ 5,369,488	\$ -	\$ -	\$ -	\$ 103,222	
Landscaping, Parks & Open Space	\$ 529,210	\$ -	\$ 3,767,881	\$ -	\$ 743,882	
Soft Costs <sup>(4)</sup>	\$ 3,832,512	\$ -	\$ 881,353	\$ -	\$ 379,883	
Contingency	\$ 2,139,079	\$ -	\$ 655,877	\$ -	\$ -	
Subtotal	\$ 24,261,468	\$ -	\$ 7,214,643	\$ -	\$ 1,810,190	

Improvement Area A-3 <sup>(7)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2028
Roads	\$ 5,591,609	\$ 473,891	\$ -	\$ -	\$ 507,688	
Water	\$ 1,446,798	\$ 173,818	\$ -	\$ -	\$ -	
Sanitary Sewer	\$ 1,739,765	\$ 161,093	\$ -	\$ -	\$ -	
Storm Drainage	\$ 3,803,859	\$ 648,115	\$ -	\$ -	\$ 89,856	
Landscaping, Parks & Open Space	\$ 374,904	\$ 119,391	\$ -	\$ -	\$ 647,563	
Soft Costs <sup>(4)</sup>	\$ 2,715,032	\$ 211,063	\$ -	\$ -	\$ 330,695	
Contingency	\$ 1,515,369	\$ 178,937	\$ -	\$ -	\$ -	
Subtotal	\$ 17,187,335	\$ 1,968,309	\$ -	\$ -	\$ 1,575,802	

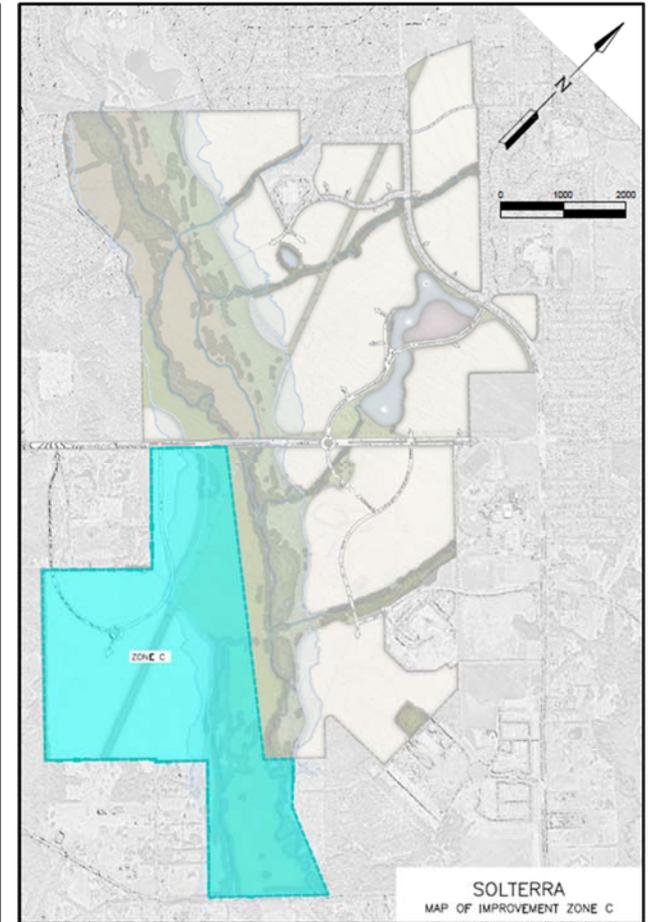
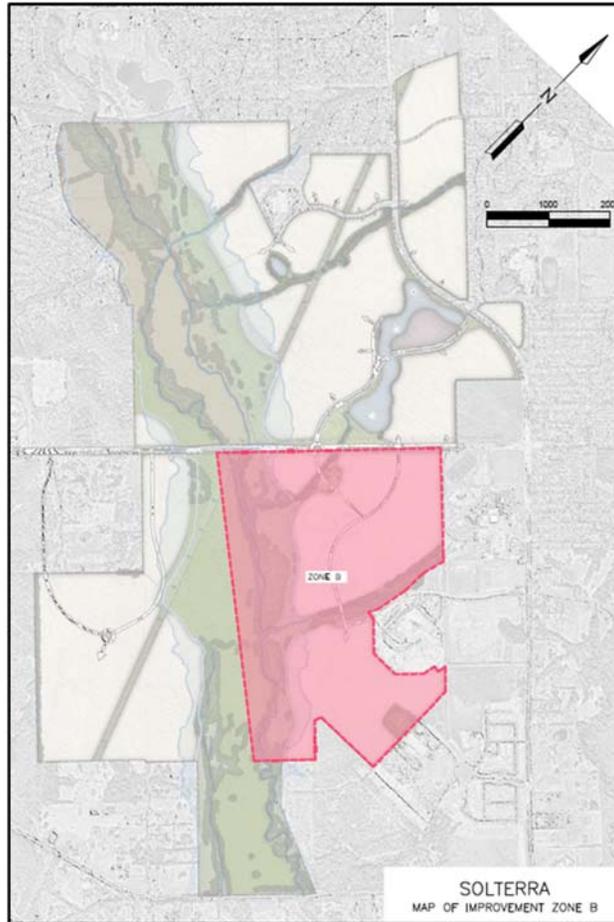
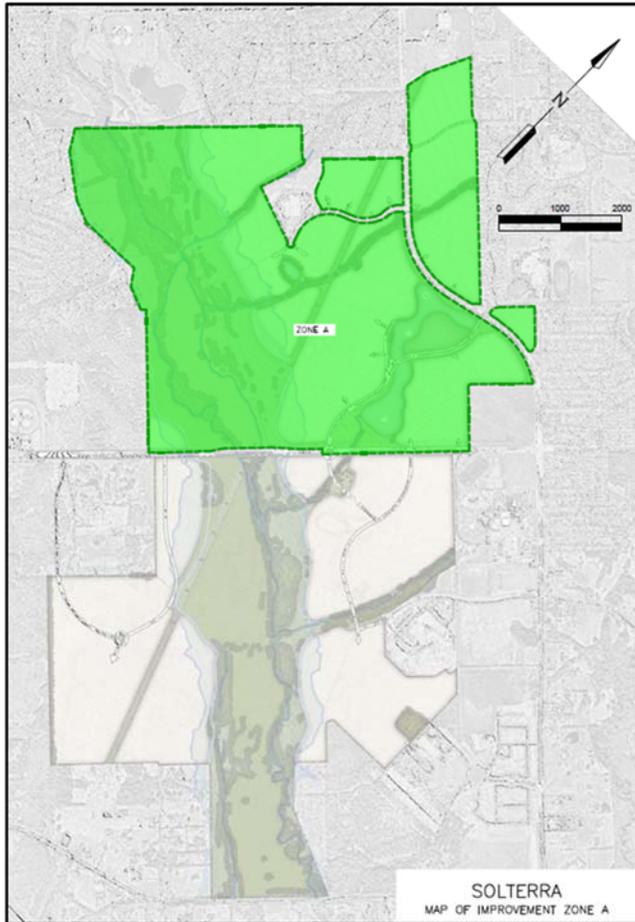
Improvement Area C-1 <sup>(6)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2040
Roads	\$ 8,768,671	\$ -	\$ -	\$ 1,181,256	\$ 610,036	
Water	\$ 2,268,845	\$ -	\$ -	\$ 388,600	\$ -	
Sanitary Sewer	\$ 2,728,272	\$ -	\$ -	\$ 1,299,292	\$ -	
Storm Drainage	\$ 5,965,150	\$ -	\$ -	\$ 820,570	\$ 107,971	
Landscaping, Parks & Open Space	\$ 587,918	\$ -	\$ -	\$ 1,300,503	\$ 778,108	
Soft Costs <sup>(4)</sup>	\$ 4,257,670	\$ -	\$ -	\$ 1,493,129	\$ 387,362	
Contingency	\$ 2,376,377	\$ -	\$ -	\$ 648,375	\$ -	
Subtotal	\$ 26,952,903	\$ -	\$ -	\$ 7,132,125	\$ 1,893,476	

Improvement Area A-4 <sup>(7)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2031
Roads	\$ 6,294,933	\$ 495,696	\$ -	\$ -	\$ 531,047	
Water	\$ 1,628,793	\$ 183,908	\$ -	\$ -	\$ -	
Sanitary Sewer	\$ 1,958,614	\$ 168,505	\$ -	\$ -	\$ -	
Storm Drainage	\$ 4,282,353	\$ 677,936	\$ -	\$ -	\$ 93,991	
Landscaping, Parks & Open Space	\$ 422,064	\$ 124,885	\$ -	\$ -	\$ 677,358	
Soft Costs <sup>(4)</sup>	\$ 3,056,561	\$ 220,774	\$ -	\$ -	\$ 345,911	
Contingency	\$ 1,705,990	\$ 187,170	\$ -	\$ -	\$ -	
Subtotal	\$ 19,349,362	\$ 2,058,873	\$ -	\$ -	\$ 1,648,307	

