

ORDINANCE NO. 4529

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, APPROVING AN AMENDED PROJECT AND FINANCING PLAN FOR TOWNE CENTRE REINVESTMENT ZONE NUMBER TWO, CITY OF MESQUITE, TEXAS (THE "ZONE"); ENLARGING THE BOUNDARIES AND INCREASING THE GEOGRAPHIC AREA OF THE ZONE TO INCLUDE THE FOLLOWING TWO TRACTS OF LAND: (I) TRACT 1: PROPERTY GENERALLY LOCATED BETWEEN E. GROSS STREET, NORWOOD STREET, CITY LAKE PARK, AND CEDAR DRIVE ON THE SOUTH; RODEO CENTER BOULEVARD AND I-635 ON THE WEST; MILITARY PARKWAY, GROSS ROAD, KEARNEY STREET, AND TEXAS STREET ON THE NORTH; AND FLORENCE STREET, E. H. HANBY STADIUM, AND BRYAN-BELTLINE ROAD ON THE EAST; AND (II) TRACT 2: PROPERTY GENERALLY LOCATED BETWEEN POTEET DRIVE, TOWN CENTRE DRIVE, AND TOWN EAST BOULEVARD ON THE SOUTH; TOWNE CROSSING BOULEVARD ON THE WEST; BRAZORIA DRIVE AND DEVONSHIRE LANE ON THE NORTH; AND NORTH GALLOWAY AVENUE ON THE EAST; INCREASING THE TOTAL ESTIMATED PROJECT COSTS FOR THE ZONE; AMENDING ORDINANCE NO. 3257, PREVIOUSLY APPROVED BY THE CITY COUNCIL ON SEPTEMBER 21, 1998, AS AMENDED, MAKING A FINDING OF FEASIBILITY; PROVIDING THAT THE ENLARGED ZONE TAKE EFFECT IMMEDIATELY UPON PASSAGE OF THE ORDINANCE; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Mesquite, Texas ("City") established the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas (the "Zone") and established a Board of Directors for the Zone (the "Board") to promote development or redevelopment in the Zone pursuant to Ordinance No. 3257, approved by the City Council on September 21, 1998, in accordance with the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended (the "Act"); and

WHEREAS, the Zone is also sometimes referred to as the Towne Centre Tax Increment Finance Reinvestment Zone Number Two, City of Mesquite, Texas; and

WHEREAS, on July 27, 1999, the Board prepared and adopted a project plan and reinvestment zone financing plan for the Zone which was subsequently approved by the City Council on August 16, 1999, pursuant to Ordinance No. 3313 (the "Original Project Plan and Financing Plan"); and

WHEREAS, amendments and/or restatements to the Original Project Plan and Financing Plan for the Zone have previously been adopted by the Board and approved by the City Council on the following dates pursuant to the following ordinances, to-wit: (i) on June 16, 2003, pursuant to Ordinance 3586; (ii) on August 25, 2003, pursuant to Ordinance 3596; (iii) on February 16, 2004, pursuant to Ordinance No. 3636; (iv) on October 17, 2005, pursuant to Ordinance No. 3771; (v) on January 22, 2008, pursuant to Ordinance No. 3928; (vi) on February 4, 2008, pursuant to Ordinance No. 3931; and (vii) on December 15, 2008, pursuant to Ordinance No. 4018; and

WHEREAS, the original boundaries of the Zone are described in Exhibit "A" attached hereto and made a part hereof for all purposes and are generally depicted on the map attached hereto as Exhibit "A-1" and made a part hereof for all purposes (the "Original Zone Boundaries"); and

WHEREAS, subject to the limitations of Section 311.006 of the Act, the boundaries of an existing tax increment reinvestment zone may be enlarged by ordinance of the governing body of the municipality that created the zone pursuant to Section 311.007 of the Act; and

WHEREAS, pursuant to Section 311.011(e) of the Act, the Board of Directors of a tax increment reinvestment zone may adopt an amendment to the project plan for the zone at any time to increase the geographic area of the zone and to increase the total estimated project costs for the zone; and

WHEREAS, on December 4, 2017, the Board prepared and adopted an amended project plan and reinvestment zone financing plan for the Zone to enlarge the boundaries and increase the geographic area of the Zone to include the following two tracts of land: (i) Tract 1: property generally located between E. Gross Street, Norwood Street, City Lake Park, and Cedar Drive on the south; Rodeo Center Boulevard and I-635 on the west; Military Parkway, Gross Road, Kearney Street, and Texas Street on the north; and Florence Street, E. H. Hanby Stadium, and Bryan-Beltline Road on the east ("Tract 1"); and (ii) Tract 2: property generally located between Poteet Drive, Town Centre Drive, and Town East Boulevard on the south; Towne Crossing Boulevard on the west; Brazoria Drive and Devonshire Lane on the north and North Galloway Avenue on the east ("Tract 2"), and to increase the total estimated project costs for the Zone; and

WHEREAS, the boundaries of Tract 1 as originally described and depicted as the "Downtown Area Expansion Boundary" and the "Downtown Area Boundary Description" on pages 11, 12 and 13 of the original draft of the amended project plan and reinvestment zone financing plan inadvertently included a small area in the far northwest corner that was never intended to be included in the enlarged boundaries of the Zone; and

WHEREAS, the boundary description and depiction of Tract 1 have been revised to reflect only the property originally intended for inclusion in the enlarged boundaries of the Zone and such corrected boundary description and depiction have been substituted as pages 11, 12 and 13 on the amended project and reinvestment zone financing plan for the Zone attached hereto as Exhibit "B" and made a part hereof for all purposes; and

WHEREAS, the amended project plan and reinvestment zone financing plan for the Zone attached hereto as Exhibit “B” and made a part hereof for all purposes (the “2017 Amended Project and Financing Plan”) proposes to enlarge the boundaries and increase the geographic area of the Zone to include: (i) the property generally described above as Tract 1 and being more particularly described as the property within the boundaries described in Exhibit “C” attached hereto and made a part hereof for all purposes and being generally depicted in the map attached hereto as Exhibit “C-1” and made a part hereof for all purposes (the “Downtown Area Expansion”); and (ii) the property generally described above as Tract 2 and being more particularly described as the property within the boundaries described in Exhibit “D” attached hereto and made a part hereof for all purposes and being generally depicted in the map attached hereto as Exhibit “D-1” and made a part hereof for all purposes (the “Market East Expansion”); and

WHEREAS, the 2017 Amended Project and Financing Plan further proposes to increase the total estimated project costs for the Zone; and

WHEREAS, the 2017 Amended Project and Financing Plan increasing the geographic area of the Zone and increasing the total estimated project costs for the Zone is not effective unless it is approved by the City Council of the City (the “City Council”) by ordinance adopted after a public hearing; and

WHEREAS, on December 4, 2017, the City Council called a public hearing to be held at 7:00 p.m. on December 18, 2017 to consider approving the 2017 Amended Project and Financing Plan, enlarging the boundaries and increasing the geographic area of the Zone and increasing the total estimated project costs for the Zone; and

WHEREAS, notice of the public hearing was published in a newspaper of general circulation in the City on December 7, 2017, which date is at least seven (7) days before the date of the public hearing held on December 18, 2017, in accordance with Section 311.003 of the Act; and

WHEREAS, on December 18, 2017, 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 approval of the 2017 Amended Project and Financing Plan, enlarging the boundaries and increasing the geographic area of the Zone, the inclusion of property within the Zone, the boundaries of the Zone, increasing the total estimated projects costs for the Zone and the concept of tax increment financing; and

WHEREAS, owners of property in the Downtown Area Expansion and the Market East Expansion were given a reasonable opportunity to protest the inclusion of their property in the Zone; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on December 18, 2017; and

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

WHEREAS, the Board is submitting the 2017 Amended Project and Financing Plan to the City Council for approval and is requesting the City Council to enlarge the boundaries and increase the geographic area of the Zone to include the Downtown Area Expansion and the Market East Expansion and approve the increased total estimated project costs for the Zone; and

WHEREAS, the City has taken all actions required to approve the 2017 Amended Project and Financing Plan, enlarge the boundaries and increase the geographic area of the Zone and increase the total estimated projects costs for the 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 applicable laws; and

WHEREAS, the City Council finds that approving the 2017 Amended Project and Financing Plan, enlarging the boundaries and increasing the geographic area of the Zone to include the Downtown Area Expansion and the Market East Expansion and increasing the total estimated project costs for the Zone as more fully set forth in the 2017 Amended Project and Financing Plan is in the best interest of the City and its citizens.

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

SECTION 1. That the statements, facts, findings and recitals contained in the preamble of this Ordinance are hereby found and declared to be true and correct, and are incorporated herein and adopted as part of this Ordinance for all purposes.

SECTION 2. That the City Council, after conducting the above described hearing and having heard the evidence and testimony presented at the hearing, has made the following findings and determined based on the evidence and testimony presented to it:

- (a) That the public hearing on the approval of the 2017 Amended Project and Financing Plan, enlarging the boundaries and increasing the geographic area of the Zone and increasing the total estimated project costs for the 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 Downtown Area Expansion and the Market East Expansion were given a reasonable opportunity to protest the inclusion of their property in the Zone; and
- (b) That enlarging the boundaries and increasing the geographic area of the Zone to include the Downtown Area Expansion and the Market East Expansion will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the Original Zone Boundaries, the Downtown Area Expansion and the Market East Expansion; and

- (c) That the Zone as enlarged to include the Downtown Area Expansion and the Market East Expansion, meets the criteria for a reinvestment zone set forth in the Act in that:
- (i) The Original Zone Boundaries, the Downtown Area Expansion, and the Market East Expansion are geographic areas located wholly within the corporate limits of the City. The Original Zone Boundaries and the Market East Expansion are contiguous. The Downtown Area Expansion is non-contiguous to the Original Zone Boundaries and the Market East Expansion; and
 - (ii) The Downtown Area Expansion is predominately open, unproductive and undeveloped or underdeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City; and
 - (iii) The Market East Expansion substantially arrests or impairs the sound growth of the City, retards the provision of housing accommodations, or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use because of the presence of: (a) faulty lot layout in relation to size, adequacy, accessibility or usefulness; and (b) deterioration of site or other improvements;
- (d) That less than thirty percent (30%) of the property in the Zone, after enlarging the Zone to include the Downtown Area Expansion and the Market East Expansion, excluding property that is publicly owned, is used for residential purposes as described in Section 311.006(d) of the Act; and
- (e) That the total appraised value of taxable real property in the Zone, after enlarging the boundaries of the Zone to include the Downtown Area Expansion and the Market East Expansion, according to the most recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, do not exceed twenty-five percent (25%) of the current total appraised value of taxable real property in the City and in industrial districts created by the City, if any; and
- (f) That improvements in the Zone, after enlarging the boundaries of the Zone to include the Downtown Area Expansion and the Market East Expansion, will significantly enhance the value of all the taxable real property in the Zone, including the Original Zone Boundaries, the Downtown Area Expansion and the Market East Expansion, and will be of general benefit to the City; and
- (g) That the development or redevelopment of the Downtown Expansion Area and the Market East Expansion, will not occur solely through private investment in the reasonably foreseeable future; and

- (h) That the enlargement of the boundaries of the Zone to increase the geographic area of the Zone to include the Downtown Area Expansion and the Market East Expansion will promote development or redevelopment of the Original Zone Boundaries, the Downtown Expansion Area and the Market East Expansion Area.

SECTION 3. That the City Council finds that the 2017 Amended Project and Financing Plan includes the information required by the Act:

SECTION 4. That the City Council has reviewed the 2017 Amended Project and Financing Plan and hereby finds that the 2017 Amended Project and Financing Plan is feasible.

SECTION 5. That the City Council hereby approves and adopts the 2017 Amended Project and Financing Plan attached hereto as Exhibit "B" and made a part hereof for all purposes and the City Manager, or the City Manager's designee, is hereby authorized to take all steps reasonable necessary to implement the 2017 Amended Project and Financing Plan.

SECTION 6. That the City Council hereby approves the increased total estimated project costs for the Zone as set forth in the 2017 Amended Project and Financing Plan.

SECTION 7. That the City Council, acting under and in accordance with the Act including, without limitation, Sections 311.005, 311.006, 311.007(a) and 311.011(e), hereby enlarges the boundaries and increases the geographic area of the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas, to include the Downtown Area Expansion and the Market East Expansion. The Original Zone Boundaries, as enlarged by the Downtown Area Expansion and the Market East Expansion shall continue to be known as the "Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas."

SECTION 8. That effective immediately upon passage of this ordinance, the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas, shall consist of: (i) all properties within the Original Zone Boundaries, as described and depicted on Exhibit "A" to Ordinance No. 3257 and on Exhibits "A" and "A-1" attached to this Ordinance; (ii) all properties within the boundaries of the Downtown Area Expansion, as described and depicted on Exhibits "C" and "C-1" attached to this Ordinance; and (iii) all properties within the boundaries of the Market East Expansion, as described and depicted on Exhibits "D" and "D-1" attached to this Ordinance.

SECTION 9. That the composition of the Board shall remain unchanged and shall continue to conform to the requirements of Section 311.009 of the Act.

SECTION 10. That Ordinance No. 3257, previously approved by the City Council on September 21, 1998, is hereby amended to enlarge the boundaries and increase the geographic area of the Zone to include the Downtown Area Expansion and the Market East Expansion.

SECTION 11. That Ordinance No. 3257 is hereby amended by adding Exhibits "A", "A-1", "C", "C-1", "D" and "D-1" attached to this Ordinance to the Exhibit "A" attached to Ordinance No. 3257 and that as of the effective date of this ordinance, all references in Ordinance No. 3257 to Exhibit "A" shall be deemed to include the Exhibit "A" attached to Ordinance No. 3257 and Exhibits "A", "A-1", "C", "C-1", "D" and "D-1" attached to this Ordinance.

SECTION 12. That Ordinance No. 3257 will remain in full force and effect, save and except as previously amended and/or restated, and as expressly amended by this Ordinance.

SECTION 13. That pursuant to Section 311.012(c) of the Act, the tax increment base for the Downtown Area Expansion and for the Market East Expansion shall be the total appraised value for the 2017 tax year of all real property within the Downtown Area Expansion and for the Market East Expansion, respectively. The tax increment base for property located within the Original Zone Boundaries of the Zone prior to the adoption of this Ordinance shall remain unchanged. The City will participate in the Downtown Area Expansion and the Market East Expansion by contributing tax increment to the tax increment fund for the Zone from taxes levied and collected by the City at the rate specified in the 2017 Amended Project and Financing Plan. The tax increments to be contributed by Mesquite Independent School District ("MISD") into the tax increment fund pursuant to its participation agreement executed as of September 21, 1998, shall be limited to the tax increments generated from property located within the Original Zone Boundaries unless MISD enters into an agreement with the City pursuant to Section 311.013(f) or 311.013(k) of the Act to contribute tax increments from the Downtown Area Expansion or the Market East Expansion.

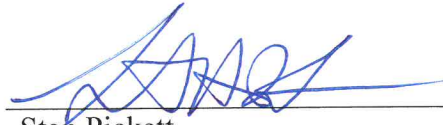
SECTION 14. That it is hereby found, determined, and declared that sufficient public notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was given as required by the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, and that 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 15. 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 16. That should any word, sentence, clause, paragraph or provision of this ordinance be held to be invalid or unconstitutional, the validity of the remaining provisions of this ordinance shall not be affected and shall remain in full force and effect.

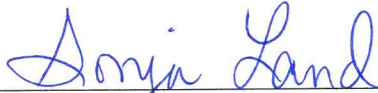
SECTION 17. That this Ordinance shall take effect immediately and shall be in full force and effect from and after its adoption.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 18th day of December, 2017.



