

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS APPROVING AN UPDATE OF THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR PHASE #1 IMPROVEMENTS AND PHASE #2 MAJOR IMPROVEMENTS FOR THE HEARTLAND TOWN CENTER PUBLIC IMPROVEMENT DISTRICT (THE "DISTRICT"); MAKING AND ADOPTING FINDINGS; ACCEPTING AND APPROVING THE ANNUAL SERVICE PLAN UPDATE AND UPDATED ASSESSMENT ROLL FOR THE DISTRICT; REQUIRING COMPLIANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on December 18, 2017, after due notice, the City Council of the City of Mesquite, Texas (the "City Council") held a public hearing in the manner required by law on the advisability of certain public improvements described in a petition filed by CADG Kaufman 146, LLC, a Texas limited liability company, as required by Sec. 372.009 of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "Act") and made the findings required by Sec. 372.009(b) of the Act and, by Resolution adopted by a majority of the members of the City Council, authorized the Heartland Town Center Public Improvement District (the "District") in accordance with its finding as to the advisability of certain public improvement projects and services; and

WHEREAS, on August 20, 2018, after notice, the City Council convened a public hearing at which all interested persons were given the opportunity to contend for or contest the Service and Assessment Plan, the Assessment Roll, and each proposed Assessment, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the costs of the Phase #1 Improvements and the Phase #2 Major Improvements, the purposes of the Assessments, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the City Council continued said public hearing to September 4, 2018, in the manner required by law; and

WHEREAS, on September 4, 2018, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearings, including all written comments and statements filed with the City, adopted Ordinance No. 4596 (the "Assessment Ordinance") approving a Service and Assessment Plan for the District (the "Service and Assessment Plan") and Assessment Roll and the levy of assessments on property in the District; and

WHEREAS, all capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Service and Assessment Plan; and

WHEREAS, on September 4, 2018, the City Council authorized the issuance of its Special Assessment Revenue Bonds, Series 2018 (Heartland Town Center Public Improvement District Phase #1 Project) and Special Assessment Revenue Bonds, Series 2018 (Heartland Town Center Public Improvement District Phase #2 Major Improvement Project) (together, the “Bonds”) secured directly and indirectly, respectively, by the assessments levied pursuant to the Assessment Ordinance; and

WHEREAS, Section 372.013 of the Act and the Service and Assessment Plan require that the Service and Assessment Plan and Assessment Roll be reviewed and updated annually for the purpose of determining the annual budget for improvements (the “Annual Service Plan Update”); and

WHEREAS, the Annual Service Plan Update and updated Assessment Roll for Fiscal Year 2019-2020 attached as Exhibit “A” hereto conform the original Assessment Roll to the principal and interest payment schedule required for the Bonds, update the Assessment Roll to reflect prepayments, property divisions and changes to the cost and/or budget allocations for District public improvements that occur during the year, if any; and

WHEREAS, the City Council now desires to proceed with the adoption of this Ordinance which supplements the Assessment Ordinance and Service and Assessment Plan and approves and adopts the Annual Service Plan Update and the updated Assessment Roll attached thereto, in conformity with the requirements of the Act.

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

Section 1. Findings. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes and are hereby adopted.

Section 2. Annual Service Plan Update. The 2019-2020 Annual Service Plan Update with updated Assessment Roll attached hereto as Exhibit “A” is hereby accepted and approved and complies with the Act in all matters as required.

Section 3. Cumulative Repealer. This Ordinance shall be cumulative of all other ordinances and shall not repeal any of the provisions of such ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances or parts thereof in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such Ordinance on the date of adoption of this Ordinance shall continue to be governed by the provisions of that ordinance and for that purpose the ordinance shall remain in full force and effect.

Section 4. Severability. If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of

this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 5. Effective Date. This Ordinance shall take effect, and the provisions and terms of the Annual Service Plan Update shall be and become effective upon passage and execution hereof.

PASSED AND APPROVED this 3rd day of September, 2019.

Mayor, City of Mesquite

ATTEST:

City Secretary, City of Mesquite

APPROVED AS TO FORM:



City Attorney, City of Mesquite

EXHIBIT A
2019-2020 ANNUAL SERVICE PLAN UPDATE



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ANNUAL SERVICE PLAN UPDATE (FY 2019-2020)

CITY OF MESQUITE

HEARTLAND TOWN CENTER

PUBLIC IMPROVEMENT DISTRICT

Report Date: August 15, 2019

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CITY OF MESQUITE



ANNUAL SERVICE PLAN UPDATE (FY 2019-2020) HEARTLAND TOWN CENTER PUBLIC IMPROVEMENT DISTRICT

Prepared for:

City of Mesquite

757 North Galloway Ave

Mesquite, TX 75149

Attention: Jimmy Martin, Finance Coordinator

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I INTRODUCTION

The Heartland Town Center Public Improvement District (the "PID") was created on December 18, 2017, by Resolution No. 80-2017 of the City of Mesquite (the "City") in accordance with the Public District Act, being Chapter 372 of the Texas Local Government Code (the "PID Act") to finance and/or reimburse the costs of certain public improvements (the "Projects" or "Improvements") for the benefit of the property in the PID. A Service and Assessment Plan (the "Service and Assessment Plan" or "SAP") was subsequently prepared at the direction of the City identifying the Projects and their estimated costs, the manner of assessing the property in the PID for the costs of the Projects, and the indebtedness to be incurred. Following a public hearing held on August 20, 2018, which continued to September 4, 2018, the City accepted and approved the Service and Assessment Plan and levied assessments with the adoption of Ordinance No. 4596. The \$5,410,000 PID Phase #1 Project Special Assessment Revenue Bonds, Series 2018 (the "Series 2018 Phase #1 Bonds") were issued on September 4, 2018, pursuant to Ordinance No. 4597 adopted by the City Council on September 4, 2018. The \$1,835,000 PID Phase #2 Major Improvement Project Special Assessment Revenue Bonds, Series 2018 (the "Series 2018 Phase #2 Major Improvement Bonds") were issued on September 4, 2018, pursuant to Ordinance No. 4598 also adopted by the City Council on September 4, 2018, (collectively the "Series 2018 Bonds"). Capitalized terms, unless defined herein, shall have the definition as set forth in the SAP.

Additionally, the City intends to use a portion of the TIRZ #11 Revenues to reduce the Annual Installment for all Assessed Property in the PID. TIRZ #11 was created on December 18, 2017, by Ordinance No. 4532. The process for determining and applying TIRZ Credits is further discussed in **Section V.B** and the Credits to Assessed Property are reflected in **Appendix D**.

Pursuant to **Sections 372.013 and 372.014** of the PID Act and the ordinance approving this Annual Service Plan Update to the Service and Assessment Plan (the "Annual Service Plan Update"), the Service and Assessment Plan is to be reviewed and updated annually in August of each year or as soon thereafter practical and is to include an Assessment Plan.

