

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING AN AGREEMENT WITH REINVESTMENT ZONE NUMBER TEN, CITY OF MESQUITE, TEXAS (POLO RIDGE), REGARDING THE CONSTRUCTION OF PUBLIC IMPROVEMENTS WITHIN THE POLO RIDGE PUBLIC IMPROVEMENT DISTRICT NO. 2 ("AGREEMENT"); AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Mesquite, Texas ("City"), created Reinvestment Zone Number Ten, City of Mesquite, Texas (Polo Ridge) ("TIRZ"), and established a Board of Directors for the TIRZ to promote development or redevelopment in the TIRZ pursuant to Ordinance No. 4525, approved by the City Council of the City ("City Council") on December 4, 2017, in accordance with the Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311 ("Act"); and

WHEREAS, pursuant to Ordinance No. 4525, the City Council appointed a Board of Directors for the TIRZ ("Board"); and

WHEREAS, BD MR Development, LLC ("Developer"), desires to improve and develop a site consisting of approximately 822.1 acres of real property located within the TIRZ ("Property") as a residential development consisting of approximately 1,012 single-family lots ("Development"), which Property is currently located in the extraterritorial jurisdiction of the City and is depicted on Exhibit "A" and described by metes and bounds on Exhibit "B"; and

WHEREAS, the Developer intends to design, construct and install and/or make financial contributions to certain public improvements for the benefit of the Development ("Public Improvements"); and

WHEREAS, the City has also created the Polo Ridge Public Improvement District No. 2 pursuant to Chapter 372, Texas Local Government Code, as amended ("District"), the boundaries of which are coterminous with the TIRZ, and will levy special assessments on properties within the District to pay for construction of the Public Improvements ("Assessments"), all as set forth in that certain service and assessment plan to be approved by the City regarding the levy of special assessments ("Service and Assessment Plan"); and

WHEREAS, the City intends to issue special assessment revenue bonds (the "Polo Ridge PID No. 2 Bonds") containing a pledge of the Assessments for the purpose of providing funds to construct the Public Improvements; and

WHEREAS, the Board has adopted a project and reinvestment zone financing plan for the TIRZ (the "TIRZ Project Plan") which includes the Public Improvements for the Development; and

WHEREAS, the TIRZ Project Plan provides for the collection of fifty-one percent (51%) of the City's ad valorem tax increment from within the boundaries of the TIRZ in each year (the "TIRZ Revenues"), based on the City's tax rate in effect on the date of the establishment of the

TIRZ, to be deposited into a tax increment fund (the "TIRZ Fund"), for a period of up to thirty-one (31) years or until the total tax increment collected in the TIRZ Fund equals \$29,740,198, whichever is first; and

WHEREAS, the TIRZ Revenues are intended by the TIRZ and the City to be dedicated to the payment of the costs of construction of the Public Improvements necessary for the Development for a period of up to thirty-one (31) years or until the total tax increment collected in the TIRZ Fund equals \$29,740,198 or the Polo Ridge PID No. 2 Bonds are paid in full, whichever is first; and

WHEREAS, the City and the TIRZ intend for the TIRZ Revenues to be transferred to the City and used to off-set or pay a portion of the Assessments levied within the District for the Public Improvements in order to lower the amount of the Assessments on properties within the District in each year for a period of up to thirty-one (31) years or until the amount of TIRZ Revenues totals \$29,740,198 or the Polo Ridge PID No. 2 Bonds are paid in full, whichever comes first; and

WHEREAS, the City finds that the use of TIRZ Revenues in the TIRZ Fund for a period of up to thirty-one (31) years or until the amount of the TIRZ Revenues total \$29,740,198 or the Polo Ridge PID No. 2 Bonds are paid in full, whichever comes first, to pay all or a portion of the Assessments levied for the Public Improvements on properties within the District is necessary for the implementation of the TIRZ Project Plan; and

WHEREAS, the City desires to enter into an agreement with the TIRZ with respect to the matters set forth herein, a true and correct copy of such agreement being attached hereto as Exhibit "C" and made a part hereof for all purposes (the "Agreement"); and

WHEREAS, the Board passed a resolution at its September 17, 2018, meeting recommending approval of the Agreement to the City Council; and

WHEREAS, the City Council hereby finds and determines that the Agreement is in the best interests of the citizens of the City.