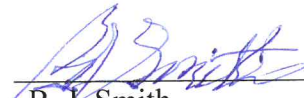
Stan Pickett
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



B. J. Smith
City Attorney

EXHIBIT "A"

Boundary Description of Original Zone Boundaries

Beginning at a point of the intersection of the west ROW line of Gus Thomasson Rd and the north ROW line of N Town East Blvd, thence

Easterly along the north ROW line of N Town East Blvd to a point where said line intersects with the west property line of John T Nelms ABST 1095 PG 095 TR 800, thence

Southwesterly along the west property line of John T Nelms ABST 1095 PG 095 TR 800 to a point where said line intersects with the east ROW line of IH- 635, thence

Southerly along the east ROW line of IH 635 to a point where said line intersects with the south ROW line of US 80, thence

Westerly along the south ROW line of US 80 to a point where said line intersects with the west ROW line of Gus Thomasson Rd, thence

Northerly along the west ROW line of Gus Thomasson Rd to a point where said line intersects with the north ROW line of N Town East Blvd, which is the point of beginning.

EXHIBIT "A-1"

Map Depiction of Original Zone Boundaries

Original Boundary
Market East
Expansion





**Amended Project and Financing Plan
Towne Centre
Tax Increment Reinvestment Zone No. 2
(with Market East and Downtown Expansions)**

December 2017

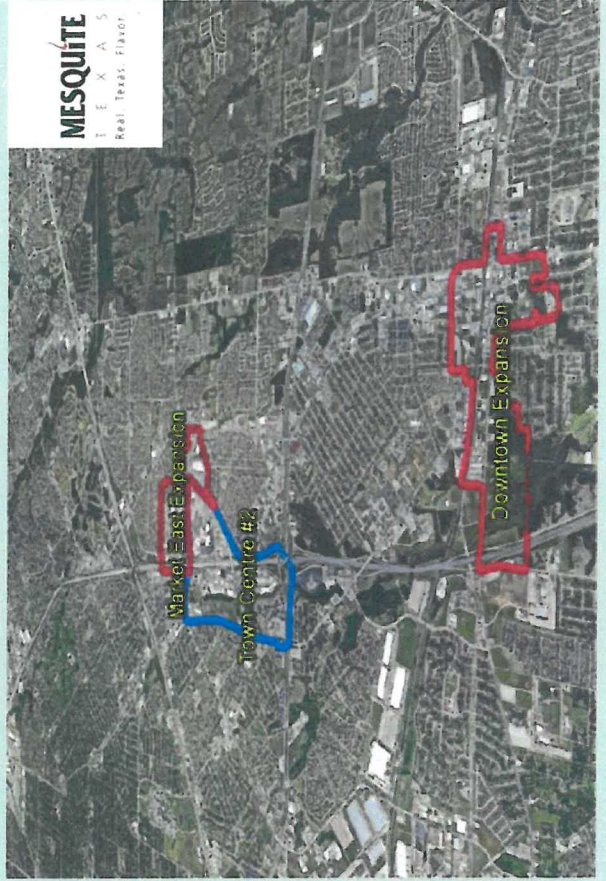
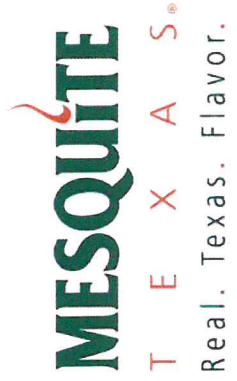


Exhibit "B"

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Mobile: (682) 540-4480	Zoning Maps	17-19
E-mail: dwitcher@cityofmesquite.com	Economic Impact	
Kim Buttram	Expansion Market Summary	20-24
Assistant Director of Economic Development	Tax Increment Projections	
Phone: (972) 216.6446	Original Term	25-27
Mobile: (214) 212.4997	Extended Term to 2040	28-33
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Introduction

Tax Increment Financing Program

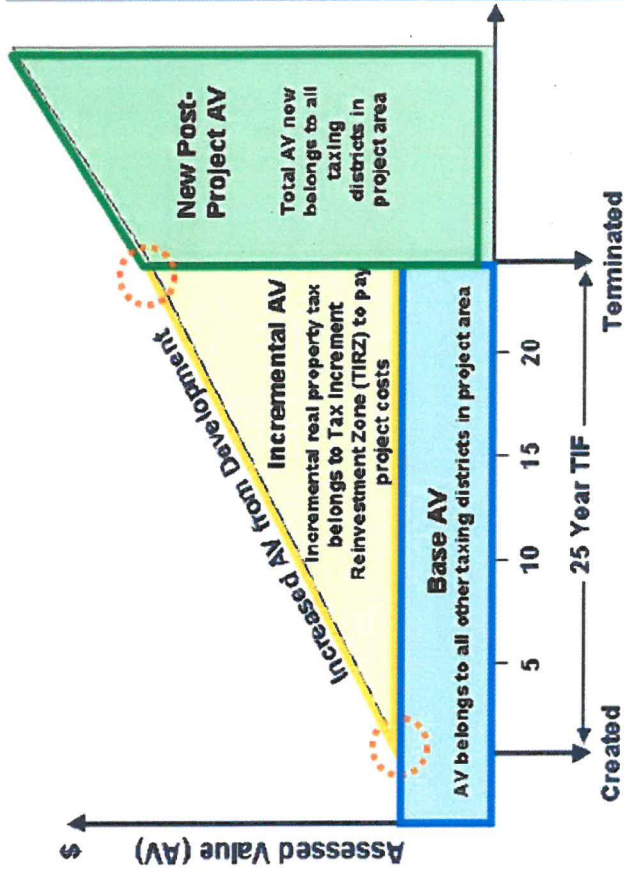
Chapter 311 of the Texas Tax Code (the TIF Act) authorizes the governing body of a municipality to promote redevelopment of a contiguous or noncontiguous geographic area by designating it a Tax Increment Reinvestment Zone (TIRZ). The future value of private investment within a TIRZ is leveraged to finance 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 MISD, 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 set at current assessed value (as of January 1)
- Development over time increases assessed 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).



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 TIF Act.

Towne Centre TIRZ No. 2 History and Progress 1999-2017

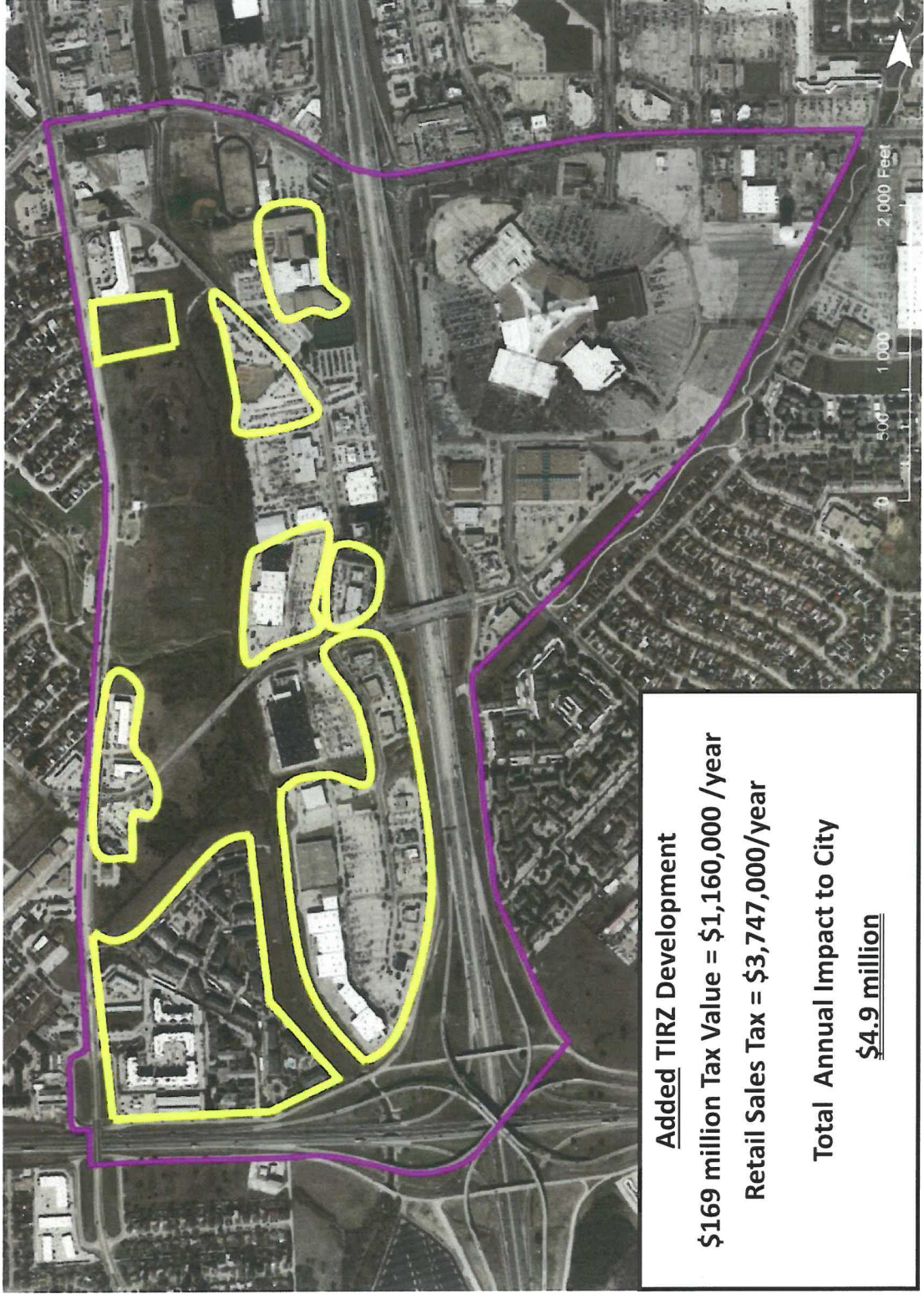
Return on Investment

- On September 21, 1998, the City of Mesquite established Tax Increment Reinvestment Zone (TIRZ) Number Two as an important step to maintain the long-term viability of the Town East Mall retail area and to accelerate the pace of new retail development along the IH 635 corridor. TIRZ participation includes 100% of new incremental ad valorem by both the City and Mesquite Independent School District.
- The TIRZ Board of Directors adopted a Final Project and Financing Plan on July 27, 1999, and the City Council approved the Plan by ordinance on August 16, 1999. To date, there have been seven amendments to the Plan with a total of \$33 million in public improvements and developer participation reinvested back into the Zone.
- Original estimates for the TIRZ assumed 90 percent of vacant land would be developed and 160,000 square feet of retail space would be added in the first 15 years.
- Thus far, 67 percent of the vacant land has been developed adding \$169 million to the City's tax base, and 765,800 square feet of retail has been added, almost five times the amount of retail space originally anticipated.
- The objective of the TIRZ was, and still is, to accelerate the pace of taxable development in the Zone with a greater portion of the Zone used for retail or office development, as opposed to residential. Thus far, only 23 percent of the vacant land has been developed as residential.
- Total captured appraised value of the TIRZ has increased by \$179 million to \$368 million (an increase of 106%), which exceeds the original projection of \$340 million by 8.3 percent.

TIRZ Expenditures to Date

Developer Participation-Brazos Electric	\$471,332
South Mesquite Creek Sanitary Sewer Line	295,644
JDN Real Estate-Sewer Line	91,244
Town East Ford Drainage	421,521
Town East Water Line	3,000,000
IH 635 Improvements-4B Fund Advance	1,964,025
Town East Mall Lighting	1,946,302
Stream 2B7 Bank Stabilization	16,404
MISD-North Mesquite Project	5,900,000
MISD Water Line	427,557
MISD Operation of Project Facilities	2,705,616
Transportation Projects Various Locations	1,549,330
Town Centre Drive Concrete Repair	16,609
Town East Marquee Sign	700,000
TIRZ Administration	1,080,000
Town East Retail Area Holiday Security	5,715,128
IH 635 Improvements-SIB Loan Payment	6,017,979
Gus Thomasson Reconstruction-Engineering	153,683
Heritage Trail-Phase II	376,995
ROWS Street Lighting	151,423
ROWS Signal Improvements	<u>13,284</u>
Total	<u>\$33,014,076</u>

**Towne Centre TIRZ No. 2
History and Progress
1999-2017**

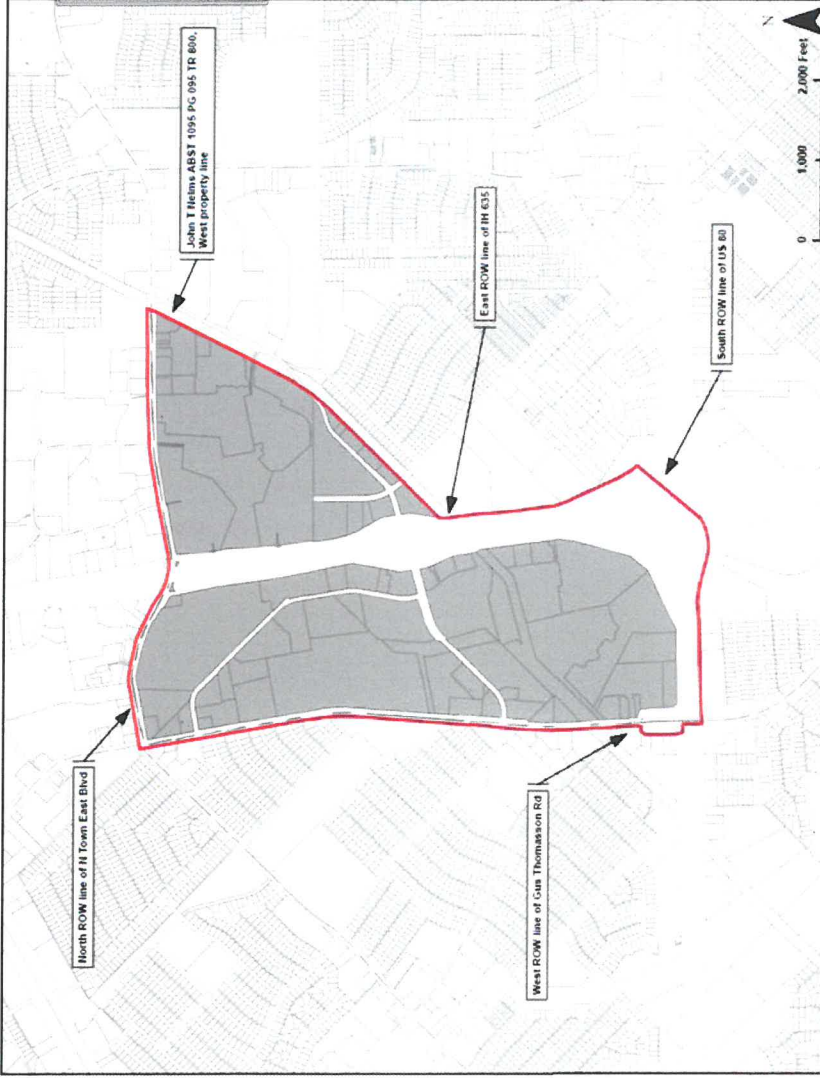


Towne Centre TIRZ No. 2 Boundary



Towne Centre TIRZ No. 2

Boundary Description



Beginning at a point of the intersection of the west ROW line of Gus Thomasson Rd and the north ROW line of N Town East Blvd, thence

Easterly along the north ROW line of N Town East Blvd to a point where said line intersects with the west property line of John T Nelms ABST 1095 PG 095 TR 800, thence