II PROPERTY INCLUDED IN THE PID

The PID is located within the Extraterritorial Jurisdiction ("ETJ") of the City and contains approximately 121.282 acres of land. A conceptual map of the property within the PID is shown below. At completion, the PID is expected to consist of approximately 450 single-family residential units, landscaping, and the infrastructure necessary to provide roadways, drainage, and utilities to property within the PID. The estimated number of lots (450) and classification of each lot are based upon the proposed development plan.



III DESCRIPTION AND COST OF THE AUTHORIZED IMPROVEMENTS

The costs of the Authorized Improvements include the costs of the Major Improvements, which benefit all Phases, and the Phase #1 Specific Improvements, which only benefit Phase #1. Phase #2 Specific Improvements are anticipated to be financed through a future bond issuance, but are not yet incorporated into the Service and Assessment Plan.

The Authorized Improvements are generally described as follows and are constructed in accordance with the Development Agreement, the plans and specifications approved by the City, Kaufman MUD, applicable local ordinances to the extent not modified by the City in writing, applicable state and federal regulations, and good engineering practices.

- **Roadway Improvements** – The roadway improvements are public road improvements, including construction, excavations, concrete, reinforcing steel, asphalt, lime, sidewalks, signs, and lightings. The roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.
- **Water Improvements** – The water improvements include water mains, trench excavation and embedment, dewatering, trench safety, PVC piping, bore, valves, ground storage, pumps, fire hydrants, thrust restraint devices, service connections, and testing. The water improvements will be designed and constructed in accordance with City and Texas Commission on Environmental Quality (“TCEQ”) standards and specifications and will be owned and operated by the Kaufman MUD.
- **Sanitary Sewer Improvements** – The sanitary sewer improvements include sewer mains, manholes, trench excavation and embedment, dewatering, trench safety, and PVC piping. The sanitary sewer improvements will be designed and constructed in accordance with City and TCEQ standards and specifications and will be owned and operated by the Kaufman MUD.
- **Storm Drainage Improvements** – The drainage improvements include storm sewer mains, inlets, earthen channels, swales, excavation and embedment, dewatering, trench safety, grade inlets, RCP piping and hoses, headways, concrete flumes, rock rip rap, and concrete outfalls. The drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

A.1 Descriptions and Costs of Phase #1 Specific Improvements

The Phase #1 Specific Improvements are the Authorized Improvements that are allocable to and benefit only Phase #1 Assessed Property within the PID. A portion of the Phase #1 Specific Improvements will be financed with the Phase #1 Bonds, and the remaining portion will be financed with the PID Reimbursement Agreement.

Table III-1: Phase #1 Specific Improvements Costs

Description	Phase #1 Bond Portion	PID Reimbursement Agreement Portion	Total
Roadway Improvements	\$1,262,420.33	\$186,813.67	\$1,449,234.00
Water System Improvements	\$518,236.13	\$76,688.87	\$594,925.00
Sanitary Sewer System Improvements	\$504,758.55	\$74,694.45	\$579,453.00
Storm Drainage System Improvements	\$561,610.56	\$83,107.44	\$644,718.00
Professional and Other Soft Costs	\$488,597.12	\$72,302.88	\$560,900.00
Total Specific Improvements	\$3,335,622.69	\$493,607.31	\$3,829,230.00

A.2 Descriptions and Costs of Major Improvements

Major Improvements are the Authorized Improvements which benefit all Assessed Property within the PID. The allocation of Major Improvement costs is based on the Equivalent Units within each Phase as a percentage of the total Equivalent Units within the PID. A portion of the Phase #1 Major Improvements will be financed with the Phase #1 Bonds, and the remaining portion will be financed with the PID Reimbursement Agreement. The Phase #2 Major Improvements will be financed with the Phase #2 Major Improvement Bonds.

Table III-2: Major Improvement Costs

Description	Phase #1 Bond Portion	PID Reimbursement Agreement Portion	Phase #2 Major Improvement Bonds	Total
		Phase #1	Phase #2	
Water System Improvements	\$70,525.47	\$10,436.40	\$88,398.13	\$169,360.00
Sanitary Sewer System Improvements	\$20,279.82	\$3,001.02	\$25,419.16	\$48,700.00
Storm Drainage System Improvements	\$200,341.31	\$29,646.62	\$251,112.07	\$481,100.00
Professional and Other Soft Costs	\$716,312.01	\$106,000.25	\$897,840.74	\$1,720,153.00
Construction Contingency	\$29,114.66	\$4,308.40	\$36,492.94	\$69,916.00
Total Major Improvements	\$1,036,573.27	\$153,392.69	\$1,299,263.04	\$2,489,229.00

IV SERVICE PLAN

The PID Act requires the service plan to cover a period of at least 5 years and define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five-year period. A portion of the costs of construction of the Phase #1 Improvements will be financed with the Phase #1 Bonds (with the remaining portion financed by the Developer and reimbursed pursuant to the PID Reimbursement Agreement), and the costs of construction of the Phase #2 Major Improvements will be financed with the Phase #2 Major Improvement Bonds.

After all or a portion of the Phase #1 Improvements and Phase #2 Major Improvements are constructed, it is anticipated that the construction of the Phase #2 Specific Improvements will subsequently take place. The costs of construction of the Phase #2 Specific Improvements is expected to be financed with additional PID Bonds.

The sources and uses of funds shown in **Table IV-1** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes to Actual Costs. As Phase #2 is developed in connection with the issuance of PID Bonds for the Phase #2 Specific Improvements, this Annual Service Plan will be updated.

Table IV-1: Sources and Uses of Funds – Major and Specific Improvements

	Phase #1 Bonds	PID Reimbursement Agreement	Phase #2 Major Improvement Bonds	2018 Grand Total
Description	Phase #1		Phase #2	
Sources of Funds				
Bond Par Amount	\$5,410,000	\$0	\$1,835,000	\$7,245,000
Reimbursement Agreement	\$0	\$647,000	\$0	\$647,000
Owner Cash Contribution	\$409,695	\$0	\$34,262	\$443,958
Total Sources of Funds	\$5,819,695	\$647,000	\$1,869,262	\$8,335,958
Uses of Funds				
Major Improvements (a)				
Water System Improvements	\$70,525	\$10,436	\$88,398	\$169,360
Sanitary Sewer System Improvements	\$20,280	\$3,001	\$25,419	\$48,700
Storm Drainage System Improvements	\$200,341	\$29,647	\$251,112	\$481,100
Professional and Other Soft Costs	\$716,312	\$106,000	\$897,841	\$1,720,153
Construction Contingency	\$29,115	\$4,308	\$36,493	\$69,916
Subtotal Major Improvements	\$1,036,573	\$153,393	\$1,299,263	\$2,489,229
Specific Improvements (a)				
Roadway Improvements	\$1,262,420	\$186,814	\$0	\$1,449,234
Water System Improvements	\$518,236	\$76,689	\$0	\$594,925
Sanitary Sewer System Improvements	\$504,759	\$74,694	\$0	\$579,453
Storm Drainage System Improvements	\$561,611	\$83,107	\$0	\$644,718
Professional and Miscellaneous Fees	\$488,597	\$72,303	\$0	\$560,900
Construction Contingency	\$0	\$0	\$0	\$0
Subtotal Specific Improvements	\$3,335,623	\$493,607	\$0	\$3,829,230
Financing Costs				
Capitalized Interest (b)	\$543,910	\$0	\$195,850	\$739,761
Bond Reserve	\$378,081	\$0	\$138,006	\$516,087
Delinquency and Prepayment Deposit	\$52,050	\$0	\$19,175	\$71,225
First Year's Administrative Expenses	\$30,000	\$0	\$35,000	\$65,000
Underwriter's Discount	\$162,300	\$0	\$55,050	\$217,350
Costs of Issuance	\$281,158	\$0	\$126,918	\$408,076
Subtotal Financing Costs	\$1,447,499	\$0	\$569,999	\$2,017,499
Total Uses of Funds	\$5,819,695	\$647,000	\$1,869,262	\$8,335,958

Note:

*May not sum due to rounding.

