

**Amended Project and Financing Plan
Skyline Tax Increment Reinvestment
Zone No. Seven
(The Verde Center at Peachtree)**

May 2018

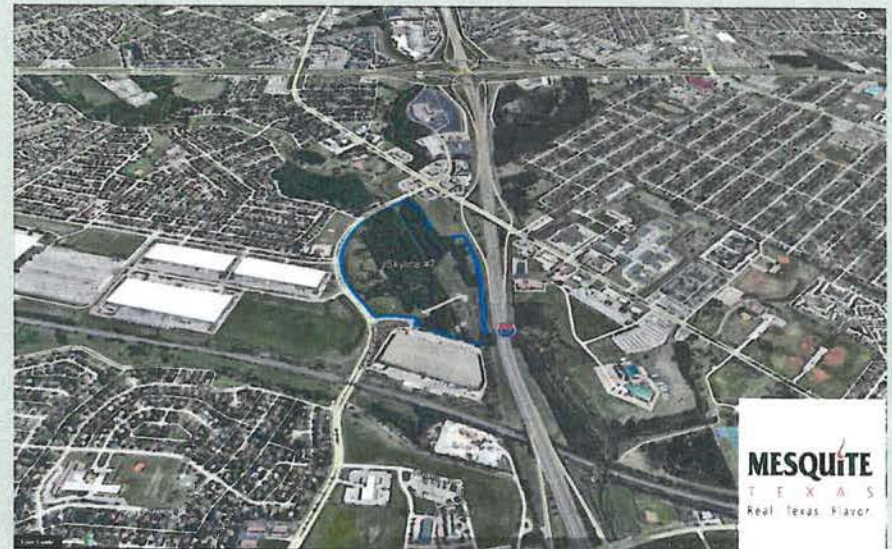


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Introduction

Tax Increment Financing Program

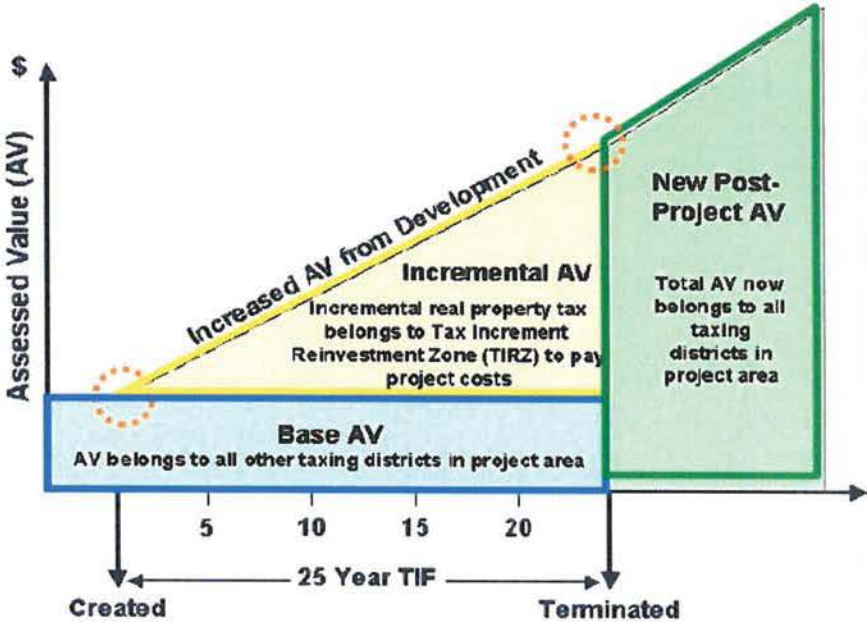
Chapter 311 of the Texas Tax Code (the TIF Act) authorizes the governing body of a municipality to promote redevelopment of a contiguous or noncontiguous geographic area by designating it a Tax Increment Reinvestment Zone (TIRZ). The future value of private investment within a TIRZ is leveraged to finance 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 school districts, 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 is assessed value in year TIRZ is designated (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.

Skyline TIRZ No. Seven Actions Taken to Date

The City of Mesquite formally created the Skyline Tax Increment Reinvestment Zone through the passage of City Ordinance No. 4401 on November 2, 2015, with a 30-year term, expiring on December 31, 2045. The TIRZ tax increment is 75 percent of the City's captured value — there are no other participating taxing jurisdictions. Required public notices were delivered and a public hearing was held in compliance with Section 311.003(c)(d) of the Tax Increment Financing Act.

On December 19, 2016, the TIRZ Board of Directors met and adopted a Project and Financing Plan and recommended that the City Council reduce the boundaries of the TIRZ Zone to include only that 60-acre portion related to the Verde Center at Peachtree development. After conducting a public hearing, the City Council passed Ordinance No. 4465 on December 19, 2016, approving the Project and Financing Plan and the reduction of the TIRZ boundary. There were no other changes to the term or participation percentage of the tax increment.

The 60-acre tract (shown right) was first acquired by the City following a failed development through the Resolution Trust Corporation in the early '90s. In 2008, the City entered into an agreement with a developer for the development of the property, but the recession that followed created significant obstacles for the developer to arrange financing. Following the downturn in the economy, the developer evaluated multiple options to encourage development on the property, and in 2013, the developer focused efforts on a medical complex consisting of a wellness center and medical office facilities along with restaurant and commercial development. On February 18, 2013, the City Council passed Resolution No. 04-2013, supporting the new development concept and the creation of a special Municipal Management District to help fund construction of public improvements and promote development within the Zone.



Original TIRZ boundary shown above and revised boundary shown below with adoption of Project and Financing Plan



Skyline TIRZ No. Seven Actions Taken to Date

In 2013, the State Legislature created the Mesquite Medical Center Management District (District), and the project became known as The Verde Center at Peachtree.

The District is a special district that is self-governed and is a political subdivision of the State of Texas. It is governed by a board of directors who may approve a levy of assessments on property within the district to pay for improvements that benefit the property owners within the District, but the District does not replace those services normally provided by the City. With prior approval of the City Council, the District may issue bonds supported by assessment revenue, but such bonded debt would not affect the City's bond rating.

In 2015, the City Council appointed members to the District Board of Directors, and since that time, the City has been working to finalize a Master Development Agreement (MDA) with the developer to outline the financial structure of reimbursements provided to the developer. The proposed development would cap TIRZ contributions at \$15 million for public infrastructure. The MDA is necessary for the project due to the large number of developers, contractors and lenders that will be required to design, construct and complete various improvements. The MDA also outlines the structure of reimbursements made to the District through the TIRZ. Development of the MDA is nearing completion.

This Amended TIRZ Project and Financing Plan is scheduled for adoption and approval by the City Council on May 21, 2018, and incorporates changes outlined in the proposed MDA. TIRZ revenues will be used solely to fund reimbursement of District administrative costs and costs of Public Improvements as identified in this Amended Project Plan and for no other purposes.