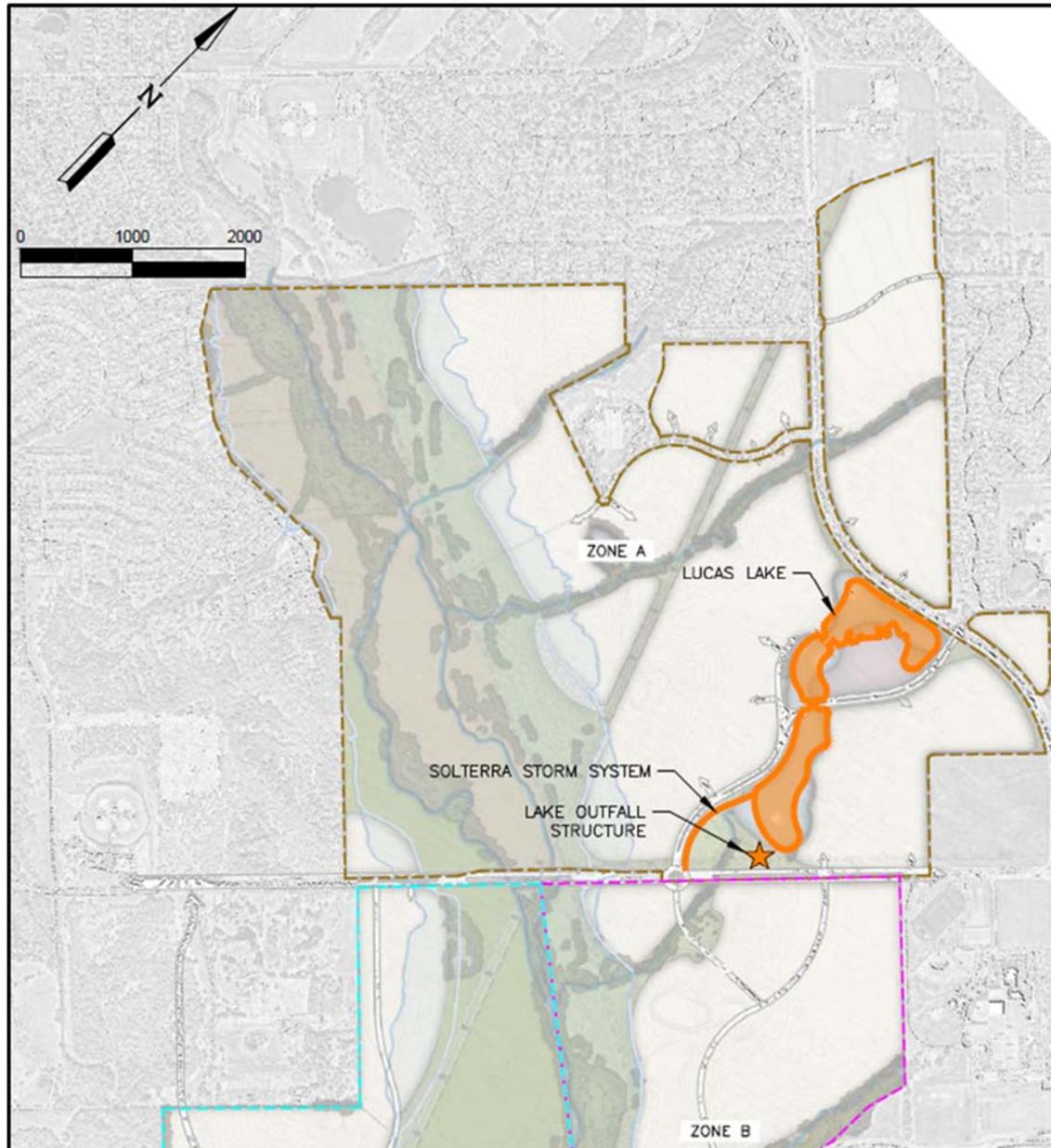
Improvement Area C-2 <sup>(6)</sup>						3.00%
Authorized Improvement Category	NIA Costs	Zone A Costs	Zone B Costs	Zone C Costs	MI Costs <sup>(3)</sup>	2043
Roads	\$ 7,743,517	\$ -	\$ -	\$ 985,557	\$ 508,971	
Water	\$ 2,003,592	\$ -	\$ -	\$ 324,220	\$ -	
Sanitary Sewer	\$ 2,409,307	\$ -	\$ -	\$ 1,084,038	\$ -	
Storm Drainage	\$ 5,267,758	\$ -	\$ -	\$ 684,626	\$ 90,083	
Landscaping, Parks & Open Space	\$ 519,184	\$ -	\$ -	\$ 1,085,382	\$ 649,199	
Soft Costs <sup>(4)</sup>	\$ 3,759,901	\$ -	\$ -	\$ 1,245,781	\$ 331,930	
Contingency	\$ 2,088,553	\$ -	\$ -	\$ 540,958	\$ -	
Subtotal	\$ 23,801,812	\$ -	\$ -	\$ 5,950,542	\$ 1,579,783	

[1] Neighborhood Improvement Area ("NIA") specific costs escalated at 3%.  
 [2] Allocation of future costs based on projected values of future phases.  
 [3] Based on data provided by Developer (OPC dated 09/24/2020 and Developer OPC dated 03-09-2021.  
 [4] Soft Costs includes miscellaneous costs, engineering, testing, inspection, and 4% management construction fee on hard costs.  
 [5] Total Costs excludes private costs and all retaining walls.  
 [6] Major improvements includes Master Infrastructure, and Lucas Blvd (\$5m).  
 [7] Zone improvements includes McKenale Collector Road.

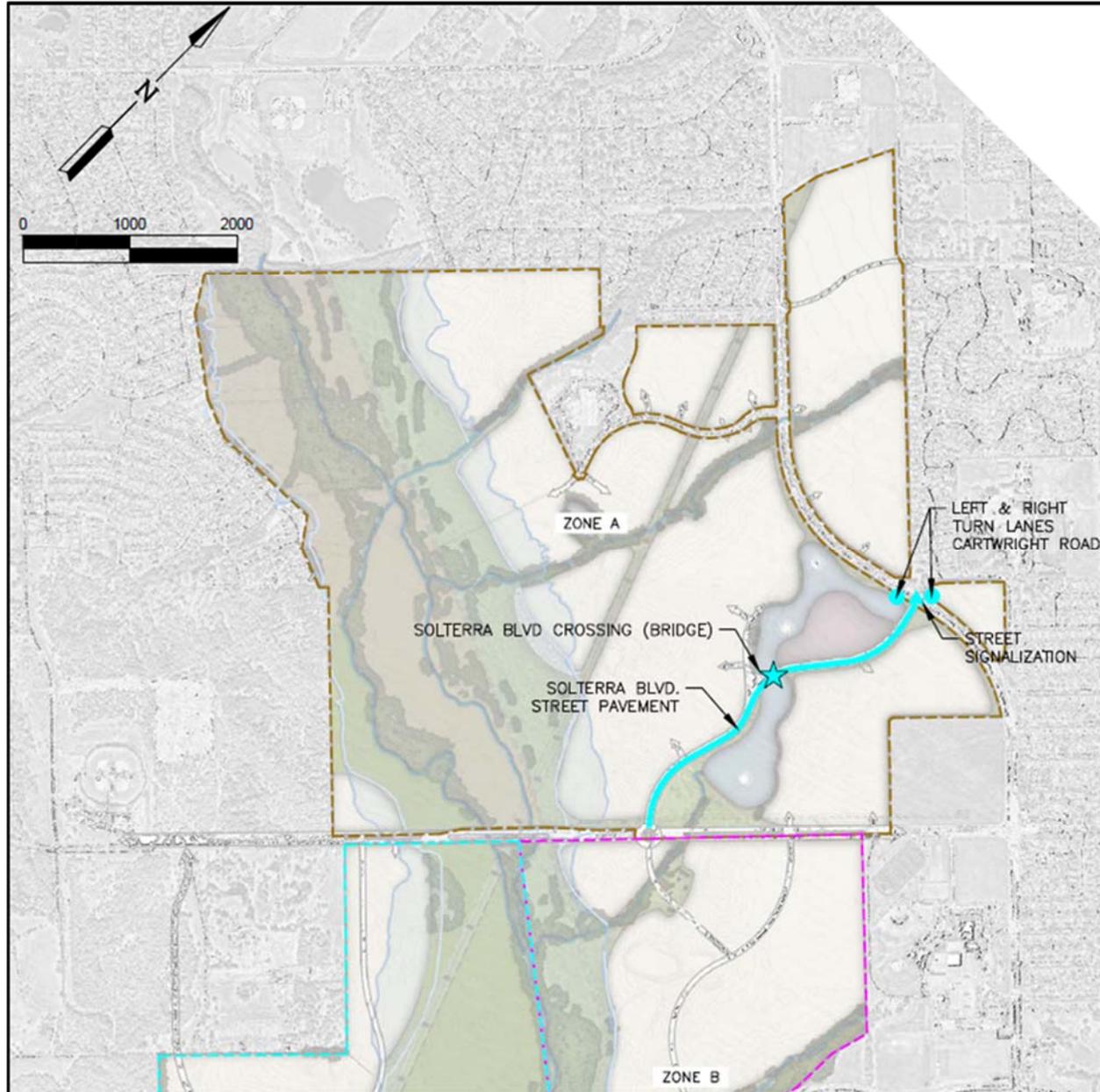
# Improvement Area Zone Locations



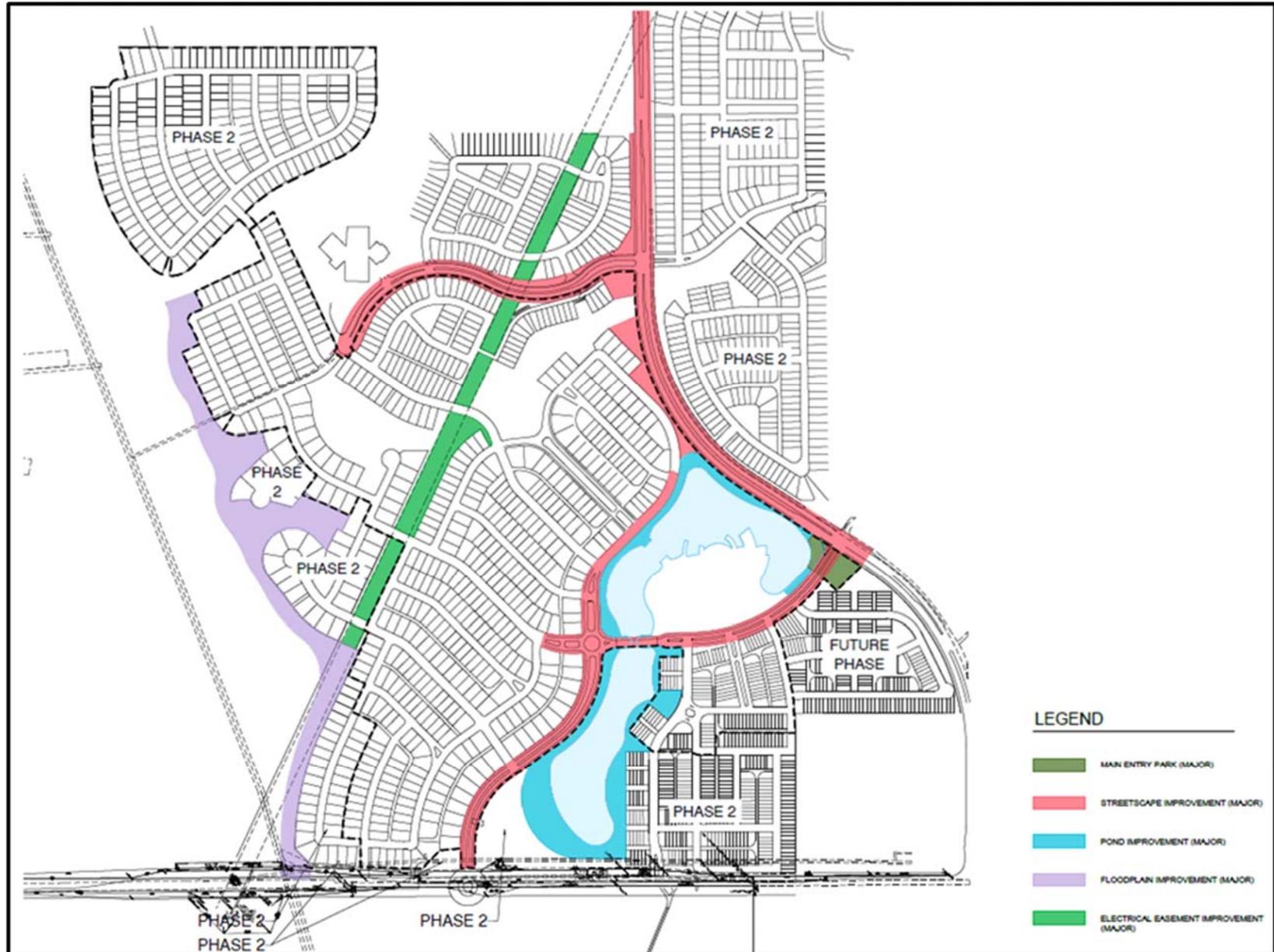
# Zone A Major Improvement Locations Storm Drainage