The annual projected debt service and Administrative Expenses for the Phase #1 Improvements and the Phase #2 Major Improvements are shown in **Tables IV-2 and IV-3**, respectively. The annual projected debt service and Administrative Expenses portion of the Assessments are subject to revision and shall be updated in the Annual Service Plan Update to reflect any changes expected for each year provided, however, that any Administrative Expenses charged as part of the Annual Installment shall not exceed the amount set forth in the Assessment Rolls without compliance with the provisions of **Section 372.016 and 372.017** of the PID Act.

Table IV-2: Phase #1 5-Year Summary

Fiscal Year End	Interest	Principal	Capitalized Interest	PID Reimbursement Agreement		Delinquency and Prepayment Reserve	Administrative Expenses	Annual Assessment Installment
				Interest	Principal			
2020	\$282,144	\$0	(\$282,144)	\$69,224	\$9,476	\$27,050	\$30,600	\$136,350
2021	\$282,144	\$95,000	\$0	\$35,383	\$10,002	\$27,050	\$31,212	\$480,790
2022	\$277,988	\$95,000	\$0	\$34,827	\$10,557	\$26,575	\$31,836	\$476,783
2023	\$273,831	\$100,000	\$0	\$34,242	\$11,143	\$26,100	\$32,473	\$477,789
2024	\$269,456	\$105,000	\$0	\$33,623	\$11,761	\$25,600	\$33,122	\$478,563
TOTAL	\$1,385,563	\$395,000	(\$282,144)	\$207,298	\$52,939	\$132,375	\$159,244	\$2,050,275

Note:

*May not sum due to rounding.

Table IV-3: Phase #2 Major Improvements 5-Year Summary

Fiscal Year End	Interest	Principal	Capitalized Interest	Delinquency and Prepayment Reserve	Administrative Expenses	Annual Assessment Installment
2020	\$101,594	\$0	(\$101,594)	\$9,175	\$35,700	\$44,875
2021	\$101,594	\$35,000	\$0	\$9,175	\$36,414	\$182,183
2022	\$99,800	\$35,000	\$0	\$9,000	\$37,142	\$180,942
2023	\$98,006	\$40,000	\$0	\$8,825	\$37,885	\$184,716
2024	\$95,956	\$40,000	\$0	\$8,625	\$38,643	\$183,224
TOTAL	\$496,950	\$150,000	(\$101,594)	\$44,800	\$185,784	\$775,941

Note:

*May not sum due to rounding.

The annual projected costs shown in **Table IV-4** are the annual expenditures relating to the Phase #1 Improvements, the Phase #2 Major Improvements, the costs associated with setting up the PID, and the costs of issuance, including reserves, shown in **Table IV-4**.

Table IV-4: Projected Public Improvement Costs and Indebtedness

Fiscal Year End	Projected Annual Costs of Authorized Improvements	Projected Annual Indebtedness
2018	\$1,404,102	\$0
2019	\$4,212,306	\$0
2020	\$702,051	\$0
2021	\$0	\$513,738
2022	\$0	\$507,788
2023	\$0	\$511,838
2024	\$0	\$510,413
TOTAL	\$6,318,459	\$2,043,775

As Phase #2 is developed, in association with the issuance future PID Bonds, **Tables IV-3** and **IV-4** will be updated to identify the Authorized Improvements to be financed by the new series of the PID Bonds and the projected indebtedness resulting from the new series of PID Bonds.

V ASSESSMENT PLAN

For purposes of the PID, the City Council has determined that the costs of the Authorized Improvements shall be allocated as described below:

- The Authorized Improvement costs shall be allocated on the basis of the size of the lots and their estimated value once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the such improvements to lots similarly benefited.
- The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken in to consideration: (i) the type of development (i.e., residential, commercial, etc.); (ii) single family lot sizes and the size of homes likely to be built on lots of different sizes; (iii) current and projected home prices provided by the Owner; (iv) the Authorized Improvements to be provided and the estimated costs; and (v) the ability of different property types to utilize and benefit from the improvements.
- The Assessed Property is classified into different Lot Types as detailed in **Tables V-2** and **V-3** based on the type and size of proposed development on each lot.
- Equivalent Units have been calculated for each Lot Type based on the relative value of each Lot Type.
- The Major Improvement costs are proportionally allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property based on the ratio of total Equivalent Units estimated for the Phase #1 Assessed Property and the Phase #2 Assessed Property. This results in an allocation of 47.80% of the costs of the Major Improvements to Phase #1 and an allocation of 52.20% of the costs of the Major Improvements to Phase #2.
- The Phase #1 Improvement costs (which include the Phase #1 Specific Improvements and the Phase #1 Major Improvements) are allocated to each lot within the Phase #1 Assessed Property based on the size of the lot.

Table V-1 identifies the allocation of costs for the Major Improvements which benefit all phases.

At this time, Assessed Property will only be assessed for the special benefits conferred upon the property due to the Phase #1 Improvements (which include the Phase #1 Specific Improvements and Phase #1 Major Improvements) and the Phase #2 Major Improvements.

A Allocation of Costs to Assessed Property

The Authorized Improvements will provide a special benefit to property within the PID. Accordingly, the estimated Authorized Improvement Costs must be allocated to Assessed Property in the PID in a reasonable manner. **Table V-1**, below, summarizes the allocation of the Major Improvements costs. The costs shown in **Table V-1** are estimates and may be revised in Annual Service Plan Updates. The assigned Assessments for Phase #1 Bonds and Phase #2 Major Improvement Bonds, identified in **Tables V-2** and **V-3**, may not, however, be increased without either (i) notice and a public hearing as required under the Act, or (ii) a prepayment, as set forth in **Section VI.D**.