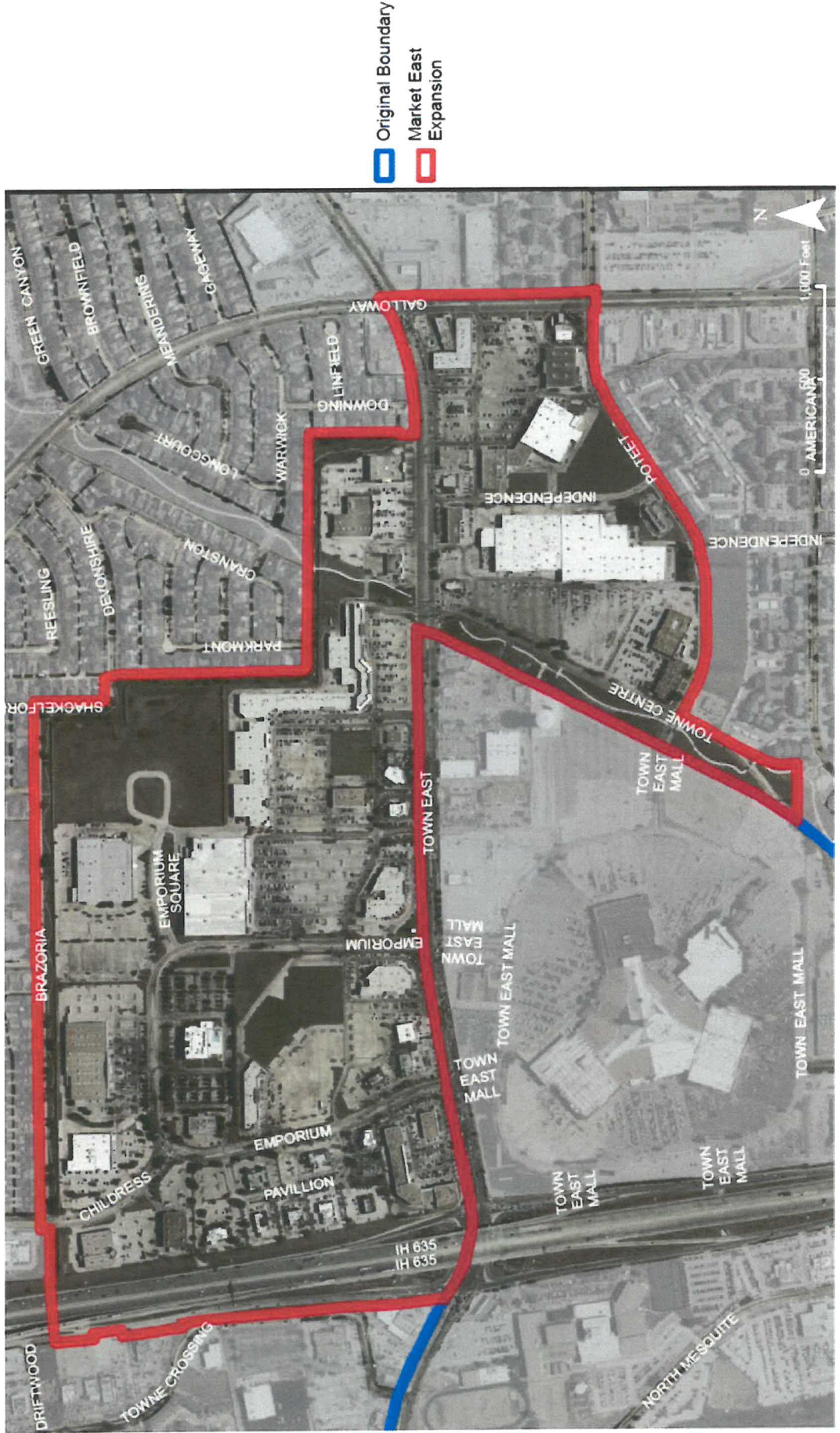
Southwesterly along the west property line of John T Nelms ABST 1095 PG 095 TR 800 to a point where said line intersects with the east ROW line of IH-635, thence

Southerly along the east ROW line of IH 635 to a point where said line intersects with the south ROW line of US 80, thence

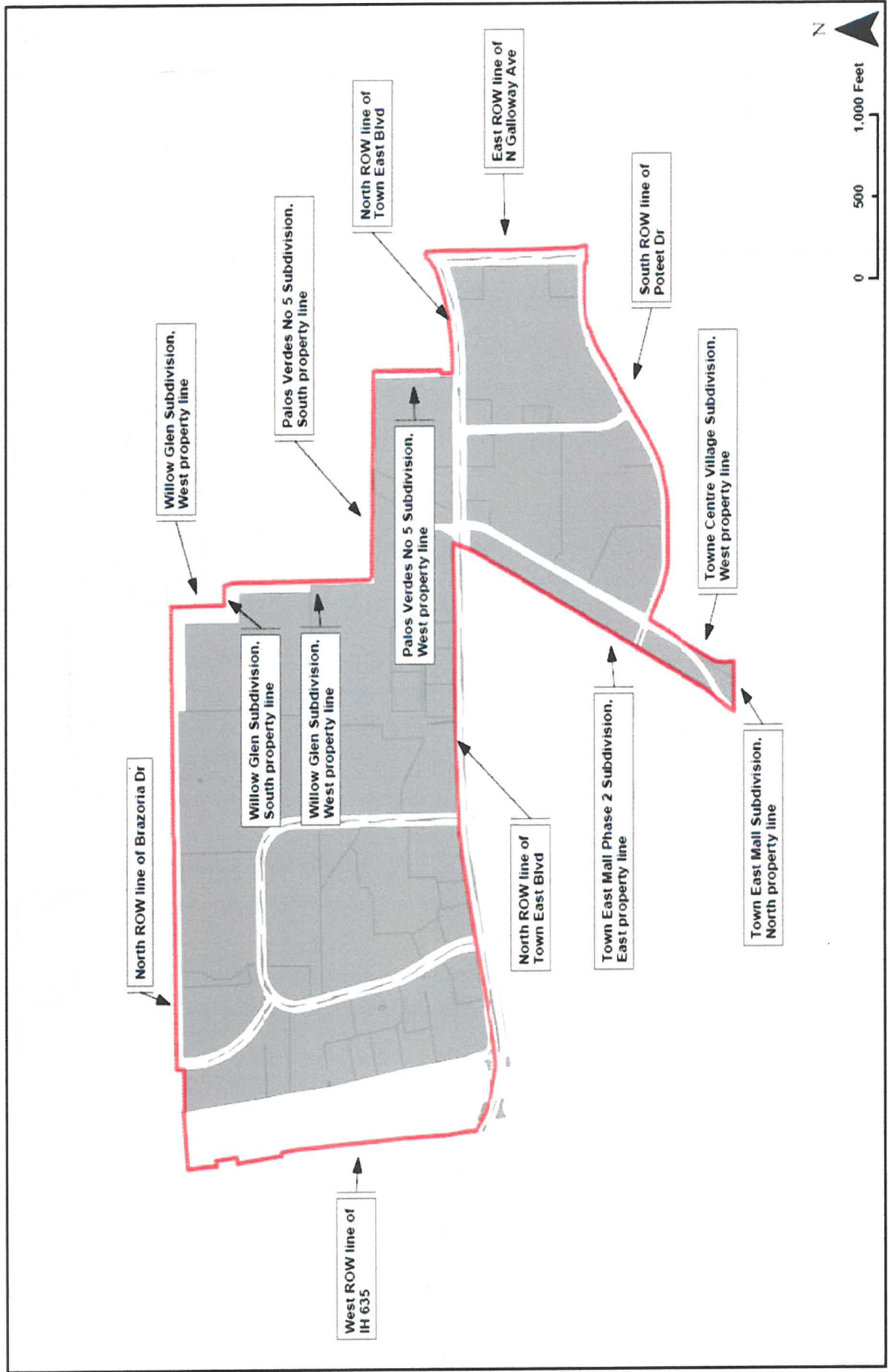
Westerly along the south ROW line of US 80 to a point where said line intersects with the west ROW line of Gus Thomasson Rd, thence

Northerly along the west ROW line of Gus Thomasson Rd to a point where said line intersects with the north ROW line of N Town East Blvd, which is the point of beginning.

Towne Centre TIRZ No. 2 Market East Expansion Boundary



Towne Centre TIRZ No. 2 Market East Boundary Description



Towne Centre TIRZ No. 2

Market East Boundary Description

Beginning at a point of intersection of the west ROW line of IH 635 and the North ROW line of Brazoria DR, thence

Easterly along the North ROW line of Brazoria DR to a point where said line intersects with the projection of the west property line of Willow Glen Subdivision, thence

Southerly along west property line of Willow Glen Subdivision to the a point where said line intersects with the south property line of Willow Glen Subdivision, thence

Easterly along the south property line of Willow Glen Subdivision to a point where said line intersects with the west property line of Willow Glen Subdivision, thence

Southerly along the west property line of Willow Glen Subdivision to a point where said line intersects with the south property line of the Palos Verdes No 5 Subdivision, thence

Easterly along the south property line of Palos Verdes No 5 Subdivision to a point where said line intersects with the west property line of Palos Verdes No 5 Subdivision, thence

Southerly along the west property line of Palos Verdes No 5 Subdivision to a point where said line intersects with the north ROW line of Town East Blvd, thence

Easterly along the north ROW line of Town East Blvd to a point where said line intersects with the east ROW line of N Galloway Ave, thence

Southerly along the east ROW line of N Galloway Ave to a point where said line intersects with the south ROW line of Poteet DR, thence

Westerly along the south ROW line of Poteet DR to a point where said line intersects with the west property line of Towne Centre Village Subdivision, thence

Southerly along the west property line of Towne Centre Village Subdivision to a point where said line intersects with the north property line of Town East Mall Subdivision, thence

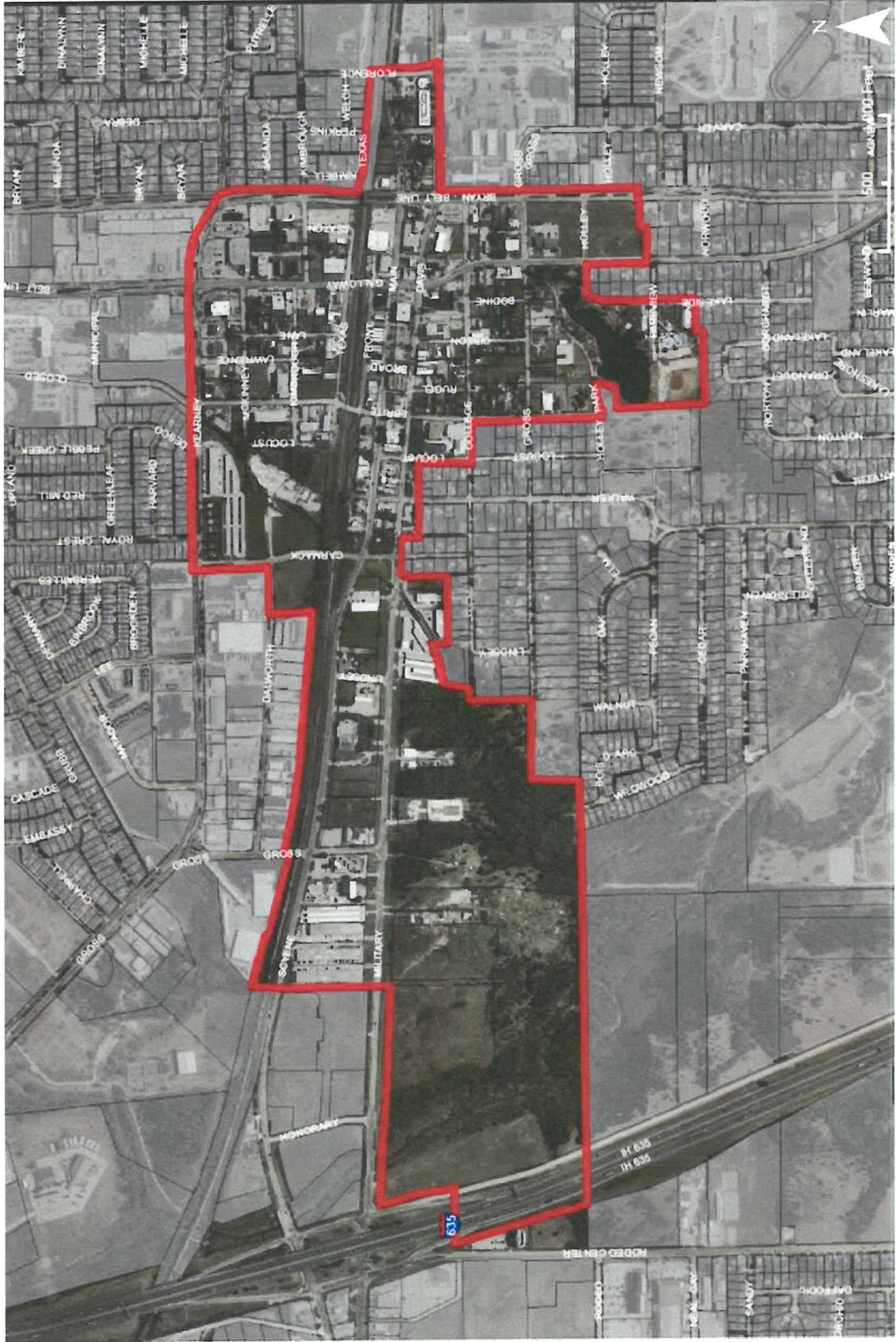
Westerly along the north property line of Town East Mall Subdivision to a point where said line intersects with the boundary of the original Towne Centre No. Two TIRZ and commonly the east property line of Town East Mall Phase 2 Subdivision, thence

Northerly along the common boundary of the original TIRZ to a point where said line intersects with the north ROW line of Town East Blvd, thence

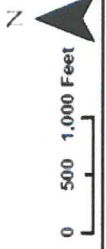
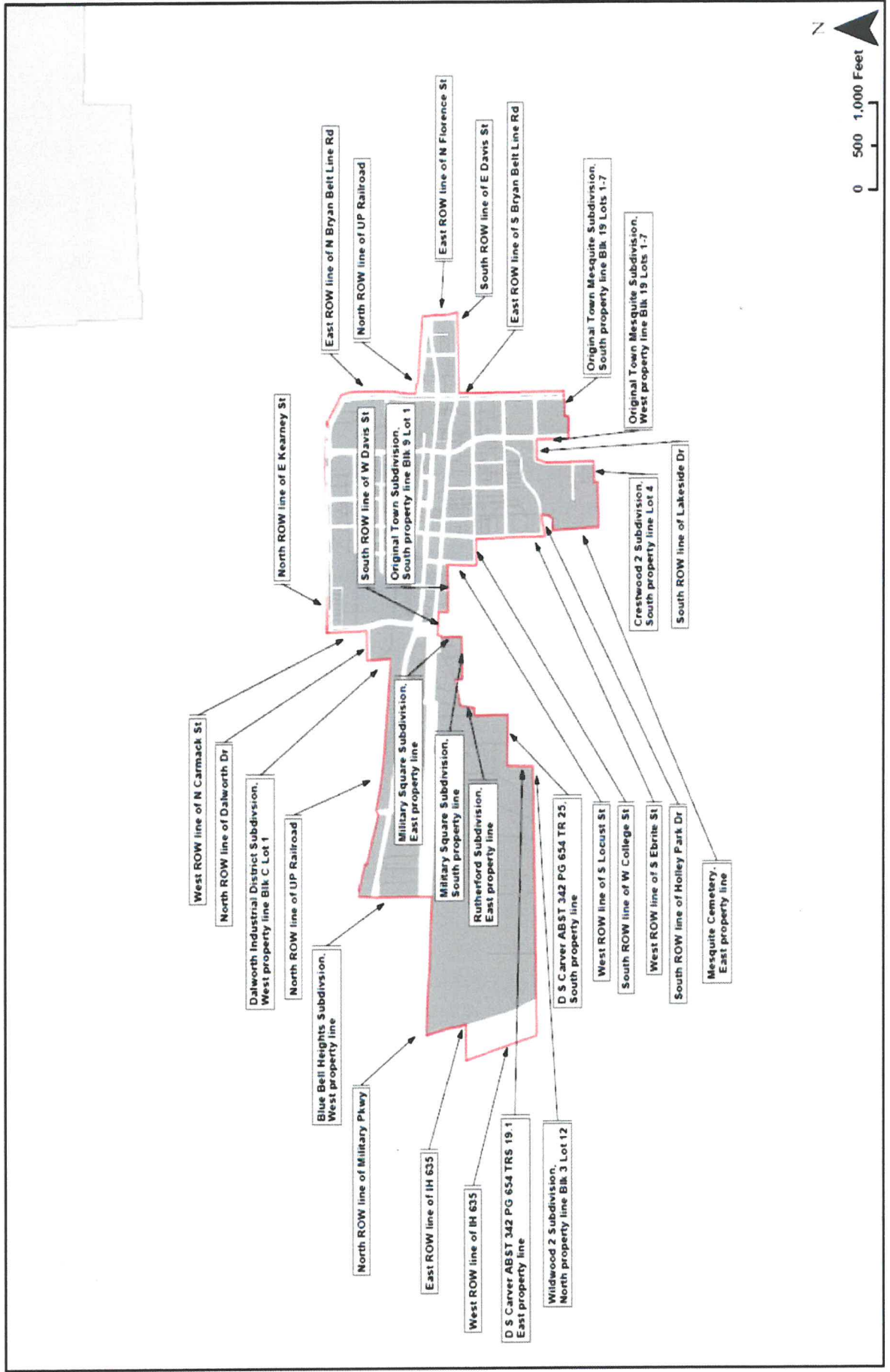
Westerly along the north ROW line of Town East Blvd, also being the common boundary of the original TIRZ to a point where said line intersects with the west ROW line of IH 635, thence

Northerly along the west ROW line of IH 635 to a point where said line intersects with the north ROW line of Brazoria DR, which is the point of beginning.