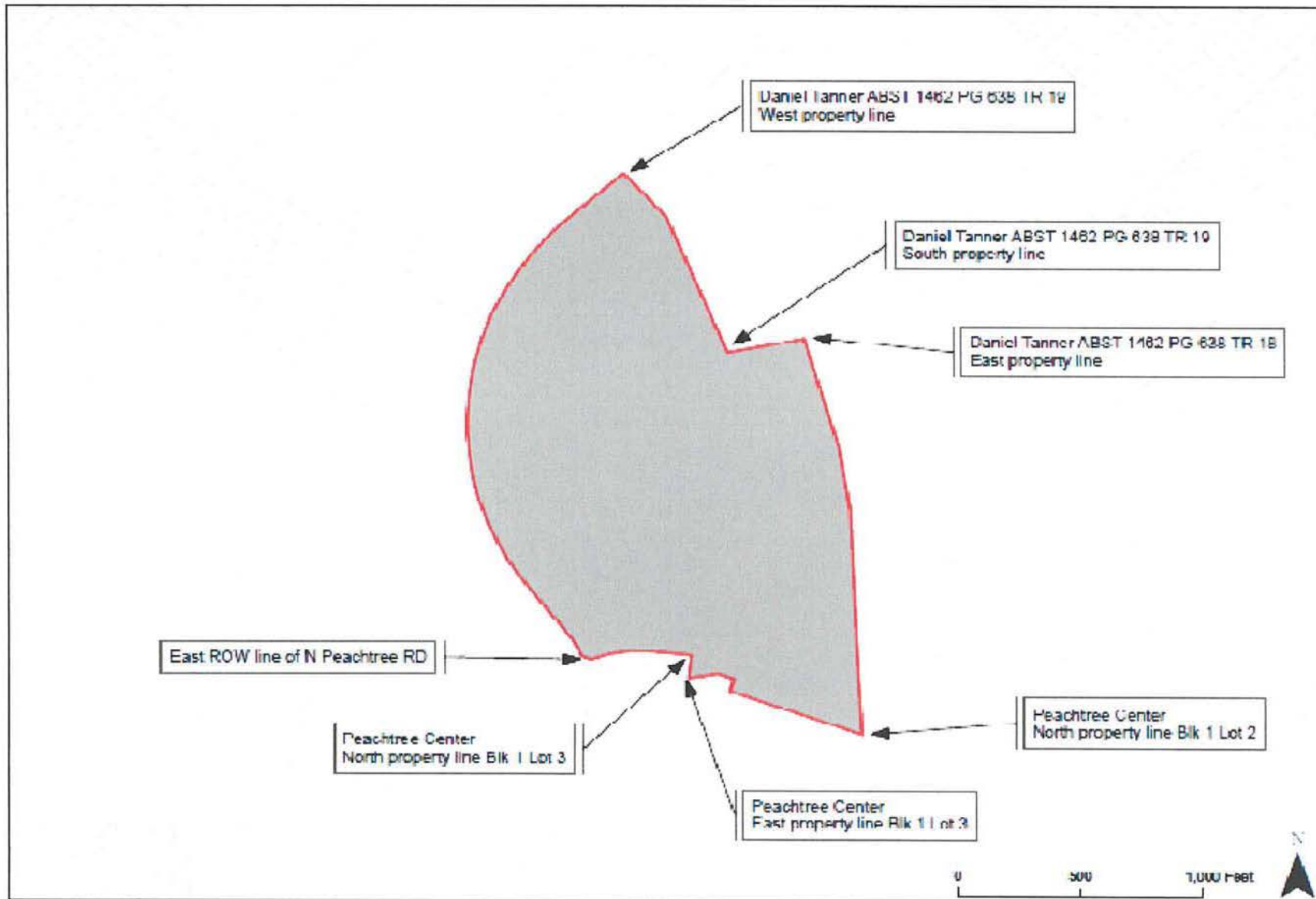
Proposed Mixed Use Development

- 60-acre Mixed Use Medical Campus
- \$275 million development at full build out
- \$156 million taxable value added
- 1,800 jobs with estimated \$3 billion economic impact to the region

Skyline TIRZ No. Seven Boundary



Skyline TIRZ No. Seven Boundary Description



Skyline TIRZ No. Seven Boundary Description

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1426, in the City of Mesquite, Dallas County, Texas, and being part of that called 85.204 acre tract of land described in deed to The City of Mesquite, Texas, as recorded in Volume 95191, Page 00916 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), and being more particularly described as follows:

COMMENCING at a 1/2-inch found iron rod for the west corner of Lot 1, Block 1 of Peachtree/Gross Addition, and addition to the City of Mesquite, Texas, as recorded in Volume 99074, Page 00009, D.R.D.C.T., said point being on the easterly right-of-way line of Peachtree Road (a 100 foot wide public right-of-way) as described in deed recorded in Volume 71054, Page 0405, D.R.D.C.T., said point also being the most westerly north corner of that tract of land described in deed to Golden Shamrock Realty, Inc., as recorded in Volume 2001007, Page 02031, D.R.D.C.T.;

THENCE, South 46 degrees 16 minutes 40 seconds West, along the common westerly line of said Golden Shamrock Realty tract and said easterly right-of-way line of Peachtree Road, a distance of 120.96 feet to a 1/2-inch set iron rod with yellow plastic cap stamped "HALFF AS-SOC INC." (hereinafter referred to as "with cap") for the **POINT OF BEGINNING**;

THENCE, South 43 degrees 43 minutes 20 seconds East, departing said common line along the southeasterly line of said Golden Shamrock Realty tract, a distance of 269.56 feet (deed 270.00 feet) to a 5/8-inch found iron rod for corner;

THENCE, South 21 degrees 45 minutes 55 seconds East, continuing along said southeasterly line, a distance of 650.20 feet (deed 650.00 feet) to a 1/2-inch set iron rod with cap for the southwest corner of said Golden Shamrock Realty tract;

THENCE, North 77 degrees 14 minutes 05 seconds East, along the southerly line of said Golden Shamrock Realty tract, a distance of 312.75 feet (deed 313.33 feet) to a 1/2-inch set iron rod with cap for the southeast corner of said Golden Shamrock Realty tract, said point being on the common westerly right-of-way line of Interstate Highway 635 (L.B.J. Freeway, a variable width public right-of-way) and the easterly line of said City of Mesquite tract;

THENCE, South 15 degrees 17 minutes 27 seconds East, along said common line, a distance of 503.14 feet to a point for corner, from which point a found aluminum TXDOT monument bears North 65 degrees 26 minutes 11 seconds East a distance of 0.68 feet;

THENCE, South 09 degrees 56 minutes 00 seconds East, continuing along said common line, a distance of 250.56 feet to a point for corner, from which point a found aluminum TXDOT monument bears North 63 degrees 51 minutes 49 seconds East a distance of 0.74 feet;

THENCE, South 02 degrees 28 minutes 33 seconds East, continuing along said common line, a distance of 800.01 feet to a 1/2-inch set iron rod with cap for corner;

THENCE, South 06 degrees 24 minutes 28 seconds East, continuing along said common line, a distance of 311.76 feet to a 1/2-inch found iron rod with cap stamped "BRITTAİN AND CRAWFORD" for the northeast corner of Lots 2 and 3, Block 1, Peachtree Center, an addition to the City of Mesquite as recorded in Volume 2003092, Page 00027, D.R.D.C.T.;

THENCE, departing said common line and along the northerly line of said Peachtree Center addition, the following courses and distances:

North 70 degrees 39 minutes 48 seconds West a distance of 578.50 feet to a found 2-inch diameter disk stamped "MLA RPLS #4873" for corner;

Skyline TIRZ No. Seven Boundary Description

North 19 degrees 20 minutes 12 seconds East a distance of 60.00 feet to a 1/2-inch found iron rod with cap stamped "BRITTAİN AND CRAWFORD" for corner;

North 70 degrees 39 minutes 48 seconds West a distance of 70.00 feet to a 1/2-inch found iron rod with cap stamped "BRITTAİN AND CRAWFORD" for corner;

South 80 degrees 33 minutes 59 seconds West a distance of 124.66 feet to a found 2-inch diameter disk stamped "MLA RPLS #4873" for corner;

North 05 degrees 37 minutes 15 seconds East a distance of 103.27 feet to a point for corner from which a found 2-inch diameter disk stamped "MLA RPLS #4873" bears North 21 degrees 18 minutes 56 seconds East a distance of 0.26 feet;

North 84 degrees 22 minutes 45 seconds West a distance of 150.41 feet to a found 2-inch diameter disk stamped "MLA RPLS #4873" for the point of curvature of a tangent circular curve to the left having a radius of 535.10 feet whose chord bears South 82 degrees 19 minutes 40 seconds West a distance of 246.07 feet;

Westerly, along said circular curve to the left, through a central angle of 26 degrees 35 minutes 10 seconds, an arc distance of 248.29 feet to a found 2-inch diameter disk stamped "MLA RPLS #4873" for the point of tangency;

South 69 degrees 02 minutes 05 seconds West a distance of 15.00 feet to a found 2-inch diameter disk stamped "MLA RPLS #4873" for corner;

North 65 degrees 11 minutes 14 seconds West a distance of 45.81 feet to a 1/2-inch set iron rod with cap for the most westerly northwest corner of said Peachtree Center addition, said point also being in the common westerly line of said City of Mesquite tract and the aforementioned easterly right-of-way line of Peachtree Road, said point being on a circular curve to the left having a radius of 759.73 feet whose chord bears North 31 degrees 03 minutes 06 seconds West a distance of 136.50 feet, said curve being non-tangent to the last described course;

THENCE, Northwesterly, departing said northerly line of said Peachtree Center addition, along said common line between said City of Mesquite tract and said Peachtree Road and along said circular curve, through a central angle of 10 degrees 18 minutes 29 seconds, an arc distance of 136.68 feet to a 1/2-inch set iron rod with cap for the point of tangency;

THENCE, North 36 degrees 12 minutes 20 seconds West, along said common line, a distance of 248.77 feet to a 1/2-inch set iron rod with cap for the point of curvature of a tangent circular curve to the right having a radius of 1,269.75 feet whose chord bears North 05 degrees 02 minutes 10 seconds East a distance of 1,674.13 feet;