Table V-1: Allocation of Major Improvement Costs

Public Improvements	Total Costs	Phase #1		Phase #2	
		% Allocation	Share of Costs	% Allocation	Share of Costs
Water System Improvements	\$169,360.00	47.80%	\$80,961.87	52.20%	\$88,398.13
Sanitary Sewer System Improvements	\$48,700.00	47.80%	\$23,280.84	52.20%	\$25,419.16
Storm Drainage System Improvements	\$481,100.00	47.80%	\$229,987.93	52.20%	\$251,112.07
Major Improvements Professional & Miscellaneous Fees	\$1,720,153.00	47.80%	\$822,312.26	52.20%	\$897,840.74
Construction Contingency	\$69,916.00	47.80%	\$33,423.06	52.20%	\$36,492.94
Total Public Improvements	\$2,489,229.00		\$1,189,965.96		\$1,299,263.04

A.1 Assessment Methodology for Phase #1 Improvements

For purpose of this SAP, the City Council has determined that the estimated costs of the Phase #1 Improvements, which include the Phase #1 Specific Improvements and the Phase #1 Major Improvements, shall be allocated to Phase #1 Assessed Property by spreading the entire Assessment across the Phase #1 Assessed Property based on the estimated Equivalent Units as calculated and shown in **Table V-2** using the types and number of lots anticipated to be developed on the Phase #1 Assessed Property. Phase #1 Improvements are to be financed with the Phase #1 Bonds and the PID Reimbursement Agreement.

A.2 Assessment Methodology for the Phase #2 Major Improvements

For purpose of this SAP, the City Council has determined that the estimated costs of the Phase #2 Major Improvements shall be allocated to Phase #2 Assessed Property by spreading the entire Assessment across the Phase #2 Assessed Property based on the estimated Equivalent Units as calculated and shown in **Table V-3** using the types and number of lots anticipated to be developed on the Phase #2 Assessed Property. The Equivalent Units calculation reflects the expected home price on each lot according to Lot Type. Phase #2 Major Improvements are to be financed with the Phase #2 Major Improvement Bonds.

Table V-2: Phase#1 Assessment Per Lot

Lot Type	# of Lots	Estimated Assessed Value Per Home	Estimated Build-Out AV	Equivalent Unit Factor	Equivalent Units	Phase #1 Bonds Assessment	PID Reimbursement Agreement Assessment	Total Assessment	Total Assessment Per Lot	Total Assessment Installments	Total Assessment Installments Per Lot	Average Annual Assessment Installment Per Lot
50'	155	\$255,000.00	\$39,525,000.00	1.00	155.00	\$4,167,743.54	\$498,434.39	\$4,666,177.93	\$30,104.37	\$10,477,774.61	\$67,598.55	\$2,379.90
40'	55	\$215,000.00	\$11,825,000.00	0.84	46.20	\$1,242,256.46	\$148,565.61	\$1,390,822.07	\$25,287.67	\$3,123,052.82	\$56,782.78	\$1,999.12
Total	210		\$51,350,000.00		201.20	\$5,410,000.00	\$647,000.00	\$6,057,000.00		\$13,600,827.43		

Table V-3: Phase #2 Major Improvements Assessment Per Lot

Lot Type	# of Lots	Estimated Assessed Value Per Home	Estimated Build-Out AV	Equivalent Unit Factor	Equivalent Units	Phase #2 Major Improvement Bonds Assessment	Total Assessment	Total Assessment Per Lot	Total Assessment Installments	Total Assessment Installments Per Lot	Average Annual Assessment Installment Per Lot
50'	113	\$255,000.00	\$28,815,000.00	1.00	113.00	\$943,895.67	\$943,895.67	\$8,353.06	\$2,681,500.42	\$23,730.09	\$833.03
40'	127	\$215,000.00	\$27,305,000.00	0.84	106.68	\$891,104.33	\$891,104.33	\$7,016.57	\$2,531,526.23	\$19,933.28	\$699.74
Total	240		\$56,120,000.00		219.68	\$1,835,000.00	\$1,835,000.00		\$5,213,026.65		

B TIRZ Annual Credit Amount

The City Council, in accordance with TIRZ Ordinance No. 4532 and the Heartland Town Center Development Agreement, has agreed to use a portion of TIRZ Revenues generated (the "TIRZ Annual Credit Amount") to reduce the Annual Installment for all Assessed Property based on the desire of the City Council to maintain a competitive, composite equivalent ad valorem tax rate taking into consideration the tax rates of all applicable taxing units and the equivalent tax rate of the Annual Installments of the Assessments based on assumed improvement values.

1. The Annual Installment for a Parcel shall be calculated from the previous tax year's TIRZ Revenues then on deposit in the "Residential Account" of the TIRZ No. 11 Tax Increment Fund, but in no event shall the TIRZ Annual Credit Amount exceed the amounts shown in Paragraph 2 immediately below for each Parcel (i.e., TIRZ Revenues collected in 2019 shall be applied as the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2020).
2. The TIRZ Annual Credit Amount available to reduce the Annual Installment for a Parcel was calculated based on the TIRZ increment intended to offset a portion of Assessments levied against Residential Property within the PID, as identified in Development Agreement. Sixty-two and one-half percent (62.5%) of the City's collected ad valorem tax increment shall thereby be dedicated to off-set or pay a portion of Assessments levied for the costs of Authorized Improvements, up to the annual amounts specified below and the total amount indicated in the Development Agreement. This is done so that the net total of the Assessment does not produce an equivalent tax rate which exceeds the competitive, composite equivalent ad valorem tax rate taking into consideration the tax rates of all applicable taxing units and the equivalent tax rate of the Annual Installments of the Assessments based on assumed improvement values at the time of the PID Bonds being approved, and this calculation establishes the Final TIRZ Annual Credit Amount for all Lot Types.
 - i. TIRZ Annual Credit Amount for 50' Lot Type: \$1,094
 - ii. TIRZ Annual Credit Amount for 40' Lot Type: \$923
3. The TIRZ Annual Credit Amount available to reduce the Annual Installment for a Parcel located within Phase #2 shall be limited to the amounts shown below until the Phase #2 Specific Improvements are anticipated to be constructed. This is being done to ensure the equitable application of TIRZ Annual Credit Amounts for all Parcels within the PID. As 100% of the Phase #1 Improvements are expected to be constructed over the next eighteen (18) months, Parcels within Phase #1 will be eligible to receive 100% of their individual TIRZ Annual Credit Amount. As approximately 25% of the Phase #2 Improvements are expected to be constructed over the next eighteen (18) months (\$1,299,263.04 in Major Improvements / \$1,299,263.04 in Major Improvements + \$4,283,784.00 in Specific Improvements ≈ 25%), Parcels within Phase #2 will be eligible to receive approximately 25% of their

individual TIRZ Annual Credit Amount. As the Phase #2 Specific Improvements begin construction and Assessments are levied for such public improvements, Parcels within Phase #2 will become eligible to receive the TIRZ Annual Credit Amounts shown in Paragraph 2, above.

- iii. 25% TIRZ Annual Credit Amount for 50' Lot Type: \$274
 - iv. 25% TIRZ Annual Credit Amount for 40' Lot Type: \$231
4. If the application of the TIRZ Annual Credit Amount results in excess TIRZ Revenues available from the Residential Account of the TIRZ Fund, such excess TIRZ Revenues shall be held in a segregated account by the City and shall be used either (i) to prepay a portion of all Assessments on the Assessed Property, on a pro rata basis, and to redeem bonds pursuant to the extraordinary redemption provisions of the Indenture, (ii) to optionally redeem the outstanding PID Bonds on a pro rata basis pursuant to the provisions of the Indenture, or (iii) to be applied in future years in an effort to maintain a level Annual Installment schedule.

