

City of Farmersville
Tax Increment Financing Reinvestment Zone No.1

AGENDA

May 16th, 2012

1:00 P.M., Best Community Center

I. Call to Order

II. Recognition of Citizens and Visitors

III. Business Items for Discussion and Possible Action

- A) Consideration and possible action regarding TIRZ boundaries
- B) Discussion and approval process of final TIRZ documents
- C) Discussion and review of Developer Agreement Contract
- D) Consideration and possible approval of the minutes of the March 21st, 2012 meeting

IV. Discussion in Contemplation of Placing Items on Future Agenda

V. Adjournment

- No action may be taken on comments received under "Recognition of Visitors".
- The Board may vote and/or act upon each of the items listed in the Agenda.
- As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the City attorney on any item covered by such section on any Agenda item listed herein.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made 48 hours prior to this meeting. Please contact City Hall at 972/782-6151 or FAX 972/782-6604 for further information.

I, Daphne Hamlin, Finance Director certify that the above Agenda for May 16th, 2012 was posted in the regular posting place of the City of Farmersville on the 11th day of May, 2012 at 5:00 p.m.



Daphne Hamlin



TO: TIRZ Board
FROM: Daphne Hamlin, Finance Director
DATE May 16th, 2012
SUBJECT: TIRZ Boundaries

Consideration and possible action regarding TIRZ Boundaries

Daphne Hamlin

From: Shane Cheek [shane.cheek@cadcollin.org]
Sent: Thursday, April 12, 2012 4:35 PM
To: 'd.hamlin@ci.farmersville.tx.us'
Cc: Elliot Bensed
Subject: RE: Farmersville TIF
Attachments: cfc_tirz_splits.xls; Douglas.pdf; Dairy Queen.pdf; Johnson.pdf; Methodist Church.pdf; Feagin.pdf

Daphne,

Below is an email that I had sent Edie last week. After further research we ended up with five properties in question, instead of eight. I've attached a list of those properties as well as maps showing how the TIRZ boundary is going through the property boundaries instead of following it. The most complex and most important is the church property because the TIRZ boundary is going through the middle of one of the buildings. We will be eagerly waiting to hear what the city decides on whether to amend the boundaries or not.

Also, here is the contact info I have for the State Comptroller's office:

Patricia Bailey
Economic Development Coordinator
512.463.4416
patricia.bailey@cpa.state.tx.us

Regards,

Shane Cheek

Appraisal Software & Database Mgr
Collin Central Appraisal District
469.742.9242 - Direct Voice/Fax
shane.cheek@cadcollin.org

From: Shane Cheek
Sent: Monday, April 09, 2012 11:24 AM
To: 'e.sims@ci.farmersville.tx.us'
Cc: 'a.hein@ci.farmersville.tx.us'
Subject: Farmersville TIF

Edie,

We've received the ordinance regarding the creation of the Tax Increment Fund zone for Farmersville. Upon working the metes & bounds we discovered that the TIF boundary is going through several parcels (8 to be exact) and in a few those parcels the boundary is actually going through the middle of buildings.

This is very "out of the norm" for TIF boundaries, in fact we just had a case in Allen where a new Wal-Mart was built right on top of the TIF boundary and the city elected to amend their original metes & bounds to go around the building. If we were to work the metes & bounds as is we would have to create new accounts for these "splits" and determine what percentage of the building is within each account. This causes further confusion for both the tax offices and the taxpayers because there is now two separate accounts for the same property.

I wanted to double-check with your office to make sure this was intended before we proceed. Thanks for your time.