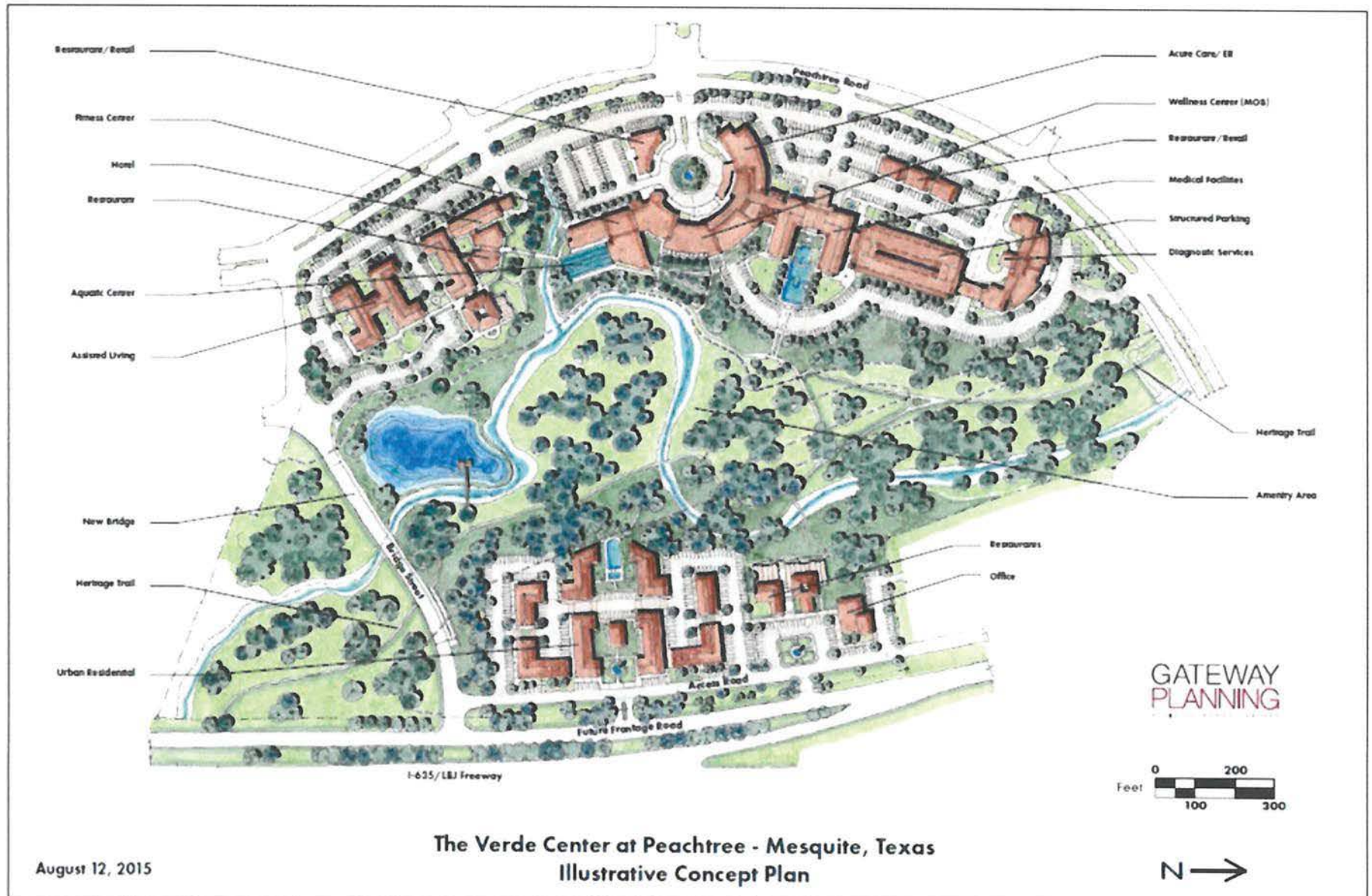
THENCE, Northerly, continuing along said common line and along said circular curve, through a central angle of 82 degrees 29 minutes 00 seconds, an arc distance of 1,827.94 feet to a 1/2-inch set iron rod with cap for the point of tangency;

THENCE, North 46 degrees 16 minutes 40 seconds East, continuing along said common line, a distance of 341.44 feet to the **POINT OF BEGINNING AND CONTAINING 2,626,887 square feet or 60.31 acres of land, more or less.**

Skyline TIRZ No. Seven Current Land Use



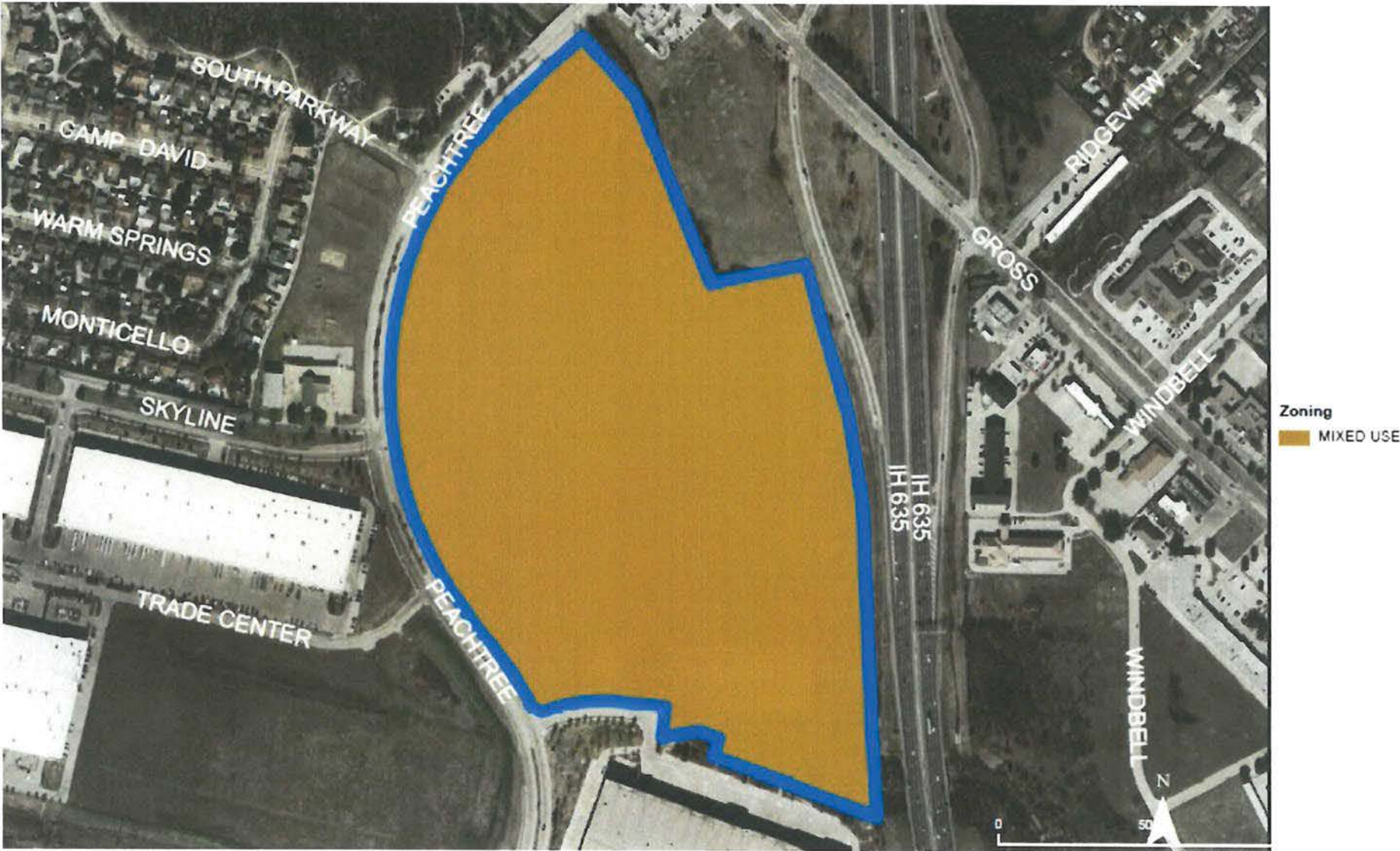
Skyline TIRZ No. Seven Proposed Land Uses



The Verde Center at Peachtree - Mesquite, Texas
Illustrative Concept Plan

August 12, 2015

Skyline TIRZ No. Seven Current and Proposed Zoning



Skyline TIRZ No. Seven Zoning Characteristics

Current and Proposed Zoning—Mixed Use

On July 7, 2008, the City approved a change of zoning from General Retail, Light Commercial and Office to Planned Development – Mixed Use in accordance with the Concept Plan and certain stipulations related to Permitted Uses, being Residential, Conference Facilities and other permitted uses; signage; landscaping; pedestrian facilities; parking; and setback requirements.

The property must be developed in conformance with the requirements of current and/or future drainage improvement ordinances of the City, including Ordinance No. 3042 codified in Chapter 11 of the Mesquite City Code.

The Verde Center site is currently zoned “planned development” for a development that was proposed in 2007. The Concept Plan for the development has evolved and some adjustments may be required.