If the debt service on issued and outstanding PID Bonds is reduced as the result of an economic refunding of those PID Bonds or as a result of the prepayment of assessments or the redemption of PID Bonds, then there would be a corresponding reduction in both the TIRZ Annual Credit Amount, the Annual Installment owed on the Assessment, and the Assessment lien on each Assessed Property which shall be reflected in a subsequent Annual Service Plan Update.

VI TERMS OF THE ASSESSMENTS

A Payment of Assessments

A.1 Payment in Full

The Assessment for any Assessed Property may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of PID Bonds, the payment amount shall be reduced by the amount, if any, of reserve funds applied to the redemption under the Indenture, net of any other costs applicable to the redemption of PID Bonds as set forth in the applicable Indenture.

If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

If an Assessment is paid in full: (i) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (ii) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; (iii) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (iv) the City shall provide the Owner with a recordable notice that the lien on such Assessed Property has been released by the City.

If an Assessment is prepaid in part: (i) the Administrator shall cause the Assessment to be reduced by the amount of such partial prepayment in a manner conforming to the provisions of the Indenture and the Assessment Roll revised accordingly; (ii) the Administrator shall cause the revised Assessment Roll reflecting such partial prepayment to be approved by the City Council as part of the next Annual Service Plan Update; and (iii) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent the partial payment is made.

A.2 Payment in Annual Installments

The PID Act provides that an Assessment for any Assessed Property may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect principal, interest, Additional Interest, and Administrative Expenses in installments. An Assessment for Assessed Property that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated and provided for herein. Payment of the Annual Installments shall commence with tax bills mailed in 2019 and shall be delinquent February 1, 2020.

The Assessment Roll sets forth for each year the Annual Installment for each Assessed Property consisting of the (i) annual principal amount due on the Assessments, (ii) annual interest amount due on the Assessments including the

Additional Interest with respect to the PID Bonds, (iii) amounts due pursuant to the PID Reimbursement Agreement, if applicable, and (iv) Administrative Expense portion of the Assessments. The Annual Installments may not exceed the amounts shown on the Assessment Roll in **Appendix A**.

The Annual Installments shown on the Assessment Roll shall be adjusted to equal the Actual Costs of repaying the Phase #1 Bonds and the Phase #2 Major Improvement Bonds including Additional Interest, the PID Reimbursement Agreement, and Administrative Expenses. In addition, the City may adopt additional Assessment Roll(s) relating to the Authorized Improvements within the PID and the issuance of future PID Bonds.

The City reserves and shall have the right and option to refund PID Bonds in accordance with **Section 372.027** of the PID Act and the Indenture related to such PID Bonds. In the event of issuance of refunding bonds, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installment so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the debt service on the refunding bonds when due and payable as required by and established in the ordinance and/or the Indenture authorizing and securing the refunding bonds plus interest generated from the Additional Interest rate, and such refunding bonds shall constitute "PID Bonds" for purposes of the SAP.

B Collection of Annual Installments

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be updated annually and each Annual Installment shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments relating to the Phase #1 Bonds, the PID Reimbursement Agreement, and the Phase #2 Major Improvement Bonds shall be due when billed and will be delinquent if not paid prior to February 1, 2020.

APPENDIX A

City of Mesquite
Annual Service Plan Update (FY 2019-2020)
Heartland Town Center Public Improvement District



ASSESSMENT ROLL

Appendix A
Heartland Town Center Public Improvement District
Assessment Roll

Assessment by Parcel

Phase #1 Assessment

Parcel ID	Owner	Total 40' Lots	Total 50' Lots	Total Lots	PID Assessment	FY 2019-2020 Annual Installment
201174	D.R. Horton Texas LTD	55	155	210	\$6,057,000.00	\$136,349.61
Totals		55	155	210	\$6,057,000.00	\$136,349.61

Phase #2 Major Improvements Assessment

Parcel ID	Owner	Total 40' Lots'	Total 50' Lots	Total Lots	PID Assessment	FY 2019-2020 Annual Installment
200544	Dieciseis LLC	127	113	240	\$1,835,000.00	\$44,875.00
Totals		127	113	240	\$1,835,000.00	\$44,875.00

Phase #1 Assessment

Parcel ID:
201174

Assessment Amount:
\$6,057,000.00

Number of Lots:
210

40' Lots:
50' Lots:

55
155

Fiscal Year End (a)	Interest	Principal	RA Interest	RA Principal	Capitalized Interest	Delinquency and Prepayment Reserve	Administrative Expenses Portion	Annual Installment	Assessment Balance (b)
2019	\$261,767	\$0	\$0	\$0	(\$261,767)	\$27,050	\$30,000	\$57,050	\$6,057,000
2020	\$282,144	\$0	\$69,224	\$9,476	(\$282,144)	\$27,050	\$30,600	\$136,350	\$6,057,000
2021	\$282,144	\$95,000	\$35,383	\$10,002	\$0	\$27,050	\$31,212	\$480,790	\$6,047,524
2022	\$277,988	\$95,000	\$34,827	\$10,557	\$0	\$26,575	\$31,836	\$476,783	\$5,942,522
2023	\$273,831	\$100,000	\$34,242	\$11,143	\$0	\$26,100	\$32,473	\$477,789	\$5,836,965
2024	\$269,456	\$105,000	\$33,623	\$11,761	\$0	\$25,600	\$33,122	\$478,563	\$5,725,822
2025	\$264,469	\$110,000	\$32,970	\$12,414	\$0	\$25,075	\$33,785	\$478,713	\$5,609,061
2026	\$259,244	\$115,000	\$32,281	\$13,103	\$0	\$24,525	\$34,461	\$478,614	\$5,486,647
2027	\$253,781	\$120,000	\$31,554	\$13,830	\$0	\$23,950	\$35,150	\$478,265	\$5,358,544
2028	\$248,081	\$130,000	\$30,787	\$14,598	\$0	\$23,350	\$35,853	\$482,669	\$5,224,714
2029	\$241,906	\$135,000	\$29,976	\$15,408	\$0	\$22,700	\$36,570	\$481,561	\$5,080,116
2030	\$234,819	\$140,000	\$29,121	\$16,263	\$0	\$22,025	\$37,301	\$479,529	\$4,929,708
2031	\$227,469	\$150,000	\$28,219	\$17,165	\$0	\$21,325	\$38,047	\$482,225	\$4,773,445
2032	\$219,594	\$155,000	\$27,266	\$18,118	\$0	\$20,575	\$38,808	\$479,361	\$4,606,280
2033	\$211,456	\$165,000	\$26,261	\$19,124	\$0	\$19,800	\$39,584	\$481,225	\$4,433,162
2034	\$202,794	\$170,000	\$25,199	\$20,185	\$0	\$18,975	\$40,376	\$477,529	\$4,249,038
2035	\$193,869	\$180,000	\$24,079	\$21,305	\$0	\$18,125	\$41,184	\$478,561	\$4,058,853
2036	\$184,419	\$190,000	\$22,896	\$22,488	\$0	\$17,225	\$42,007	\$479,035	\$3,857,548
2037	\$174,444	\$200,000	\$21,648	\$23,736	\$0	\$16,275	\$42,847	\$478,950	\$3,645,060
2038	\$163,944	\$210,000	\$20,331	\$25,053	\$0	\$15,275	\$43,704	\$478,307	\$3,421,324
2039	\$152,919	\$220,000	\$18,941	\$26,444	\$0	\$14,225	\$44,578	\$477,107	\$3,186,271
2040	\$141,094	\$235,000	\$17,473	\$27,911	\$0	\$13,125	\$45,470	\$480,073	\$2,939,827
2041	\$128,463	\$245,000	\$15,924	\$29,460	\$0	\$11,950	\$46,379	\$477,176	\$2,676,916
2042	\$115,294	\$260,000	\$14,289	\$31,096	\$0	\$10,725	\$47,307	\$478,711	\$2,402,456
2043	\$101,319	\$275,000	\$12,563	\$32,821	\$0	\$9,425	\$48,253	\$479,381	\$2,111,360
2044	\$86,538	\$290,000	\$10,741	\$34,643	\$0	\$8,050	\$49,218	\$479,190	\$1,803,539
2045	\$70,950	\$305,000	\$8,819	\$36,566	\$0	\$6,600	\$50,203	\$478,137	\$1,478,896
2046	\$54,556	\$320,000	\$6,789	\$38,595	\$0	\$5,075	\$51,207	\$476,222	\$1,137,330
2047	\$37,356	\$340,000	\$4,647	\$40,737	\$0	\$3,475	\$52,231	\$478,446	\$778,735
2048	\$19,081	\$355,000	\$2,386	\$42,998	\$0	\$1,775	\$53,275	\$474,516	\$397,998
2049	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$5,635,186	\$5,410,000	\$702,460	\$647,000	(\$543,910)	\$533,050	\$1,217,042	\$13,600,827	

