

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, APPROVING A PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER THIRTEEN, CITY OF MESQUITE, TEXAS (SPRADLEY FARMS); ESTABLISHING A TAX INCREMENT FOR THE ZONE; MAKING A FINDING REGARDING FEASIBILITY; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City of Mesquite, Texas ("City"), established Reinvestment Zone Number Thirteen, City of Mesquite, Texas (Spradley Farms) (the "Zone"), and established a Board of Directors for the Zone to promote development or redevelopment in the Zone pursuant to Ordinance No. 4713 approved by the City Council of the City (the "City Council") on September 16, 2019 ("City Ordinance No. 4713"), in accordance with the Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311 (the "Act"); and

WHEREAS, the Zone consists of approximately 652 acres and being the property located within the boundary description attached hereto as Exhibit "A" and made a part hereof for all purposes and being generally depicted as the area shaded in blue on the boundary map attached hereto as Exhibit "B" and made a part hereof for all purposes; and

WHEREAS, pursuant to Section 311.013(l) of the Act, the governing body of a municipality that designates an area as a reinvestment zone may determine in the ordinance approving the reinvestment zone financing plan for the zone, the portion of the tax increment produced by the municipality that the municipality is required to pay into the tax increment fund for the zone; and

WHEREAS, pursuant to City Ordinance No. 4713, a tax increment fund was created and established for the Zone (the "Tax Increment Fund"); and

WHEREAS, on November 4, 2019, the Board of Directors of the Zone (the "Board"), prepared and adopted a project plan ("Project Plan") and reinvestment zone financing plan ("Financing Plan") for the Zone, a true and correct copy of which is attached hereto as Exhibit "C" and made a part hereof for all purposes (hereinafter collectively the "Project Plan and Financing Plan"); and

WHEREAS, the City Council desires to determine in this ordinance the portion of the tax increment produced by the City that the City is required to pay into the Tax Increment Fund for the Zone; and

WHEREAS, in compliance with the Act, the Board hereby submits the Project Plan and Financing Plan to the City Council for approval; and

WHEREAS, the Board respectfully recommends approval of the Project Plan and Financing Plan by the City Council in order to promote development or redevelopment of the Zone.

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

SECTION 1. 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. That the City Council finds that the Project Plan and Financing Plan submitted to the City Council includes the following information required by §311.011 of the Act:

A. The Project Plan includes:

- (1) A description and map showing existing uses and conditions of real property in the Zone and proposed uses of that property;
- (2) Proposed changes of zoning ordinances, the master plan of the City, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of Kaufman County, Texas, if applicable;
- (3) A list of estimated non-project costs; and
- (4) A statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan.

B. The Financing Plan includes:

- (1) A detailed list describing the estimated project costs of the Zone, including administrative expenses;
- (2) A statement listing the proposed kind, number, and location of all public works or public improvements to be financed by the Zone;
- (3) A finding that the plan is economically feasible and an economic feasibility study;
- (4) The estimated amount of bonded indebtedness to be incurred;

- (5) The estimated time when related costs or monetary obligations are to be incurred;
- (6) A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the Zone that levies taxes on real property in the Zone;
- (7) The current total appraised value of taxable real property in the Zone;
- (8) The estimated captured appraised value of the Zone during each year of its existence; and
- (9) The duration of the Zone.

SECTION 3. That in accordance with the Act, the City Council has reviewed the Project Plan and Financing Plan attached hereto as Exhibit “C” and made a part hereof for all purposes, and hereby finds that such Project Plan and Financing Plan is feasible.

SECTION 4. That in accordance with the Act, the City Council hereby approves and adopts the Project Plan and Financing Plan attached hereto as Exhibit “C” and made a part hereof for all purposes.

SECTION 5. 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 for the property within the Zone is the total taxable value, as of January 1, 2019, of all real property taxable by the City or other taxing unit participating in the Zone and located within 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 within the Zone is _____ percent (____%) of real property taxes levied and collected by the City and all or a portion of property taxes of Kaufman County, Texas (as set forth in the Project Plan and Financing Plan and in an agreement to participate in the Zone) for the period set forth in Section 6 below 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, the captured appraised value of real property taxable by the City or other taxing unit participating in the Zone and located within 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 within 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 6. That the deposit of the Tax Increment into the Tax Increment Fund for the Zone shall commence with a deposit of the Tax Increment collected and deposited in 2021 and shall continue until (i) the date all bonds issued by the Spradley Farms Improvement District of Kaufman County with a pledge of Zone revenues have been issued and paid in full (provided in no event shall Zone revenues be paid beyond the date set forth in Section 6 (ii)(b) below), or (ii) the earlier of (a) the date all project costs of the Zone have otherwise been paid or reimbursed in full; or (b) the expiration of thirty-four (34) years from the initial deposit, (or thirty-five (35) annual deposits of revenues).

SECTION 7. That all ordinances or portions thereof in conflict with the provisions of this ordinance, to the extent of such conflict, are hereby repealed. To the extent that such ordinances or portions thereof are not in conflict herewith, the same shall remain in full force and effect.

SECTION 8. That should any word, sentence, clause, paragraph, section or provision of this ordinance be held to be unconstitutional or invalid by a court of competent jurisdiction, the remaining provisions of this ordinance shall remain in full force and effect.

SECTION 9. That this ordinance shall take effect immediately upon passage of this ordinance.

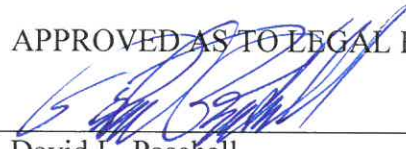
DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 4th day of November 2019.