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

SECTION 1. That the statements, facts, findings and recitals set forth above are hereby found and declared to be true and correct and are incorporated into this Resolution and adopted as part of this Resolution for all purposes.

SECTION 2. That in accordance with the Act, the City Council hereby approves the Agreement and hereby authorizes the Mayor to execute the Agreement, a true and correct copy of said Agreement is attached hereto as Exhibit "C," and incorporated herein for all purposes.

SECTION 3. That it is hereby declared to be the intent of the City Council that the sections, articles, paragraphs, sentences, clauses, phrases and words of this Resolution are severable and if any section, article, paragraph, sentence, clause, phrase or word in this Resolution, or the application thereto to any persons or circumstances, shall be held invalid or unconstitutional by a final judgment or decree of any Court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of the remaining sections, articles, paragraphs,

sentences, clauses, phrases or words of this Resolution; and the City Council hereby declares it would have passed this Resolution without the incorporation of any such invalid or unconstitutional section, article, paragraph, sentence, clause, phrase or word and such remaining sections, articles, paragraphs, sentences, clauses, phrases and words shall remain in full force and effect.

SECTION 4. That this Resolution shall take effect immediately upon passage of this Resolution.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 17th day of September, 2018.

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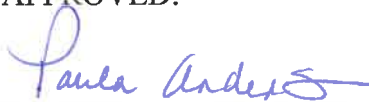
Stan Pickett  
Mayor

ATTEST:

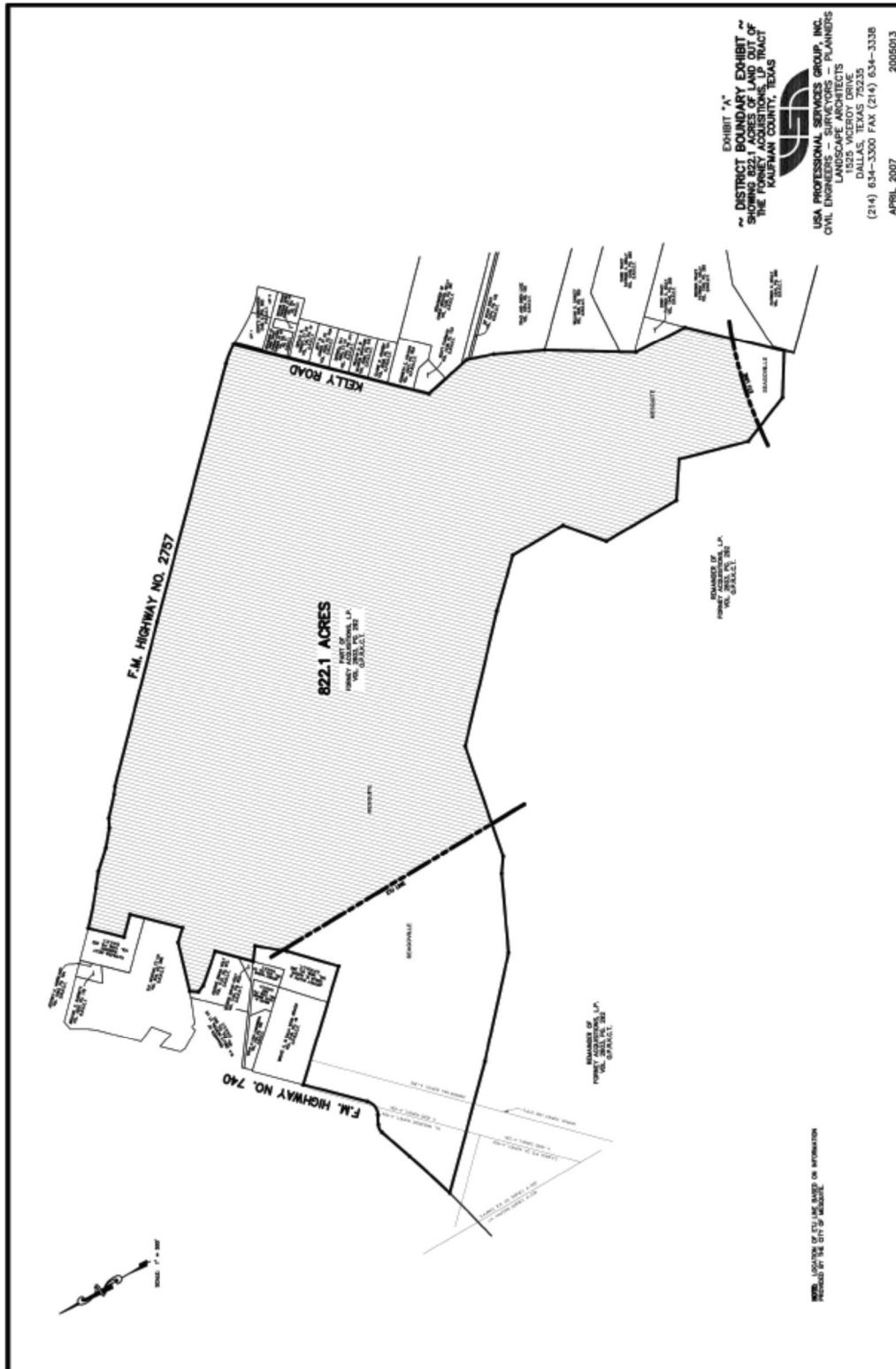
APPROVED:

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Sonja Land  
City Secretary

  
\_\_\_\_\_  
Paula Anderson  
Interim City Attorney

### Property Depiction



## EXHIBIT "B"

### Metes and Bounds Description of the Property (822.1 Acres)

BEING a tract or parcel of land situated in the Andrew Nail Survey, Abstract No. 355, the V. Herd Survey, Abstract No. 235, and the S.L. Woolridge Survey, Abstract No. 594, Kaufman County, Texas, and being part of that tract of land described in a Deed to Forney Acquisitions L.P., as recorded in Volume 2603, Page 292 of the Official Public Records of Kaufman County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner in the Southwesterly line of F.M. Highway No. 2757 (a variable width right-of-way), said point being the most Northerly Northeast corner of a tract of land described in a Deed to Kathlena Kelly Sanders, per Deed recorded in Volume 1348, Page 252 of the Deed Records of Kaufman County, Texas;

THENCE in a Southeasterly direction, along the Southwesterly line of said F.M. Highway No. 2757, and along a non-tangent curve to the left having a central angle of 05 degrees 05 minutes 39 seconds, a radius of 5779.58 feet, a chord bearing of South 49 degrees 06 minutes 43 seconds East, a chord distance of 513.69 feet, and an arc length 513.86 feet to a concrete monument found for corner;

THENCE along the Southwesterly line of said F.M. Highway No. 2757 as follows:

South 51 degrees 25 minutes 16 seconds East for a distance of 215.11 feet to a concrete monument found for corner;

South 42 degrees 32 minutes 14 seconds East for a distance of 309.76 feet to a concrete monument found for corner;

South 50 degrees 16 minutes 50 seconds East for a distance of 254.13 feet to a concrete monument found for corner;

South 62 degrees 55 minutes 48 seconds East for a distance of 125.71 feet to a point for corner;

South 47 degrees 23 minutes 49 seconds East for a distance of 306.97 feet to a concrete monument found for corner;

South 53 degrees 46 minutes 08 seconds East for a distance of 101.75 feet to a concrete monument found for corner;

South 45 degrees 41 minutes 40 seconds East for a distance of 2153.23 feet to a concrete monument found for corner;

South 45 degrees 07 minutes 18 seconds East for a distance of 3376.01 feet to a concrete monument found for corner at the beginning of a curve to the right;