(a) Fiscal Year End 2020 Annual Installments are billed in Calendar Year 2019 and become due by January 31, 2020.

(b) Assumes Annual Installment has not been paid for the Year.

Phase #2 Major Improvements Assessment

Parcel ID:
200544

Assessment Amount:
\$1,835,000.00

Number of Lots:
240

40' Lots: **127**
50' Lots: **113**

Fiscal Year End (a)	Interest	Principal	Capitalized Interest	Delinquency and Prepayment Reserve	Administrative Expenses Portion	Annual Installment	Assessment Balance (b)
2019	\$94,256	\$0	(\$94,256)	\$9,175	\$35,000	\$44,175	\$1,835,000
2020	\$101,594	\$0	(\$101,594)	\$9,175	\$35,700	\$44,875	\$1,835,000
2021	\$101,594	\$35,000	\$0	\$9,175	\$36,414	\$182,183	\$1,835,000
2022	\$99,800	\$35,000	\$0	\$9,000	\$37,142	\$180,942	\$1,800,000
2023	\$98,006	\$40,000	\$0	\$8,825	\$37,885	\$184,716	\$1,765,000
2024	\$95,956	\$40,000	\$0	\$8,625	\$38,643	\$183,224	\$1,725,000
2025	\$93,906	\$40,000	\$0	\$8,425	\$39,416	\$181,747	\$1,685,000
2026	\$91,856	\$45,000	\$0	\$8,225	\$40,204	\$185,285	\$1,645,000
2027	\$89,550	\$45,000	\$0	\$8,000	\$41,008	\$183,558	\$1,600,000
2028	\$87,244	\$45,000	\$0	\$7,775	\$41,828	\$181,847	\$1,555,000
2029	\$84,938	\$50,000	\$0	\$7,550	\$42,665	\$185,152	\$1,510,000
2030	\$82,125	\$50,000	\$0	\$7,300	\$43,518	\$182,943	\$1,460,000
2031	\$79,313	\$50,000	\$0	\$7,050	\$44,388	\$180,751	\$1,410,000
2032	\$76,500	\$55,000	\$0	\$6,800	\$45,276	\$183,576	\$1,360,000
2033	\$73,406	\$55,000	\$0	\$6,525	\$46,182	\$181,113	\$1,305,000
2034	\$70,313	\$60,000	\$0	\$6,250	\$47,105	\$183,668	\$1,250,000
2035	\$66,938	\$60,000	\$0	\$5,950	\$48,047	\$180,935	\$1,190,000
2036	\$63,563	\$65,000	\$0	\$5,650	\$49,008	\$183,221	\$1,130,000
2037	\$59,906	\$65,000	\$0	\$5,325	\$49,989	\$180,220	\$1,065,000
2038	\$56,250	\$70,000	\$0	\$5,000	\$50,988	\$182,238	\$1,000,000
2039	\$52,313	\$75,000	\$0	\$4,650	\$52,008	\$183,971	\$930,000
2040	\$48,094	\$75,000	\$0	\$4,275	\$53,048	\$180,417	\$855,000
2041	\$43,875	\$80,000	\$0	\$3,900	\$54,109	\$181,884	\$780,000
2042	\$39,375	\$85,000	\$0	\$3,500	\$55,191	\$183,066	\$700,000
2043	\$34,594	\$90,000	\$0	\$3,075	\$56,295	\$183,964	\$615,000
2044	\$29,531	\$95,000	\$0	\$2,625	\$57,421	\$184,577	\$525,000
2045	\$24,188	\$100,000	\$0	\$2,150	\$58,570	\$184,907	\$430,000
2046	\$18,563	\$105,000	\$0	\$1,650	\$59,741	\$184,954	\$330,000
2047	\$12,656	\$110,000	\$0	\$1,125	\$60,936	\$184,717	\$225,000
2048	\$6,469	\$115,000	\$0	\$575	\$62,155	\$184,198	\$115,000
2049	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,976,669	\$1,835,000	(\$195,850)	\$177,325	\$1,419,883	\$5,213,027	

(a) Fiscal Year End 2020 Annual Installments are billed in Calendar Year 2019 and become due by January 31, 2020.

(b) Assumes Annual Installment has not been paid for the Year.

