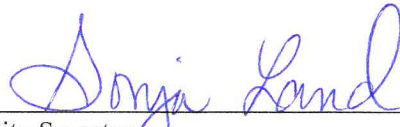


SIGNED AND SEALED Nov. 20, 2017.



City Secretary
City of Mesquite, Texas

(CITY SEAL)

RESOLUTION NO. 61-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, SETTING A PUBLIC HEARING UNDER SEC. 372.009 OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE CREATION OF THE HEARTLAND TOWN CENTER PUBLIC IMPROVEMENT DISTRICT WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF MESQUITE, TEXAS; AND AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF MESQUITE, TEXAS, REGARDING THE PUBLIC HEARING.

WHEREAS, the City of Mesquite, Texas (the "City"), is authorized under Chapter 372 of the Texas Local Government Code (the "Act"), to create a public improvement district ("PID") within its extraterritorial jurisdiction and its corporate limits; and

WHEREAS, on November 13, 2017, CADG Kaufman 146, LLC, a Texas limited liability company, the owner of approximately 121.282 acres (the "Petitioner") within the extraterritorial jurisdiction ("ETJ") of the City, submitted and filed with the City Secretary of Mesquite (the "City Secretary") a petition ("Petition"), attached as Exhibit "A," requesting the establishment of a public improvement district for property within the ETJ of the City; and

WHEREAS, the City Council of Mesquite (the "City Council") will hold a public hearing in accordance with Section 372.009 of the Act regarding the establishment of a public improvement district in the ETJ of the City in accordance with the Petition; and

WHEREAS, in order to hold a public hearing for the creation of a public improvement district, notice must be given in a newspaper of general circulation in the municipality and in a newspaper of general circulation in the part of the ETJ in which the district is to be located before the 15th day before the date of the hearing, and written notice must be mailed to the current address of each owner, as reflected on the tax rolls, of property that would be subject to assessment under the proposed public improvement district; and

WHEREAS, both newspaper notice and mailed notice must contain the information required for notice as provided for in Section 372.009 of the Act; and

WHEREAS, the City Council has determined to hold a public hearing on December 18, 2017, on the creation of a public improvement district; and

WHEREAS, the City Council finds that the passage of this Resolution is in the best interest of the citizens of the City.

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

SECTION 1. That all of the above recitals are hereby found to be true and correct factual determinations of the City and are hereby approved and incorporated by reference as though fully set forth herein.

SECTION 2. That City Staff has reviewed the Petition and determined that the same complies with the requirements of the Act and the City Council accepts the Petition.

SECTION 3. That a public hearing is hereby called for December 18, 2017, at 7:00 p.m., in the City Council Chamber, at City Hall, 757 North Galloway Avenue, Mesquite, Texas 75149, for the purpose of hearing public testimony with respect to the creation of a public improvement district.

SECTION 4. That at such time and place the City Council will hear testimony regarding the creation of the proposed public improvement district and consider the adoption of a resolution authorizing the creation of the public improvement district.

SECTION 5. That attached hereto as Exhibit "A" is the Petition for the Creation of a Public Improvement District within the Extraterritorial Jurisdiction of the City of Mesquite, Texas for the Heartland Town Center Public Improvement District.

SECTION 6. That attached hereto as Exhibit "B" is a form of the Notice of Public Hearing (the "Notice") the form and substance of which is hereby adopted and approved.

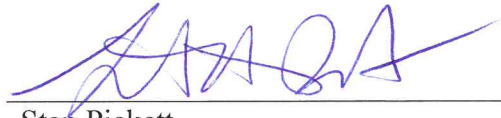
SECTION 7. That attached hereto as Exhibit "C" is a legal description of the approximately 121.282 acres of property to be included in the proposed public improvement district.

SECTION 8. That the City Secretary is hereby authorized and directed to cause said Notice to be published in substantially the form attached hereto, in a newspaper of general circulation in the City and in a newspaper of general circulation in the part of the ETJ in which the district is to be located, and to notify any affected landowners within the boundaries of the proposed public improvement district as required by law. The City Secretary shall provide notice before the 15th day before the December 18, 2017 hearing.