# Zone A Major Improvement Locations Streets



# Zone A Major Improvement Locations Landscape, Parks and Open Space



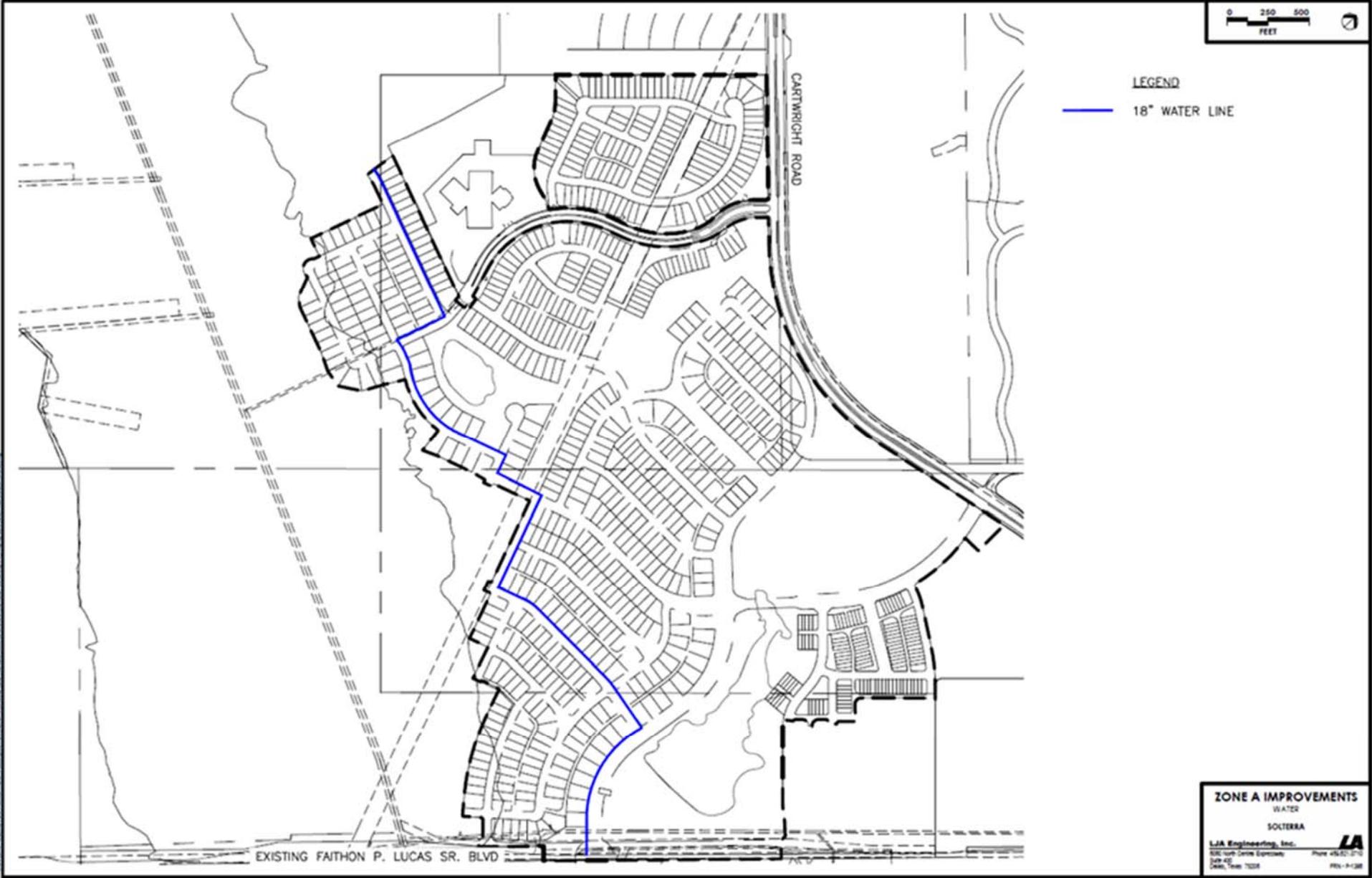
# Zone A Major Improvement Locations Sanitary Sewer



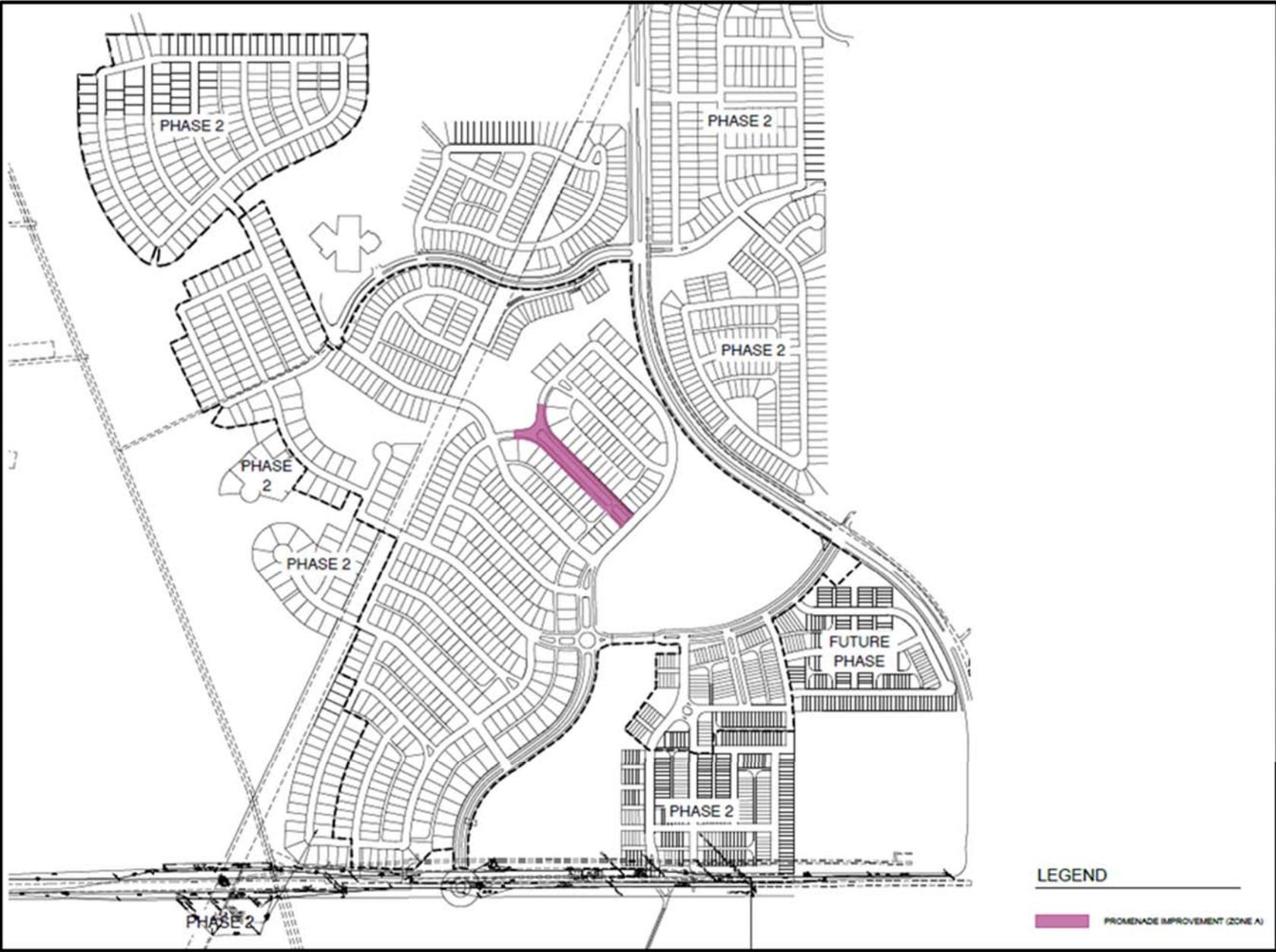
# Zone A Major Improvement Locations Storm Drainage



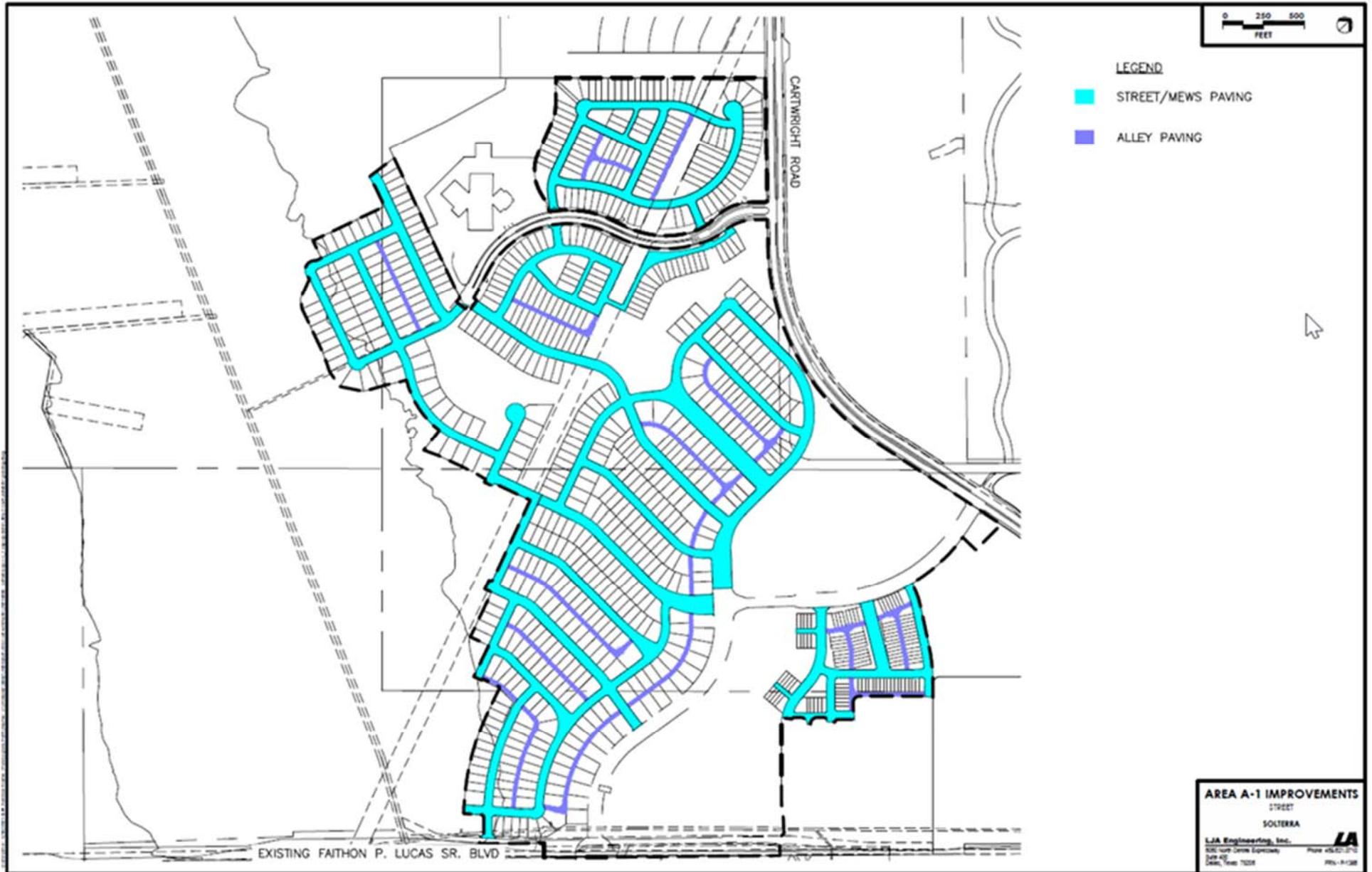
# Zone A Major Improvement Locations Water