APPENDIX B

City of Mesquite
Annual Service Plan Update (FY 2019-2020)
Heartland Town Center Public Improvement District



**ALL PARCELS,
PHASE #1 ASSESSMENT**

Appendix B

Annual Installments - Phase #1 Assessment - All Parcels

	Phase #1 Bonds					PID Reimbursement Agreement					
Fiscal Year End (a)	Gross Debt Service			Capitalized Interest	Delinquency and Prepayment Reserve	Reimbursement Agreement Interest	Reimbursement Agreement Principal	Reimbursement Agreement Total	Administrative Expenses	Annual Installment	Assessment Balance (b)
	Interest	Principal	Total								
2019	\$261,766.71	\$0.00	\$261,766.71	(\$261,766.71)	\$27,050.00	\$0.00	\$0.00	\$0.00	\$30,000.00	\$57,050.00	\$6,057,000.00
2020	\$282,143.76	\$0.00	\$282,143.76	(\$282,143.76)	\$27,050.00	\$69,223.61	\$9,476.00	\$78,699.61	\$30,600.00	\$136,349.61	\$6,057,000.00
2021	\$282,143.76	\$95,000.00	\$377,143.76	\$0.00	\$27,050.00	\$35,382.58	\$10,002.00	\$45,384.58	\$31,212.00	\$480,790.34	\$6,047,524.00
2022	\$277,987.50	\$95,000.00	\$372,987.50	\$0.00	\$26,575.00	\$34,827.48	\$10,557.00	\$45,384.48	\$31,836.24	\$476,783.22	\$5,942,522.00
2023	\$273,831.26	\$100,000.00	\$373,831.26	\$0.00	\$26,100.00	\$34,241.56	\$11,143.00	\$45,384.56	\$32,472.96	\$477,788.78	\$5,836,965.00
2024	\$269,456.26	\$105,000.00	\$374,456.26	\$0.00	\$25,600.00	\$33,623.12	\$11,761.00	\$45,384.12	\$33,122.42	\$478,562.80	\$5,725,822.00
2025	\$264,468.76	\$110,000.00	\$374,468.76	\$0.00	\$25,075.00	\$32,970.38	\$12,414.00	\$45,384.38	\$33,784.87	\$478,713.01	\$5,609,061.00
2026	\$259,243.76	\$115,000.00	\$374,243.76	\$0.00	\$24,525.00	\$32,281.40	\$13,103.00	\$45,384.40	\$34,460.57	\$478,613.73	\$5,486,647.00
2027	\$253,781.26	\$120,000.00	\$373,781.26	\$0.00	\$23,950.00	\$31,554.20	\$13,830.00	\$45,384.20	\$35,149.78	\$478,265.24	\$5,358,544.00
2028	\$248,081.26	\$130,000.00	\$378,081.26	\$0.00	\$23,350.00	\$30,786.62	\$14,598.00	\$45,384.62	\$35,852.78	\$482,668.66	\$5,224,714.00
2029	\$241,906.26	\$135,000.00	\$376,906.26	\$0.00	\$22,700.00	\$29,976.44	\$15,408.00	\$45,384.44	\$36,569.83	\$481,560.53	\$5,080,116.00
2030	\$234,818.76	\$140,000.00	\$374,818.76	\$0.00	\$22,025.00	\$29,121.30	\$16,263.00	\$45,384.30	\$37,301.23	\$479,529.29	\$4,929,708.00
2031	\$227,468.76	\$150,000.00	\$377,468.76	\$0.00	\$21,325.00	\$28,218.70	\$17,165.00	\$45,383.70	\$38,047.25	\$482,224.71	\$4,773,445.00
2032	\$219,593.76	\$155,000.00	\$374,593.76	\$0.00	\$20,575.00	\$27,266.04	\$18,118.00	\$45,384.04	\$38,808.20	\$479,361.00	\$4,606,280.00
2033	\$211,456.26	\$165,000.00	\$376,456.26	\$0.00	\$19,800.00	\$26,260.50	\$19,124.00	\$45,384.50	\$39,584.36	\$481,225.12	\$4,433,162.00
2034	\$202,793.76	\$170,000.00	\$372,793.76	\$0.00	\$18,975.00	\$25,199.10	\$20,185.00	\$45,384.10	\$40,376.05	\$477,528.91	\$4,249,038.00
2035	\$193,868.76	\$180,000.00	\$373,868.76	\$0.00	\$18,125.00	\$24,078.84	\$21,305.00	\$45,383.84	\$41,183.57	\$478,561.17	\$4,058,853.00
2036	\$184,418.76	\$190,000.00	\$374,418.76	\$0.00	\$17,225.00	\$22,896.42	\$22,488.00	\$45,384.42	\$42,007.24	\$479,035.42	\$3,857,548.00
2037	\$174,443.76	\$200,000.00	\$374,443.76	\$0.00	\$16,275.00	\$21,648.34	\$23,736.00	\$45,384.34	\$42,847.39	\$478,950.49	\$3,645,060.00
2038	\$163,943.76	\$210,000.00	\$373,943.76	\$0.00	\$15,275.00	\$20,330.98	\$25,053.00	\$45,383.98	\$43,704.34	\$478,307.08	\$3,421,324.00
2039	\$152,918.76	\$220,000.00	\$372,918.76	\$0.00	\$14,225.00	\$18,940.54	\$26,444.00	\$45,384.54	\$44,578.42	\$477,106.72	\$3,186,271.00
2040	\$141,093.76	\$235,000.00	\$376,093.76	\$0.00	\$13,125.00	\$17,472.90	\$27,911.00	\$45,383.90	\$45,469.99	\$480,072.65	\$2,939,827.00
2041	\$128,462.50	\$245,000.00	\$373,462.50	\$0.00	\$11,950.00	\$15,923.84	\$29,460.00	\$45,383.84	\$46,379.39	\$477,175.73	\$2,676,916.00
2042	\$115,293.76	\$260,000.00	\$375,293.76	\$0.00	\$10,725.00	\$14,288.80	\$31,096.00	\$45,384.80	\$47,306.98	\$478,710.54	\$2,402,456.00
2043	\$101,318.76	\$275,000.00	\$376,318.76	\$0.00	\$9,425.00	\$12,562.98	\$32,821.00	\$45,383.98	\$48,253.12	\$479,380.86	\$2,111,360.00
2044	\$86,537.50	\$290,000.00	\$376,537.50	\$0.00	\$8,050.00	\$10,741.42	\$34,643.00	\$45,384.42	\$49,218.18	\$479,190.10	\$1,803,539.00
2045	\$70,950.00	\$305,000.00	\$375,950.00	\$0.00	\$6,600.00	\$8,818.72	\$36,566.00	\$45,384.72	\$50,202.54	\$478,137.26	\$1,478,896.00
2046	\$54,556.26	\$320,000.00	\$374,556.26	\$0.00	\$5,075.00	\$6,789.32	\$38,595.00	\$45,384.32	\$51,206.59	\$476,222.17	\$1,137,330.00
2047	\$37,356.26	\$340,000.00	\$377,356.26	\$0.00	\$3,475.00	\$4,647.30	\$40,737.00	\$45,384.30	\$52,230.73	\$478,446.29	\$778,735.00
2048	\$19,081.26	\$355,000.00	\$374,081.26	\$0.00	\$1,775.00	\$2,386.38	\$42,998.00	\$45,384.38	\$53,275.34	\$474,515.98	\$397,998.00
2049	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$5,635,185.71	\$5,410,000.00	\$11,045,185.71	(\$543,910.47)	\$533,050.00	\$702,459.81	\$647,000.00	\$1,349,459.81	\$1,217,042.38	\$13,600,827.43	

(a) Fiscal Year End 2020 Annual Installments are billed in Calendar Year 2019 and become due by January 31, 2020.

(b) Assumes Annual Installment has not been paid for the Year.