Regards,

Shane Cheek, RTA/RPA

Appraisal Software & Database Mgr

Collin Central Appraisal District
250 W Eldorado Pkwy
McKinney, TX 75069-8023

469.742.9200 - Main
469.742.9242 - Direct Voice/Fax

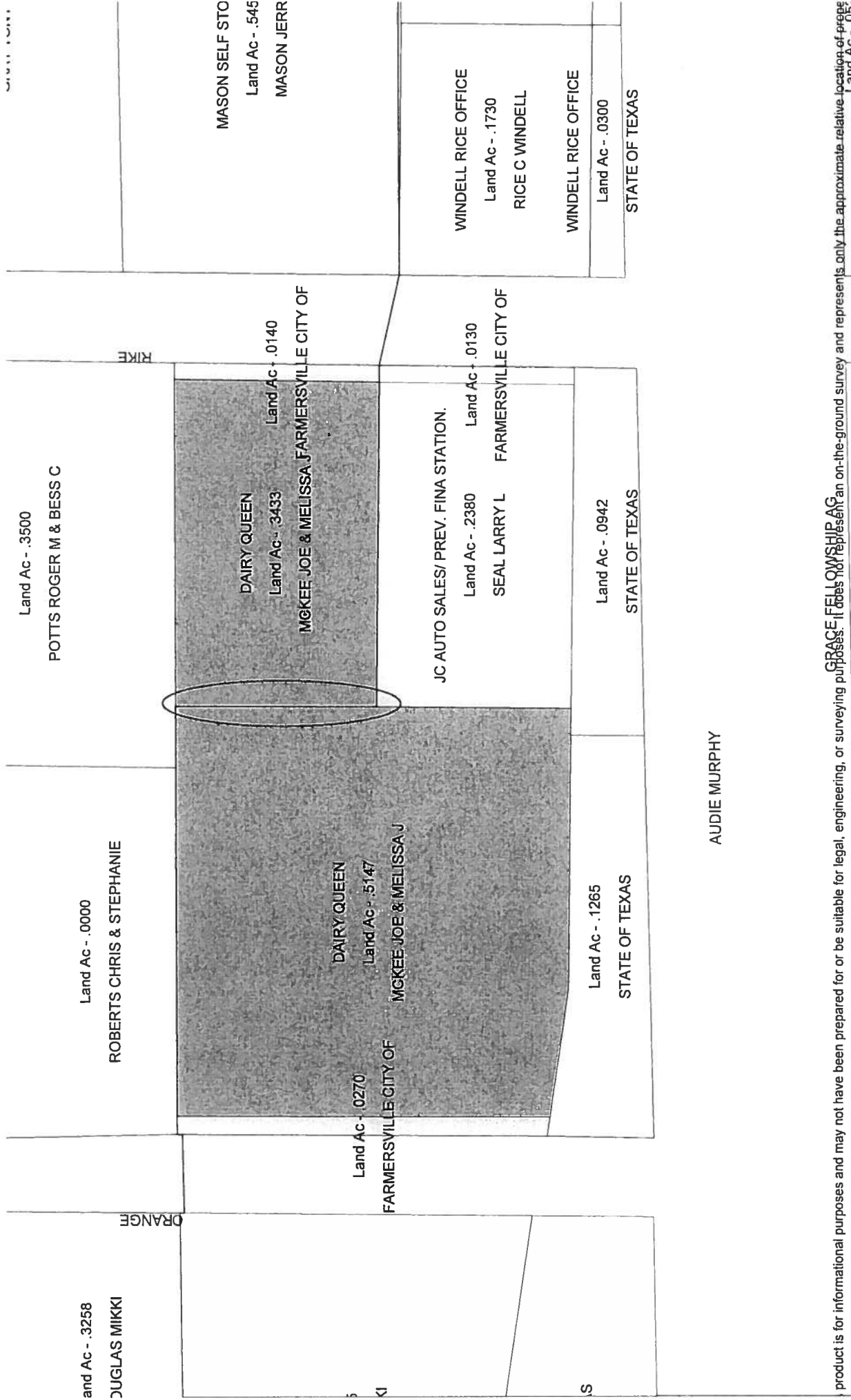
shane.cheek@cadcollin.org

www.collincad.org

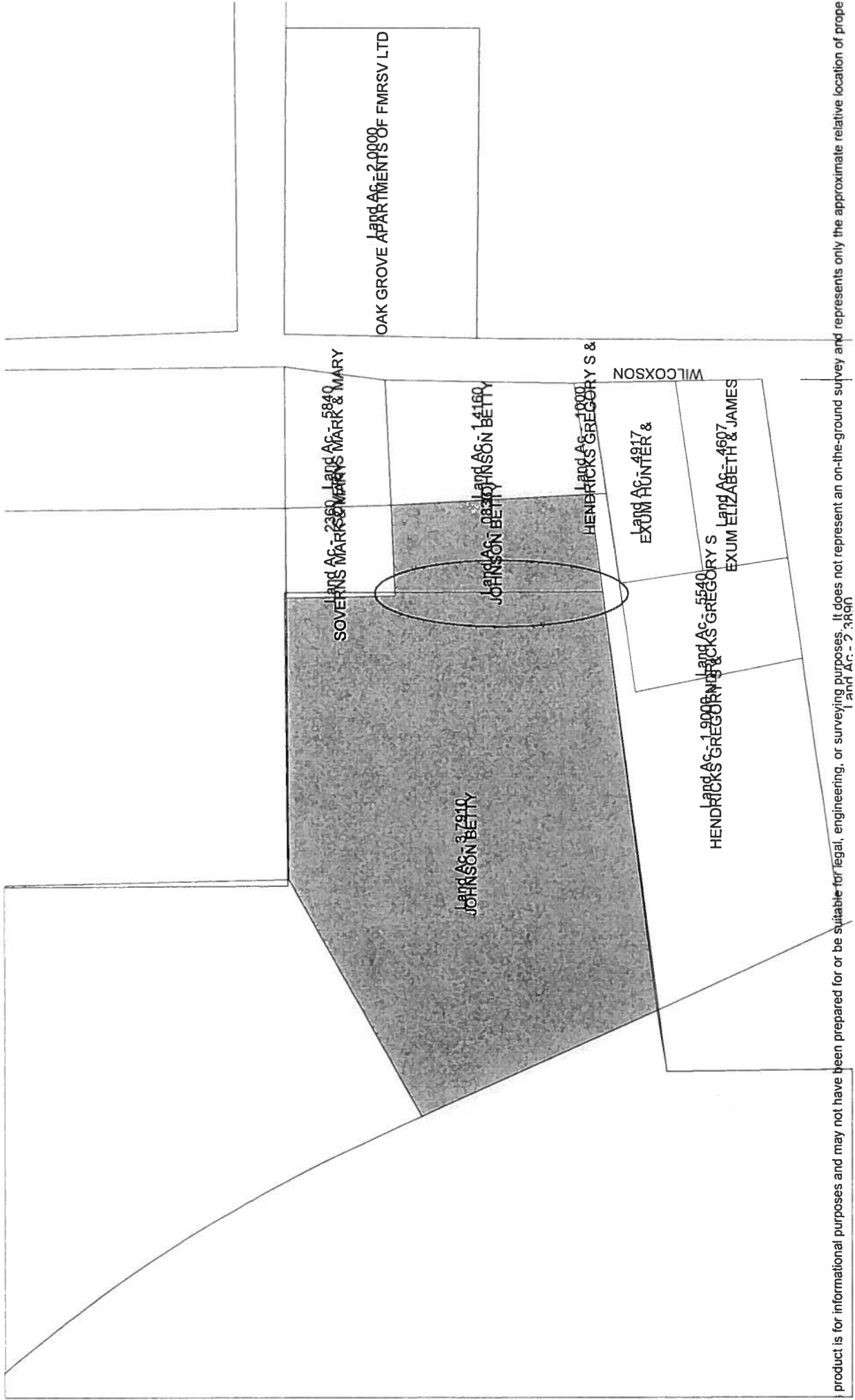
*** This message contains confidential information and is intended only for the individual named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version. Collin Central Appraisal District 250 W Eldorado Pkwy, McKinney, TX 75069 ***

Prop ID	Geo ID	Owner
2017485	R-3069-000-0000-1	FIRST UNITED METHODIST CHURCH OF FARM
1343709	R-6952-004-2350-1	FEAGIN W R JR & MARY LYNNE
2520574	R-6952-003-0910-1	JOHNSON BETTY
2666388	R-10062-005-48AR-1	MCKEE JOE & MELISSA J (DAIRY QUEEN)
2664022	R-1069-004-019A-1	DOUGLAS MIKKI

