

ORDINANCE NO. 4830

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, TERMINATING THE LUCAS FARMS TAX INCREMENT FINANCE REINVESTMENT ZONE NO. SIX, CITY OF MESQUITE, TEXAS (THE “ZONE”); DISSOLVING THE BOARD OF DIRECTORS AND TAX INCREMENT FUND FOR THE ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City of Mesquite, Texas (the “**City**”), established the Lucas Farms Tax Increment Finance Reinvestment Zone No. Six, 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. 4020, approved by the City Council of the City (“**City Council**”) on December 15, 2008 (“**Ordinance No. 4020**”), in accordance with the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended (the “**Act**”); and

WHEREAS, Ordinance No. 4020 further created and established a tax increment fund for the Zone (the “**Tax Increment Fund**”); and

WHEREAS, pursuant to Ordinance No. 4020, the termination of the Zone shall occur on December 31, 2028, 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; and

WHEREAS, Section 311.017(a) of the Act provides that a reinvestment zone terminates on the earlier of: (1) the termination date designated in the ordinance or order, as applicable, designating the zone or an earlier or later termination date designated by an ordinance or order adopted under Section 311.007(c) of the Act; or (2) the date on which all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full; and

WHEREAS, the Zone was created on December 15, 2008, to finance public infrastructure related to a proposed mixed-use residential development located on 1,433 acres within the Zone (the “**Proposed Development**”) owned by the Lucas family (the “**Property Owner**”); and

WHEREAS, discussions with the Property Owner over development concepts for the property within the Zone were unsuccessful and the Proposed Development failed to materialize; and

WHEREAS, no development agreements were executed between the City and the Property Owner relating to the Proposed Development and accordingly, there was insufficient private investment to develop the Zone in accordance with the Proposed Development; and

WHEREAS, no participation agreements were entered into between the City and any other taxing entities relating to the Zone; and

WHEREAS, no projects have been commenced within the Zone; and

WHEREAS, no tax increment bonds, or other indebtedness have been issued by, for, on behalf of, or through the Zone; and

WHEREAS, there are no outstanding project costs, tax increment bonds, interest on tax increment bonds, or other obligations of the Zone and, accordingly, Section 311.017(a)(2) of the Act has been satisfied; and

WHEREAS, there is a balance of \$3,082.16 in the Tax Increment Fund for the Zone; and

WHEREAS, the City is the only taxing unit that deposited any tax increment into the Tax Increment Fund for the Zone; and

WHEREAS, notice of a public hearing to be held at 7:00 p.m. on November 16, 2020, to consider terminating the Zone and dissolving the Board and the Tax Increment Fund of the Zone was published in the *Daily Commercial Record*, a newspaper of general circulation in the City on November 5, 2020, which is at least seven days before the date of the public hearing held on November 16, 2020, in accordance with Section 311.003 of the Act; and

WHEREAS, notice of the public hearing to be held at 7:00 p.m. on November 16, 2020, to consider terminating the Zone and dissolving the Board and the Tax Increment Fund of the Zone was mailed by first class mail to the property owners within the Zone on November 6, 2020; and

WHEREAS, on November 16, 2020, the City Council opened a public hearing in accordance with the Act and interested persons were allowed to speak for or against the termination of the Zone, the dissolution of the Board and the Tax Increment Fund of the Zone, and for or against the concept of tax increment financing; and

WHEREAS, the public and property owners within the Zone also had the opportunity to submit comments on the proposed termination of the Zone and dissolution of the Board and Tax Increment Fund of the Zone in writing to [sland@cityofmesquite.com](mailto:sland@cityofmesquite.com) on or before 3:00 p.m. on November 16, 2020; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on November 16, 2020; and

WHEREAS, this ordinance is being adopted pursuant to the Act including, without limitation, Sections 311.017(a) of the Act; and

WHEREAS, the City Council finds and determines that the City has taken all actions required to terminate the Zone and dissolve the Board and Tax Increment Fund of the Zone including, but not limited to, all actions required by 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 and determines: (i) that there was insufficient private investment to develop the Zone in accordance with the Proposed Development; (ii) that there is good cause for terminating the Zone; (iii) that no tax increment bonds or other indebtedness have been issued by, for, on behalf of, or through the Zone; (iv) that there are no outstanding project costs, tax increment bonds, interest on tax increment bonds, or other obligations of the Zone; and

(v) that the termination of the Zone and the dissolution of the Board and Tax Increment Fund for the Zone is in the best interest of the Zone, the City and its citizens.

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

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

SECTION 2. That the Lucas Farms Tax Increment Finance Reinvestment Zone No. Six, City of Mesquite, Texas shall terminate on November 16, 2020, and accordingly, the Zone is hereby terminated for all purposes.

SECTION 3. That the Board and Tax Increment Fund of the Zone are hereby dissolved effective November 16, 2020.

SECTION 4. That pursuant to §311.014(d) of the Act, the \$3,082.16 remaining in the Tax Increment Fund for the Zone shall be paid to the City and deposited into the general fund of the City.

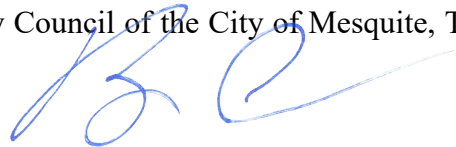
SECTION 5. That the City Manager is hereby authorized to execute such documents as may be necessary or advisable to carry out the intent and purpose of this ordinance.

SECTION 6. 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 7. 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 8. That this ordinance shall take effect immediately from and after its passage.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 16th day of November 2020.



Bruce Archer  
Mayor

ATTEST:



Sonja Land  
City Secretary

APPROVED AS TO LEGAL FORM:



David L. Paschall  
City Attorney