No zoning changes, variances or other changes of zoning ordinances, the master plan of the City, building codes, other municipal codes, or subdivision rules and regulations of the county are anticipated.

Proposed Uses

Public improvements scheduled for the Verde Center include the planning, design and construction of new public streets and roadways, cost participation with TxDOT in the design and development of a new frontage road along IH-635, as well as the signalization of existing and future intersections, installation of street lights, landscaping, and pedestrian walkways, and the extension and installation of water, wastewater and other utilities.

The property also requires extensive grading, site preparation and drainage improvements to facilitate development of the Project, as well as a series of parks, plazas, and other public gathering spaces. In addition, the Project will require both structured and surface parking, bridges, water towers, fountains, walking trails and other significant amenities, including the costs associated with designing, administering, and financing those public improvements.



Skyline TIRZ No. Seven Economic Feasibility

Market Analysis

Dixon Hughes Goodman, LLP, (DHG), was engaged to review and analyze the healthcare needs and resources of the Mesquite market and region. According to a study conducted in 2012, the healthcare market for Mesquite and the surrounding region is critically underserved, and should easily support the type of medical facilities contemplated for the Verde Center.

On August 25, 2015, Insight Research Corporation completed an economic, employment, and tax revenue impact analysis for the Verde Center. They were tasked with determining whether the proposed sharing of tax revenues anticipated in this proposed financing plan would provide a sufficient revenue stream to cover the City's average public services costs from the inception of the Verde Center Project throughout the life of the proposed Skyline TIRZ.

Their analysis concluded that the cumulative economic impact from the Verde Center Project could exceed \$3 billion for the region through 2045. At full development the Verde Center project could create approximately 867 direct on-site jobs and an additional 953 indirect jobs for a total of 1,820 new full time employment positions with a cumulative tax revenue impact through 2045 of approximately \$250 million. The analysis concluded that property tax and sales tax revenues generated from retail purchases on the site will provide a sufficient revenue stream to provide ordinary and customary municipal service levels to the employees and residents of the Verde Center.

On October 15, 2015, Health Trust Senior Housing & Healthcare Real Estate Advisory Services was commissioned to perform an additional Market Study to determine the feasibility of including a senior housing community along North Peachtree Drive within the Verde Center development. That study concluded that there is ample unsatisfied demand to warrant development of a 163-unit senior housing complex that would contain 81 units for independent living, 57 units for assisted living, and 25 units for memory care, without consideration being given to the anticipated growth of the region.

Based on the economic feasibility studies above, the Board found that the Plan was economically feasible and recommended the creation of the TIRZ.

Timing of Obligations

It is estimated that related costs or monetary obligations for the public improvement projects described in this Amended Project and Financing Plan will be incurred by developers in years 2018-19 through 2022-23.

No bonded indebtedness is anticipated to be incurred by the City of Mesquite or the Skyline TIRZ in connection with this Project.

Skyline TIRZ No. Seven Sources of Revenue Value Methodology



Sources of Revenue and Value Methodology

The Verde Center is strategically located south of the Gross Road Intersection between IH-635 and Peachtree Road, is wholly located within the corporate limits of the City of Mesquite, and is designed to create jobs and stimulate economic development within the region. Phase one of the Verde Center development as illustrated will include the development of a senior living facility and wellness facility by the Brydant Development Services Company on 10-acres at Peachtree Road and the future bridge connection to Peachtree Road. Connection of the existing bridge to Peachtree Road on the west and the future road parallel to the frontage road proposed for IH 635 on the east.

Major components of the Mixed-Use Project are described on the next three pages and will be phased in on a six year build-out timeframe.

Sources of Revenue

For-Profit:

Diagnostic Service Center	\$15,000,000
Healthy Living Facility	22,700,000
Speculative Medical Office	32,500,000
Hotel	<u>50,000,000</u>
Total For-Profit Development	\$120,200,000

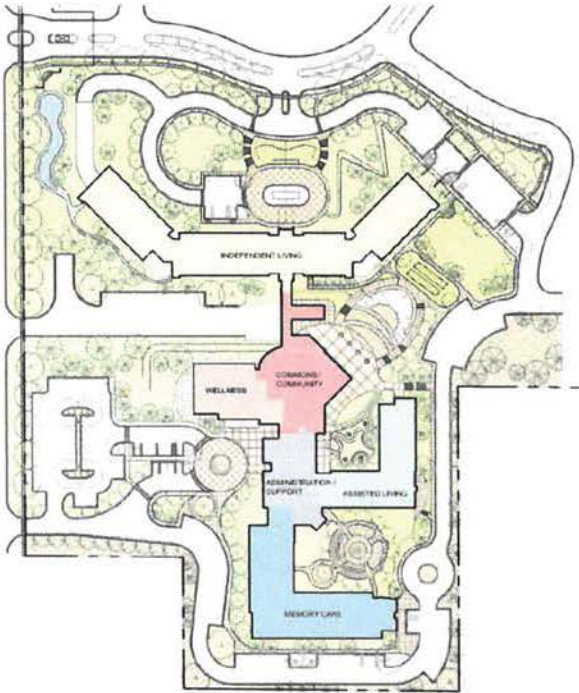
Non-Profit:

Senior Living Facility	\$30,000,000
Amenity Area and Park	513,933
Acute Hospital	<u>60,000,000</u>
Total Non-Profit Development	\$90,513,933
Total for Development	<u>\$210,713,933</u>

These values are provided by the Developer and are subject to the Developer's ability and willingness to close projects/deals.

Medical Center Management District Private Development

SITE PLAN



Senior Living Facility

- \$30,000,000 Estimated Non-Taxable Value
- Anticipated first vertical development on 6 acres
- 163 independent assisted and memory care living units

Healthy Living Facility

- \$22,700,000 Estimated Taxable Value
- 65,000 square-foot facility on 4 acres



These values are provided by the Developer and are subject to the Developer's ability and willingness to close projects/deals.

Medical Center Management District Private Development



Diagnostic Center

- \$15,000,000 Estimated Taxable Value
- 40,000 square-foot facility



Speculative Medical Office

- \$32,500,000 Estimated Taxable Value
- LOI with Children’s Medical Center
- 106,000 square-foot facility

These values are provided by the Developer and are subject to the Developer’s ability and willingness to close projects/deals.

Medical Center Management District Private Development



Acute Hospital

- \$60,000,000 Estimated Non-Taxable Value
- Not-for-profit hospital
- 153,000 square-foot facility



Hotel

- \$50,000,000 Estimated Taxable Value
- Full service hotel
- 120 Rooms

These values are provided by the Developer and are subject to the Developer's ability and willingness to close projects/deals.