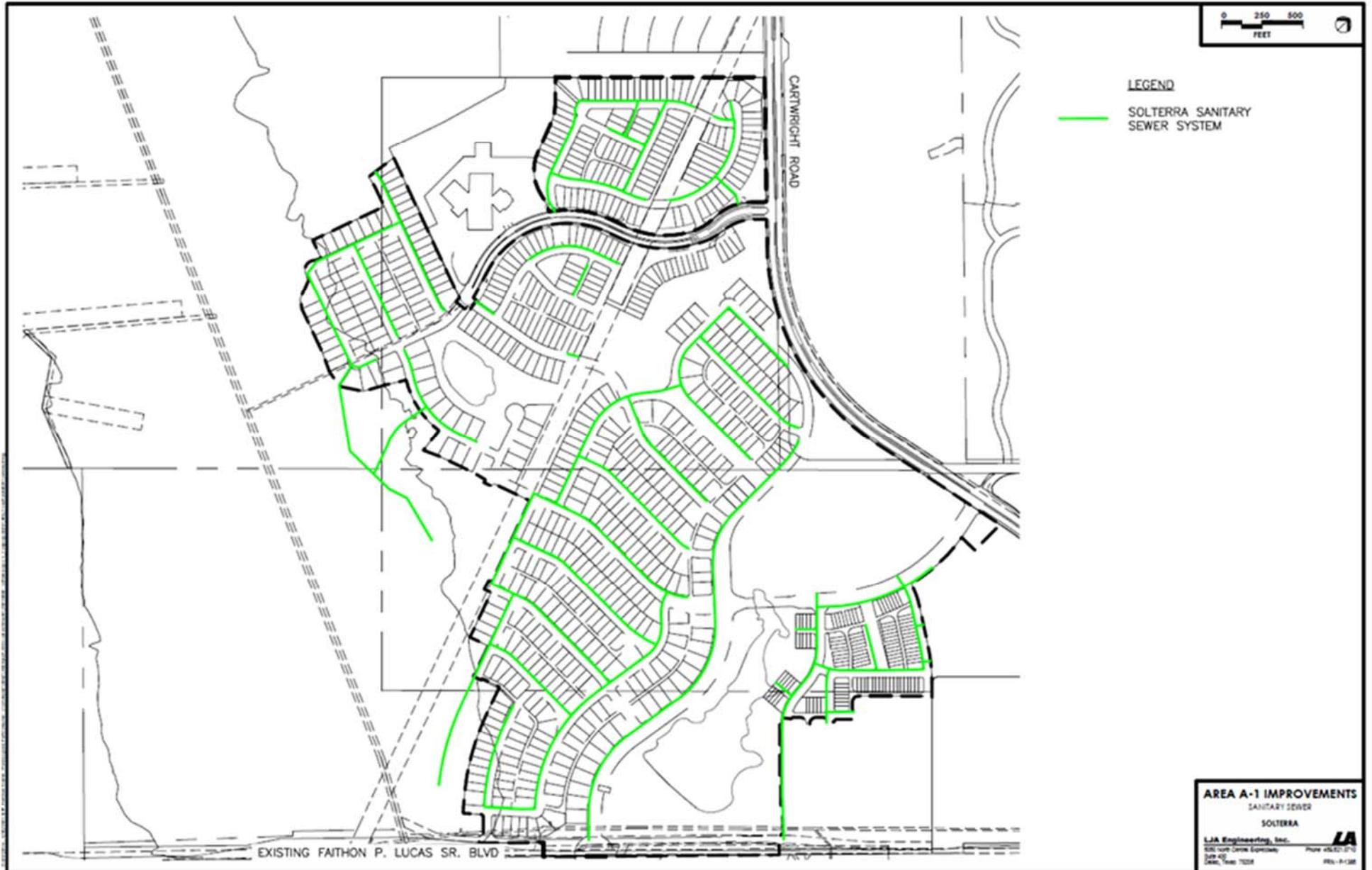
# Zone A Major Improvement Locations Promenade



# Zone A-1 Specific Improvement Locations Streets



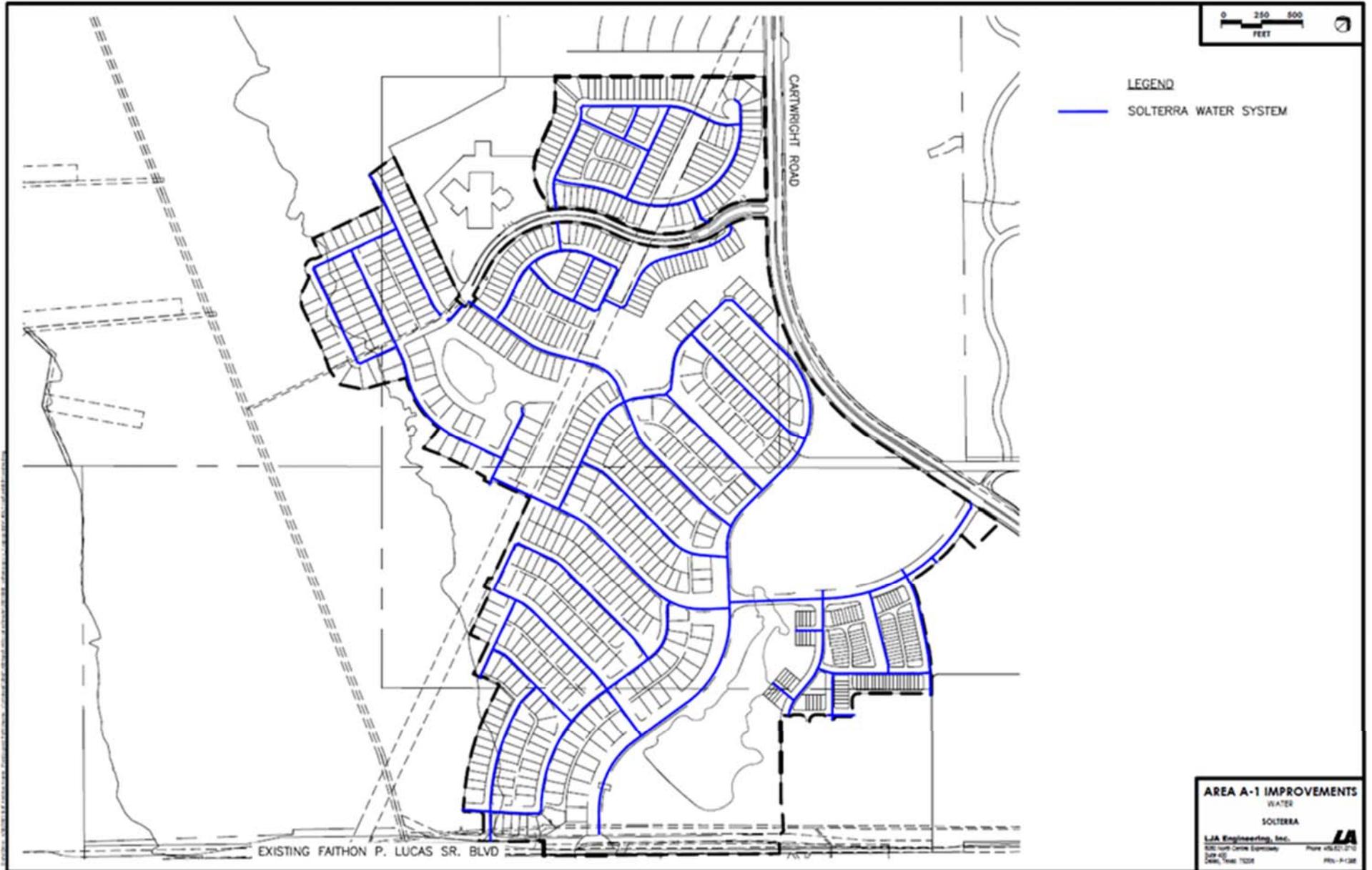
# Zone A-1 Specific Improvement Locations Sanitary Sewer