SECTION 9. That if any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision.

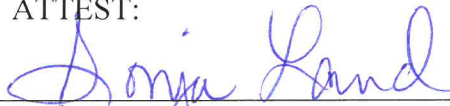
SECTION 10. That this Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 14th day of November, 2017.



Stan Pickett
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



B. J. Smith
City Attorney

**PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT
WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF MESQUITE,
TEXAS FOR THE HEARTLAND TOWN CENTER PUBLIC IMPROVEMENT
DISTRICT**

This petition ("Petition") is submitted and filed with the City Secretary of the City of Mesquite, Texas ("City"), by CADG Kaufman 146, LLC, a Texas limited liability company, owner of a vast majority of the real property (the "Petitioner") located within the proposed boundaries of the District, as hereinafter defined. Acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), the Petitioner requests that the City create a public improvement district (the "District"), to include property located within the extraterritorial jurisdiction of the City (the "Property"), more particularly described by a metes and bounds description in **Exhibit B** and depicted in **Exhibit A**. In support of this Petition, the Petitioner would present the following:

Section 1. General Nature of the Authorized Improvements. The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) projects similar to those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vi) special supplemental services for improvement and promotion of the district; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vi) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vi) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

Section 2. Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire, and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in the establishment administration and operation of the District, is \$14,000,000.00. The City will pay none of the costs of the proposed improvements from funds other than such assessments. The remaining costs of the proposed improvements will be paid from sources other than the City or assessments of property owners.

Section 3. Boundaries of the Proposed District. The District is proposed to include the Property.

RECEIVED
NOV 13 2017
CITY OF MESQUITE
CITY SECRETARY

Section 4. Proposed Method of Assessment. The City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments may be paid in full at any time (including interest and principal), and certain assessments may be paid in annual installments (including interest and principal). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessment, and must continue for a period necessary to retire the indebtedness of those Authorized Improvements (including interest).

Section 5. Proposed Apportionment of Costs between the District and the City. The City will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the District and possible tax increment reinvestment zone revenue. The Petitioner may also pay certain costs of the improvements from other funds available to the Petitioner.

Section 6. Management of the District. The Petitioner proposes that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

Section 7. The Petitioner Requests Establishment of the District. The person(s) signing this Petition request(s) the establishment of the District, is duly authorized, and has the corporate authority to execute and deliver the Petition.

Section 8. Advisory Board. The Petitioner proposes that the District be established and managed without the creation of an advisory board. If an advisory board is created, the Petitioner requests that a representative of the Petitioner be appointed to the advisory board.

Section 9. Landowner(s). This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City, or other officer performing the functions of the municipal secretary, in support of the creation of the District by the City Council of the City as herein provided. The undersigned request that the City Council of the City call a public hearing on the advisability of the Authorized Improvements, give notice thereof as provided by law and grant all matters requested in this Petition and grant such other relief, in law or in equity, to which Petitioner may show itself to be entitled.

EXHIBIT A
Property Depiction

EXHIBIT B

Metes and Bounds Description

LEGAL DESCRIPTION
121.282 ACRES

BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NUMBER 312, in Kaufman County, Texas, and being part of that certain called 146.733 acre tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with cap marked "DAA" found at the southernmost corner of said CADG Kaufman 146, LLC tract, and being located on the northeasterly line of Lot 2X, Block 43, of Heartland Tract A, Phase 1B, an addition to Kaufman County, Texas according to the Amending Plat recorded in Cabinet 3, Slide 20, of the Plat Records of Kaufman County, Texas (PRKCT), said iron rod also being located at the beginning of a non-tangent curve to the left;

THENCE Northwesterly with said northeasterly line of Lot 2X and with said curve to the left which has a central angle of $21^{\circ}32'00''$, a radius of 800.00 feet, a chord which bears North $34^{\circ}55'09''$ West, a chord distance of 298.90 feet, for an arc distance of 300.66 feet to the end of said curve, a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE North $45^{\circ}41'09''$ West, continuing with the northeasterly line of Lot 2X, a distance of 397.34 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the northernmost corner of said Lot 2X, Block 43, also being the northernmost corner of said Heartland Tract A, Phase 1B;