Medical Center Management District
Revenue Projections
2019-2048

			Peachtree Development ⁴					Bond Debt Service ²				Total Annual Installment (6.00% Interest)
			For Profit				Not For Profit	For Profit	Not For Profit			
TIRZ Collection Year	Year	No.	Healthy Living	Digital Service Center	Spec Off	Hotel	Total Taxable Value	Total Non- Taxable Value	For Profit Debt Service	Amenity & Park (0.24% Share)	Not For Profit Debt Service	
2018	2019	1	11,350,000	7,500,000	16,250,000	-	\$ 35,100,000	\$ 45,000,000	\$ 240,737	1,029	\$ 181,282	\$ 422,019
2019	2020	2	22,700,000	15,000,000	32,500,000	-	70,200,000	90,000,000	238,670	1,020	179,725	418,395
2020	2021	3	22,927,000	15,150,000	32,825,000	-	70,902,000	91,156,966	239,462	1,024	180,321	419,783
2021	2022	4	23,156,270	15,301,500	33,153,250	-	71,611,020	92,322,933	239,462	1,024	180,321	419,783
2022	2023	5	23,387,833	15,454,515	33,484,783	25,000,000	97,327,130	93,246,162	717,126	3,066	540,018	1,257,146
2023	2024	6	23,621,711	15,609,060	33,819,630	50,000,000	123,050,402	94,178,624	717,321	3,067	540,163	1,257,483
2024	2025	7	23,857,928	15,765,151	34,157,827	50,500,000	124,280,906	95,120,410	716,972	3,066	539,900	1,256,871
2025	2026	8	24,096,507	15,922,802	34,499,405	51,005,000	125,523,715	96,071,614	718,933	3,074	541,377	1,260,310
2026	2027	9	24,337,472	16,082,030	34,844,399	51,515,050	126,778,952	97,032,330	717,316	3,067	540,159	1,257,474
2027	2028	10	24,580,847	16,242,851	35,192,843	52,030,201	128,046,741	98,002,654	718,010	3,070	540,681	1,258,691
2028	2029	11	24,826,656	16,405,279	35,544,771	52,550,503	129,327,209	98,982,680	717,977	3,070	540,657	1,258,634
2029	2030	12	25,074,922	16,569,332	35,900,219	53,076,008	130,620,481	99,972,507	717,220	3,067	540,086	1,257,306
2030	2031	13	25,325,671	16,735,025	36,259,221	53,606,768	131,926,686	100,972,232	704,855	3,014	530,776	1,235,631
2031	2032	14	25,578,928	16,902,375	36,621,813	54,142,835	133,245,952	101,981,954	705,514	3,017	531,271	1,236,785
2032	2033	15	25,834,717	17,071,399	36,988,032	54,684,264	134,578,412	103,001,774	708,485	3,029	533,509	1,241,994
2033	2034	16	26,093,065	17,242,113	37,357,912	55,231,106	135,924,196	104,031,792	691,394	2,956	520,639	1,212,032
2034	2035	17	26,353,995	17,414,534	37,731,491	55,783,417	137,283,438	105,072,110	685,800	2,932	516,427	1,202,227
2035	2036	18	26,617,535	17,588,680	38,108,806	56,341,252	138,656,272	106,122,831	686,885	2,937	517,243	1,204,128
2036	2037	19	26,883,711	17,764,566	38,489,894	56,904,664	140,042,835	107,184,059	686,960	2,937	517,300	1,204,260
2037	2038	20	27,152,548	17,942,212	38,874,793	57,473,711	141,443,263	108,255,900	688,880	2,945	518,746	1,207,626
2038	2039	21	27,424,073	18,121,634	39,263,541	58,048,448	142,857,696	109,338,459	689,621	2,949	519,304	1,208,925
2039	2040	22	27,698,314	18,302,851	39,656,176	58,628,932	144,286,273	110,431,843	692,035	2,959	521,122	1,213,157
2040	2041	23	27,975,297	18,485,879	40,052,738	59,215,222	145,729,136	111,536,162	693,101	2,963	521,924	1,215,025
2041	2042	24	28,255,050	18,670,738	40,453,265	59,807,374	147,186,427	112,651,523	692,817	2,962	521,710	1,214,527
2042	2043	25	28,537,601	18,857,445	40,857,798	60,405,448	148,658,291	113,778,036	694,037	2,967	522,629	1,216,666
2043	2044	26	28,822,977	19,046,020	41,266,376	61,009,502	150,144,874	114,915,819	693,738	2,966	522,404	1,216,142
2044	2045	27	29,111,206	19,236,480	41,679,040	61,619,597	151,646,323	116,064,977	697,624	2,983	525,330	1,222,955
2045	2046	28	29,402,318	19,428,845	42,095,830	62,235,793	153,162,786	117,225,627	696,796	2,979	524,708	1,221,506
2046	2047	29	29,696,342	19,623,133	42,516,789	62,858,151	154,694,414	118,397,883	699,987	2,993	527,109	1,227,096
2047	2048	30	29,993,305	19,819,365	42,941,956	63,486,732	156,241,358	119,581,862	701,145	2,998	527,981	1,229,126
								\$ 19,685,814	\$ 84,170	\$ 14,823,963	\$ 34,509,777	

Medical Center Management District Debt Schedule Projections 2019-2048

	Yr. 1-3	Yr. 4-30	Total Yr. 4-30
Bond Amount:	5,000,000	10,000,000	15,000,000
Buildout Value:	52,700,000	210,713,933	210,713,933
Equivalent Assessment Tax Rate:	0.694	0.361	0.546

Annual Installment Due January 31,	Principal	Interest (6%)	Delinquency Reserve	Administration Expenses	Total Annual Installment
2019	\$ 65,000	\$ 300,000	\$ 25,000	\$ 30,000	\$ 422,019
2020	\$ 65,000	\$ 296,100	\$ 24,675	\$ 30,600	\$ 418,395
2021	\$ 70,000	\$ 292,200	\$ 24,350	\$ 31,212	\$ 419,783
2022	\$ 230,000	\$ 888,000	\$ 74,000	\$ 61,836	\$ 1,255,858
2023	\$ 245,000	\$ 874,200	\$ 72,850	\$ 63,073	\$ 1,257,146
2024	\$ 260,000	\$ 859,500	\$ 71,625	\$ 64,334	\$ 1,257,483
2025	\$ 275,000	\$ 843,900	\$ 70,325	\$ 65,621	\$ 1,256,871
2026	\$ 295,000	\$ 827,400	\$ 68,950	\$ 66,934	\$ 1,260,310
2027	\$ 310,000	\$ 809,700	\$ 67,475	\$ 68,272	\$ 1,257,474
2028	\$ 330,000	\$ 791,100	\$ 65,925	\$ 69,638	\$ 1,258,691
2029	\$ 350,000	\$ 771,300	\$ 64,275	\$ 71,030	\$ 1,258,634
2030	\$ 370,000	\$ 750,300	\$ 62,525	\$ 72,451	\$ 1,257,306
2031	\$ 390,000	\$ 728,100	\$ 41,600	\$ 73,900	\$ 1,235,631
2032	\$ 415,000	\$ 704,700	\$ 39,675	\$ 75,378	\$ 1,236,785
2033	\$ 445,000	\$ 679,800	\$ 38,275	\$ 76,886	\$ 1,241,994
2034	\$ 465,000	\$ 653,100	\$ 13,475	\$ 78,423	\$ 1,212,032
2035	\$ 495,000	\$ 625,200	\$ -	\$ 79,992	\$ 1,202,227
2036	\$ 525,000	\$ 595,500	\$ -	\$ 81,592	\$ 1,204,128
2037	\$ 555,000	\$ 564,000	\$ -	\$ 83,223	\$ 1,204,260
2038	\$ 590,000	\$ 530,700	\$ -	\$ 84,888	\$ 1,207,626
2039	\$ 625,000	\$ 495,300	\$ -	\$ 86,586	\$ 1,208,925
2040	\$ 665,000	\$ 457,800	\$ -	\$ 88,317	\$ 1,213,157
2041	\$ 705,000	\$ 417,900	\$ -	\$ 90,084	\$ 1,215,025
2042	\$ 745,000	\$ 375,600	\$ -	\$ 91,885	\$ 1,214,527
2043	\$ 790,000	\$ 330,900	\$ -	\$ 93,723	\$ 1,216,666
2044	\$ 835,000	\$ 283,500	\$ -	\$ 95,598	\$ 1,216,142
2045	\$ 890,000	\$ 233,400	\$ -	\$ 97,510	\$ 1,222,955
2046	\$ 940,000	\$ 180,000	\$ -	\$ 99,460	\$ 1,221,506
2047	\$ 1,000,000	\$ 123,600	\$ -	\$ 101,449	\$ 1,227,096
2048	\$ 1,060,000	\$ 63,600	\$ -	\$ 103,478	\$ 1,229,126
Total	\$ 15,000,000	\$ 16,346,400	\$ 825,000	\$ 2,277,372	\$ 34,509,777

Projected Annual Installments

- Assumes an initial \$5 million debt obligation over 30 years, and a \$10 million obligation over a 27-year term three years later
- Assumes both obligations at 6% interest rate
- Debt used in this analysis is **NOT** TIRZ bonds

Tax Increment Captured Value
Annual Revenue Projections
2019-2045

75% TIRZ Contribution ³							
For Profit				Not For Profit		Total Yearly Contribution	Cumulative Contribution
Healthy Living	Digital Service Center	Spec Off	Hotel	Total For Profit Base TIRZ Contribution	Total Not For Profit Base TIRZ Contribution		
58,481	38,644	83,728	-	\$ 180,853	\$ -	\$ 180,853	\$ 180,853
116,962	77,288	167,456	-	361,706	-	361,706	542,558
118,131	78,060	169,131	-	365,323	-	365,323	907,881
119,313	78,841	170,822	-	368,976	-	368,976	1,276,857
120,506	79,629	172,530	128,813	501,478	-	501,478	1,778,335
121,711	80,426	174,256	257,625	634,017	-	634,017	2,412,352
122,928	81,230	175,998	260,201	640,357	-	640,357	3,052,709
124,157	82,042	177,758	262,803	646,761	-	646,761	3,699,470
125,399	82,863	179,536	265,431	653,229	-	653,229	4,352,699
126,653	83,691	181,331	268,086	659,761	-	659,761	5,012,460
127,919	84,528	183,144	270,766	666,358	-	666,358	5,678,818
129,199	85,373	184,976	273,474	673,022	-	673,022	6,351,840
130,491	86,227	186,826	276,209	679,752	-	679,752	7,031,592
131,795	87,089	188,694	278,971	686,550	-	686,550	7,718,142
133,113	87,960	190,581	281,761	693,415	-	693,415	8,411,557
134,445	88,840	192,487	284,578	700,349	-	700,349	9,111,907
135,789	89,728	194,412	287,424	707,353	-	707,353	9,819,260
137,147	90,626	196,356	290,298	714,426	-	714,426	10,533,686
138,518	91,532	198,319	293,201	721,571	-	721,571	11,255,257
139,904	92,447	200,302	296,133	728,786	-	728,786	11,984,043
141,303	93,372	202,305	299,095	736,074	-	736,074	12,720,117
142,716	94,305	204,328	302,086	743,435	-	743,435	13,463,552
144,143	95,248	206,372	305,106	750,869	-	750,869	14,214,422
145,584	96,201	208,435	308,157	758,378	-	758,378	14,972,800
147,040	97,163	210,520	311,239	765,962	-	765,962	15,738,762
148,510	98,135	212,625	314,351	773,621	-	773,621	16,512,383
149,995	99,116	214,751	317,495	781,358	-	781,358	17,293,741
-	-	-	-	-	-	-	17,293,741
-	-	-	-	-	-	-	17,293,741
-	-	-	-	-	-	-	17,293,741
\$ 3,511,850	\$ 2,320,606	\$ 5,027,980	\$ 6,433,305	\$ 17,293,741	\$ -	\$ 17,293,741	