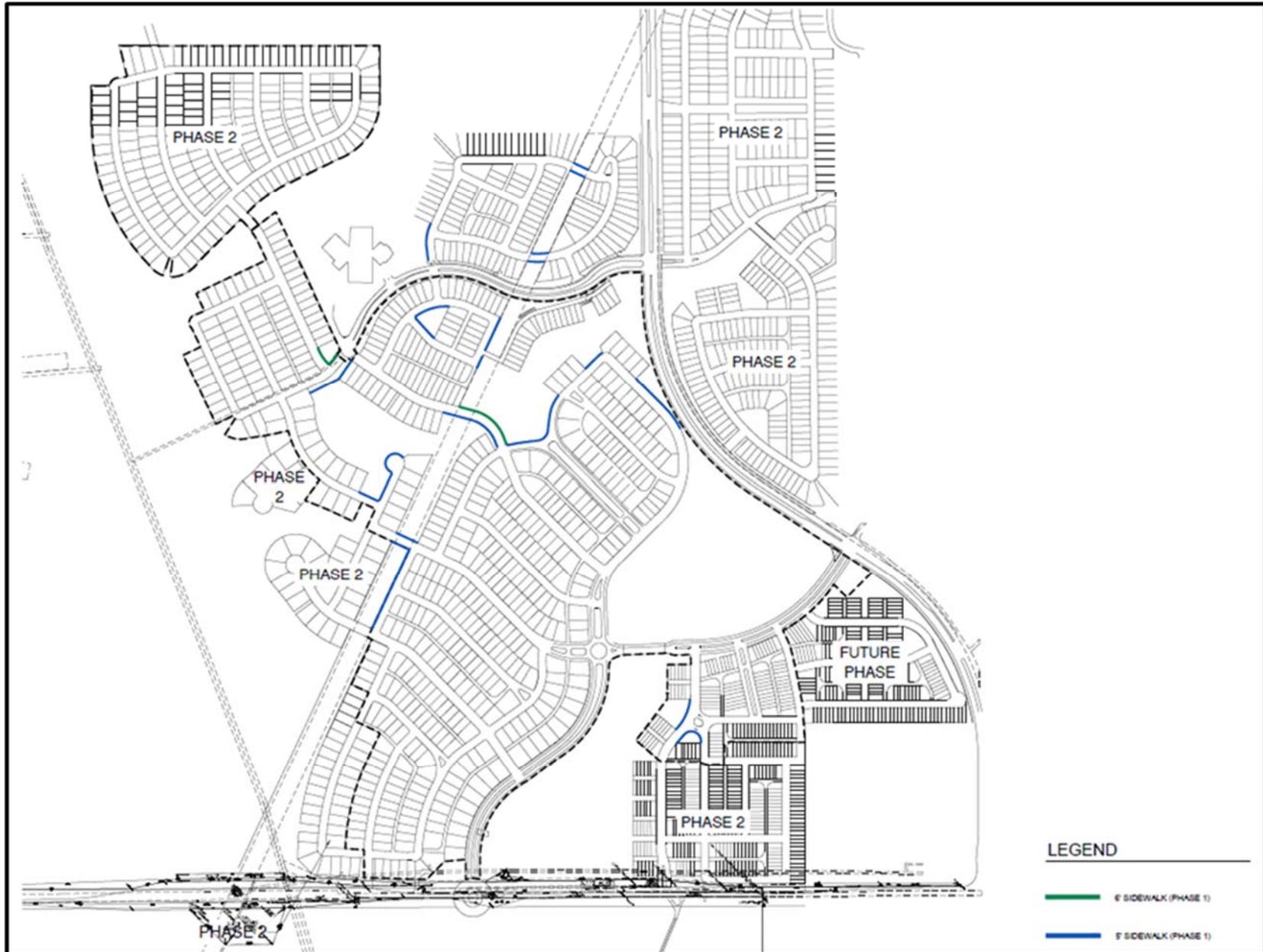
# Zone A-1 Specific Improvement Locations Storm Drainage



# Zone A-1 Specific Improvement Locations Water



# Zone A-1 Specific Improvement Locations Landscape, Parks and Open Space



## **Economic Feasibility Study**

On October 19, 2020, the City and HC Solterra, LLC entered into a Development Agreement to establish provisions for the Solterra PID, the apportionment, levy and collection of assessments on property within the PID, construction of public improvements and reimbursements, and the issuance of PID bonds for the financing a portion of the public improvements and the use of TIRZ revenues.

The Developer prepared a feasibility to evaluate the market potential for single-family residential on 1,424 acres of undeveloped property in southeast Mesquite, and the analyses confirmed the overall marketability of 3,900 single-family and townhomes to be developed within a large-scale master-planned community. The City engaged its own consultants and City staff to review the Developer's assumptions regarding pricing strategies and associated sales forecasts, revenue assumptions and costs of public improvements in order to determine that projected property assessments and TIRZ revenues would be sufficient to finance the PID bonds and still meet the value-to-lien ratios and overlapping tax rate requirements specified in the Development Agreement.

The maximum overlapping tax rate, when including all taxing entities and after the applicable TIRZ credit is applied, will be no greater than \$3.12 per \$100 of assessed value at the time of the levy of the Assessment on each PID phase based on the estimated build-out value of each parcel. The tax rate limit for each PID phase will be determined at the time of the levy of the assessments and applies on an individual assessed parcel basis by lot type based on estimated build-out value, as set forth in more detail in the PID Service and Assessment Plan (SAP).

Based on the foregoing analysis by the Developer and City, the feasibility of the Zone has been demonstrated. Captured TIRZ revenues and PID assessment projections may be found on the following pages.

It is not anticipated at this time that the TIRZ will incur any bonded indebtedness.

The City will issue a series of up front bonds if the total assessment value to lien ratio is at least 2:1 at the time of the levy of assessments and the total assessment value to lien ratio of each series of PID bonds for each PID phase is at least 3:1 at the time of the issuance of PID bonds for each PID phase, such values to be confirmed by appraisal from licensed MAI appraiser.

For reimbursement bonds, the total assessment value to lien ratio must be at least 2:1 at the time of issuance of PID bonds for each PID phase in the Solterra Development, such values shall be confirmed by appraisal from licensed MAI appraiser.

## **Method of Financing**

The City anticipates issuing special assessment revenue bonds secured by PID assessments to finance all, or a portion, of project costs, and per the Development Agreement, the aggregate maximum par amount of all PID Bonds will not exceed \$295,000,000.

In accordance with the Development Agreement, this TIRZ Project and Finance Plan, and the SAP, TIRZ revenues will be collected annually at 60 percent of the ad valorem tax increment for a period of up to 50 years.

The City will dedicate the City's tax increment collected within each PID phase and deposit the revenues to a corresponding TIRZ account for such PID phase. The deposit of the City tax increment will continue in each TIRZ account for each corresponding PID phase for a period equal to the lesser of (i) the total aggregate amount reimbursed to the Developer is equal to the total amount of the public improvement project costs allocated to each PID phase as set forth in the SAP, whether paid from PID bond proceeds or TIRZ revenues, up to the reimbursement cap in the aggregate across all PID phases, or (ii) the expiration of the term of the TIRZ. In no event, will the Developer be reimbursed for all public improvement costs in an amount that is in excess of the reimbursement cap, which is \$200,849,065.

## **Method of Financing Continued**

The City's tax increment will be deposited to the TIRZ Fund and used for the following purposes:

1. To first pay the City administrative costs relating to the TIRZ, including any reasonable third-party administrative costs; and
2. Next, to fund \$100,000 per year for ten (10) years wildlife mitigation services within the Solterra Development; and
3. Then, to the applicable TIRZ account corresponding to each PID phase and used for the following purposes in the following order of priority:
  - a. To subsidize assessments for each PID phase from the applicable TIRZ account in order to lower the annual installments of the assessments in each PID phase to a level that produces an overall tax equivalent tax rate of \$3.12 per \$100 of assessed value for each parcel within the PID phase as defined in the Service and Assessment Plan; and
  - b. Pursuant to one or more TIRZ Reimbursement Agreements, to reimburse the Developer for public improvement project costs of:
    - i. the Specific Improvements allocable to each PID phase that are not assessed for in that same PID phase, subject to the limitation of (b) above
    - ii. the Zone Improvements allocable to each PID phase, that are not assessed for in that same PID phase, subject to the limitation of (b) above.
    - iii. The Major Improvements allocable to each PID phase that are not assessed for in that same PID phase, subject to the limitation of (b) above.

## **Developer Reimbursement**

The City shall reimburse the public improvement project costs as set forth in Exhibit G of the Solterra Development Agreement (the "EOPC") and the SAP from funds available pursuant to the PID bond Trust Indenture, TIRZ Reimbursement Agreement or PID Reimbursement Agreement, as applicable, in the manner set forth in the Trust Indenture, the TIRZ Reimbursement Agreement and/or PID Reimbursement Agreement.

## **Dallas County Participation**

This Preliminary Reinvestment Zone Financing Plan does not include TIRZ participation from any other taxing jurisdiction; however, the Solterra Development Agreement does provide for such participation if approved in the future.

In the event Dallas County were to participate, the County tax increment would be deposited to a County TIRZ account within the TIRZ Fund and would be used as set forth in an amended TIRZ Project and Financing Plan and/or in a TIRZ Participation Agreement with the County.

In accordance with such amended TIRZ Project and Financing Plan, the City tax increment and County tax increment would be deposited to the applicable City TIRZ account and the County TIRZ account of the TIRZ Fund annually upon adoption of the ordinance amending the TIRZ Project and Financing Plan.

# Improvement Area Detail Summary

## City of Mesquite Solterra - Detail Summary

Imp. Area	Construction Costs/Fees; Reimbursement through PID Bond Proceeds or TIRZ Revenues				Buildout and Value to Lien		Net Tax Stack and Annual TIRZ Credit Based on 60% of City's FY 2021 Total Tax Rate of \$0.70862								
	Total Escalated Costs	PID Net Bond Funding	Const. Fee 4% <sup>1</sup>	Additional TIRZ Costs <sup>1</sup>	Estimated Buildout Value	VTL	Tax Stack Before PID	Assessment Tax Rate Equivalent	Gross Tax Stack	Less: TIRZ Credit	Net Tax Rate Equivalent	Annual TIRZ Credit on PID Bonds	Additional Costs Not Funded <sup>2</sup>	Years to Fund Additional TIRZ Costs	
A-1	\$ 30,126,236	\$ 16,537,663	\$ 839,441	\$ 12,749,133	\$ 251,875,000	2.00	2.7949	\$ 0.6278	\$ 3.4227	0.3037	\$ 3.1190	\$ (764,859)	\$ -	25	
A-2	\$ 7,160,220	\$ 5,462,163	\$ 221,036	\$ 1,477,021	\$ 66,322,151	2.03	2.7949	\$ 0.7503	\$ 3.5452	0.4252	\$ 3.1200	\$ (281,983)	\$ -	17	
A-3	\$ 20,731,445	\$ 14,387,425	\$ 572,211	\$ 5,771,809	\$ 171,692,461	2.00	2.7949	\$ 0.7248	\$ 3.5196	0.3997	\$ 3.1200	\$ (686,189)	\$ -	18	
A-4	\$ 23,056,542	\$ 15,049,550	\$ 598,539	\$ 7,408,453	\$ 179,592,263	2.00	2.7949	\$ 0.7237	\$ 3.5186	0.3986	\$ 3.1200	\$ (715,804)	\$ -	20	
B-1	\$ 30,279,450	\$ 15,749,288	\$ 626,278	\$ 13,903,884	\$ 187,915,308	2.00	2.7949	\$ 0.7229	\$ 3.5177	0.3977	\$ 3.1200	\$ (747,397)	\$ -	26	
B-2	\$ 33,286,301	\$ 16,520,163	\$ 657,323	\$ 16,108,815	\$ 197,230,360	2.00	2.7949	\$ 0.7212	\$ 3.5161	0.3961	\$ 3.1200	\$ (781,233)	\$ -	27	
C-1	\$ 35,978,504	\$ 17,287,075	\$ 687,566	\$ 18,003,863	\$ 206,304,889	2.00	2.7949	\$ 0.7206	\$ 3.5154	0.3954	\$ 3.1200	\$ (815,755)	\$ -	27	
C-2	\$ 31,332,137	\$ 14,425,513	\$ 573,657	\$ 10,007,248	\$ 172,126,252	2.00	2.7949	\$ 0.7247	\$ 3.5195	0.3996	\$ 3.1200	\$ (687,801)	\$ 6,325,720	N/A	
<b>Total</b>	<b>\$ 211,950,835</b>	<b>\$ 115,418,838</b>	<b>\$ 4,776,050</b>	<b>\$ 85,430,227</b>	<b>\$ 1,433,058,684</b>										

1) Additional TIRZ Costs are Total Escalated Costs less PID Bond Funding and Const. Fee up to the Reimbursement Cap.