APPENDIX C

City of Mesquite
Annual Service Plan Update (FY 2019-2020)
Heartland Town Center Public Improvement District



**ALL PARCELS,
PHASE #2 MAJOR
IMPROVEMENTS
ASSESSMENT**

Appendix C

Annual Installments - Phase #2 Major Improvements Assessment - All Parcels

	Phase #2 Major Improvement Bonds							
Fiscal Year End (a)	Gross Debt Service			Capitalized Interest	Delinquency and Prepayment Reserve	Administrative Expenses	Annual Installment	Assessment Balance (b)
	Interest	Principal	Total					
2019	\$94,256.43	\$0.00	\$94,256.43	(\$94,256.43)	\$9,175.00	\$35,000.00	\$44,175.00	\$1,835,000.00
2020	\$101,593.76	\$0.00	\$101,593.76	(\$101,593.76)	\$9,175.00	\$35,700.00	\$44,875.00	\$1,835,000.00
2021	\$101,593.76	\$35,000.00	\$136,593.76	\$0.00	\$9,175.00	\$36,414.00	\$182,182.76	\$1,835,000.00
2022	\$99,800.00	\$35,000.00	\$134,800.00	\$0.00	\$9,000.00	\$37,142.28	\$180,942.28	\$1,800,000.00
2023	\$98,006.26	\$40,000.00	\$138,006.26	\$0.00	\$8,825.00	\$37,885.13	\$184,716.39	\$1,765,000.00
2024	\$95,956.26	\$40,000.00	\$135,956.26	\$0.00	\$8,625.00	\$38,642.83	\$183,224.09	\$1,725,000.00
2025	\$93,906.26	\$40,000.00	\$133,906.26	\$0.00	\$8,425.00	\$39,415.68	\$181,746.94	\$1,685,000.00
2026	\$91,856.26	\$45,000.00	\$136,856.26	\$0.00	\$8,225.00	\$40,204.00	\$185,285.26	\$1,645,000.00
2027	\$89,550.00	\$45,000.00	\$134,550.00	\$0.00	\$8,000.00	\$41,008.08	\$183,558.08	\$1,600,000.00
2028	\$87,243.76	\$45,000.00	\$132,243.76	\$0.00	\$7,775.00	\$41,828.24	\$181,847.00	\$1,555,000.00
2029	\$84,937.50	\$50,000.00	\$134,937.50	\$0.00	\$7,550.00	\$42,664.80	\$185,152.30	\$1,510,000.00
2030	\$82,125.00	\$50,000.00	\$132,125.00	\$0.00	\$7,300.00	\$43,518.10	\$182,943.10	\$1,460,000.00
2031	\$79,312.50	\$50,000.00	\$129,312.50	\$0.00	\$7,050.00	\$44,388.46	\$180,750.96	\$1,410,000.00
2032	\$76,500.00	\$55,000.00	\$131,500.00	\$0.00	\$6,800.00	\$45,276.23	\$183,576.23	\$1,360,000.00
2033	\$73,406.26	\$55,000.00	\$128,406.26	\$0.00	\$6,525.00	\$46,181.76	\$181,113.02	\$1,305,000.00
2034	\$70,312.50	\$60,000.00	\$130,312.50	\$0.00	\$6,250.00	\$47,105.39	\$183,667.89	\$1,250,000.00
2035	\$66,937.50	\$60,000.00	\$126,937.50	\$0.00	\$5,950.00	\$48,047.50	\$180,935.00	\$1,190,000.00
2036	\$63,562.50	\$65,000.00	\$128,562.50	\$0.00	\$5,650.00	\$49,008.45	\$183,220.95	\$1,130,000.00
2037	\$59,906.26	\$65,000.00	\$124,906.26	\$0.00	\$5,325.00	\$49,988.62	\$180,219.88	\$1,065,000.00
2038	\$56,250.00	\$70,000.00	\$126,250.00	\$0.00	\$5,000.00	\$50,988.39	\$182,238.39	\$1,000,000.00
2039	\$52,312.50	\$75,000.00	\$127,312.50	\$0.00	\$4,650.00	\$52,008.16	\$183,970.66	\$930,000.00
2040	\$48,093.76	\$75,000.00	\$123,093.76	\$0.00	\$4,275.00	\$53,048.32	\$180,417.08	\$855,000.00
2041	\$43,875.00	\$80,000.00	\$123,875.00	\$0.00	\$3,900.00	\$54,109.29	\$181,884.29	\$780,000.00
2042	\$39,375.00	\$85,000.00	\$124,375.00	\$0.00	\$3,500.00	\$55,191.47	\$183,066.47	\$700,000.00
2043	\$34,593.76	\$90,000.00	\$124,593.76	\$0.00	\$3,075.00	\$56,295.30	\$183,964.06	\$615,000.00
2044	\$29,531.26	\$95,000.00	\$124,531.26	\$0.00	\$2,625.00	\$57,421.21	\$184,577.47	\$525,000.00
2045	\$24,187.50	\$100,000.00	\$124,187.50	\$0.00	\$2,150.00	\$58,569.63	\$184,907.13	\$430,000.00
2046	\$18,562.50	\$105,000.00	\$123,562.50	\$0.00	\$1,650.00	\$59,741.03	\$184,953.53	\$330,000.00
2047	\$12,656.26	\$110,000.00	\$122,656.26	\$0.00	\$1,125.00	\$60,935.85	\$184,717.11	\$225,000.00
2048	\$6,468.76	\$115,000.00	\$121,468.76	\$0.00	\$575.00	\$62,154.56	\$184,198.32	\$115,000.00
2049	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$1,976,669.07	\$1,835,000.00	\$3,811,669.07	(\$195,850.19)	\$177,325.00	\$1,419,882.77	\$5,213,026.65	

(a) Fiscal Year End 2020 Annual Installments are billed in Calendar Year 2019 and become due by January 31, 2020.

(b) Assumes Annual Installment has not been paid for the Year.

APPENDIX D (APP. E OF ORIGINAL SAP)

City of Mesquite
Annual Service Plan Update (FY 2019-2020)
Heartland Town Center Public Improvement District



TIRZ ANNUAL CREDIT HISTORY

Appendix D
TIRZ Annual Credit History (a)

All Parcels

<u>Phase #1 Assessment</u>						
Parcel ID	2020 (c)	TIRZ Credits Applied (b)				TIRZ Credits Received to Date
		2021	2022	2023	2024	
201174	\$0.00					\$0.00
<u>Phase #2 Major Improvements Assessment</u>						
Parcel ID	2020 (c)	TIRZ Credits Applied (b)				TIRZ Credits Received to Date
		2021	2022	2023	2024	
200544	\$0.00					\$0.00
Total	\$0.00					\$0.00

(a) The City Council has agreed to use a portion of TIRZ Revenues generated to reduce the Annual Installment for Assessed Property based on a desire to maintain a competitive, composite equivalent ad valorem tax rate.

(b) The maximum TIRZ Annual Credit Amount shall not exceed the amounts shown in Section V of the SAP or in an Annual SAP Update.

(c) TIRZ Credit application will begin in FY 2020-2021 and will be reflected in the FY 2020-2021 Annual Service Plan Update.



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