Towne Centre TIRZ No. 2 Downtown Area Expansion Boundary



Towne Centre TIRZ No. 2 Downtown Area Boundary Description



Towne Centre TIRZ No. 2

Downtown Area Boundary Description

Beginning at a point of the intersection of the most eastern boundary of Rodeo City TIRZ No. One and the ROW line of Military Pkwy, thence

Easterly along the ROW line of Military Pkwy to a point where said line intersects with the west property line of Blue Bell Heights Subdivision, thence

Northerly along the west property line of Blue Bell Heights Subdivision to a point where said line intersects with the north ROW line of UP Railroad, thence

Easterly along the north ROW line of UP Railroad to a point where said line intersects with the west property line of Dalworth Industrial District Subdivision Blk C Lot 1, thence

Northerly along the west property line of Dalworth Industrial District Subdivision Blk C Lot 1 to a point where said line intersects with the north ROW line of Dalworth Dr, thence

Easterly along the north ROW line of Dalworth Dr to a point where said line intersects with the west ROW line of N Carmack St, thence

Northerly along the west ROW line of N Carmack St to a point where said line intersects with the north ROW line of E Kearney St, thence

Easterly along the north ROW line of E Kearney St to a point where said line intersects with the east ROW line of N Bryan Belt Line Rd, thence

Southerly along the east ROW line of N Bryan Belt Line Rd to a point where said line intersects with the north ROW line of UP Railroad, thence

Easterly along the north ROW line of UP Railroad to a point where said line intersects with the east ROW line of N Florence St, thence

Southerly along the east ROW line of Florence St to a point where said line intersects with the south ROW line of E Davis St, thence

Westerly along the south ROW line of E Davis St to a point where said line intersects with the east ROW line of S Bryan Belt Line Rd, thence

Southerly along the east ROW line of S Bryan Belt Line Rd to a point where said line intersects with the south property line of Original Town Subdivision Blk 19 Lots 1-7, thence

Westerly along the south property line of Original Town Subdivision Blk 19 Lots 1-7 to a point where said line intersects with the west property line of Original Town Subdivision Blk 19 Lots 1-7, thence

Northerly along the west property line of Original Town Subdivision Blk 19 Lots 1-7 to a point where said line intersects with the south ROW line of Lakeside Dr, thence

Westerly along the south ROW line of Lakeside Dr to a point where said line intersects with the south property line of Crestwood 2 Subdivision Lot 4, thence

Westerly along the south property line of Crestwood 2 Subdivision lot 4 to a point where said line intersects with the east property line of Mesquite Cemetery, thence

Northerly along the east property line of Mesquite Cemetery to a point where said line intersects with the south ROW line of Holley Park Dr, thence

Westerly along the south ROW line of Holley Park Dr to a point where said line intersects with the west ROW line of S Ebrite St, thence

Northerly along the west ROW line of S Ebrite St to a point where said line intersects with the south ROW line of W College St, thence

Westerly along the south ROW line of W College St to a point where said line intersects with the west ROW line of S Locust St, thence

Northerly along the west ROW line of S Locust St to a point where said line intersects with the south property line of Original Town Subdivision Blk 9 Lot 1, thence

Westerly along the south property line of Original Town Subdivision Blk 9 Lot 1 to a point where said line intersects with the south ROW line of W Davis St, thence

Westerly along the south ROW line of W Davis St to a point where said line intersects with the east property line of Military Square Subdivision, thence

Southerly along the east property line of Military Square Subdivision to a point where said line intersects with the south property line of Military Square Subdivision, thence

Westerly along the south property line of Military Square Subdivision to a point where said line intersects with the east property line of Rutherford Subdivision, thence

Southerly along the east property line of Rutherford Subdivision to a point where said line intersects with the south property line of D S Carver ABST 342 PG 654 TR 25, thence

Westerly along the D S Carver ABST 342 PG 654 TR 25 to a point where said line intersects with the east property line of D S Carver ABST 342 PG 654 TR 19.1, thence

Southerly along the east property line of D S Carver ABST 342 PG 654 TR 19.1 to a point where said line intersects with the north property line of Wildwood 2 Subdivision Blk 3 Lot 12, thence

Westerly along the north property line of Wildwood 2 Subdivision Blk 3 Lot 12 to a point where said line intersects with the original boundary of Rodeo City TIRZ No. One, thence

Northerly along the boundary of Rodeo City TIRZ No. One and commonly the west ROW line of IH 635 to a point where said line intersects with the east ROW line of IH 635, thence

Northerly along the east ROW line of IH 635 and boundary of Rodeo City TIRZ No. One to a point where said line intersects with the ROW line of Military Pkwy, which is the point of beginning.

Towne Centre TIRZ No. 2 Land Use

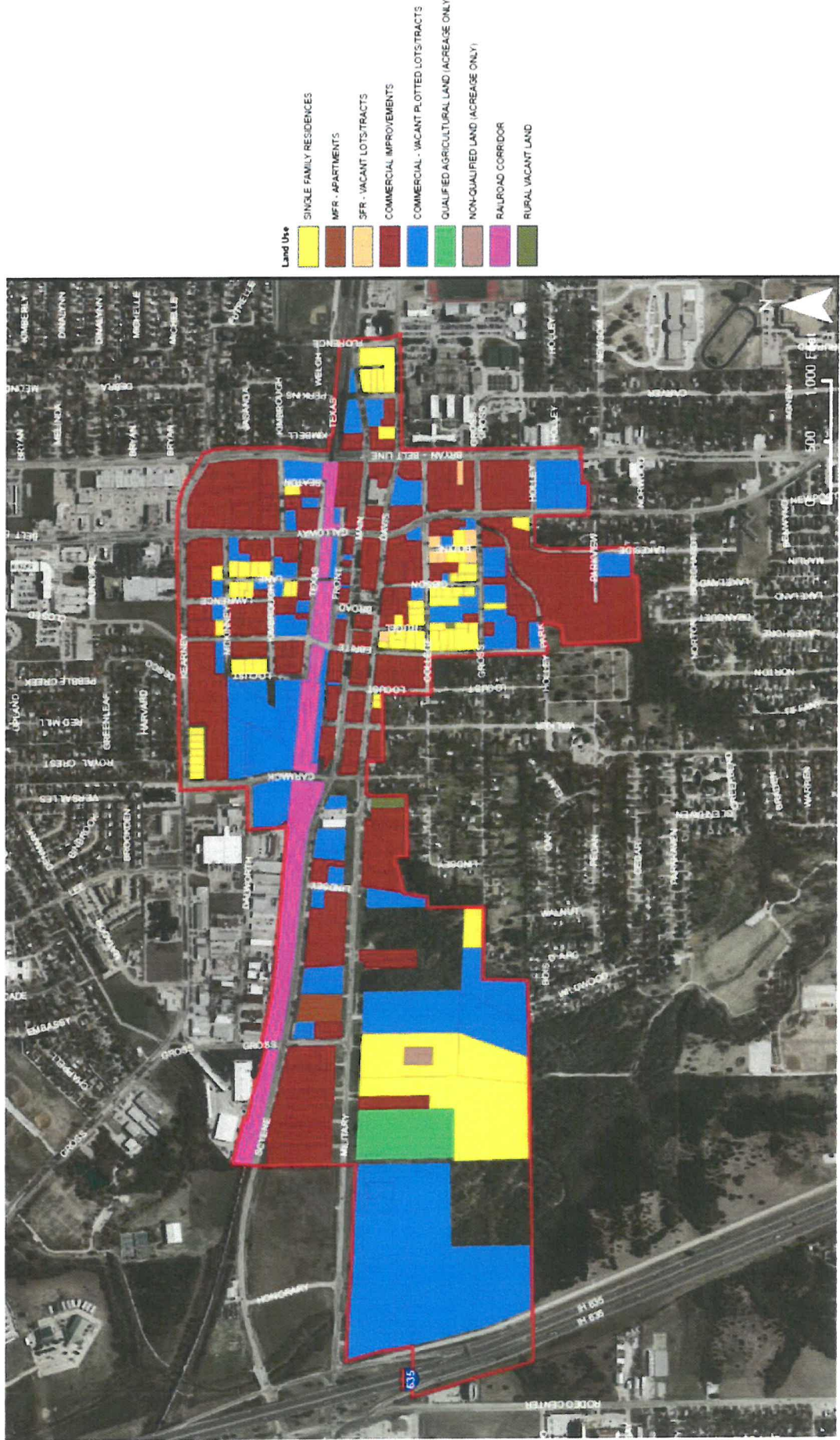


Towne Centre TIRZ No. 2

Market East Land Use



Towne Centre TIRZ No. 2 Downtown Area Land Use



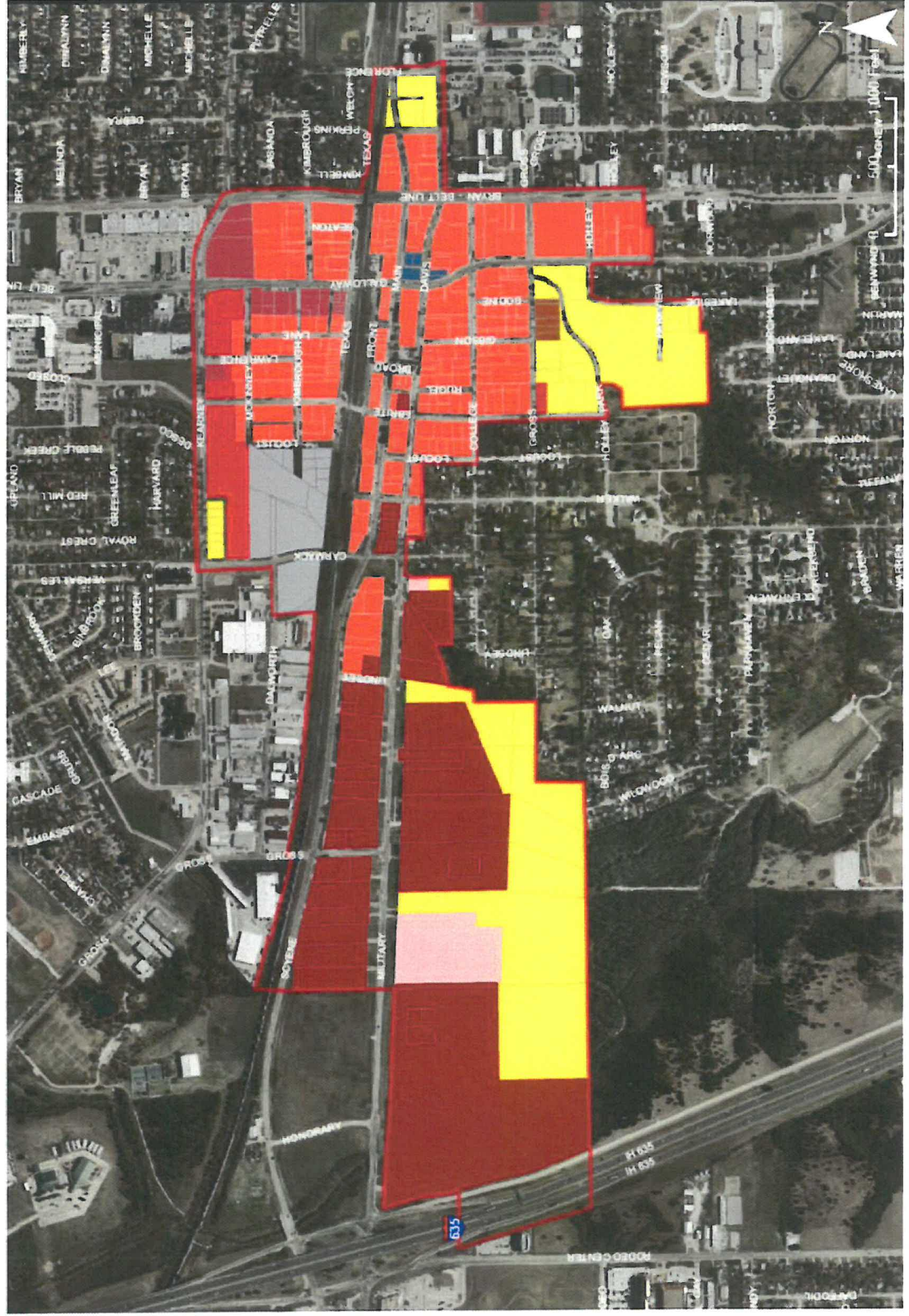
Towne Centre TIRZ No. 2 Zoning



Towne Centre TIRZ No. 2 Market East Zoning



Towne Centre TIRZ No. 2 Downtown Area Zoning



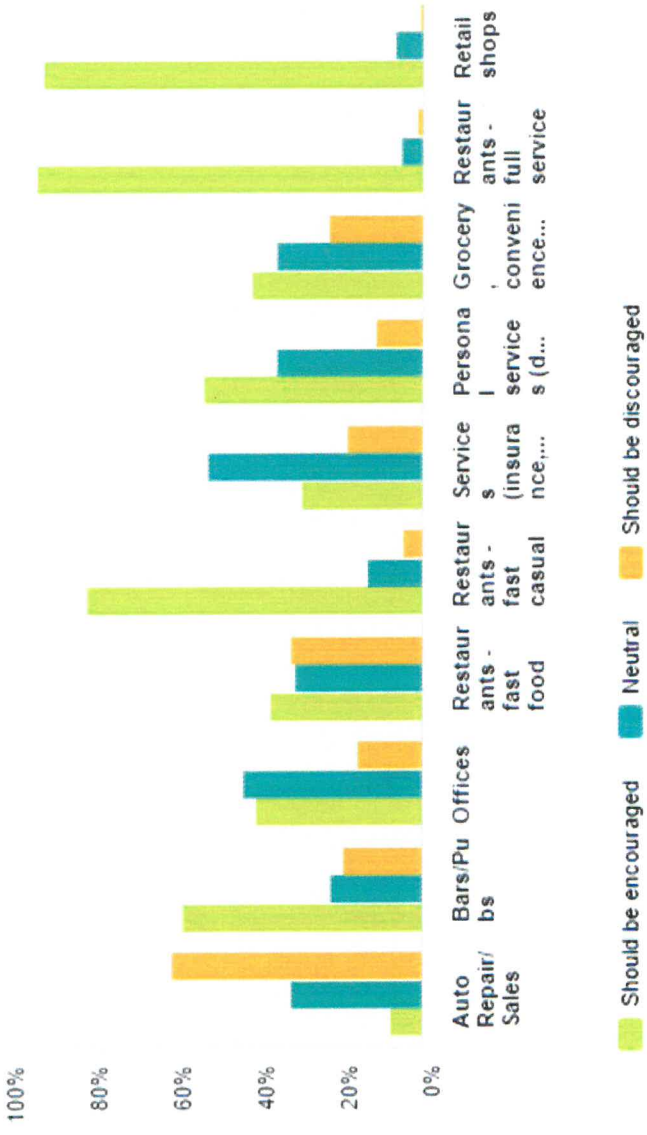
Downtown Expansion Economic Feasibility

Downtown Market Analysis

In May 2017, a market analysis was prepared by CDS Community Development Strategies for downtown Mesquite to identify development opportunities and market potential within the Competitive Market Area (CMA), which includes a 10-minute drive time from downtown Mesquite. The economic and development opportunities within the study area are ultimately determined by the overall nature and volume of market demand in the CMA.