Southeasterly, along said curve having a central angle of 13 degrees 33 minutes 53 seconds, a radius of 1095.92 feet, a chord bearing of South 38 degrees 20 minutes 22 seconds East, a chord distance of 258.85 feet and an arc length of 259.46 feet to a point for corner in the center of Kelly Road, said point being the most Northerly East corner of the above cited Forney Acquisitions tract;

THENCE South 44 degrees 15 minutes 13 seconds West departing the Southwesterly line of said F.M. Highway No. 2757, along the Southeasterly line of said Forney Acquisitions tract, and along the center of said Kelly Road, for a distance of 2543.09 feet to a 5/8" iron rod found for corner at an angle point in said road;

THENCE South 12 degrees 26 minutes 22 seconds East along the center of said Kelly Road, and along the Southeasterly line of said Forney Acquisitions tract, for a distance of 638.25 feet to a 1/4" iron rod found for corner at an angle point in said road;

THENCE South 18 degrees 10 minutes 39 seconds West along the center of said Kelly Road, and along the Southeasterly line of said Forney Acquisitions tract, for a distance of 350.54 feet to a 1/4" iron rod found for corner at an angle point in said road;

THENCE South 25 degrees 07 minutes 52 seconds West along the center of said Kelly Road, and along the Southeasterly line of said Forney Acquisitions tract, for a distance of 642.84 feet to a 1/2" iron rod found for corner at an angle point in said road;

THENCE South 31 degrees 18 minutes 55 seconds West along the center of said Kelly Road, and along the Southeasterly line of said Forney Acquisitions tract, for a distance of 1148.50 feet to a 60d nail found for corner at an angle point in said road;

THENCE South 02 degrees 53 minutes 11 seconds West along said Kelly Road, and along the Southeasterly line of said Forney Acquisitions tract, for a distance of 696.69 feet to a point for corner in the Northwesterly line of a tract of land described as the Second Tract in a Deed to Patrick C. Kelly, as recorded in Volume 1348, Page 265 of the Deed Records of Kaufman County, Texas;

THENCE South 43 degrees 34 minutes 26 seconds West along the Northwesterly line of said Patrick C. Kelly tract, for a distance of 610.80 feet to a point for corner at the beginning of a non-tangent curve to the left;

THENCE in a Northwesterly direction, along said non-tangent curve to the left having a central angle of 12 degrees 45 minutes 15 seconds, a radius of 5280.00 feet, a chord bearing of North 77 degrees 00 minutes 40 seconds West, a chord distance of 1172.90 feet and an arc length of 1175.33 feet to a point for corner;

THENCE North 22 degrees 07 minutes 18 seconds West for a distance of 229.66 feet to a point for corner;

THENCE North 15 degrees 31 minutes 26 seconds East for a distance of 897.27 feet to a point for corner;

THENCE North 56 degrees 00 minutes 43 seconds West for a distance of 522.03 feet to a point for corner;

THENCE North 00 degrees 17 minutes 14 seconds West for a distance of 1020.90 feet to a point for corner;

THENCE North 50 degrees 02 minutes 20 seconds East for a distance of 580.28 feet to a point for corner;

THENCE North 00 degrees 40 minutes 22 seconds West for a distance of 734.00 feet to a point for corner;

THENCE North 43 degrees 59 minutes 00 seconds West for a distance of 733.19 feet to a point for corner;

THENCE North 46 degrees 57 minutes 11 seconds West for a distance of 1764.06 feet to a point for corner;

THENCE North 78 degrees 58 minutes 22 seconds West for a distance of 1035.02 feet to a point for corner;

THENCE North 01 degrees 09 minutes 09 seconds West for a distance of 3089.05 feet to a point for corner in the Southeasterly line of a tract of land conveyed to Jeffrey Ralph Hughs and Sonja W. Hughs, per Deed recorded in Volume 1828, Page 260 of the Official Public Records of Kaufman County, Texas;

THENCE North 39 degrees 39 minutes 19 seconds East along the Southeasterly line of said Hughs tract, for a distance of 345.05 feet to a capped 5/8" inch iron rod found for corner at the most Easterly corner of same;