THENCE South $44^{\circ}18'51''$ West, with the northwest line of said Lot 2X, Block 43, a distance of 10.00 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the easternmost corner of Heartland Tract A Phase 2B, an addition to Kaufman County, Texas, according to the Final Plat recorded in Cabinet 3, Slide 100, PRKCT, said iron rod also being located on the northeasterly right-of-way line of Heartland Parkway (called 80 foot right-of-way at this point), according to said Final Plat of Heartland Tract A Phase 2B;

THENCE North $45^{\circ}41'09''$ West, with said northeasterly right-of-way line of Heartland Parkway, a distance of 1324.03 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the beginning of a tangent curve to the left;

THENCE Northwesterly, continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of $34^{\circ}32'11''$, a radius of 790.00 feet, a chord which bears North $62^{\circ}57'14''$ West, a chord distance of 469.01 feet, for an arc distance of 476.19 feet to the end of said curve, a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 1/2 inch iron rod with cap marked "DAA" found is located northwesterly along said curve at an arc distance of 29.78 feet;

THENCE leaving said northeasterly right-of-way line of Heartland Parkway, and over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with caps marked "PETITT-RPLS 4087" found for corners:

North $09^{\circ}46'40''$ East, a distance of 165.00 feet;

South $78^{\circ}15'28''$ East, a distance of 65.47 feet;

North $15^{\circ}12'36''$ East, a distance of 235.81 feet;

North $42^{\circ}35'50''$ East, a distance of 477.61 feet;

North $07^{\circ}44'02''$ West, a distance of 285.71 feet;

South $86^{\circ}42'10''$ West, a distance of 198.45 feet;

North $68^{\circ}43'31''$ West, a distance of 145.05 feet;

And North $06^{\circ}39'43''$ West, a distance of 222.01 feet, said iron rod being located on the north line of said CADG Kaufman 146, LLC tract;

THENCE North $83^{\circ}20'17''$ East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 210.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE North $88^{\circ}27'43''$ East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 474.11 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE South $84^{\circ}18'07''$ East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 951.32 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE South $78^{\circ}58'41''$ East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 18.88 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner at a northeast corner of said CADG Kaufman 146, LLC tract;

THENCE South $45^{\circ}06'42''$ East, with the northeasterly line of said CADG Kaufman 146, LLC tract, a distance of 2113.03 feet to a 3/4 inch iron pipe found at the easternmost corner of said CADG Kaufman County 146, LLC tract;

THENCE South $44^{\circ}46'26''$ West, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 1898.52 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE South $65^{\circ}43'36''$ West, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 65.81 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 121.282 acres of land.

EXHIBIT "B"

**CITY OF MESQUITE, TEXAS
NOTICE OF PUBLIC HEARING REGARDING THE CREATION OF A PUBLIC
IMPROVEMENT DISTRICT**

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended (the "Act"), notice is hereby given that the City Council of the City of Mesquite, Texas ("City"), will hold a public hearing to accept public comments and discuss the petition (the "Petition"), filed by **CADG Kaufman 146, LLC, a Texas limited liability company** (the "Petitioner"), requesting that the City create the Heartland Town Center Public Improvement District (the "District") to include property owned by the Petitioner.

Time and Place of the Hearing. The public hearing will start at 7:00 p.m. on December 18, 2017 in the City Council Chamber at City Hall, 757 North Galloway Avenue, Mesquite, Texas 75149.

General Nature of the Proposed Authorized Improvements. The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) projects similar to those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vi) special supplemental services for improvement and promotion of the district; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vi) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vi) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire and construct the Authorized Improvements is not to exceed \$14,000,000.00.

Proposed District Boundaries. The District is proposed to include approximately 121.282 acres of land generally located south of Interstate Highway 20, east of FM 741, and north of Heartland Parkway, in Kaufman County, Texas, located within the extraterritorial jurisdiction of the City and as more particularly described by a metes and bounds description available at Mesquite City Hall and available for public inspection.