The following is a summary of that study, which is on file in the Mesquite Office of Economic Development.

Answered: 1,034 Skipped: 219



Survey on future businesses in downtown:

Overwhelmingly, residents and business owners surveyed agreed that Restaurants (fast casual and full service) and Retail should be encouraged – 81%, 93%, and 91%, respectively

Downtown Expansion Characteristics

Downtown Mesquite

Downtown Mesquite contains a few historically significant structures which are commercial buildings comprising three blocks flanking the Downtown Square. The Downtown Square is adjacent to the railroad and is a source of sentiment to many residents. Mesquite also has significant historically maintained residences that are within ½-mile to several miles from the Square. The center of the Square is a parking lot with a public gazebo at the center. Anchoring the Downtown Square is a two-story Wells Fargo bank and its ATM drive-through lane, constructed following a fire which destroyed the east side of the Square. The Square is surrounded by churches, offices, retail (minimal) and auto related businesses. There are many professional service companies occupying downtown buildings, with a few retail shops including a popular quilt store, a women's boutique, and one Mexican food restaurant. Other surrounding uses include salons, barber shops and a long-standing resale book store. The Square is bisected by State Highway 352, one way west-bound known as Main Street, and one way east-bound known as Davis Street.

High traffic volumes and speeds limit on-street parking as well as pedestrian activity. In the blocks surrounding the Downtown Square on the south, there are many older residences and rental property in poor to average condition. Other residences have been converted to office space. Streets are tree-lined and lead to a well-kept public area known as City Lake Park where there is a public aquatic center, community activity center and a fire training facility. Further south, the home conditions improve, leading towards the Paschall Park area which contains home valued between \$200,000-\$350,000.

The total land square footage in the immediate downtown area is 6,822,167 square feet. Unimproved land in the study area includes 2,168,336 square feet or 49.7 acres (84 land plots). Land makes up 71.9% of the study area, this includes vacant land and parking lots. There is 849,357 square feet of improved space in the study area. Retail is only 6.4% of the study area while residential is 4.9% and office is 3.1%. Currently automotive is 2.8% of the study area. The 2016 appraised value of the study area is \$89,566,060. The residential is valued at \$8,138,640 and the commercial is valued at \$38,552,060. The vacant land/parking lots are valued at \$42,875,360. There are 332 parcels in the study area, of which 248 are improved. One hundred-eighteen parcels are residential; 48 are retail/restaurant; 30 are automotive related; 21 are office; 18 are industrial; nine are churches, and eight are various other uses including government, recreation and education.

Table 1: Study Area by Square Footage

Square Footage	Land Use	% of Total
84,209	Automotive	2.80%
11,073	Education	0.40%
14,500	Government	0.50%
2,168,336	Land	71.90%
93,526	Office	3.10%
25,916	Other	0.90%
7,686	Recreation	0.30%
99,975	Religious	3.30%
146,665	Residential	4.90%
193,787	Retail	6.40%
172,020	Warehouse	5.70%

Sources: City of Mesquite, CDS

Downtown Expansion

Retail Potential

Retail Market

Approximately 74% of the retail supply in the CMA is located in the City of Mesquite, much of which is centered around the Town East Mall area. The CMA is projected to have retail sales growth of \$193 million, which would equate to a demand for 645,005 square feet of new retail space over the next 5 years. It is estimated that the downtown area could absorb 5% (currently 1.3%) of the projected retail demand for Mesquite, or 11,880 square feet from 2017 to 2022. Assuming 12.6% increase in sales over the following 5-year period, continued growth in the retail market at the conservative estimate of 5% for the study area over the next ten years would equate to an additional 26,874 square feet from 2022-2027.

Table 38: Projected Development

	2022	2027
CMA 5-Yr Term	645,005	726,350
Less U/C and Proposed	323,904	0
Estimated SF	321,101	726,350
Mesquite Absorption (74%)	237,614	537,499
Study Area Absorption (5%)	11,880	26,874



Recommendations for the Downtown Area

- Retail space should be marketed to eating and drinking places, family entertainment and music venues to name a few. This will attract locals as well as others in the DFW area.
- The area is lacking in general merchandise stores, fast food restaurants and eating places, and based on the leakage report, \$9,051,596 is being spent outside the CMA for food and beverages. More restaurant choices in the study area could capture some of this loss.
- Development of retail and services will likely be restricted to local operations filling the immediate needs of the residents such as food and drink, and services such as nail/spa, dry cleaners, and pet care.
- Careful tenant selection, combined with efforts to keep lease rates affordable, will help to curate a retail and dining environment that grows in value. Given that dining uses have become popular as retail anchors, it's suggested seeking out a café which can offer a reliable, moderately-priced but reasonable quality evening service in order to establish commercial activity after 5:00 p.m.
- A slightly more upscale dining/drinking establishment may be possible, but only likely with incentives from the City to entice the tenant to the area. This would be a major jump start for the downtown and a major investment to the City; however, it would be a catalyst for the entire area.

Downtown Expansion Office Potential

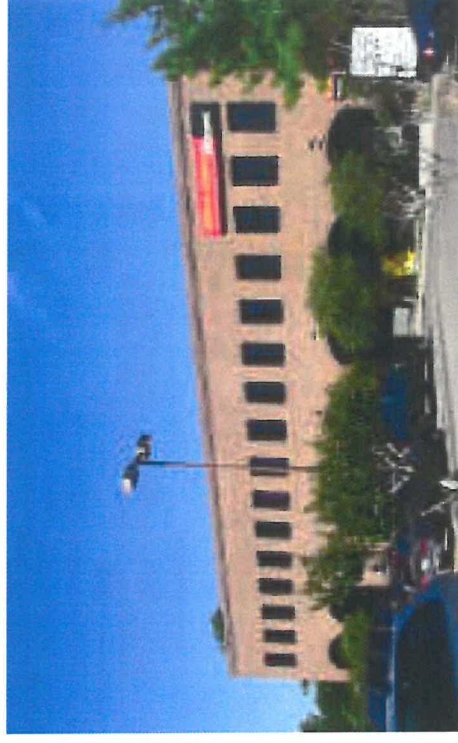
Office Market

By 2020, the CMA will have demand for 2.4 million square feet of office space, including space currently under construction or proposed, to accommodate expected employment growth. Mesquite includes 67.6% of the overall CMA office space, and it is estimated that 1.6 million square feet can be absorbed in Mesquite by 2020 with an additional demand for 1.5 million through 2025. Based on current lease rates and occupancies, it is estimated that the downtown area could successfully capture 3% of this market, or 48,269 square feet of office space.

NCTCOG Employment Forecasts for the CMA

	2015	2020	2025
Employment Projections	124,266	139,023	153,039
Incremental Increase		14,757	14,016
49.1% Labor Force/Prof. Jobs		7,245	6,881
340 SF per Job		2,463,300	2,339,831
Less: CMA pipeline space to 2020		83,136	0
Incremental Demand		2,380,164	2,339,831
Mesquite Share of Growth (67.6%)			
Incremental		1,608,990	1,581,725
Study Area Share of Growth (3%)		48,269	47,451

Source: CDS, NCTCOG



Recommendations for the Downtown Area

- Development should be phased in at 9,654 square feet per year.
- General multi-tenant office demand will be comprised primarily of smaller tenants that are businesses local to the area, often because the business owner lives in the area. These tenants are likely underserved by the existing supply of quality office space, but many will have limited capacity for increased leasing costs.
- Office development in the downtown study area should be considered outside of the old downtown square area; this area should be retained for retail.
- Medical office space has been very successful in the downtown and should be considered for any new development.

Downtown Expansion Industrial Potential



Industrial Market

The downtown study area includes 172,020 square feet of industrial space which consists of storage warehouses and office/showroom properties.

- Rents in the study area range from \$4 to \$12psf annually
- Vacancy is at 6.0% according to Xceligent
- The majority of the industrial properties are located north of Front Street
- 1.3% of the overall Mesquite industrial space is in the study area

Based on current studies of industrial space, it's estimated that approximately 411 square feet per employee should exist in the CMA. Using the employment projections from NCTCOG, space per employee (411sf) and the 26.19% of the employees being in industrial or industrial support, annual demand for industrial facilities in the CMA is 1,588,104 square feet through 2020. Mesquite currently includes 79.3% of the overall CMA industrial space. Maintaining this percentage, Mesquite could be expected to capture 1.2 million square feet of industrial space by 2020 and an additional 1.2 million square feet by 2025. The study area currently comprises 1.3% of the overall CMA industrial market. Based on projections, the downtown area is estimated to absorb 18,890 square feet of industrial space by 2020, or 3,778 square feet annually.

Table 46: Projected Industrial Space Demand in the CMA by NCTCOG

	2015	2020	2025
Employment Projections	124,266	139,023	153,039
Incremental Increase		14,757	14,016
26.19% Labor Force/Blue Collar Jobs		3,864	3,670
411 SF per Job		1,588,104	1,508,694
Less: CMA pipeline space to 2020		0	0
Incremental Demand		1,588,104	1,508,694
Mesquite Share of Growth (79.3%) Incremental		1,259,366	1,196,394
Study Area Share of Growth (1.5%) Incremental		18,890	17,945

Source: NCTCOG, CDS

Recommendations for the Downtown Area

- An opportunity exists for industrial space to grow over the next five years with 18,890sf easily absorbed
- It's estimated that a portion of the office space projected in the Office Market section earlier in this report (48,269 sf) could be absorbed in the flex market.
- Flex space (office/warehouse) industrial product can be aesthetically pleasing with brick facades, office development facing road frontage with warehouse in the back. Small manufacturers, medical suppliers, other suppliers, pool companies, etc. would be tenant profiles for the area.
- Industrial development should remain north of Front Street and the railroad tracks where the majority of the current supply is located.

Tax Increment Captured Value
Annual Revenue Projections
Original Term

CITY OF MESQUITE, TEXAS Towne Centre TIF #2 - Expansion 2017 As of October 2017		Total Through 2015-16	Projected 2016-17	Proposed 2017-18 7.0%	Proposed 2018-19 6.0%	Proposed 2019-20 5.0%	Total Original TIRZ Years
Projected Property Tax Growth %							
REVENUE:							
ORIGINAL TIF AREA	Base Value \$199,878,280						
TIF Base Value & Cumulative Growth	\$ 368,935,350	\$ 394,760,825	\$ 418,446,474	\$ 446,868,798			
Taxable Value Changes:							
Beginning TIF Value		179,057,070	204,882,545	228,568,194			
Appraised Value Annual Growth		25,825,475	23,685,649	20,922,324			
Development:							
Dick's Sporting Goods				7,500,000			
Development II							
Development III							
Total Original TIF Value Increase		\$ 204,882,545	\$ 228,568,194	\$ 256,990,518			
City Tax Rate			0.7340	0.7340	0.7340		
TIF Participation Percentage			100%	100%	100%		
City - Original TIF Zone	\$ 11,062,808	\$ 1,145,965	\$ 1,407,543	\$ 1,677,691	\$ 1,886,310	\$ 17,180,317	
MISD Tax Rate			1.7624	1.7624	1.7624		
TIF Participation Percentage			100%	100%	100%		
MISD - Original TIF Zone	\$ 31,179,533	\$ 3,155,702	\$ 3,610,850	\$ 4,028,286	\$ 4,529,201	\$ 46,503,572	
Dallas County Reimb for City Costs	\$ 549,769	-	-	-	-	\$ 549,769	
Total Original TIF Area Revenue	\$ 42,792,110	\$ 4,301,667	\$ 5,018,393	\$ 5,705,976	\$ 6,415,511	\$ 64,233,658	

Tax Increment Captured Value
Annual Revenue Projections
Original Term with Expansion

	Total Through 2015-16	Projected 2016-17	Proposed 2017-18 7.0%	Proposed 2018-19 6.0%	Proposed 2019-20 5.0%	Total Original TIRZ Years
Projected Property Tax Growth %						
REVENUE:						
DOWNTOWN MESQUITE AREA						
TIF Base Value & Cumulative Growth			Base Year \$ 44,835,308	\$ 47,525,426	\$ 49,901,698	
Taxable Value Changes: Beginning TIF Value				2,690,118	2,376,271	
Appraised Value Annual Growth						
Development						
Development I						
Development II						
Development III						
Total Downtown TIF Value Increase				\$ 2,690,118	\$ 5,066,390	
City Tax Rate				0.7340	0.7340	
TIF Participation Percentage				100%	100%	
City Downtown Area Revenue				\$ 19,745	\$ 37,187	\$ 56,933
Total Downtown Area Revenue				\$ 19,745	\$ 37,187	\$ 56,933
MARKET EAST EXPANSION AREA						
TIF Base Value & Cumulative Growth			Base Year \$ 182,896,660	\$ 193,552,460	\$ 212,730,083	
Taxable Value Changes: Beginning TIF Value					10,955,800	
Appraised Value Annual Growth				10,955,800	9,677,623	
Development						
Emporium Circle Restaurant Redev					2,000,000	
Market East New Retail Bld Phase 1					7,500,000	
Market East New Retail Bld Phase 2						
Market East Medical/Office Building						
Total Market East TIF Value Increase				\$ 10,955,800	\$ 30,133,423	
City Tax Rate				0.7340	0.7340	
TIF Participation Percentage				100%	100%	
City Market East Area Revenue				\$ 80,416	\$ 221,179	\$ 301,595
Total Market East Expansion Area Revenue				\$ 80,416	\$ 221,179	\$ 301,595
TOTAL EXPANDED AREA REVENUE				\$ 100,161	\$ 258,367	\$ 358,528
TOTAL REVENUES ALL AREAS	\$ 42,792,110	\$ 4,301,667	\$ 5,018,393	\$ 5,806,137	\$ 6,673,878	\$ 64,592,185

Tax Increment Captured Value
Annual Expenditure Projections
Original Term with Expansion

	Total Through 2015-16	Projected 2016-17	Proposed 2017-18 7.0%	Proposed 2018-19 6.0%	Proposed 2019-20 5.0%	Total Original TIRZ Years
Projected Property Tax Growth %						
EXPENDITURES:						
ORIGINAL TIF AREA						
Open Projects:						
Administrative Fee	\$ 1,080,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 1,600,000
Town East Retail Area Security	5,715,128	640,000	640,000	600,000	500,000	8,095,128
LBJ Project-Debt Ser-\$5,615,287	6,017,979	601,798	601,798	-	-	7,221,575
Gus Thomasson Rebuild (80-Town East)	153,683	9,246,317	3,345,000	1,555,000	-	14,300,000
South Mesquite Creek	-	-	-	600,000	2,996,778	3,596,778
Hike & Bike Trail/Heritage Trail Phase II	376,995	2,128,005	-	-	-	2,505,000
ROWS Sireet Lighting	151,423	273,577	-	-	-	425,000
ROWS Signal Improvements (GT/Motley)	13,284	11,716	-	-	-	25,000
Mail Public Children's Area Improvements	-	150,000	-	-	-	150,000
Pavement Improvements throughout Zone	-	150,000	-	450,000	450,000	1,050,000
Retail Area Land Use Plan/Study	-	-	200,000	-	-	200,000
Completed Projects:						
Total of all Previous Projects	19,505,584	-	-	-	-	19,505,584
Total Original TIF Area Expenditures	\$ 33,014,076	\$ 13,331,413	\$ 4,916,798	\$ 3,335,000	\$ 4,076,778	\$ 58,674,065
EXPANDED TIF AREA EXPENDITURES						
Downtown Manager (with 2% inflation factor)			\$ 100,000	\$ 102,000	\$ 104,040	\$ 306,040
Downtown Maintenance (with 2% inflation factor)			100,000	102,000	104,040	306,040
Downtown Infrastructure - \$1,000,000			500,000	500,000	-	1,000,000
Front Street - \$2,000,000			-	1,000,000	1,000,000	2,000,000
Gibson Street - \$1,500,000			-	400,000	1,100,000	1,500,000
North Mesquite Drive - \$1,000,000			-	-	-	-
Highway Corridor Maintenance (with 2% inflation factor)			100,000	102,000	104,040	306,040
Economic Development Incentives			-	250,000	250,000	500,000
Total Expanded TIF Area Expenditures			\$ 800,000	\$ 2,456,000	\$ 2,662,120	\$ 5,118,120
TOTAL EXPENDITURES ALL AREAS	\$ 33,014,076	\$ 13,331,413	\$ 6,716,798	\$ 5,791,000	\$ 6,738,898	\$ 64,592,185
Excess (Deficiency) Revenues over Expenditures						
Beginning Fund Balance, Oct 1	9,778,034	(9,029,746)	(698,405)	15,137	(65,020)	0
Ending Fund Balance, Sep 30						
Beginning Fund Balance, Oct 1		9,778,034	748,288	49,883	65,020	-
Ending Fund Balance, Sep 30	\$ 9,778,034	\$ 748,288	\$ 49,883	\$ 65,020	\$ 0	\$ 0