THENCE North 53 degrees 07 minutes 28 seconds West along the Northeasterly line of said Hughs tract, for a distance of 198.08 feet to a capped 5/8" inch iron rod found for corner at the most Easterly Northeast corner of same, said point also being the most Southerly corner of a tract of land conveyed to George Brian Holy, per Deed recorded in Volume 1194, Page 822 of the Deed Records of Kaufman County, Texas;

THENCE North 44 degrees 58 minutes 09 seconds East along the Southeasterly line of said Holy tract, and along the Southeasterly line of another tract of land conveyed to George Brian Holy, per Deed recorded in Volume 1131, Page 813 of the Deed Records of Kaufman County, Texas, for a distance of 497.28 feet to a point for corner;

THENCE along the Northeasterly line of said Holy tract recorded in Volume 1131, Page 813 as follows:

North 40 degrees 51 minutes 02 seconds West for a distance of 461.48 feet to a fence corner post for corner;

North 22 degrees 24 minutes 05 seconds West for a distance of 97.80 feet to a fence corner post for corner;

North 34 degrees 10 minutes 55 seconds East for a distance of 111.31 feet to a fence corner post for corner at the most Northerly Southeast corner of said Holy tract, said point also being in the Southwesterly line of a tract of land conveyed to D.P. Newton, et ux, per Deed recorded in Volume 616, Page 566 of the Deed Records of Kaufman County, Texas;

THENCE South 73 degrees 11 minutes 17 seconds East along the Southwesterly line of said Newton tract, for a distance of 633.21 feet to a wooden monument found for corner;

THENCE South 43 degrees 23 minutes 12 seconds East along the Southwesterly line of said Newton tract, for a distance of 194.48 feet to a 3/8" inch iron rod found for corner at the most Southerly corner of same;

THENCE North 44 degrees 08 minutes 49 seconds East along the Southeasterly line of said Newton tract, passing a 3/8" iron rod found for the most Southerly Northeast corner of same and the most Southerly corner of the above cited Kathlena Kelly Sanders tract at a distance of 494.03 feet, and continuing along the Southeasterly line of said Sanders tract for a total distance of 683.75 feet to a 1/2" inch iron rod found for corner at the most Southerly Northeast corner of said Sanders tract;

THENCE North 45 degrees 18 minutes 32 seconds West along the Northeasterly line of said Sanders tract, for a distance of 297.17 feet to a point for corner;

THENCE North 44 degrees 09 minutes 32 seconds East along the Southeasterly line of said Sanders tract, for a distance of 464.46 feet to the POINT OF BEGINNING, and containing 822.1 acres of land.



EXHIBIT “C”

Agreement Regarding the Construction of Public Improvements within the Polo Ridge Public  
Improvement District No. 2

**AGREEMENT REGARDING THE CONSTRUCTION OF PUBLIC IMPROVEMENTS  
WITHIN THE POLO RIDGE PUBLIC IMPROVEMENT DISTRICT NO. 2**

This Agreement Regarding the Construction of Public Improvements within the Polo Ridge Public Improvement District No. 2 (the “Agreement”) is entered into as of the 17th day of September, 2018, by and between the City of Mesquite, Texas, a Texas home-rule municipality situated in Dallas and Kaufman Counties, Texas (the “City”), and Reinvestment Zone Number Ten, City of Mesquite, Texas (Polo Ridge), hereinafter the “TIRZ,” created pursuant to the provisions of Chapter 311, Texas Tax Code, as amended (the “Act”).