Assumptions	
City Tax Rate:	0.687
TIRZ %:	75%
Yearly Value Inc:	1%

Maximum Reimbursement

- Total TIRZ revenue contributions are capped at \$15,000,000, plus 6% interest on outstanding debt, per proposed Development Agreement.
- If District does levy an assessment, then accumulated TIRZ contributions are reduced dollar-for-dollar, for each dollar raised through such assessment.

Medical Center Management District
Methods of Financing
Assessment Analysis with TIRZ Contribution

Value Methodology with 75% TIRZ Contribution

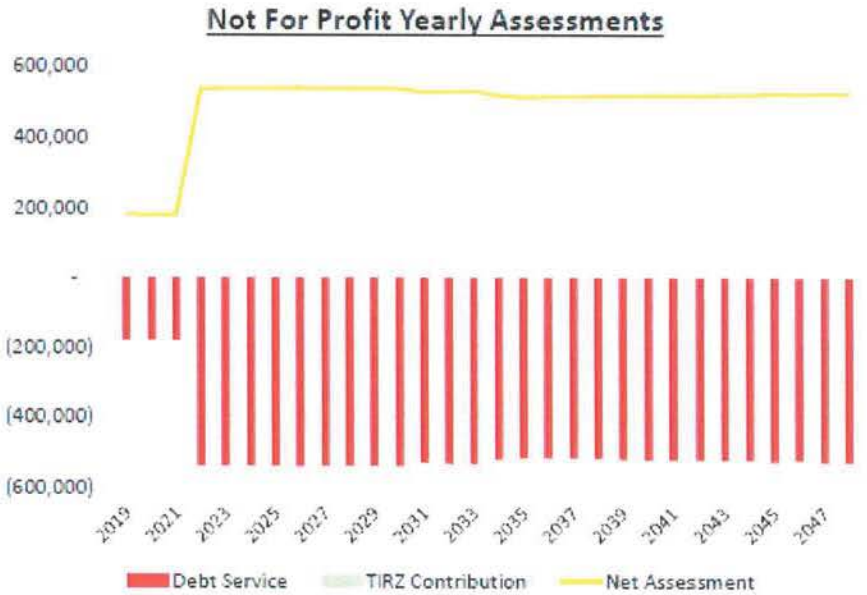
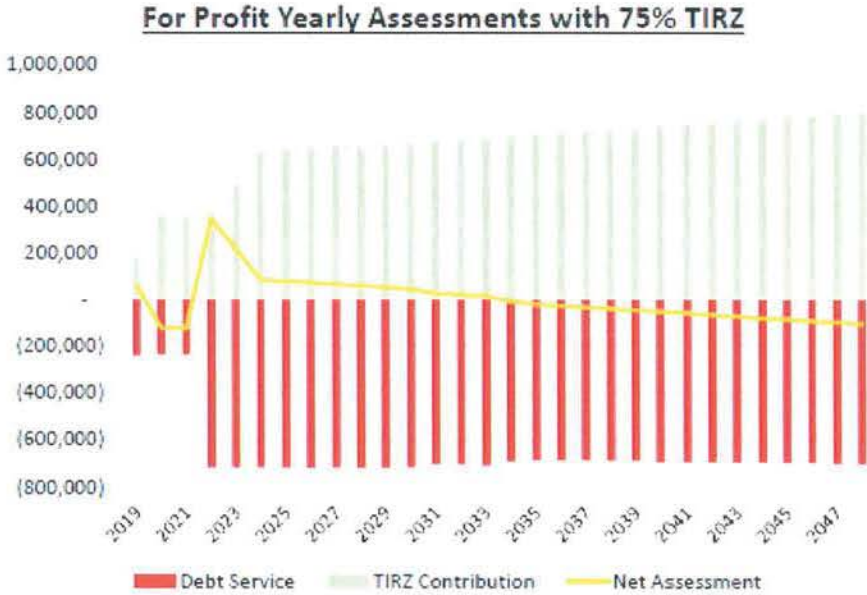
- Master Development Agreement (MDA) outlines process for reimbursement of public improvements through District fund
- Assessments are apportioned on basis of special benefits to the property
- Debt used in this analysis is **NOT** TIRZ bonds

Area	Development Value	% Share of Assessment	MMD Gross Assessment	75% TIRZ Allocation (1)	Net Assessment	"Fair Share" i.e. If Paying City Taxes	Net Benefit to Not For Profits
Not For Profit							
Senior Living	\$ 30,000,000	14.24%	\$ 4,913,265	\$ -	\$ 4,913,265	\$ 6,183,000	\$ 1,269,735
Acute Hospital	60,000,000	28.47%	9,826,529	-	9,826,529	12,366,000	2,539,471
Amenity & Park (2)	513,933	0.24%	84,170	-	84,170	105,922	21,752
Total Not for Profit	\$ 90,513,933	42.96%	\$ 14,823,963	\$ -	\$ 14,823,963	\$ 18,654,922	\$ 3,830,958
For Profit							
Digital Service Center	15,000,000	7.12%	2,456,632	2,623,941	(167,308)		
Healthy Living	22,700,000	10.77%	3,717,704	3,970,897	(253,193)		
Spec Off	32,500,000	15.42%	5,322,703	5,685,205	(362,501)		
Hotel	50,000,000	23.73%	8,188,774	7,404,967	783,808		
Total for Profit	120,200,000	57.04%	19,685,814	19,685,009	805		
Total for Development	\$ 210,713,933	100.00%	\$ 34,509,777	\$ 19,685,009	\$ 14,824,768		

\$0.546 vs \$0.687
.141 difference

1) TIRZ dollars collected on for profit taxable properties only. 75% TIRZ Allocation is then distributed among the for profit properties based each properties value in the development. TIRZ calculation uses the current tax rate in 2018 and does not change during the life of the TIRZ. TIRZ agreement will be with the property owner that builds the value attributable to the increase, and the development agreement will address the assignment clause.
2) Amenity and Park Value determined by taking percentage of total park land in the development (see Appendix B - 28 acres or 46.72%) and multiplying by the total value added by public costs applicable to the park, which comes from line item 10 in Appendix A - enhanced landscaping and public trails (\$1.1 million).

Medical Center Management District
 Assessment Analysis with TIRZ Contribution
 2019-2045

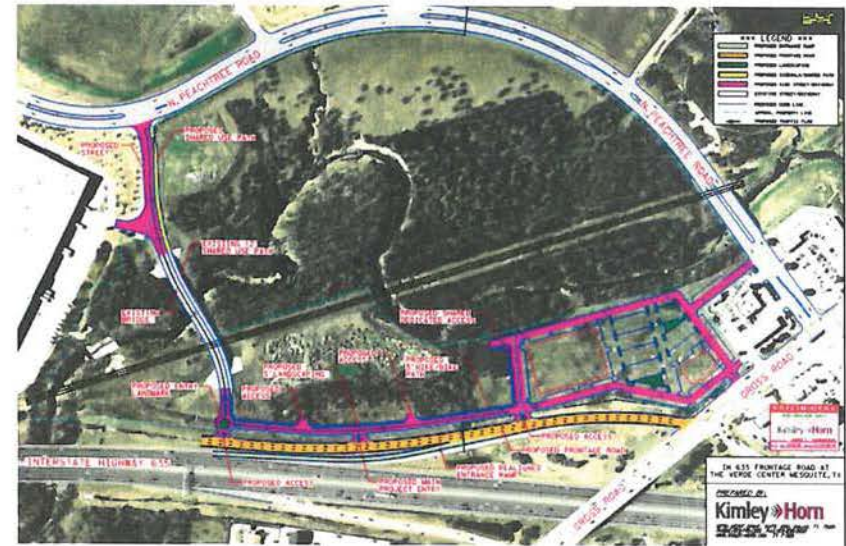


If the yellow line is at or below 0, then there are enough incentives for that year to cover the entire debt service.