2) Additional Costs not funded due to the total reimbursements reaching the Reimbursement Cap.

# TIRZ Credit and Net PID Assessment Summary by Improvement Area

## City of Mesquite Solterra

	A-1	A-2	A-3	A-4	B-1	B-2	C-1	C-2
City of Mesquite	0.70862	0.70862	0.70862	0.70862	0.70862	0.70862	0.70862	0.70862
Dallas County	0.23974	0.23974	0.23974	0.23974	0.23974	0.23974	0.23974	0.23974
Dallas County College District	0.12400	0.12400	0.12400	0.12400	0.12400	0.12400	0.12400	0.12400
Parkland Hospital District	0.26610	0.26610	0.26610	0.26610	0.26610	0.26610	0.26610	0.26610
Mesquite ISD	1.44640	1.44640	1.44640	1.44640	1.44640	1.44640	1.44640	1.44640
Dallas County Schools	0.01000	0.01000	0.01000	0.01000	0.01000	0.01000	0.01000	0.01000
	<u>2.7949</u>							
PID Assessment	0.6278	0.7503	0.7248	0.7237	0.7229	0.7212	0.7206	0.7247
TIRZ Buydown	0.3037	0.4252	0.3997	0.3986	0.3977	0.3961	0.3954	0.3996
Net PID Assessment	<u>0.3241</u>	<u>0.3252</u>	<u>0.3251</u>	<u>0.3251</u>	<u>0.3251</u>	<u>0.3251</u>	<u>0.3251</u>	<u>0.3251</u>
Total Tax Stack	3.1190	3.1200	3.1200	3.1200	3.1200	3.1200	3.1200	3.1200
VTL	2.00	2.03	2.00	2.00	2.00	2.00	2.00	2.00

**Notes:**

1) Includes Lucas Blvd, Master Infrastructure, Phase Specific Costs, and Offsite Mckenzie Collector based on 09/28/2020 EOPC.

# Annual Captured Appraised Value and TIRZ Revenues (60% Participation Rate)

CITY OF MESQUITE SOLTERRA TIRZ FEASIBILITY STUDY - 60%																			
TIRZ Year	Appraised Value due Jan. 1	Value % Increase <sup>1</sup>	New Development Value <sup>2</sup>	City			County			TIRZ			Admin Fees	Annual PID Credit	TIRZ Obligations <sup>3,4,5</sup>		TIRZ Fund Remainder <sup>6</sup>		
				TIRZ Contribution			TIRZ Contribution			Total TIRZ Contribution					Payment <sup>4</sup>	Total		Total	
				%	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative				Annual	Cumulative	Annual	Cumulative
Base	2021																		
1	2022		\$ 84,525,000	60%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2	2023	3%	\$ 172,782,500	60%	\$ 359,377	\$ 359,377	\$ -	\$ -	\$ 359,377	\$ 359,377	\$ 200,000	\$ 159,377	\$ -	\$ -	\$ 359,377	\$ 359,377	\$ -	\$ -	
3	2024	3%	\$ 267,214,188	60%	\$ 734,623	\$ 1,093,999	\$ -	\$ -	\$ 734,623	\$ 1,093,999	\$ 204,000	\$ 530,623	\$ -	\$ -	\$ 734,623	\$ 1,093,999	\$ -	\$ -	
4	2025	3%	\$ 297,713,471	60%	\$ 1,136,120	\$ 2,230,119	\$ -	\$ -	\$ 1,136,120	\$ 2,230,119	\$ 208,000	\$ 764,859	\$ 163,181	\$ -	\$ 1,136,120	\$ 2,230,119	\$ -	\$ -	
5	2026	3%	\$ 329,802,219	60%	\$ 1,265,794	\$ 3,495,914	\$ -	\$ -	\$ 1,265,794	\$ 3,495,914	\$ 212,242	\$ 860,450	\$ 193,303	\$ -	\$ 1,265,794	\$ 3,495,914	\$ -	\$ -	
6	2027	3%	\$ 365,519,116	60%	\$ 1,402,227	\$ 4,898,140	\$ -	\$ -	\$ 1,402,227	\$ 4,898,140	\$ 216,486	\$ 961,776	\$ 223,964	\$ -	\$ 1,402,227	\$ 4,898,140	\$ -	\$ -	
7	2028	3%	\$ 442,832,205	60%	\$ 1,554,085	\$ 6,452,225	\$ -	\$ -	\$ 1,554,085	\$ 6,452,225	\$ 220,816	\$ 1,046,842	\$ 286,427	\$ -	\$ 1,554,085	\$ 6,452,225	\$ -	\$ -	
8	2029	3%	\$ 526,853,366	60%	\$ 1,882,799	\$ 8,335,024	\$ -	\$ -	\$ 1,882,799	\$ 8,335,024	\$ 225,232	\$ 1,328,933	\$ 328,633	\$ -	\$ 1,882,799	\$ 8,335,024	\$ -	\$ -	
9	2030	0%	\$ 580,894,024	60%	\$ 2,240,033	\$ 10,575,057	\$ -	\$ -	\$ 2,240,033	\$ 10,575,057	\$ 229,737	\$ 1,638,146	\$ 372,150	\$ -	\$ 2,240,033	\$ 10,575,057	\$ -	\$ -	
10	2031	0%	\$ 647,091,985	60%	\$ 2,469,799	\$ 13,044,856	\$ -	\$ -	\$ 2,469,799	\$ 13,044,856	\$ 234,332	\$ 1,733,031	\$ 502,436	\$ -	\$ 2,469,799	\$ 13,044,856	\$ -	\$ -	
11	2032	3%	\$ 734,688,644	60%	\$ 2,751,254	\$ 15,796,110	\$ -	\$ -	\$ 2,751,254	\$ 15,796,110	\$ 239,019	\$ 2,014,486	\$ 497,749	\$ -	\$ 2,751,254	\$ 15,796,110	\$ -	\$ -	
12	2033	3%	\$ 821,211,194	60%	\$ 3,123,690	\$ 18,919,800	\$ -	\$ -	\$ 3,123,690	\$ 18,919,800	\$ 243,799	\$ 2,312,829	\$ 567,063	\$ -	\$ 3,123,690	\$ 18,919,800	\$ -	\$ -	
13	2034	3%	\$ 918,183,829	60%	\$ 3,491,560	\$ 22,411,360	\$ -	\$ -	\$ 3,491,560	\$ 22,411,360	\$ 248,675	\$ 2,448,835	\$ 794,051	\$ -	\$ 3,491,560	\$ 22,411,360	\$ -	\$ -	
14	2035	3%	\$ 1,020,235,732	60%	\$ 3,903,861	\$ 26,315,221	\$ -	\$ -	\$ 3,903,861	\$ 26,315,221	\$ 253,648	\$ 2,764,388	\$ 893,824	\$ -	\$ 3,903,861	\$ 26,315,221	\$ -	\$ -	
15	2036	3%	\$ 1,121,446,483	60%	\$ 4,337,757	\$ 30,652,977	\$ -	\$ -	\$ 4,337,757	\$ 30,652,977	\$ 258,721	\$ 3,082,395	\$ 996,640	\$ -	\$ 4,337,757	\$ 30,652,977	\$ -	\$ -	
16	2037	3%	\$ 1,234,133,705	60%	\$ 4,768,076	\$ 35,421,054	\$ -	\$ -	\$ 4,768,076	\$ 35,421,054	\$ 263,896	\$ 3,396,232	\$ 1,307,949	\$ -	\$ 4,768,076	\$ 35,421,054	\$ -	\$ -	
17	2038	3%	\$ 1,352,572,858	60%	\$ 5,247,191	\$ 40,668,245	\$ -	\$ -	\$ 5,247,191	\$ 40,668,245	\$ 269,174	\$ 3,532,304	\$ 1,445,713	\$ -	\$ 5,247,191	\$ 40,668,245	\$ -	\$ -	
18	2039	3%	\$ 1,471,212,001	60%	\$ 5,750,761	\$ 46,419,006	\$ -	\$ -	\$ 5,750,761	\$ 46,419,006	\$ 274,557	\$ 3,888,540	\$ 1,587,664	\$ -	\$ 5,750,761	\$ 46,419,006	\$ -	\$ -	
19	2040	0%	\$ 1,555,069,597	60%	\$ 6,255,181	\$ 52,674,187	\$ -	\$ -	\$ 6,255,181	\$ 52,674,187	\$ 280,048	\$ 3,977,464	\$ 1,997,669	\$ -	\$ 6,255,181	\$ 52,674,187	\$ -	\$ -	
20	2041	0%	\$ 1,638,927,193	60%	\$ 6,811,721	\$ 59,285,908	\$ -	\$ -	\$ 6,811,721	\$ 59,285,908	\$ 285,649	\$ 4,334,003	\$ 1,992,068	\$ -	\$ 6,811,721	\$ 59,285,908	\$ -	\$ -	
21	2042	3%	\$ 1,768,579,061	60%	\$ 6,968,260	\$ 66,254,167	\$ -	\$ -	\$ 6,968,260	\$ 66,254,167	\$ 291,362	\$ 4,690,542	\$ 1,986,355	\$ -	\$ 6,968,260	\$ 66,254,167	\$ -	\$ -	
22	2043	3%	\$ 1,888,981,709	60%	\$ 7,519,503	\$ 73,773,670	\$ -	\$ -	\$ 7,519,503	\$ 73,773,670	\$ 297,189	\$ 4,793,219	\$ 2,429,094	\$ -	\$ 7,519,503	\$ 73,773,670	\$ -	\$ -	
23	2044	3%	\$ 2,012,803,833	60%	\$ 8,031,421	\$ 81,805,091	\$ -	\$ -	\$ 8,031,421	\$ 81,805,091	\$ 303,133	\$ 5,079,552	\$ 2,533,532	\$ -	\$ 8,031,421	\$ 81,805,091	\$ 115,204	\$ 115,204	
24	2045	3%	\$ 2,153,358,038	60%	\$ 8,557,877	\$ 90,362,969	\$ -	\$ -	\$ 8,557,877	\$ 90,362,969	\$ 309,196	\$ 5,373,656	\$ 2,697,922	\$ -	\$ 8,557,877	\$ 90,362,969	\$ 177,104	\$ 292,300	
25	2046	3%	\$ 2,217,958,790	60%	\$ 9,155,475	\$ 99,518,444	\$ -	\$ -	\$ 9,155,475	\$ 99,518,444	\$ 315,300	\$ 5,681,020	\$ 3,168,199	\$ -	\$ 9,155,475	\$ 99,518,444	\$ 190,877	\$ 483,185	
26	2047	3%	\$ 2,284,497,543	60%	\$ 9,430,140	\$ 108,948,584	\$ -	\$ -	\$ 9,430,140	\$ 108,948,584	\$ 321,687	\$ 5,481,020	\$ 3,422,370	\$ -	\$ 9,430,140	\$ 108,948,584	\$ 205,062	\$ 688,247	
27	2048	3%	\$ 2,353,032,469	60%	\$ 9,713,044	\$ 118,661,628	\$ -	\$ -	\$ 9,713,044	\$ 118,661,628	\$ 328,121	\$ 5,481,020	\$ 3,635,145	\$ -	\$ 9,713,044	\$ 118,661,628	\$ 268,758	\$ 957,005	
28	2049	3%	\$ 2,423,623,443	60%	\$ 10,004,435	\$ 128,666,063	\$ -	\$ -	\$ 10,004,435	\$ 128,666,063	\$ 334,684	\$ 5,481,020	\$ 3,345,529	\$ -	\$ 10,004,435	\$ 128,666,063	\$ 843,203	\$ 1,800,207	
29	2050	0%	\$ 2,423,623,443	60%	\$ 10,304,568	\$ 138,970,631	\$ -	\$ -	\$ 10,304,568	\$ 138,970,631	\$ 341,377	\$ 5,481,020	\$ 2,593,278	\$ -	\$ 10,304,568	\$ 138,970,631	\$ 1,888,894	\$ 3,689,101	
30	2051	0%	\$ 2,423,623,443	60%	\$ 10,304,568	\$ 149,275,200	\$ -	\$ -	\$ 10,304,568	\$ 149,275,200	\$ 348,205	\$ 4,716,161	\$ 2,593,278	\$ -	\$ 10,304,568	\$ 149,275,200	\$ 2,646,925	\$ 6,336,026	
31	2052	3%	\$ 2,496,332,147	60%	\$ 10,304,568	\$ 159,579,768	\$ -	\$ -	\$ 10,304,568	\$ 159,579,768	\$ 355,169	\$ 4,716,161	\$ 2,593,278	\$ -	\$ 10,304,568	\$ 159,579,768	\$ 2,639,961	\$ 8,975,967	
32	2053	3%	\$ 2,571,222,111	60%	\$ 10,613,705	\$ 170,193,473	\$ -	\$ -	\$ 10,613,705	\$ 170,193,473	\$ 362,272	\$ 4,716,161	\$ 2,227,460	\$ -	\$ 10,613,705	\$ 170,193,473	\$ 3,307,812	\$ 12,283,799	
33	2054	3%	\$ 2,648,358,774	60%	\$ 10,932,116	\$ 181,125,590	\$ -	\$ -	\$ 10,932,116	\$ 181,125,590	\$ 369,518	\$ 4,434,178	\$ 2,297,002	\$ -	\$ 10,932,116	\$ 181,125,590	\$ 3,831,419	\$ 16,115,217	
34	2055	3%	\$ 2,727,809,538	60%	\$ 11,260,080	\$ 192,385,670	\$ -	\$ -	\$ 11,260,080	\$ 192,385,670	\$ 376,908	\$ 4,434,178	\$ 2,456,878	\$ -	\$ 11,260,080	\$ 192,385,670	\$ 3,992,116	\$ 20,107,334	
35	2056	3%	\$ 2,809,643,824	60%	\$ 11,597,882	\$ 203,983,552	\$ -	\$ -	\$ 11,597,882	\$ 203,983,552	\$ 384,446	\$ 4,434,178	\$ 2,621,550	\$ -	\$ 11,597,882	\$ 203,983,552	\$ 4,157,709	\$ 24,265,042	
36	2057	3%	\$ 2,893,933,138	60%	\$ 11,945,819	\$ 215,929,371	\$ -	\$ -	\$ 11,945,819	\$ 215,929,371	\$ 392,135	\$ 3,747,989	\$ 2,791,162	\$ -	\$ 11,945,819	\$ 215,929,371	\$ 5,014,533	\$ 29,279,575	
37	2058	3%	\$ 2,980,751,132	60%	\$ 12,304,193	\$ 228,233,564	\$ -	\$ -	\$ 12,304,193	\$ 228,233,564	\$ 399,978	\$ 3,747,989	\$ 2,965,062	\$ -	\$ 12,304,193	\$ 228,233,564	\$ 5,190,364	\$ 34,469,939	
38	2059	3%	\$ 3,070,173,666	60%	\$ 12,673,319	\$ 240,906,884	\$ -	\$ -	\$ 12,673,319	\$ 240,906,884	\$ 407,977	\$ 3,747,989	\$ 3,145,004	\$ -	\$ 12,673,319	\$ 240,906,884	\$ 5,371,549	\$ 39,841,489	
39	2060	0%	\$ 3,070,173,666	60%	\$ 13,053,519	\$ 253,960,402	\$ -	\$ -	\$ 13,053,519	\$ 253,960,402	\$ 416,137	\$ 3,032,185	\$ 3,331,143	\$ -	\$ 13,053,519	\$ 253,960,402	\$ 6,274,053	\$ 46,115,542	
40	2061	0%	\$ 3,070,173,666	60%	\$ 13,053,519	\$ 267,013,921	\$ -	\$ -	\$ 13,053,519	\$ 267,013,921	\$ 424,460	\$ 3,032,185	\$ 3,331,143	\$ -	\$ 13,053,519	\$ 267,013,921	\$ 6,265,730	\$ 52,381,272	
41	2062	3%	\$ 3,162,278,876	60%	\$ 13,053,519	\$ 280,067,440	\$ -	\$ -	\$ 13,053,519	\$ 280,067,440	\$ 432,949	\$ 3,032,185	\$ 3,005,288	\$ -	\$ 13,053,519	\$ 280,067,440	\$ 6,583,096	\$ 58,964,360	
42	2063	3%	\$ 3,257,147,243	60%	\$ 13,445,124	\$ 293,512,564	\$ -	\$ -	\$ 13,445,124	\$ 293,512,564	\$ 441,608	\$ 2,284,788	\$ 2,548,660	\$ -	\$ 13,445,124	\$ 293,512,564	\$ 8,170,069	\$ 67,134,437	
43	2064	3%	\$ 3,354,861,660	60%	\$ 13,848,478	\$ 307,361,042	\$ -	\$ -	\$ 13,848,478	\$ 307,361,042	\$ 450,440	\$ 2,284,788	\$ 2,693,663	\$ -	\$ 13,848,478	\$ 307,361,042	\$ 8,419,587	\$ 75,554,023	
44	2065	3%	\$ 3,455,507,510	60%	\$ 14,263,932	\$ 321,624,975	\$ -	\$ -	\$ 14,263,932	\$ 321,624,975	\$ 459,449	\$ 2,284,788	\$ 2,843,017	\$ -	\$ 14,263,932	\$ 321,624,975	\$ 8,676,679	\$ 84,230,702	
45	2066	3%	\$ 3,559,172,735	60%	\$ 14,691,850	\$ 336,316,825	\$ -	\$ -	\$ 14,691,850	\$ 336,316,825	\$ 468,638	\$ 1,503,555	\$ 1,374,923	\$ -	\$ 14,691,850	\$ 336,316,825	\$ 11,344,734	\$ 95,575,436	
46	2067	3%	\$ 3,665,947,917	60%	\$ 15,132,606	\$ 351,449,431	\$ -	\$ -	\$ 15,132,606	\$ 351,449,431	\$ 478,011	\$ 1,503,555	\$ 1,128,824	\$ -	\$ 15,132,606	\$ 351,449,431	\$ 12,022,216	\$ 107,597,652	
47	2068	3%	\$ 3,775,926,355	60%	\$ 15,586,584	\$ 367,036,015	\$ -	\$ -	\$ 15,586,584	\$ 367,036,015	\$ 487,571	\$ 1,503,555	\$ 1,187,161	\$ -	\$ 15,586,584	\$ 367,036,015	\$ 12,408,297	\$ 120,005,949	
48	2069	3%	\$ 3,889,204,145	60%	\$ 16,054,182	\$ 383,090,197													