Tax Increment Captured Value Annual Revenue Projections Extended Term 2021-2031

Projected Property Tax Growth %	Proposed 2020-21 4.0%	Proposed 2021-22 4.0%	Proposed 2022-23 3.5%	Proposed 2023-24 3.0%	Proposed 2024-25 2.0%	Proposed 2025-26 2.0%	Proposed 2026-27 0.5%	Proposed 2027-28 0.5%	Proposed 2028-29 0.5%	Proposed 2029-30 0.5%	Proposed 2030-31 0.5%
REVENUE:											
ORIGINAL TIF AREA											
TIF Base Value & Cumulative Growth	\$ 464,743,550	\$ 483,333,292	\$ 500,249,957	\$ 515,257,455	\$ 525,562,605	\$ 536,073,857	\$ 538,754,226	\$ 541,447,997	\$ 544,155,237	\$ 546,876,013	\$ 549,610,393
City participation changed to 75% in original zone for expanded years											
Taxable Value Changes:											
Beginning TIF Value	256,990,518	274,865,270	293,455,012	310,371,677	325,379,175	335,684,325	346,195,577	348,875,946	351,569,717	354,276,957	356,997,733
Appraised Value Annual Growth	17,874,752	18,589,742	16,916,565	15,007,499	10,305,149	10,511,252	2,680,369	2,693,771	2,707,240	2,720,776	2,734,380
Development											
Dick's Sporting Goods											
Development II											
Development III											
Total Original TIF Value Increase	\$ 274,865,270	\$ 293,455,012	\$ 310,371,677	\$ 325,379,175	\$ 335,684,325	\$ 346,195,577	\$ 348,875,946	\$ 351,569,717	\$ 354,276,957	\$ 356,997,733	\$ 359,732,113
City Tax Rate	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340
TIF Participation Percentage	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
City - Original TIF Zone	\$ 1,513,133	\$ 1,615,470	\$ 1,708,596	\$ 1,791,212	\$ 1,847,942	\$ 1,905,807	\$ 1,920,562	\$ 1,935,391	\$ 1,950,295	\$ 1,965,273	\$ 1,980,325
MISD Tax Rate											
TIF Participation Percentage											
MISD - Original TIF Zone											
Dallas County Reimb for City Costs											
Total Original TIF Area Revenue	\$ 1,513,133	\$ 1,615,470	\$ 1,708,596	\$ 1,791,212	\$ 1,847,942	\$ 1,905,807	\$ 1,920,562	\$ 1,935,391	\$ 1,950,295	\$ 1,965,273	\$ 1,980,325

Tax Increment Captured Value
Annual Revenue Projections
Extended Term
2032-2040

Projected Property Tax Growth %	Proposed		Proposed		Proposed		Proposed		Proposed		Proposed		Proposed		Total	
	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2039-40	2039-40	2039-40	2039-40	2039-40	2039-40	Expanded TIRZ
	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	Years
REVENUE:																
ORIGINAL TIF AREA																
TIF Base Value & Cumulative Growth	\$ 552,358,445	\$ 555,120,238	\$ 557,895,839	\$ 560,685,318	\$ 563,488,744	\$ 566,306,188	\$ 569,137,719	\$ 571,983,408	\$ 574,843,325							
Taxable Value Changes:																
Beginning TIF Value	359,732,113	362,480,165	365,241,958	368,017,559	370,807,038	373,610,464	376,427,908	379,259,439	382,105,128							
Appraised Value Annual Growth	2,748,052	2,761,792	2,775,601	2,789,479	2,803,427	2,817,444	2,831,531	2,845,689	2,859,917							
Development																
Dick's Sporting Goods																
Development II																
Development III																
Total Original TIF Value Increase	\$ 362,480,165	\$ 365,241,958	\$ 368,017,559	\$ 370,807,038	\$ 373,610,464	\$ 376,427,908	\$ 379,259,439	\$ 382,105,128	\$ 384,965,045							
City Tax Rate	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340							
TIF Participation Percentage	75%	75%	75%	75%	75%	75%	75%	75%	75%							
City - Original TIF Zone	\$ 1,995,453	\$ 2,010,657	\$ 2,025,937	\$ 2,041,293	\$ 2,056,726	\$ 2,072,236	\$ 2,087,823	\$ 2,103,489	\$ 2,119,233							
MISD Tax Rate																
TIF Participation Percentage																
MISD - Original TIF Zone																
Dallas County Reimb for City Costs																
Total Original TIF Area Revenue	\$ 1,995,453	\$ 2,010,657	\$ 2,025,937	\$ 2,041,293	\$ 2,056,726	\$ 2,072,236	\$ 2,087,823	\$ 2,103,489	\$ 2,119,233							

Tax Increment Captured Value
Annual Revenue Projections
Extended Term with Expansion
2021-2031

	Proposed 2020-21 4.0%	Proposed 2021-22 4.0%	Proposed 2022-23 3.5%	Proposed 2023-24 3.0%	Proposed 2024-25 2.0%	Proposed 2025-26 2.0%	Proposed 2026-27 0.5%	Proposed 2027-28 0.5%	Proposed 2028-29 0.5%	Proposed 2029-30 0.5%	Proposed 2030-31 0.5%
DOWNTOWN MESQUITE AREA											
TIF Base Value & Cumulative Growth	\$ 51,897,766	\$ 53,973,676	\$ 55,862,755	\$ 57,538,638	\$ 58,689,410	\$ 59,863,199	\$ 60,162,515	\$ 60,463,327	\$ 60,765,544	\$ 61,069,472	\$ 61,374,819
<i>City participation changed to 75% in original zone for expanded years</i>											
Taxable Value Changes: Beginning TIF Value	5,066,390	7,062,458	9,138,368	11,027,447	12,703,330	13,854,102	15,027,891	15,327,207	15,628,019	15,930,336	16,234,164
Appraised Value Annual Growth	1,996,068	2,075,911	1,889,079	1,675,893	1,150,773	1,173,788	299,316	300,813	302,317	303,828	305,347
Development Development I Development II Development III	-	-	-	-	-	-	-	-	-	-	-
Total Downtown TIF Value Increase	\$ 7,062,458	\$ 9,138,368	\$ 11,027,447	\$ 12,703,330	\$ 13,854,102	\$ 15,027,891	\$ 15,327,207	\$ 15,628,019	\$ 15,930,336	\$ 16,234,164	\$ 16,539,511
City Tax Rate	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340
TIF Participation Percentage	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
City Downtown Area Revenue	\$ 38,879	\$ 50,307	\$ 60,706	\$ 69,932	\$ 76,267	\$ 82,729	\$ 84,376	\$ 86,032	\$ 87,696	\$ 89,369	\$ 91,050
Total Downtown Area Revenue	\$ 38,879	\$ 50,307	\$ 60,706	\$ 69,932	\$ 76,267	\$ 82,729	\$ 84,376	\$ 86,032	\$ 87,696	\$ 89,369	\$ 91,050
MARKET EAST EXPANSION AREA											
TIF Base Value & Cumulative Growth	\$ 235,735,266	\$ 245,168,887	\$ 253,749,767	\$ 261,362,260	\$ 266,589,506	\$ 271,921,296	\$ 273,280,902	\$ 274,647,307	\$ 276,020,543	\$ 277,400,646	\$ 278,787,649
Taxable Value Changes: Beginning TIF Value	30,133,423	53,142,626	62,572,197	71,153,107	78,765,600	83,992,846	89,324,636	90,684,242	92,050,647	93,423,883	94,803,986
Appraised Value Annual Growth	8,509,203	9,429,571	6,580,910	7,612,493	5,227,245	5,331,750	1,359,606	1,366,405	1,373,237	1,380,103	1,387,003
Development Emporium Circle Restaurant Reviv Market East New Retail Bldg Phase 1 Market East New Retail Bldg Phase 2 Market East Medical Office Building	-	-	-	-	-	-	-	-	-	-	-
Total Market East TIF Value Increase	\$ 53,142,626	\$ 62,572,197	\$ 71,153,107	\$ 78,765,600	\$ 83,992,846	\$ 89,324,636	\$ 90,684,242	\$ 92,050,647	\$ 93,423,883	\$ 94,803,986	\$ 96,190,989
City Tax Rate	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340
TIF Participation Percentage	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
City Market East Area Revenue	\$ 292,550	\$ 344,460	\$ 391,698	\$ 433,605	\$ 462,381	\$ 491,732	\$ 499,217	\$ 506,739	\$ 514,298	\$ 521,896	\$ 529,531
Total Market East Expansion Area Revenue	\$ 292,550	\$ 344,460	\$ 391,698	\$ 433,605	\$ 462,381	\$ 491,732	\$ 499,217	\$ 506,739	\$ 514,298	\$ 521,896	\$ 529,531
TOTAL EXPANDED AREA REVENUE	\$ 1,844,562	\$ 2,010,237	\$ 2,151,000	\$ 2,294,749	\$ 2,386,650	\$ 2,480,267	\$ 2,504,185	\$ 2,528,162	\$ 2,552,290	\$ 2,576,538	\$ 2,600,907

Tax Increment Captured Value
Annual Revenue Projections
Extended Term with Expansion
2032-2040

	Proposed 2031-32 0.5%	Proposed 2033-34 0.5%	Proposed 2034-35 0.5%	Proposed 2035-36 0.5%	Proposed 2036-37 0.5%	Proposed 2037-38 0.5%	Proposed 2038-39 0.5%	Proposed 2039-40 0.5%	Total Expanded TIRZ Years
Projected Property Tax Growth %									
DOWNTOWN MESQUITE AREA									
TIF Base Value & Cumulative Growth	\$ 61,681,694	\$ 61,990,102	\$ 62,300,052	\$ 62,611,553	\$ 62,924,611	\$ 63,239,234	\$ 63,555,430	\$ 63,873,207	\$ 64,192,573
Taxable Value Changes:									
Beginning TIF Value	16,539,511	16,846,386	17,154,794	17,464,744	17,776,245	18,089,303	18,403,926	18,720,122	19,037,899
Appraised Value Annual Growth	306,874	308,408	309,951	311,500	313,058	314,623	316,196	317,777	319,366
Development									
Development I									
Development II									
Development III									
Total Downtown TIF Value Increase	\$ 16,846,386	\$ 17,154,794	\$ 17,464,744	\$ 17,776,245	\$ 18,089,303	\$ 18,403,926	\$ 18,720,122	\$ 19,037,899	\$ 19,357,265
City Tax Rate	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340
TIF Participation Percentage	75%	75%	75%	75%	75%	75%	75%	75%	75%
City Downtown Area Revenue	\$ 92,739	\$ 94,437	\$ 96,143	\$ 97,858	\$ 99,582	\$ 101,314	\$ 103,054	\$ 104,804	\$ 106,562
Total Downtown Area Revenue	\$ 92,739	\$ 94,437	\$ 96,143	\$ 97,858	\$ 99,582	\$ 101,314	\$ 103,054	\$ 104,804	\$ 106,562
MARKET EAST EXPANSION AREA									
TIF Base Value & Cumulative Growth	\$ 280,181,687	\$ 281,582,495	\$ 282,990,408	\$ 284,405,360	\$ 285,827,387	\$ 287,256,524	\$ 288,692,806	\$ 290,135,270	\$ 291,586,952
Taxable Value Changes:									
Beginning TIF Value	96,190,989	97,584,927	98,995,835	100,393,748	101,808,700	103,230,727	104,659,864	106,095,146	107,539,610
Appraised Value Annual Growth	1,393,938	1,400,908	1,407,912	1,414,952	1,422,027	1,429,137	1,436,283	1,443,464	1,450,681
Development									
Emporium Circle Restaurant Redev									
Market East New Retail Bid Phase 1									
Market East New Retail Bid Phase 2									
Market East Medical Office Building									
Total Market East TIF Value Increase	\$ 97,584,927	\$ 98,965,835	\$ 100,393,748	\$ 101,808,700	\$ 103,230,727	\$ 104,659,864	\$ 106,095,146	\$ 107,539,610	\$ 108,990,292
City Tax Rate	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340	0.7340
TIF Participation Percentage	75%	75%	75%	75%	75%	75%	75%	75%	75%
City Market East Area Revenue	\$ 537,205	\$ 544,917	\$ 552,688	\$ 560,457	\$ 568,285	\$ 576,163	\$ 584,059	\$ 592,008	\$ 599,992
Total Market East Expansion Area Revenue	\$ 537,205	\$ 544,917	\$ 552,688	\$ 560,457	\$ 568,285	\$ 576,163	\$ 584,059	\$ 592,008	\$ 599,992
TOTAL EXPANDED AREA REVENUE									
TOTAL REVENUES ALL AREAS	\$ 2,625,390	\$ 2,650,011	\$ 2,674,748	\$ 2,699,608	\$ 2,724,592	\$ 2,749,702	\$ 2,774,937	\$ 2,800,298	\$ 2,825,786
TOTAL EXPANDED AREA REVENUE	\$ 1,074,410	\$ 1,089,834	\$ 1,105,376	\$ 1,121,032	\$ 1,136,817	\$ 1,152,730	\$ 1,168,781	\$ 1,184,970	\$ 1,201,304

Tax Increment Captured Value
Annual Expenditure Projections
Extended Term with Expansion
2021-2031

	Proposed 2020-21	Proposed 2021-22	Proposed 2022-23	Proposed 2023-24	Proposed 2024-25	Proposed 2025-26	Proposed 2026-27	Proposed 2027-28	Proposed 2028-29	Proposed 2029-30	Proposed 2030-31
EXPENDITURES:											
ORIGINAL TIF AREA											
Open Projects:											
Administrative Fee											
Town East Retail Area Security	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000
LBJ Project-Debt Ser-\$5:615:287	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Gus Thomasson Rebuild (80-Town East)				603,222	780,000	800,000	220,000				
South Mesquite Creek											
Hike & Bike Trail/Heritage Trail Phase II											
ROWS Street Lighting											
ROWS Signal Improvements (GT/Motley)											
Mall Public Children's Area Improvements											
Pavement Improvements Throughout Zone	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Retail Area Land Use Plan/Study											
Completed Projects:											
Total of all Previous Projects											
Total Original TIF Area Expenditures	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,683,222	\$ 1,860,000	\$ 1,880,000	\$ 1,300,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000
EXPANDED TIF AREA EXPENDITURES											
Downtown Manager (with 2% inflation factor)	\$ 106,121	\$ 108,243	\$ 110,408	\$ 112,616	\$ 114,869	\$ 117,166	\$ 119,509	\$ 121,899	\$ 124,337	\$ 126,824	\$ 129,361
Downtown Maintenance (with 2% inflation factor)	106,121	108,243	110,408	112,616	114,869	117,166	119,509	121,899	124,337	126,824	129,361
Downtown Infrastructure - \$1,000,000											
Front Street - \$2,000,000											
Gibson Street - \$1,500,000											
North Mesquite Drive - \$1,000,000			300,000	700,000							
Highway Corridor Maintenance (with 2% inflation factor)	106,121	108,243	110,408	112,616	114,869	117,166	119,509	121,899	124,337	126,824	129,361
Economic Development Incentives	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Expanded TIF Area Expenditures	\$ 568,362	\$ 574,730	\$ 881,224	\$ 1,287,849	\$ 694,606	\$ 601,498	\$ 608,528	\$ 615,698	\$ 623,012	\$ 630,473	\$ 638,082
TOTAL EXPENDITURES ALL AREAS	\$ 1,648,362	\$ 1,654,730	\$ 1,961,224	\$ 2,971,071	\$ 2,454,606	\$ 2,481,498	\$ 1,908,528	\$ 1,695,698	\$ 1,703,012	\$ 1,710,473	\$ 1,716,082
Excess (Deficiency) Revenues over Expenditures	196,200	355,507	199,776	(676,322)	(68,016)	(1,231)	595,627	832,464	849,277	866,065	882,825
Beginning Fund Balance, Oct 1		196,200	551,707	751,483	75,161	7,145	5,914	601,541	1,434,005	2,283,283	3,149,348
Ending Fund Balance, Sep 30	\$ 196,200	\$ 551,707	\$ 751,483	\$ 75,161	\$ 7,145	\$ 5,914	\$ 601,541	\$ 1,434,005	\$ 2,283,283	\$ 3,149,348	\$ 4,032,172