Stan Pickett
Mayor

ATTEST:

Sonja Land
City Secretary

APPROVED AS TO LEGAL FORM:



David L. Paschall
City Attorney

EXHIBIT A
BOUNDARY DESCRIPTION

TIRZ #13

Beginning at the southern corner of Property ID 9683 at the point it meets the eastern right of way boundary of FM 2757, thence

West to the western right of way boundary of FM 2757, thence

North along the western right of way boundary of FM 2757 to the point it meets the northern right of way boundary of FM 740, thence

East along the northern right of way boundary of FM 740 to the point it meets Property ID 11773, thence

North and then south to Property ID 9535, thence

South and then east along the southern boundary of Property ID 9535 to the point it meets the southwestern corner of Property ID 9683, thence

North along the western boundary of Property ID 9683, thence

South along the eastern boundary of Property ID 9683 to the point it meets the right of way boundary of Highway 20, thence

West along the right of way boundary of Highway 20,

Continuing west along Highway 20 to the point it meets the southern right of way boundary of FM 740, thence

South along the right of way boundary of FM 740 to the point it meets the eastern right of way boundary of FM 2757, thence

South along the eastern right of way boundary of FM 2757 to the point it meets the southern corner of Property ID 9701, thence

North along the western boundary of Property ID 9683, thence

Following the property line of Property ID 9683 to the point it meets the eastern corner of Property ID 9554, thence

North along the right of way of Highway 20 to include the access road along the southern right of way of Highway 20, thence

East along the access road along the southern right of way of Highway 20, thence

South to the northeast corner of Property ID 9683 where it meets Property ID 9718, thence

South along the property line of Property ID 9683 to the point it meets the eastern right of way boundary of FM 2757, which is the point of beginning.

Spradley Farms - TIRZ #13

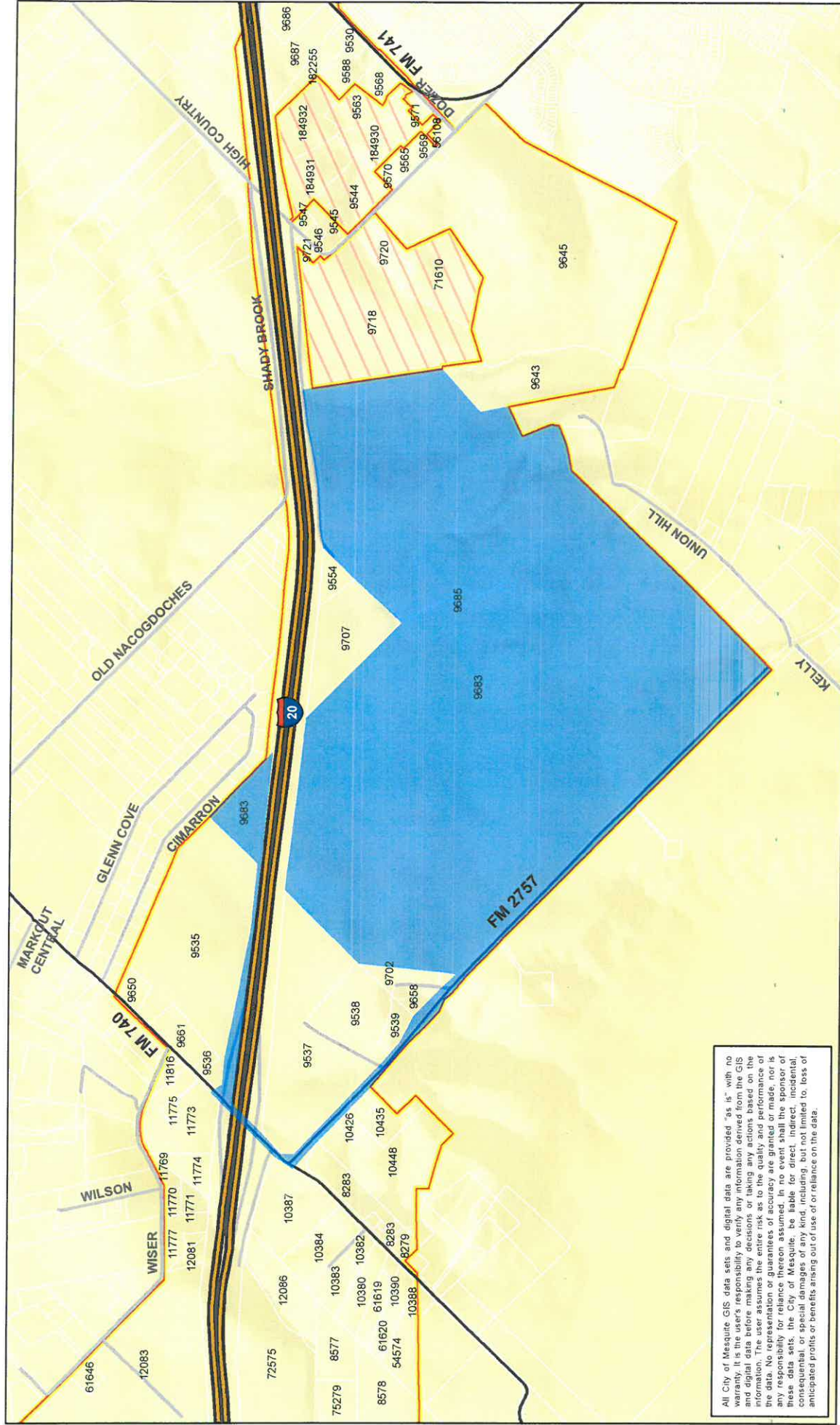


EXHIBIT “C”

Project Plan and Financing Plan

(to be attached)