

ORDINANCE NO. 4601

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

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

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

WHEREAS, pursuant to City Ordinance No. 4525, a tax increment fund was created and established for the Zone (the “Tax Increment Fund”); and

WHEREAS, on September 17, 2018, the Board of Directors of the Zone (the “Board”), prepared and adopted a project plan (“Project Plan”) and reinvestment zone financing plan (“Financing Plan”) for the Zone, a true and correct copy of which is attached hereto as Exhibit “A” and made a part hereof for all purposes (hereinafter collectively the “Project Plan and Financing Plan”); and

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

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

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

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated and adopted as part of this ordinance for all purposes.

SECTION 2. That the City Council finds that the Project Plan and Financing Plan submitted to the City Council includes the following information required by §311.011 of the Act:

A. The Project Plan includes:

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

B. The Financing Plan includes:

- (1) A detailed list describing the estimated project costs of the Zone, including administrative expenses;
- (2) A statement listing the proposed kind, number and location of all public works or public improvements to be financed by the Zone;
- (3) A finding that the plan is economically feasible and an economic feasibility study;
- (4) The estimated amount of bonded indebtedness to be incurred;
- (5) The estimated time when related costs or monetary obligations are to be incurred;
- (6) A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the

property taxes of each taxing unit anticipated to contribute tax increment to the Zone that levies taxes on real property in the Zone;

- (7) The current total appraised value of taxable real property in the Zone;
- (8) The estimated captured appraised value of the Zone during each year of its existence; and
- (9) The duration of the Zone.

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

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

SECTION 5. That pursuant to Section 311.012(c) of the Act, the tax increment base of the City for the property within the Zone is the total taxable value, as of January 1, 2017, of all real property taxable by the City and located within the Zone, for the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base") or, if the City does not levy an ad valorem tax in the year in which the Zone is designated, the Tax Increment Base is determined by the appraisal district in which the Zone is located in accordance with Section 311.012(c) of the Act. Pursuant to Section 311.013(l) of the Act, the amount of the tax increment for a year on real property located within the Zone is fifty-one percent (51%) of real property taxes levied and collected by the City based on the City's ad valorem tax rate in effect on the date of establishment of the Zone, for the period set forth in Section 6 below, for that year on the Captured Appraised Value (defined below) of real property taxable by the City and located within the Zone (the "Tax Increment"). Consistent with Section 311.012(b) of the Act, the captured appraised value of real property taxable by the City within the Zone for a year is the total taxable value of all real property taxable by the City and located within the Zone for that year less the Tax Increment Base of the City (the "Captured Appraised Value").

SECTION 6. That the deposit of the Tax Increment into the Tax Increment Fund for the Zone shall commence with a deposit of the Tax Increment collected and deposited in 2019 and shall continue until the earlier of: (i) the expiration of thirty-one (31) years from the initial deposit, (ii) the total amount deposited to the Tax Increment Fund equals \$29,740,198, or (iii) payment in full of all special assessment revenue bonds hereafter issued by the City for the payment of public improvements within the Zone.

SECTION 7. That all ordinances or portions thereof in conflict with the provisions of this ordinance, to the extent of such conflict, are hereby repealed. To the extent

that such ordinances or portions thereof are not in conflict herewith, the same shall remain in full force and effect.

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

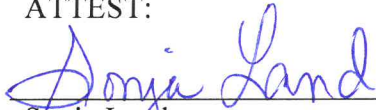
SECTION 9. That this ordinance shall take effect immediately upon passage of this ordinance.

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



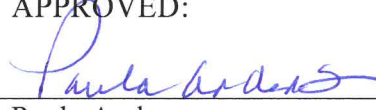
Stan Pickett
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



Paula Anderson
Interim City Attorney