Tax Increment Captured Value
Annual Expenditure Projections
Extended Term with Expansion
2032-2040

	Proposed 2031-32	Proposed 2032-33	Proposed 2033-34	Proposed 2034-35	Proposed 2035-36	Proposed 2036-37	Proposed 2037-38	Proposed 2038-39	Proposed 2039-40	Total Expanded TIRZ Years
EXPENDITURES:										
ORIGINAL TIF AREA										
Open Projects:										
Administrative Fee	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 2,600,000
Town East Retail Area Security	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	10,000,000
LBJ Project-Debt Ser-\$5,615,287	-	-	-	-	-	-	-	-	-	-
Gus Thomasson Rebuild (80-Town East)	-	-	-	-	-	-	-	-	-	-
South Mesquite Creek	-	-	-	-	-	-	-	-	-	2,403,222
Hike & Bike Trail/Heritage Trail Phase II	-	-	-	-	-	-	-	-	-	-
ROWS Street Lighting	-	-	-	-	-	-	-	-	-	-
ROWS Signal Improvements (GT/Molloy)	-	-	-	-	-	-	-	-	-	-
Mall Public Children's Area Improvements	-	-	-	-	-	-	-	-	-	-
Pavement Improvements Throughout Zone	-	-	-	-	-	-	-	-	-	-
Retail Area Land Use Plan/Study	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	9,000,000
Completed Projects:										
Total of all Previous Projects	-	-	-	-	-	-	-	-	-	-
Total Original TIF Area Expenditures	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 24,003,222
EXPANDED TIF AREA EXPENDITURES										
Downtown Manager (with 2% inflation factor)	\$ 131,948	\$ 134,567	\$ 137,279	\$ 140,024	\$ 142,825	\$ 145,681	\$ 148,595	\$ 151,567	\$ 154,598	\$ 2,578,456
Downtown Maintenance (with 2% inflation factor)	131,948	134,567	137,279	140,024	142,825	145,681	148,595	151,567	154,598	2,578,456
Downtown Infrastructure - \$1,000,000	-	-	-	-	-	-	-	-	-	-
Front Street - \$2,000,000	-	-	-	-	-	-	-	-	-	-
Gibson Street - \$1,500,000	-	-	-	-	-	-	-	-	-	-
North Mesquite Drive - \$1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Highway Corridor Maintenance (with 2% inflation factor)	131,948	134,567	137,279	140,024	142,825	145,681	148,595	151,567	154,598	2,578,456
Economic Development Incentives	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	5,000,000
Total Expanded TIF Area Expenditures	\$ 645,844	\$ 653,761	\$ 661,836	\$ 670,072	\$ 678,474	\$ 687,043	\$ 695,784	\$ 704,700	\$ 713,794	\$ 13,735,369
TOTAL EXPENDITURES ALL AREAS	\$ 1,725,844	\$ 1,733,761	\$ 1,741,836	\$ 1,750,072	\$ 1,758,474	\$ 1,767,043	\$ 1,775,784	\$ 1,784,700	\$ 1,793,794	\$ 37,738,591
Excess (Deficiency) Revenues over Expenditures	899,554	916,251	932,912	949,535	966,118	982,658	999,153	1,015,598	1,031,992	12,725,944
Beginning Fund Balance, Oct 1	4,032,172	4,931,727	5,847,977	6,780,889	7,730,425	8,696,543	9,679,201	10,678,354	11,693,952	-
Ending Fund Balance, Sep 30	\$ 4,931,727	\$ 5,847,977	\$ 6,780,889	\$ 7,730,425	\$ 8,696,543	\$ 9,679,201	\$ 10,678,354	\$ 11,693,952	\$ 12,725,944	\$ 12,725,944

Expanded Towne Centre TIRZ No. 2 Project Plan and Costs

CITY OF MESQUITE Towne Centre TIF #2 - Expansion 2017 As of October 2017

TAXABLE VALUE

TIF Tax Value at End of Life - projected	\$ 930,622,490
Base Tax Year Value - Original Area (1998 Tax Year)	189,878,280
Base Tax Year Value - Downtown Area (2017 Tax Year)	44,835,308
Base Tax Year Value - Market East Area (2017 Tax Year)	182,596,660
	417,310,248
Value Increase	\$ 513,312,242
Percent Increase	281.12%

REVENUES

	<i>Original Period</i>	<i>Extended Period</i>
Total Projected Revenues - Original Area	\$ 64,233,658	\$ 38,646,852
Total Projected Revenues - Downtown Area	56,933	\$ 1,713,836
Total Projected Revenues - Market East Area	301,595	10,103,846
TOTAL PROJECTED REVENUES	\$ 64,592,186	\$ 50,464,534

EXPENDITURES/PROJECTS

	<i>Original Period</i>	<i>Extended Period</i>
DESCRIPTION	AMOUNT	FREQUENCY
City Administration Fee	\$ 130,000	per year
Town East Retail Area Security	500,000	per year
Pavement Improvements in TIF Area	450,000	per year
	\$ 1,600,000	\$ 2,600,000
	8,095,128	10,000,000
	1,050,000	9,000,000

Expanded Towne Centre TIRZ No. 2 Project Plan and Costs

DESCRIPTION	AMOUNT	FREQUENCY	EXPENDITURES/PROJECTS	
			Original Period	Extended Period
			TOTAL	TOTAL
Economic Development Incentives	250,000	per year	500,000	5,000,000
Downtown Manager <i>(with 2% inflation factor)</i>	100,000	per year	306,040	2,578,456
Downtown Maintenance <i>(with 2% inflation factor)</i>	100,000	per year	306,040	2,578,456
South Mesquite Creek Drainage	6,000,000	project	3,596,778	2,403,222
Retail Area Land Use Plan/Study	200,000	project	200,000	-
Downtown Infrastructure	1,000,000	project	1,000,000	-
Front Street	2,000,000	project	2,000,000	-
Gibson Street	1,500,000	project	1,500,000	-
North Mesquite Drive	1,000,000	project	-	1,000,000
Highway Corridor Maintenance <i>(with 2% inflation factor)</i>	100,000	per year	306,041	2,578,456
LBJ Project-Debt Ser-\$5,615,287	7,221,575		7,221,575	
Gus Thomasson Rebuild (80-Town East)	14,300,000		14,300,000	
Hike & Bike Trail/Heritage Trail Phase II	2,505,000		2,505,000	
ROWS Street Lighting	425,000		425,000	
ROWS Signal Improvements (GT/Motley)	25,000		25,000	
Mall Public Children's Area Improvements	150,000		150,000	
AVAILABLE FUNDING FOR OTHER PROJECTS			-	12,725,944
PREVIOUS TIF ZONE PROJECTS: (completed)				
Dev Participation-Brazos Elect	471,332		471,332	
SMC Sanitary Sewer Line-Phase I	58,750		58,750	
SMC Improvements-Phase I	88,811		88,811	
JDN Real Estate-Sewer Line	91,244		91,244	
Town East Ford Drainage Proj	421,521		421,521	

Expanded Towne Centre TIRZ No. 2 Project Plan and Costs

EXPENDITURES/PROJECTS	Original Period		Extended Period	
	AMOUNT	FREQUENCY	TOTAL	TOTAL
Town East Water Line-Principal	3,000,000		3,000,000	
Repay 4-B for LBJ Project Advances	1,964,025		1,964,025	
Town East Mall Lighting Project	1,946,302		1,946,302	
Stream 2B7 Bank Stabilization	16,404		16,404	
SMC Improve-Phase II (Engineering)	148,083		148,083	
MISD-North Mesquite Project	5,900,000		5,900,000	
MISD Water Line	427,557		427,557	
MISD Operation of Project Facilities	2,705,616		2,705,616	
Transportation Projects (2008 - 2013)	1,549,330		1,549,330	
Town Centre - Concrete Repairs	16,609		16,609	
Town East Marquee Sign	700,000		700,000	
TOTAL EXPENDITURES			\$ 64,592,186	\$ 50,464,534

Towne Centre TIRZ No. 2 Prior Amendment

ORDINANCE NO. 4018

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, APPROVING AMENDMENTS TO THE 2004 AMENDED AND RESTATED PROJECT AND FINANCING PLAN FOR TOWNE CENTRE TAX INCREMENT FINANCE REINVESTMENT ZONE NUMBER TWO, CITY OF MESQUITE, TEXAS; MAKING A FINDING OF FEASIBILITY; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

WHEREAS, the City established Towne Centre Tax Increment Finance Reinvestment Zone Number Two, City of Mesquite, Texas (the "Zone"), and established a Board of Directors for the Zone (the "Board") to promote development or redevelopment in the Zone pursuant to Ordinance No. 3257 approved by the City Council on September 21, 1998, in accordance with the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act"); and

WHEREAS, the Board on July 27, 1999, prepared and adopted a Project and Financing Plan (the "Plan") for the Zone which was subsequently approved by the City Council on August 16, 1999, pursuant to Ordinance No. 3313; and

WHEREAS, the Board on June 4, 2003, prepared and adopted an Amended and Restated Project and Financing Plan which was subsequently approved by the City Council on June 16, 2003, pursuant to Ordinance No. 3586; and

WHEREAS, the Board on January 27, 2004, prepared and adopted the Schedules to the 2004 Amended and Restated Project and Financing Plan which were subsequently approved by the City Council on February 16, 2004, pursuant to Ordinance No. 3636; and

WHEREAS, the Board on September 16, 2005, prepared and adopted amendments to the 2004 Amended and Restated Project and Financing Plan which were subsequently approved by the City Council on October 17, 2005, pursuant to Ordinance No. 3771; and

WHEREAS, the Board on January 14, 2008, prepared and adopted the amendments to the 2004 Amended and Restated Project and Financing Plan, which was subsequently approved by the City Council on January 22, 2008, pursuant to Ordinance No. 3928, and on February 4, 2008, pursuant to Ordinance No. 3931; and

WHEREAS, the Board on November 21, 2008, prepared and adopted the amendments to the 2004 Amended and Restated Project and Financing Plan (the "Plan"), a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference for the Zone, and is hereby submitted by the Board for approval; and

WHEREAS, the Plan is substantially consistent with the adopted original, revised and amended plans for the Zone which were approved by the City Council on August 16, 1999, June 16, 2003, February 16, 2004, October 17, 2005, January 22, 2008, and February 4, 2008, respectively.

Economic Development/Amendments to TCTIF Plan/December 15, 2008
Page 2 of 2

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

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 herein for all purposes.


SECTION 2. That the City Council has reviewed the amendments to the 2004 Amended and Restated Project and Financing Plan (the "Plan"), and finds the Plan to be feasible and hereby approves the Plan.

SECTION 3. 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.

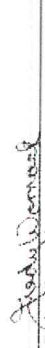
SECTION 4. That should any word, sentence, clause, paragraph or provision of this ordinance be held to be invalid or unconstitutional, the validity of the remaining provisions of this ordinance shall not be affected and shall remain in full force and effect.


SECTION 5. That the need to regulate the Plan and its amendments for Towne Centre Tax Increment Finance Reinvestment Zone Number Two of the City of Mesquite, and the need to protect the public interest, comfort and general welfare of the citizens of the City of Mesquite, creates an urgency and emergency for the preservation of the public health, safety and welfare, requires that this ordinance shall take effect immediately from and after its passage and publication of said ordinance as the law in such cases provides.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 15th day of December, 2008.


John Monaco
Mayor

ATTEST:


Judy Wortack
City Secretary

APPROVED:

B.J. Smith
City Attorney

Towne Centre TIRZ No. 2

Prior Amendment

Exhibit "A"
Page 1 of 2

Towne Centre TIF Estimated Project Costs November 21, 2008

Taxable Value	Amount	Year Funded	Who Advances?	Status
Current Year Tax Value-2008 (subject to value adjustments from appeals and/or lawsuits)	\$374,386,100			
Base Year Value-1998	\$189,878,280			
Value Increase	\$184,507,820			
Percent Increase	97.2%			
Public Improvement Projects	Amount	Year Funded	Who Advances?	Status
Relocation of Brazos electric distribution line along east bank of South Mesquite Creek between Towne Centre Drive and U.S. 80; TIF reimburses this 50% share.	\$471,332	FY 2001-02	JDN	Completed
South Mesquite Creek sanitary sewer, Phase 1, parallel to Gus Thomason and IH 635, between Town East boulevard and U.S. 80; TIF reimburses this 50% share	\$58,750	FY 2002-03	SCC Development	Completed
South Mesquite Creek improvement, Phase 1; TIF reimburses this 50% share	\$88,811	FY 2002-03	SCC Development	Completed
South Mesquite Creek sanitary sewer, Phase 2; TIF reimburses this 50% share	\$91,244	FY 2002-03	JDN	Completed
Town East Ford drainage project; TIF reimburses this share	\$421,521	FY 2003-04	Town East Ford	Completed
Town East Mall water main	\$3,000,000	FY 2005-06	General Growth	In Progress
IH 635 improvements (IH 30 to US 80)	\$1,964,025	FY 2005-06	Mesquite 4B Fund	In Progress
IH 635 improvements (IH 30 to US 80)	\$7,221,576	FY 2005-06	Texas Infrastructure Bond Fund	In Progress
Town-East-Mall-Parking-and-Circulation	\$40,727,270	FY-2005-06	Bonds	Revised
Town East Mall site lighting	\$2,000,000	FY 2009-10	General Growth	Design
Town East retail area security	\$9,555,224	FY 2008-19	City of Mesquite	Pending
South Mesquite Creek improvement engineering (including trails in compliance with the City Trial Master plan). Phase 2; TIF reimburses this 100% share	\$272,470	FY 2007-08	City of Mesquite	Pending
South Mesquite Creek improvement, Phase 2; TIF reimbursement TBD w/developer	\$3,500,000	FY 2010-12	Developer	Design

Exhibit "A"
Page 2 of 2

Towne Centre TIF Estimated Project Costs November 21, 2008

Public Improvement Projects	Amount	Year Funded	Who Advances?	Status
Transportation, signals, lighting, way-finding projects	\$3,407,000	FY 2008-09	City of Mesquite	Pending
MISD improvements to campuses inside zone or to public assembly areas outside zone:				
	\$900,000	5/1/2005	MISD	Completed
	\$1,000,000	5/1/2006	MISD	Completed
	\$1,000,000	5/1/2007	MISD	Completed
	\$1,000,000	5/1/2008	MISD	Completed
	\$1,000,000	5/1/2009	MISD	On-going
	\$1,100,000	5/1/2010	MISD	On-going
	\$6,000,000			
MISD operation of project facilities	\$1,730,275	2003	MISD	Completed
	\$562,359	2004	MISD	Completed
	\$284,048	2005	MISD	Completed
	\$128,934	2006	MISD	Completed
	\$2,705,616			
Traffic signals at North Mesquite Dr. and Towne Centre Blvd.	\$230,000	5/1/2009	Mesquite-Quailby-Life-Corp.	Revised
Interest expense for projects	\$7,515,684	2004-2019	TIF	Revised
Administrative expenses (fees) to City	\$570,000	2003-2019	TIF	On-going
Total project costs	\$41,327,569			

Towne Centre TIRZ No. 2 Designation Ordinance No. 3257

00115

00115

ORDINANCE NO. 3257

Page 2

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, DESIGNATING A CERTAIN AREA FOR A TAX INCREMENT FINANCING DISTRICT TO BE KNOWN AS THE TOWNE CENTRE TAX INCREMENT FINANCE DISTRICT REINVESTMENT ZONE NO. TWO, (TICTIFD) CITY OF MESQUITE, TEXAS, ESTABLISHING THE BOUNDARIES THEREOF, ESTABLISHING A BOARD OF DIRECTORS FOR SUCH REINVESTMENT ZONE, AND OTHER MATTERS RELATING THERETO

WHEREAS, the City Council of the City of Mesquite, Texas (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area (the Towne Centre area) within its jurisdiction by creation of a reinvestment zone for tax increment financing, as authorized by the Tax Increment Financing Act, Chapter 311 of the *Texas Property Tax Code*, *Vernon's Texas Codes Annotated* (the "Act"); and

WHEREAS, in compliance with the Act, the City has called a public hearing to hear comments on the creation of the proposed reinvestment zone and its benefits to the City and the property in the proposed reinvestment zone; and

WHEREAS, by Resolution No. 20-98 duly adopted by the City on the 20th day of July, 1998, said public hearing was set for 3 p.m. on the 21st day of September, 1998, such date being at least seven (7) days after the date of publication of the notice of such public hearing; and

WHEREAS, the City held such public hearing after publishing notice of such public hearing, and giving written notice of such hearing at least sixty (60) days prior thereto to all taxing units overlapping the territory inside the proposed reinvestment zone; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in the ordinance calling such hearing should be included in such proposed reinvestment zone, the concept of tax increment financing and the appointment of a board of directors for the proposed reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone, and opponents of the reinvestment zone appeared to contest creation of the reinvestment 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.