## Cumulative Revenue and Net Benefit By Year

Year	Base Year	1	2	3	4	5	6	7	8	9	10	11	12
Category	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total Tax Generated	-	-	598,962	1,823,332	3,716,865	5,826,523	8,163,567	10,753,708	13,891,707	17,625,095	21,741,427	26,326,850	31,533,000
TIRZ Participation	-	-	359,377	1,093,999	2,230,119	3,495,914	4,898,140	6,452,225	8,335,024	10,575,057	13,044,856	15,796,110	18,919,800
Net Benefit	-	-	239,585	729,333	1,486,746	2,330,609	3,265,427	4,301,483	5,556,683	7,050,038	8,696,571	10,530,740	12,613,200

Year	13	14	15	16	17	18	19	20	21	22
Category	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Total Tax Generated	37,352,267	43,858,702	51,088,295	59,035,090	67,780,408	77,365,010	87,790,312	98,809,847	110,423,612	122,956,117
TIRZ Participation	22,411,360								66,254,167	73,773,670
Net Benefit	14,940,907	17,543,481	20,435,318	23,614,036	27,112,163	30,946,004	35,116,125	39,523,939	44,169,445	49,182,447

Year	23	24	25	26	27	28	29	30	31	32
Category	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Total Tax Generated	136,341,818	150,604,948	165,864,073	181,580,973	197,769,380	214,443,438	231,617,718	248,792,000	265,966,280	283,655,788
TIRZ Participation		90,362,969	99,518,444	108,948,584	118,661,628	128,666,063	138,970,631	149,275,200	159,579,768	170,193,473
Net Benefit	54,536,727	60,241,979	66,345,629	72,632,389	79,107,752	85,777,375	92,647,087	99,516,800	106,386,512	113,462,315

## Cumulative Revenue and Net Benefit By Year

Year	33	34	35	36	37	38	39	40	41	42
Category	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063
Total Tax Generated	301,875,983	320,642,783	339,972,587	359,882,285	380,389,273	401,510,670	423,267,337	445,023,202	466,779,067	489,187,607
TIRZ Participation	181,125,590	192,385,670	203,983,552	215,929,371	228,233,564	240,906,402	253,960,402	267,013,921	280,067,440	293,512,564
Net Benefit	120,750,393	128,257,113	135,989,035	143,952,914	152,155,709	160,604,268	169,306,935	178,009,281	186,711,627	195,675,043

Year	43	44	45	46	47	48	49	50	Solterra
Category	2064	2065	2066	2067	2068	2069	2070	2071	Total
Total Tax Generated	512,268,403	536,041,625	560,528,042	585,749,052	611,726,692	638,483,662	666,043,340	693,603,018	693,603,018
TIRZ Participation	307,361,042	321,624,975	336,316,825	351,449,431	367,036,015	383,090,197	399,626,004	416,161,811	416,161,811
Net Benefit	204,907,361	214,416,650	224,211,217	234,299,621	244,690,677	255,393,465	266,417,336	277,441,207	277,441,207

### City Net Benefit

Sixty percent (60%) of the City’s property tax revenues collected on taxable property within the TIRZ will be deposited into a TIRZ Fund to reimburse the Developer in accordance with the PID bond Trust Indenture, the TIRZ Reimbursement Agreement and/or PID Reimbursement Agreement. Forty percent (40%) of the City’s property tax revenues collected within the TIRZ will be deposited to the City’s General Fund for general operations of the City, such as Fire, Police and Public Works. The Tables above show the conservative estimates of the annual “Net Benefit” of the Solterra development to the City and taxpayer. At the end of the TIRZ, total accumulated revenues in the TIRZ Fund are estimated to be \$416 million, which will go towards TIRZ obligations and any remainder to other TIRZ project costs. Total property taxes generated over the life of the TIRZ are estimated to be \$693 million, of which the net revenues to the City’s General Fund are estimated at **\$277 million**.