**RECITALS**

WHEREAS, the TIRZ was created by Ordinance No. 4525 of the City on December 4, 2017, pursuant to the Act, and a project and financing plan for the TIRZ was approved by the City on September 17, 2018 (the “TIRZ Project Plan”); and

WHEREAS, the TIRZ Project Plan provides for the collection of fifty-one percent (51%) of the City’s ad valorem tax increment from within the boundaries of the TIRZ in each year (the “TIRZ Revenues”), based on the City’s tax rate in effect on the date of the establishment of the TIRZ, for a period of up to thirty-one (31) years or until the total tax increment collected equals \$29,740,198, whichever is first; and

WHEREAS, the TIRZ Revenues are intended by the TIRZ and the City to be dedicated to the payment of the costs of construction of certain public improvements (the “Public Improvements”) necessary for the development of the approximately 822.1 acre residential tract located within the TIRZ (the “Development”); and

WHEREAS, the Public Improvements shall be owned and maintained by the City for the benefit of the Development and the TIRZ; and

WHEREAS, the City has also created the Polo Ridge Public Improvement District No. 2, pursuant to Chapter 372, Texas Local Government Code, as amended (the “District”), the boundaries of which are coterminous with the TIRZ, and will levy special assessments on properties within the District to pay for construction of the Public Improvements (the “Assessments”), all as set forth in that certain service and assessment plan to be approved by the City regarding the levy of special assessments (the “Service and Assessment Plan”); and

WHEREAS, the City intends to issue special assessment revenue bonds (the “Polo Ridge PID No. 2 Bonds”) containing a pledge of the Assessments, for the purpose of providing funds to construct the Public Improvements; and

WHEREAS, the City and the TIRZ intend for the TIRZ Revenues to be transferred to the City and used to off-set or pay a portion of the Assessments levied within the District for the Public Improvements in order to lower the amount of the Assessments on properties within the District in each year for a period of up to thirty-one (31) years or until the amount of TIRZ Revenues total \$29,740,198 or the Polo Ridge PID No. 2 Bonds are paid in full, whichever comes first.

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties set forth in this Agreement and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the parties, the parties agree as follows:

## ARTICLE I

### THE PROJECT

Section 1.01. Completion of the Project. The City agrees to the construction and completion of the Public Improvements within the Development, which construction is authorized and provided for in that certain Polo Ridge Development Agreement by and between BD MR Development, LLC, a Texas limited liability company (the “Developer”), Polo Ridge Fresh Water Supply District of Kaufman County and the City.

Section 1.02. Issuance of the Polo Ridge PID No. 2 Bonds. The City intends to proceed with the sale of the Polo Ridge PID No. 2 Bonds and to use a portion of the proceeds from the sale of the Polo Ridge PID No. 2 Bonds to pay for the costs of the Public Improvements as incurred by the Developer.

Section 1.03. Use of TIRZ Revenues. The TIRZ agrees to allocate or dedicate the TIRZ Revenues to the City, and that such TIRZ Revenues shall be used to pay all or a portion of the Assessments levied for the Public Improvements on properties within the District. The TIRZ Revenues shall be paid to or transferred to the City each year on or before July 1 and shall be applied to reduce the Assessments assessed in that year. The application and allocation of the TIRZ Revenues to the properties within the District shall be made on an equitable basis as set forth in the Service and Assessment Plan for the District.

## ARTICLE II

### MISCELLANEOUS PROVISIONS

Section 2.01. Term. This Agreement shall be in force and effect from the date of execution hereof until the earlier of (i) the date on which the outstanding principal amount of the Polo Ridge PID No. 2 Bonds are paid in full, or (ii) the total of the TIRZ Revenues collected equals \$29,740,198.

Section 2.02. Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual written agreement of the parties hereto.

Section 2.03. Merger. This Agreement embodies the entire understanding between the parties hereto, and there are no prior effective representations, warranties or agreements between the parties hereto.

Section 2.04. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason,

the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

EXECUTED in multiple counterparts as of the date first written above.


CITY OF MESQUITE, TEXAS

By: \_\_\_\_\_  
Stan Pickett  
Mayor

ATTEST:

By: \_\_\_\_\_  
Sonja Land  
City Secretary

APPROVED FOR FORM:

By:  \_\_\_\_\_  
Paula Anderson  
Interim City Attorney

REINVESTMENT ZONE NUMBER TEN,  
CITY OF MESQUITE, TEXAS (POLO RIDGE)

By: \_\_\_\_\_  
Stan Pickett  
Chairman

ATTEST:

By: \_\_\_\_\_  
Sonja Land  
City Secretary