Skyline TIRZ No. Seven Project Plan and Costs

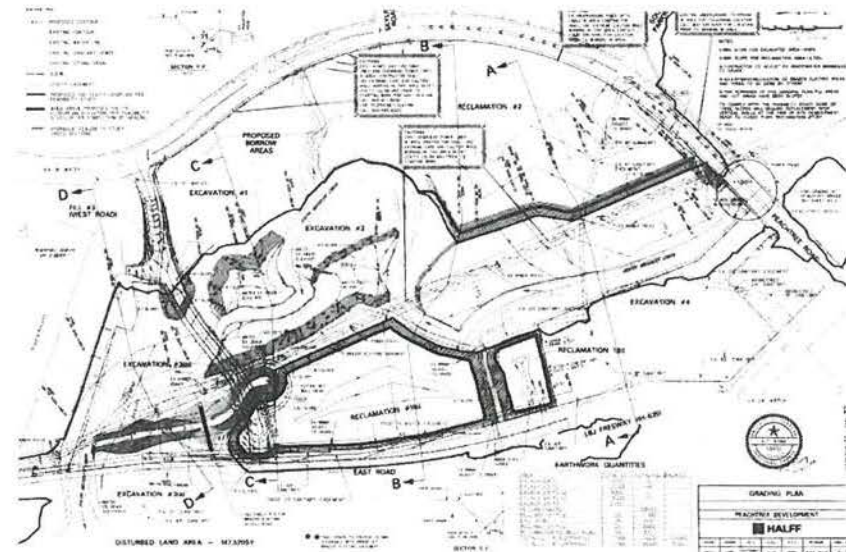
Only developers of projects identified in this Amended Project Plan will construct public improvements subject to the terms of the MDA, not the City. The following is a list of the kind of proposed public improvements and the general locations as shown in the illustrations:

- Bridge Construction
- TxDOT Engineering Cost Participation
- Parallel Access Road, bridge connection
- Water, wastewater, storm drainage
- Mass grading
- Public Amenity Area/Conversion Flood Plain
- Site Improvements, enhanced street lighting
- Enhanced Landscaping, public trails



All proposed public improvements within the development will be constructed to the City's standards and may be dedicated to the City of Mesquite with the City's concurrence.

Notwithstanding anything contained in this Project Plan and Reinvestment Zone Financing Plan to the contrary, all reimbursements of Project Costs shall be subject to approval by the City Council and shall be subject to and conditioned upon: (i) the execution of the MDA; (ii) the City and developer(s) of project(s) in the Amended Project Plan executing written development agreement(s) which have been approved by the City Council setting forth the terms and conditions of any reimbursement agreement between the City and such developer(s); and (iii) such developer(s) complying with the terms and conditions of such development agreement(s).



Skyline TIRZ No. Seven Estimated Project Costs

CITY OF MESQUITE Skyline TIRZ No. Seven As of May 2018					
TAXABLE VALUE					
TIF Tax Value-2016-17				\$	656,870
Base Tax Year Value - 2015 (fiscal year 2015/16)					656,870
Total Value Increase (Note: TIF only receives 75% of the incremental value)				\$	-
Percent Increase					0.00%
REVENUES					
Total Revenues Projected Through 2044-45				\$	17,293,741
Total Revenues Received To Date				\$	-
PUBLIC IMPROVEMENT PROJECTS					
Projects	Total Project Cost	Year Completed	Approved TIF Reimbursement Amount	Amount Paid	Balance
Bridge Connection/Peachtree Road/TxDOT ROW	\$ 306,000		\$ 306,000	-	\$ 306,000
Bridge Construction	3,200,000		3,200,000	-	3,200,000
TxDOT Engineering Cost Participation	750,000		750,000	-	750,000
Parallel Access Road, Bridge Connection	942,000		942,000	-	942,000
Public Street/Joint Access - TxDOT	252,000		252,000	-	252,000
Water, Wastewater, Storm Drainage	2,521,071		2,521,071	-	2,521,071
Mass Grading	500,000		500,000	-	500,000
Public Amenity Area/Conversion Floodplain	1,100,000		1,100,000	-	1,100,000
Site Improvements, Enhanced Street Lighting	1,030,000		1,030,000	-	1,030,000
Enhanced Landscaping, Public Trails	1,100,000		1,100,000	-	1,100,000
Organizational/Operational Costs	300,000		300,000	-	300,000
Legal	65,000		65,000	-	65,000
Administrative Costs	1,450,000		1,450,000	-	1,450,000
Interest on Developer Advanced Costs	1,483,929		1,483,929	-	1,483,929
Total Project Costs	\$ 15,000,000		\$ 15,000,000	\$ -	\$ 15,000,000
Revenue Available for District Interest Reimbursement					\$ 2,293,741

Skyline TIRZ No. Seven

Changes in Estimated Project Costs

Changes to the estimated project costs of the Skyline TIRZ Project Plan (collectively the “Project Costs”) approved on December 19, 2016 are detailed below:

<u>Original Project Plan</u>		<u>Amended Project Plan</u>	
Bridge Construction	\$3,200,000	Bridge Construction	\$3,200,000
TxDOT Engineering Cost Participation	750,000	TxDOT Engineering Cost Participation	750,000
Parallel Access Road, bridge connection	1,000,000	Parallel Access Road, bridge connection	942,000
Water, wastewater, storm drainage	2,530,000	Water, wastewater, storm drainage	2,521,071
Mass grading	500,000	Mass grading	500,000
Public Amenity Area/Conversion Flood Plain	1,100,000	Public Amenity Area/Conversion Flood Plain	1,100,000
Site Improvements, enhanced street lighting	3,370,000	Site Improvements, enhanced street lighting	1,030,000
Enhanced Landscaping, public trails	1,100,000	Enhanced Landscaping, public trails	1,100,000
Financing Costs	4,979,396	Financing Costs	1,483,929
Administrative Costs	<u>1,450,000</u>	Administrative Costs	1,450,000
Total Estimated Project Costs	\$19,979,396	Bridge Connection/Peachtree Road	306,000
		Public Street/Joint Access - TxDOT	252,000
		Organizational/Operating Costs	300,000
		Legal	<u>65,000</u>
		Total Estimated Project Costs	\$15,000,000

Skyline TIRZ No. Seven

Estimated Non-Project Costs

Estimated Non-Project Costs

Non-Project costs include the unreimbursed costs for public improvements, project administration, marketing, public relations, and any additional public works projects that may be required for the successful implementation of the Project Plan. In its current configuration, the Verde Center Project is estimated to cost approximately \$203,172,800. Included within the estimated Project Costs are \$13,550,000 of public infrastructure costs that are detailed in the Project Plan. The maximum amount to be reimbursed for Project Costs under the Skyline TIRZ is \$15,000,000 million, and those costs will be reimbursed over time. No reimbursement is anticipated or provided for in the Project Plan for the unreimbursed portion of those costs which are referred to as Non-Project costs.

The current estimate for Non-Project costs attributable to the construction of public infrastructure within the Verde Center is \$15,200,585, and those costs will be paid for without City or Skyline TIRZ participation. Non-Project costs include the following:

- Developers' unreimbursed portion of zone creation costs and capitalized zone operations shortfall - \$587,000
- Unreimbursed costs for the pool and aquatic center - \$2,086,605
- Marketing/Project Management - \$2,700,000
- Maintenance and Security - \$5,752,800
- Architectural and other pre-development expenses - \$1,670,435
- Feasibility, consulting and other pre-development costs/Phase 1 - \$920,000
- Contingencies - \$1,483,745

Displaced Persons Statement

No persons are expected to be displaced as a result of implementing the plan as there are no residences within the Skyline TIRZ boundary.



Skyline TIRZ No. Seven Designation Ordinance No. 4401

ORDINANCE NO. 4401

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, DESIGNATING A CERTAIN AREA FOR A TAX INCREMENT FINANCING DISTRICT TO BE KNOWN AS THE SKYLINE TAX INCREMENT FINANCE REINVESTMENT ZONE NO. SEVEN, CITY OF MESQUITE, TEXAS; ESTABLISHING THE BOUNDARIES THEREOF; ESTABLISHING A BOARD OF DIRECTORS FOR SUCH REINVESTMENT ZONE AND OTHER MATTERS RELATING THERETO; PROVIDING FOR A REPEALER CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE THEREOF.