ORDINANCE NO. \_\_\_\_\_

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AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA CONSISTING OF APPROXIMATELY 1,920 ACRES OF LAND GENERALLY LOCATED SOUTHWEST OF EAST CARTWRIGHT ROAD AND BOTH NORTHWEST AND SOUTHEAST OF FAITHON P. LUCAS, SR., BOULEVARD IN THE CITY OF MESQUITE, DALLAS COUNTY, TEXAS, LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF MESQUITE, TEXAS, AS A REINVESTMENT ZONE PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, TO BE KNOWN AS REINVESTMENT ZONE NUMBER FIFTEEN, CITY OF MESQUITE, TEXAS (SOLTERRA); DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A DATE FOR THE TERMINATION OF THE ZONE; PROVIDING THAT THE ZONE TAKE EFFECT IMMEDIATELY UPON PASSAGE OF THE ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Mesquite, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the corporate limits of the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, the Act provides that the governing body of a municipality by ordinance may designate a contiguous or noncontiguous geographic area that is in the corporate limits of the municipality to be a reinvestment zone if the governing body determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, the City Council of the City (the "City Council") desires for the City to consider the creation of a tax increment reinvestment zone consisting of approximately 1,920 acres of land generally located southwest of East Cartwright Road and both northwest and southeast of Faithon P. Lucas, Sr., Boulevard in the City of Mesquite, Dallas County, Texas, and being the property located within the boundary description attached hereto as Exhibit A and generally depicted as the shaded area on the boundary map attached hereto as Exhibit B, both of which are incorporated herein by reference (the "Proposed Zone"); and

WHEREAS, a preliminary reinvestment zone financing plan has been prepared for the Proposed Zone as required by the Act (the "Preliminary Reinvestment Zone Financing Plan"); and

WHEREAS, notice of the public hearing on the creation of the Proposed Zone was published in a newspaper of general circulation in the City on April 22, 2021, which date is before the seventh (7th) day before the public hearing held on May 3, 2021; and

WHEREAS, on May 3, 2021, the City Council opened a public hearing in accordance with Section 311.003(c) of the Act and interested persons were allowed to speak for or against the creation of the Proposed Zone, the boundaries of the Proposed Zone, and the concept of tax increment financing, and owners of property in the Proposed Zone were given a reasonable opportunity to protest the inclusion of their property in the Proposed Zone; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on May 3, 2021; and

WHEREAS, the public hearing was held in full accordance with Section 311.003(c) of the Act; and

WHEREAS, the City has taken all actions required to create the Proposed Zone including, but not limited to, all actions required by the home-rule Charter of the City, the Act, Chapter 551 of the Texas Government Code, commonly referred to as the Texas Open Meetings Act, and all other laws applicable to the creation of the Proposed Zone.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. RECITALS INCORPORATED.

That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are incorporated and adopted as part of this Ordinance for all purposes.

SECTION 2. FINDINGS.

That the City Council, after conducting the above described public hearing and having heard the evidence and testimony presented at the public hearing, has made the following findings and determined based on the evidence and testimony presented to it:

- (a) That the public hearing on the creation of the Proposed Zone has been properly called, held and conducted and that notice of such hearing has been published as required by applicable law, including the Act, and that owners of property within the Proposed Zone were given a reasonable opportunity to protest the inclusion of their property in the Proposed Zone; and
- (b) That creation of the Proposed Zone with boundaries as described and depicted in Exhibits A and B will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the Proposed Zone; and
- (c) That the Proposed Zone, as described and depicted in Exhibits A and B, meets the criteria for the creation of a reinvestment zone set forth in the Act in that:

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- (1) It is a geographic area located wholly within the corporate limits of the City; and
- (2) The area is predominately open, unproductive and undeveloped and, because of the lack of necessary public improvements and other facilities, substantially impairs the sound growth of the City; and
- (d) That thirty percent (30%) or less of the property in the Proposed Zone, excluding property that is publicly owned, is currently used for residential purposes; and
- (e) That the total appraised value of taxable real property in the Proposed Zone, together with the total appraised value of taxable real property in all other existing reinvestment zones of the City, according to the most recent appraisal rolls of the City, does not exceed twenty-five percent (25%) of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any; and
- (f) That the improvements in the Proposed Zone will significantly enhance the value of all taxable real property in the Proposed Zone and will be of general benefit to the City; and
- (g) That the development or redevelopment of the property in the Proposed Zone will not occur solely through private investment in the reasonably foreseeable future; and
- (h) That the Proposed Zone will promote development or redevelopment of the economy within the Proposed Zone and develop or expand business and commercial activity within the Proposed Zone; and
- (i) That the Preliminary Reinvestment Zone Financing Plan for the Proposed Zone was prepared prior to the adoption of this Ordinance; and
- (j) That the City Council finds that the Preliminary Reinvestment Zone Financing Plan for the Proposed Zone is feasible.

### SECTION 3. DESIGNATION AND NAME OF THE ZONE.

Pursuant to the authority of, and in accordance with the requirements of the Act, the City Council hereby designates the property located within the boundary description attached hereto as Exhibit A and generally depicted as the shaded area on the boundary map attached hereto as Exhibit B as a tax increment reinvestment zone (the “Zone”). The name assigned to the Zone for identification is Reinvestment Zone Number Fifteen, City of Mesquite, Texas (Solterra).

### SECTION 4. BOARD OF DIRECTORS.

- (a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven members all appointed by the City Council. Members of the City Council may serve as Board members.

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- (b) The Board members appointed to the Board shall be eligible to serve on the Board if that person is at least 18 years of age and: (1) is a resident of the county in which the Zone is located or a county adjacent to that county; or (2) owns real property in the Zone, whether or not the individual resides in the county in which the Zone is located or a county adjacent to that county.
- (c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopt a project plan and a reinvestment zone financing plan for the Zone (hereinafter referred to as the “Project Plan and Financing Plan”) as required by the Act and shall submit the Project Plan and Financing Plan to the City Council for approval. The Board shall consider amendments to the Project Plan and Financing Plan on its own initiative or upon submission by the City Council, but amendments considered by the Board shall not take effect unless and until adopted by the City Council.
- (d) Directors shall not receive any salary or other compensation for their services as directors.
- (e) Members of the Board shall be appointed for terms of two years. The terms of the Board members may be staggered. The City Council may remove and replace Board members at any time during a term.
- (f) The initial Board shall be seven members and the following shall be the initial members of the Board:
  - (1) Bruce Archer
  - (2) Sherry Wisdom
  - (3) Kenny Green
  - (4) Robert Miklos
  - (5) Tandy Boroughs
  - (6) B. W. Smith
  - (7) Daniel Aleman

The City Council hereby appoints Mayor Bruce Archer to serve as chairman of the Board for the remainder of calendar year 2021. Before the end of calendar year 2021 and each calendar year thereafter, the City Council shall appoint one member of the Board to serve as chairman for a term of one year that begins on January 1 of the following year. If the City Council does not appoint a chairman during that period, the Mayor of the City is automatically appointed to serve as chairman for the term that begins on January 1 of the following year. The Board may elect a vice-chairman to preside in the absence of the chairman or when there is a vacancy in the office of chairman. The Board may elect other officers as it considers appropriate.

### SECTION 5. DURATION OF THE ZONE.

That the Zone shall take effect immediately upon the passage of this Ordinance, consistent with Section 311.004(a)(3) of the Act, and the Zone shall terminate on the earlier of: (1) December 31, 2071, or an earlier or later termination date designated by an ordinance adopted under Section 311.007(c) of the Act; or (2) the date on which all project costs, tax increment bonds and interest

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on those bonds, and other obligations of the Zone have been paid in full, in accordance with Section 311.017 of the Act.

**SECTION 6. TAX INCREMENT BASE AND TAX INCREMENT.**

That pursuant to Section 311.012(c) of the Act, the tax increment base of the City, or any other taxing unit participating in the Zone, is the total taxable value, as of January 1, 2021, of all real property taxable by the City or other taxing unit participating in the Zone, and located in the Zone for the year in which the Zone was designated as a reinvestment zone (the “**Tax Increment Base**”). Pursuant to Section 311.013(l) of the Act, the amount of the tax increment for a year on real property located in the Zone is sixty percent (60%) of real property taxes levied and collected by the City, and all or a portion of property taxes of other taxing units participating in the Zone and located in the Zone (as set forth in an agreement to participate in the Zone) for that year on the Captured Appraised Value (defined below) of real property taxable by the City or other taxing unit participating in the Zone and located in the Zone (the “**Tax Increment**”). Consistent with Section 311.012(b) of the Act, as amended, the captured appraised value of real property taxable by the City or other taxing unit participating in the Zone for a year is the total taxable value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone for that year less the Tax Increment Base of the City or other taxing unit participating in the Zone (the “**Captured Appraised Value**”).

**SECTION 7. TAX INCREMENT FUND.**

That there is hereby created and established a tax increment fund for the Zone (“**Tax Increment Fund**”), that may be divided into subaccounts as set forth in the Project Plan and Financing Plan, into which the Tax Increment of the City and participating taxing units, if any, as such increments are described in the Project Plan and Financing Plan and includes administration costs, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. The Tax Increment Fund and any subaccounts shall be maintained at the affiliated depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. In addition, all revenues to be dedicated to and used in the Zone shall be deposited into the Tax Increment Fund from which money will be disbursed to pay project costs, plus interest, for the Zone. Surplus funds in the Tax Increment Fund shall be disbursed as authorized and provided in the Act.

**SECTION 8. SEVERABILITY CLAUSE.**

That should any provision, section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall not be affected and shall remain in full force and effect. The City Council hereby declares that it is the intent of the City Council that the provisions, sections, subsections, sentences, clauses and phrases of this Ordinance are severable and that the City Council would have passed this Ordinance without the incorporation of such invalid or unconstitutional provision, section, subsection, sentence, clause or phrase and all remaining provisions, sections, subsections, sentences, clauses and phrases shall remain in full force and effect.

**SECTION 9. OPEN MEETINGS.**

That it is hereby found, determined, and declared that sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the Municipal Center and at the City Hall of the City for the time required by law preceding the meeting, as required by the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

**SECTION 10. EFFECTIVE DATE.**

That this Ordinance shall be in full force and effect from and after its passage as required by law.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 3rd day of May 2021.

	Bruce Archer Mayor
ATTEST:	APPROVED AS TO LEGAL FORM:
Sonja Land City Secretary	David L. Paschall City Attorney