SECTION 2. That the City Council, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony presented to it:

- a) That a public hearing on the adoption of the reinvestment zone has been properly called, held and conducted and that notices of such hearings have been published as required by law and mailed to all taxing units overlapping the territory inside the proposed reinvestment zone; and
- b) That the boundaries of the reinvestment zone should be the area as described in the description attached hereto as Exhibit "A"; and
- c) That improvements in the reinvestment zone created herein for tax increment financing as described in Exhibit "A" will significantly enhance the value of all taxable real property in the reinvestment zone and will be of general benefit to the City; and
- d) That the reinvestment zone as defined in Exhibit "A" meets the criteria for the creation of a reinvestment zone as set forth in Section 311.005 of the "Act" in that:
 - (1) It is a contiguous geographic area located wholly within the corporate limits of the City; and
 - (2) The area is predominately open and because of obsolete platting or deterioration of structures or site improvements, substantially impairs or arrests the growth of the City.
- e) That 10 percent or less of the property in the proposed reinvestment zone, excluding the property dedicated to public use, is used for residential purposes, which is defined in the Act as any property occupied by a house which has less than five (5) living units; and
- f) That the total appraised value of all taxable real property in the proposed reinvestment zone according to the most recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed 15 percent of the total appraised value of taxable real property in the City and in the industrial districts created by the City, if any; and

Towne Centre TIRZ No. 2 Designation Ordinance No. 3257

00113

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c)

The board of directors shall make recommendations to the City Council concerning the administration of the Zone. It shall prepare and adopt a project plan and reinvestment zone financing plan for the Zone and must submit such plans to the City Council for its approval. The board of directors shall possess all powers necessary to prepare, implement and monitor such project plan for the Zone as the City Council considers advisable, including the submission of an annual report on the status of the Zone.

SECTION 6. That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into such subaccounts as may be authorized by subsequent resolution or ordinance, into which all Tax Increments, 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 are to be maintained in an account at the depository bank of the City and shall be secured in the manner prescribed by law. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the City, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be dedicated to and used in the Zone shall be deposited into such fund or subaccount from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

SECTION 7. That if any portion of this Ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof.

SECTION 8. This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Mesquite and it is accordingly so ordained.

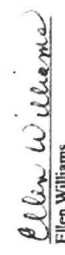
DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 21st day of September, 1998


Mike Anderson
Mayor

APPROVED:


B. V. Smith
City Attorney

ATTEST


Ellen Williams
City Secretary

00117

Page 3

g) That the proposed reinvestment zone does not contain more than 15 percent of the total appraised value of real property taxable by Dallas County or Mesquite Independent School District, and

h) That the improvements in the reinvestment zone will significantly enhance the value of all taxable real property in the reinvestment zone, and

i) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonably foreseeable future.

SECTION 3. That pursuant to the "Act", the City hereby creates a reinvestment zone for tax increment financing encompassing only the area described by the description in Exhibit "A" attached hereto and such reinvestment zone is hereby designated and shall hereafter be designated as the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas (the "Zone").

SECTION 4. That the Zone shall take effect on January 1, 1999 and that the termination of the Zone shall occur on December 31, 2019, or at an earlier time designated by subsequent ordinance of the City Council in the event the City determines that the Zone should be terminated due to insufficient private investment, accelerated private investment or other good cause, or at such time as all project costs and tax increment bonds, if any, and the interest thereon, have been paid in full.

SECTION 5. That there is hereby established a board of directors for the Zone which shall consist of seven (7) members. The board of directors for the Zone shall be appointed as follows:

a) Four (4) members shall be appointed by the City Council and three (3) members appointed by the Mesquite Independent School District, however, that if a taxing unit waives its right to appoint a member of the board, the City may appoint such board member in its stead. The initial board of directors shall be appointed by resolution of the governing bodies of the City and the taxing units as provided herein within sixty (60) days of the passage of this ordinance or within a reasonable time thereafter. All members appointed to the board shall meet eligibility requirements as set forth in the Act.

b) The terms of the board members shall be for two (2) year terms. The City Council shall annually designate a member of the board to serve as chairman of the board of directors for a one (1) year term, and the board shall elect from its members, a vice chairman and other officers as it sees fit.

EXHIBIT "C"

Boundary Description of Downtown Area Expansion

Beginning at a point of the intersection of the most eastern boundary of Rodeo City TIRZ No. One and the ROW line of Military Pkwy, thence

Easterly along the ROW line of Military Pkwy to a point where said line intersects with the west property line of Blue Bell Heights Subdivision, thence

Northerly along the west property line of Blue Bell Heights Subdivision to a point where said line intersects with the north ROW line of UP Railroad, thence

Easterly along the north ROW line of UP Railroad to a point where said line intersects with the west property line of Dalworth Industrial District Subdivision Blk C Lot 1, thence

Northerly along the west property line of Dalworth Industrial District Subdivision Blk C Lot 1 to a point where said line intersects with the north ROW line of Dalworth Dr, thence

Easterly along the north ROW line of Dalworth Dr to a point where said line intersects with the west ROW line of N Carmack St, thence

Northerly along the west ROW line of N Carmack St to a point where said line intersects with the north ROW line of E Kearney St, thence

Easterly along the north ROW line of E Kearney St to a point where said line intersects with the east ROW line of N Bryan Belt Line Rd, thence

Southerly along the east ROW line of N Bryan Belt Line Rd to a point where said line intersects with the north ROW line of UP Railroad, thence

Easterly along the north ROW line of UP Railroad to a point where said line intersects with the east ROW line of N Florence St, thence

Southerly along the east ROW line of Florence St to a point where said line intersects with the south ROW line of E Davis St, thence

Westerly along the south ROW line of E Davis St to a point where said line intersects with the east ROW line of S Bryan Belt Line Rd, thence

Southerly along the east ROW line of S Bryan Belt Line Rd to a point where said line intersects with the south property line of Original Town Subdivision Blk 19 Lots 1-7, thence

Westerly along the south property line of Original Town Subdivision Blk 19 Lots 1-7 to a point where said line intersects with the west property line of Original Town Subdivision Blk 19 Lots 1-7, thence

Northerly along the west property line of Original Town Subdivision Blk 19 Lots 1-7 to a point where said line intersects with the south ROW line of Lakeside Dr, thence

Westerly along the south ROW line of Lakeside Dr to a point where said line intersects with the south property line of Crestwood 2 Subdivision Lot 4, thence

Westerly along the south property line of Crestwood 2 Subdivision lot 4 to a point where said line intersects with the east property line of Mesquite Cemetery, thence

Northerly along the east property line of Mesquite Cemetery to a point where said line intersects with the south ROW line of Holley Park Dr, thence

Westerly along the south ROW line of Holley Park Dr to a point where said line intersects with the west ROW line of S Ebrite St, thence

Northerly along the west ROW line of S Ebrite St to a point where said line intersects with the south ROW line of W College St, thence

Westerly along the south ROW line of W College St to a point where said line intersects with the west ROW line of S Locust St, thence

Northerly along the west ROW line of S Locust St to a point where said line intersects with the south property line of Original Town Subdivision Blk 9 Lot 1, thence

Westerly along the south property line of Original Town Subdivision Blk 9 Lot 1 to a point where said line intersects with the south ROW line of W Davis St, thence

Westerly along the south ROW line of W Davis St to a point where said line intersects with the east property line of Military Square Subdivision, thence

Southerly along the east property line of Military Square Subdivision to a point where said line intersects with the south property line of Military Square Subdivision, thence

Westerly along the south property line of Military Square Subdivision to a point where said line intersects with the east property line of Rutherford Subdivision, thence

Southerly along the east property line of Rutherford Subdivision to a point where said line intersects with the south property line of D S Carver ABST 342 PG 654 TR 25, thence

Westerly along the D S Carver ABST 342 PG 654 TR 25 to a point where said line intersects with the east property line of D S Carver ABST 342 PG 654 TR 19.1, thence

Southerly along the east property line of D S Carver ABST 342 PG 654 TR 19.1 to a point where said line intersects with the north property line of Wildwood 2 Subdivision Blk 3 Lot 12, thence

Westerly along the north property line of Wildwood 2 Subdivision Blk 3 Lot 12 to a point where said line intersects with the original boundary of Rodeo City TIRZ No. One, thence

Northerly along the boundary of Rodeo City TIRZ No. One and commonly the west ROW line of IH 635 to a point where said line intersects with the east ROW line of IH 635, thence

Northerly along the east ROW line of IH 635 and boundary of Rodeo City TIRZ No. One to a point where said line intersects with the ROW line of Military Pkwy, which is the point of beginning.

EXHIBIT "C-1"

Map Depiction of Downtown Area Expansion



Downtown
Expansion

EXHIBIT “D”

Boundary Description of Market East Expansion

Beginning at a point of intersection of the west ROW line of IH 635 and the North ROW line of Brazoria DR, thence

Easterly along the North ROW line of Brazoria DR to a point where said line intersects with the projection of the west property line of Willow Glen Subdivision, thence

Southerly along west property line of Willow Glen Subdivision to the a point where said line intersects with the south property line of Willow Glen Subdivision, thence

Easterly along the south property line of Willow Glen Subdivision to a point where said line intersects with the west property line of Willow Glen Subdivision, thence

Southerly along the west property line of Willow Glen Subdivision to a point where said line intersects with the south property line of the Palos Verdes No 5 Subdivision, thence

Easterly along the south property line of Palos Verdes No 5 Subdivision to a point where said line intersects with the west property line of Palos Verdes No 5 Subdivision, thence

Southerly along the west property line of Palos Verdes No 5 Subdivision to a point where said line intersects with the north ROW line of Town East Blvd, thence

Easterly along the north ROW line of Town East Blvd to a point where said line intersects with the east ROW line of N Galloway Ave, thence

Southerly along the east ROW line of N Galloway Ave to a point where said line intersects with the south ROW line of Poteet DR, thence

Westerly along the south ROW line of Poteet DR to a point where said line intersects with the west property line of Towne Centre Village Subdivision, thence

Southerly along the west property line of Towne Centre Village Subdivision to a point where said line intersects with the north property line of Town East Mall Subdivision, thence

Westerly along the north property line of Town East Mall Subdivision to a point where said line intersects with the boundary of the original Towne Centre No. Two TIRZ and commonly the east property line of Town East Mall Phase 2 Subdivision, thence

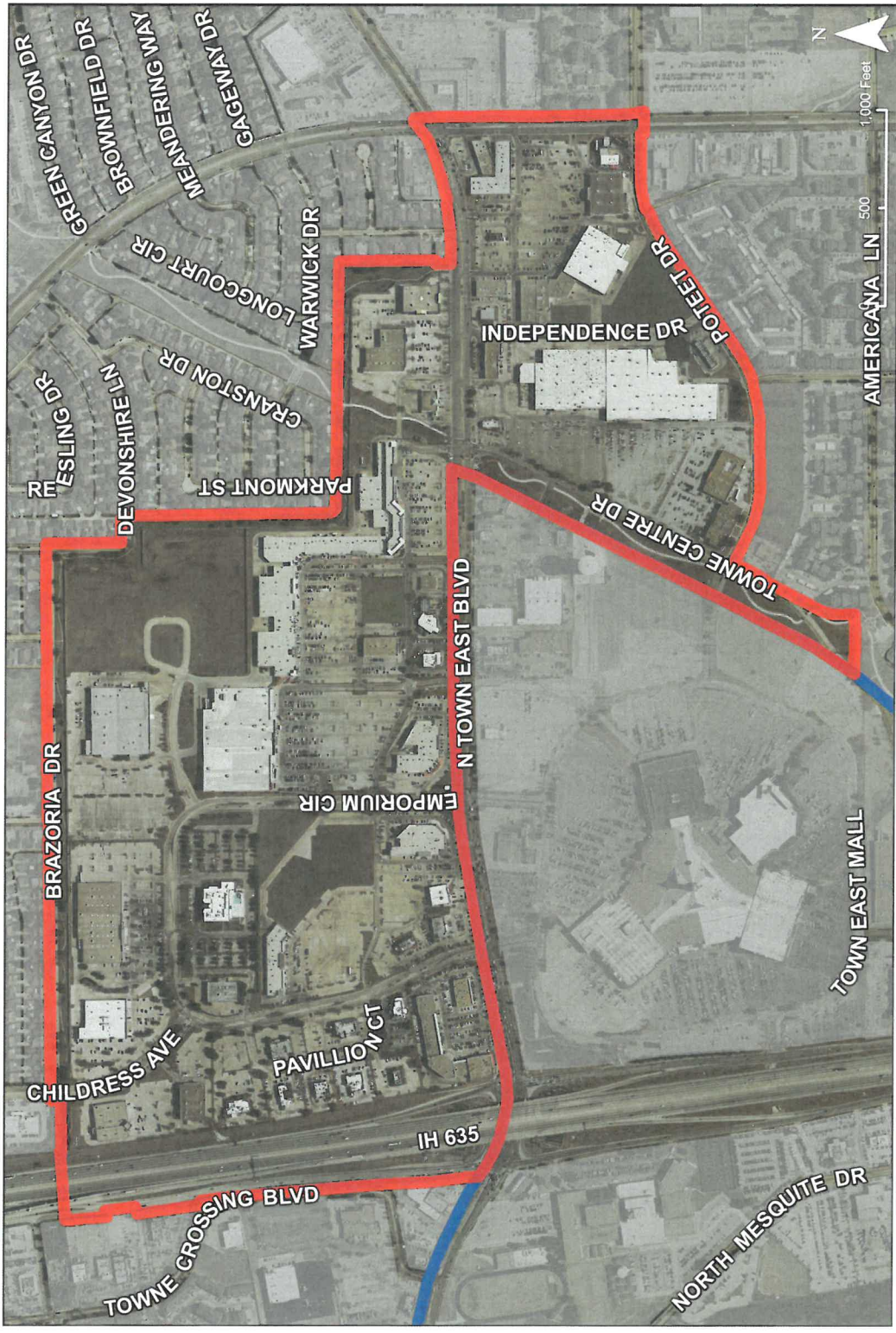
Northerly along the common boundary of the original TIRZ to a point where said line intersects with the north ROW line of Town East Blvd, thence

Westerly along the north ROW line of Town East Blvd, also being the common boundary of the original TIRZ to a point where said line intersects with the west ROW line of IH 635, thence

Northerly along the west ROW line of IH 635 to a point where said line intersects with the north ROW line of Brazoria DR, which is the point of beginning.

EXHIBIT "D-1"

Map Depiction of Market East Expansion



Original Boundary
Market East Expansion