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 within its jurisdiction by the creation of a reinvestment zone in compliance with Section 311.005(a)(2) of the Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311 (the "Act") for tax increment financing; and

WHEREAS, in compliance with the Act, a preliminary reinvestment zone financing plan for the proposed reinvestment zone has been prepared; 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, a public hearing has been set for 7:00 p.m. on November 2, 2015, such date being at least seven days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City; and

WHEREAS, the City held such public hearing after publishing notice of such public hearing as required by law; and

WHEREAS, the City has provided a reasonable opportunity for the owners of property within the proposed reinvestment zone to protest the inclusion of their property in the proposed reinvestment zone; and

WHEREAS, at such hearing the City invited all interested persons to speak for or against the creation of the proposed reinvestment zone, its approval by the City Council, the boundaries of the proposed reinvestment zone and/or the concept of tax increment financing; 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, if any, appeared to contest creation of the reinvestment zone.

Creation of Skyline TIF Reinvestment Zone No. Seven/November 2, 2015
Page 2 of 4

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 hearing and having heard such evidence and testimony, has made the following additional findings and determinations based on the testimony and evidence presented to it:

- a. That a preliminary reinvestment zone financing plan for the proposed reinvestment zone has been prepared, a public hearing on the adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law and that owners of property within the proposed reinvestment zone have been given a reasonable opportunity to protest the inclusion of their property in the proposed reinvestment zone; and
- b. That the boundaries of the reinvestment zone should be the area shaded in yellow as depicted on the map attached hereto as Exhibit "A" and made a part hereof for all purposes; and
- c. That the reinvestment zone as depicted as the area shaded in yellow on the map attached hereto as Exhibit "A" is a contiguous geographic area located wholly within the corporate limits of the City; and
- d. That improvements in the reinvestment zone created herein will significantly enhance the value of all the taxable real property in the reinvestment zone and will be of general benefit to the City; and
- e. That the reinvestment zone as depicted as the area shaded in yellow on the map attached hereto as Exhibit "A" meets the criteria for the creation of a reinvestment zone as set forth in Section 311.005 of the Act in that the area within the proposed reinvestment zone is predominately open or undeveloped 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
- f. That 30 percent or less of the property in the proposed reinvestment zone, excluding property that is publicly owned, is used for residential purposes, which is defined in the Act as property occupied by a house having fewer than five living units; and
- g. That the total appraised value of 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 existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed 25 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

Skyline TIRZ No. Seven Designation Ordinance No. 4401

Creation of Skyline TIF Reinvestment Zone No. Seven/November 2, 2015
Page 3 of 4

- h. That the improvements in the reinvestment zone will significantly enhance the value of all taxable real property in the reinvestment zone;
- i. That development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonably foreseeable future; and
- j. That the proposed reinvestment zone will promote development or redevelopment of the property within the proposed reinvestment zone.

SECTION 3. That pursuant to the Act, the City hereby creates a reinvestment zone for tax increment financing encompassing only the area shaded in yellow as depicted on the map attached hereto as Exhibit "A" and made a part hereof for all purposes and such reinvestment zone is hereby designated and shall hereafter be designated as the Skyline Tax Increment Finance Reinvestment Zone No. Seven, City of Mesquite, Texas (the "Zone").

SECTION 4. That the Zone shall take effect on November 2, 2015, immediately upon passage of this ordinance, and that the termination of the Zone shall occur on the earlier of: (i) December 31, 2045, or (ii) an earlier or later termination date designated by an ordinance adopted under Section 311.007(c) of the Act; or (iii) on the date on which all project costs and tax increment bonds, if any, and the interest thereon, and other obligations of the Zone have been paid in full.

SECTION 5. That there is hereby created a board of directors for the Zone which shall consist of seven members. The Board of Directors for the Zone ("Board") shall be appointed by the City Council as follows:

- a. The initial Board shall be appointed by the governing body of the City within 60 days after the passage of this ordinance or within a reasonable time thereafter. All members appointed to the Board shall meet the eligibility requirements as set forth in the Act.
- b. The terms of the Board members shall be for two-year terms. Each year the City Council shall appoint one member of the Board to serve as Chairman of the Board for a term of one year that begins on January 1 of the following year. The Board shall elect from its members, a Vice Chairman to preside in the absence of the Chairman or when there is a vacancy in the office of Chairman, and other officers as it considers appropriate.
- c. The Board shall make recommendations to the City Council concerning the administration of the Act in the Zone. The Board 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 shall possess all powers necessary to prepare, implement, and monitor the project plan for the Zone as the City Council considers advisable, including the submission of an annual report on the status of the Zone provided, however, the Board is not authorized to

Creation of Skyline TIF Reinvestment Zone No. Seven/November 2, 2015
Page 4 of 4

issue bonds, impose taxes or fees, exercise the power of eminent domain or give final approval to the project plan for the Zone.

SECTION 6. That there is hereby created and established a tax increment fund for the Zone ("Tax Increment Fund") which may be divided into such subaccounts as may be authorized by subsequent resolution or ordinance, into which 75 percent of the tax increments of the City (as described in Section 311.012 of the Act), 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 or notes, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund or subaccount from which money may be disbursed only to satisfy claims of holders of tax increment bonds or notes issued for the Zone, to pay project costs for the Zone, to make payments pursuant to an agreement made under Section 311.010(b) of the Act dedicating revenue from the Tax Increment Fund, or to repay other obligations incurred for 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 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 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 2nd day of November, 2015.


Stan Pickett
Mayor

ATTEST


Sonja Land
City Secretary

APPROVED:


B. J. Smith
City Attorney

Skyline TIRZ No. Seven Boundary Revision Ordinance No. 4465

ORDINANCE NO. 4465

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, APPROVING A PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR THE SKYLINE TAX INCREMENT FINANCE REINVESTMENT ZONE NO. SEVEN, CITY OF MESQUITE, TEXAS; MAKING A FINDING REGARDING FEASIBILITY; PROVIDING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE HEREOF.

WHEREAS, the City of Mesquite, Texas ("City"), established the Skyline Tax Increment Finance Reinvestment Zone No. Seven, City of Mesquite, Texas ("Skyline TIF") and established a Board of Directors for the Skyline TIF to promote development or redevelopment in the Skyline TIF pursuant to Ordinance No. 4401 approved by the City Council of the City on November 2, 2015, in accordance with the Tax Increment Financing Act, V.T.C.A. Tax Code, Chapter 311 (the "Act"); and

WHEREAS, on December 19, 2016, the Board of Directors of the Skyline TIF (the "Board"), recommended to the City Council that the boundaries and geographic area of the Skyline TIF be reduced to an area consisting of approximately 60.31 acres and being the property depicted as the shaded area on the map attached hereto as Exhibit "A" and made a part hereof for all purposes, said property being more particularly described by metes and bounds in Exhibit "A" attached hereto and made a part hereof for all purposes (the "Skyline TIF Reduced Zone"); and

WHEREAS, the Board has prepared a Project Plan ("Project Plan") and Reinvestment Zone Financing Plan ("Reinvestment Zone Financing Plan") for the Skyline TIF including only the Skyline TIF Reduced Zone, a true and correct copy of which is attached hereto as Exhibit "B" and made a part hereof for all purposes (hereinafter collectively the "Project Plan and Reinvestment Zone Financing Plan"); and

WHEREAS, on December 19, 2016, the Board approved and adopted the Project Plan and Reinvestment Zone Financing Plan but provided that such approval and adoption was made expressly subject to the City Council reducing the boundaries and geographic area of the Skyline TIF to consist only of the area within the Skyline TIF Reduced Zone; and

WHEREAS, by ordinance amending Ordinance No. 4401, the City Council has reduced the boundaries and geographic area of the Skyline TIF to consist only of the area within the Skyline TIF Reduced Zone; and

WHEREAS, in compliance with the Act, the Board hereby submits the Project Plan and Reinvestment Zone Financing Plan attached hereto as Exhibit "B" and made a part hereof for all purposes to the City Council for approval; and

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

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.

SECTION 2. That the City Council finds that the Project Plan and Reinvestment Zone 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 Reinvestment Zone 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;

Skyline TIRZ No. Seven
Boundary Revision Ordinance No. 4465

- (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.

Exhibit "A"

Map and Metes and Bounds Description of Reduced Boundaries and Geographic Area of Skyline Tax Increment Finance Reinvestment Zone No. Seven, City of Mesquite, Texas

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

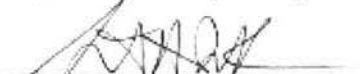
SECTION 4. That in accordance with the Act, the City Council hereby approves and adopts the Project Plan and Reinvestment Zone Financing Plan attached hereto as Exhibit "B" and made a part hereof for all purposes.

SECTION 5. 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 6. That should any word, sentence, clause, paragraph, or provision of this ordinance be held to be unconstitutional, the remaining provisions of this ordinance shall remain in full force and effect.

SECTION 7. 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 19th day of December, 2016



Stan Pickett
Mayor

ATTEST:


Sonja Land
City Secretary

APPROVED:


B. J. Smith
City Attorney