Proposed Method of Assessment. The City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments may be paid in full at any time (including interest and principal), and certain assessments may be paid in annual installments (including interest and principal). If an assessment is allowed to be

paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessment, and must continue for a period necessary to retire the indebtedness of those Authorized Improvements (including interest).

Proposed Apportionment of Cost between the District and the City. The City will not be obligated to provide any funds to finance the Authorized Improvements, except for assessments levied on real property within the District and possible tax reinvestment zone revenue, if created. All of the costs of the Authorized Improvements will be paid from assessments and from other sources of funds, if any, available to the Petitioner.

During the public hearing, any interested person may speak for or against the establishment of the District and the advisability of the improvements to be made for the benefit of the property within the District.

EXHIBIT "C"

Legal Description of 121.282 Acres

LEGAL DESCRIPTION
121.282 ACRES

BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NUMBER 312, in Kaufman County, Texas, and being part of that certain called 146.733 acre tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with cap marked "DAA" found at the southernmost corner of said CADG Kaufman 146, LLC tract, and being located on the northeasterly line of Lot 2X, Block 43, of Heartland Tract A, Phase 1B, an addition to Kaufman County, Texas according to the Amending Plat recorded in Cabinet 3, Slide 20, of the Plat Records of Kaufman County, Texas (PRKCT), said iron rod also being located at the beginning of a non-tangent curve to the left;

THENCE Northwesterly with said northeasterly line of Lot 2X and with said curve to the left which has a central angle of 21°32'00", a radius of 800.00 feet, a chord which bears North 34°55'09" West, a chord distance of 298.90 feet, for an arc distance of 300.66 feet to the end of said curve, a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE North 45°41'09" West, continuing with the northeasterly line of Lot 2X, a distance of 397.34 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the northernmost corner of said Lot 2X, Block 43, also being the northernmost corner of said Heartland Tract A, Phase 1B;

THENCE South 44°18'51" West, with the northwest line of said Lot 2X, Block 43, a distance of 10.00 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the easternmost corner of Heartland Tract A Phase 2B, an addition to Kaufman County, Texas, according to the Final Plat recorded in Cabinet 3, Slide 100, PRKCT, said iron rod also being located on the northeasterly right-of-way line of Heartland Parkway (called 80 foot right-of-way at this point), according to said Final Plat of Heartland Tract A Phase 2B;

THENCE North 45°41'09" West, with said northeasterly right-of-way line of Heartland Parkway, a distance of 1324.03 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the beginning of a tangent curve to the left;

THENCE Northwesterly, continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 34°32'11", a radius of 790.00 feet, a chord which bears North 62°57'14" West, a chord distance of 469.01 feet, for an arc distance of 476.19 feet to the end of said curve, a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 1/2 inch iron rod with cap marked "DAA" found is located northwesterly along said curve at an arc distance of 29.78 feet;

THENCE leaving said northeasterly right-of-way line of Heartland Parkway, and over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with caps marked "PETITT-RPLS 4087" found for corners:

North 09°46'40" East, a distance of 165.00 feet;

South 78°15'28" East, a distance of 65.47 feet;

North 15°12'36" East, a distance of 235.81 feet;

North 42°35'50" East, a distance of 477.61 feet;

North 07°44'02" West, a distance of 285.71 feet;

South 86°42'10" West, a distance of 198.45 feet;

Economic Development/Creation of Heartland Town Center PID/November 14, 2017

North 68°43'31" West, a distance of 145.05 feet;

And North 06°39'43" West, a distance of 222.01 feet, said iron rod being located on the north line of said CADG Kaufman 146, LLC tract;

THENCE North 83°20'17" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 210.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 88°27'43" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 474.11 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE South 84°18'07" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 951.32 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE South 78°58'41" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 18.88 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner at a northeast corner of said CADG Kaufman 146, LLC tract;

THENCE South 45°06'42" East, with the northeasterly line of said CADG Kaufman 146, LLC tract, a distance of 2113.03 feet to a 3/4 inch iron pipe found at the easternmost corner of said CADG Kaufman County 146, LLC tract;

THENCE South 44°46'26" West, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 1898.52 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE South 65°43'36" West, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 65.81 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 121.282 acres of land.