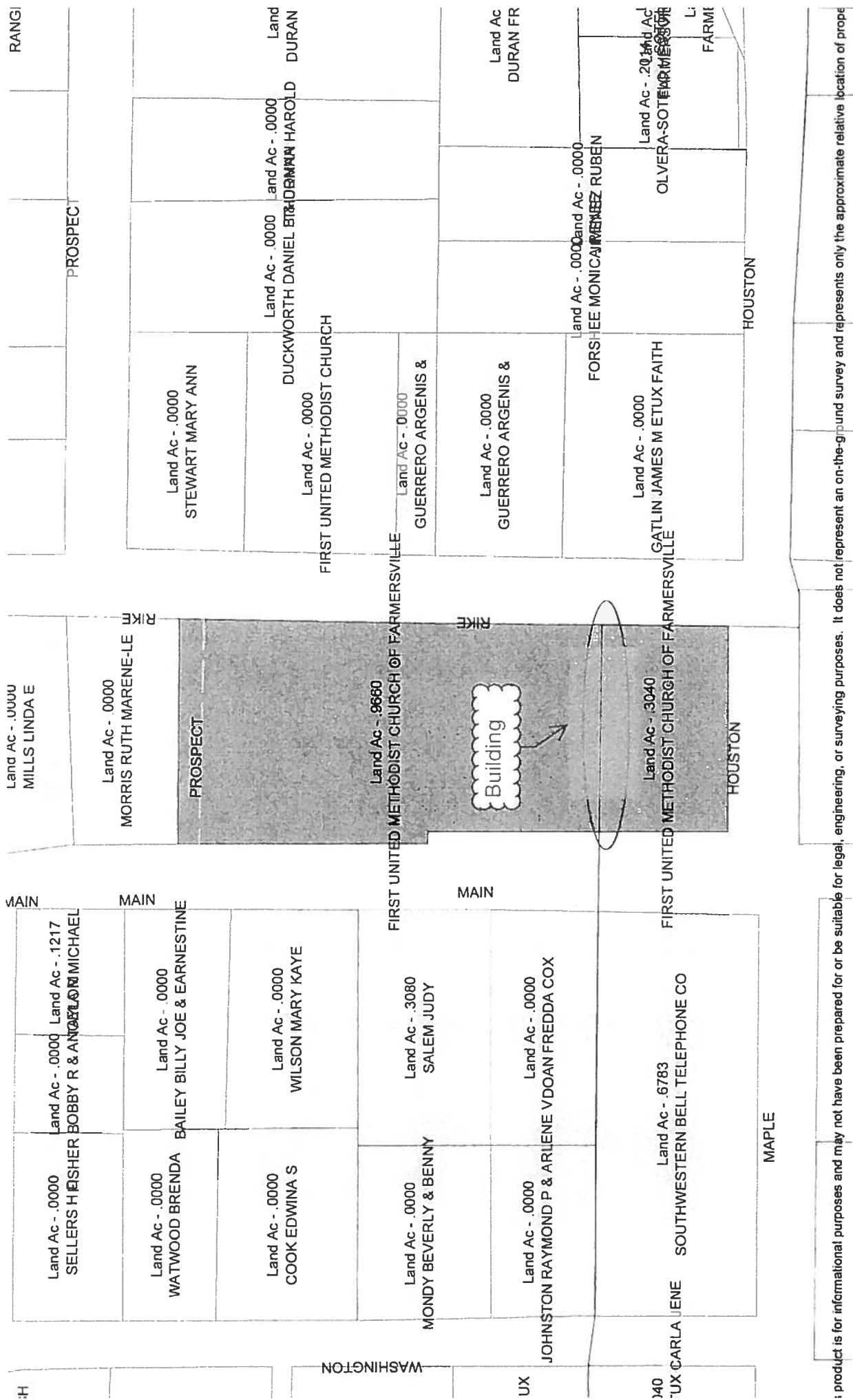
Legal Description	Acreage	% in TIRZ
FIRST UNITED METHODIST CHURCH (CFC), 0.96	1.27	24% (& part of main building)
ABS A0952 W B WILLIAMS SURVEY, BLK 4, TRA	5.842	50%
ABS A0952 W B WILLIAMS SURVEY, BLK 3, TRA	4.624	82%
DAIRY QUEEN, BLK 5, LOT 48AR, 0.3433 ACRES	0.858	60%
WILEY (CFC), BLK 4, LOT 17D, 0.3258 ACRES	0.8143	60%



product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property.



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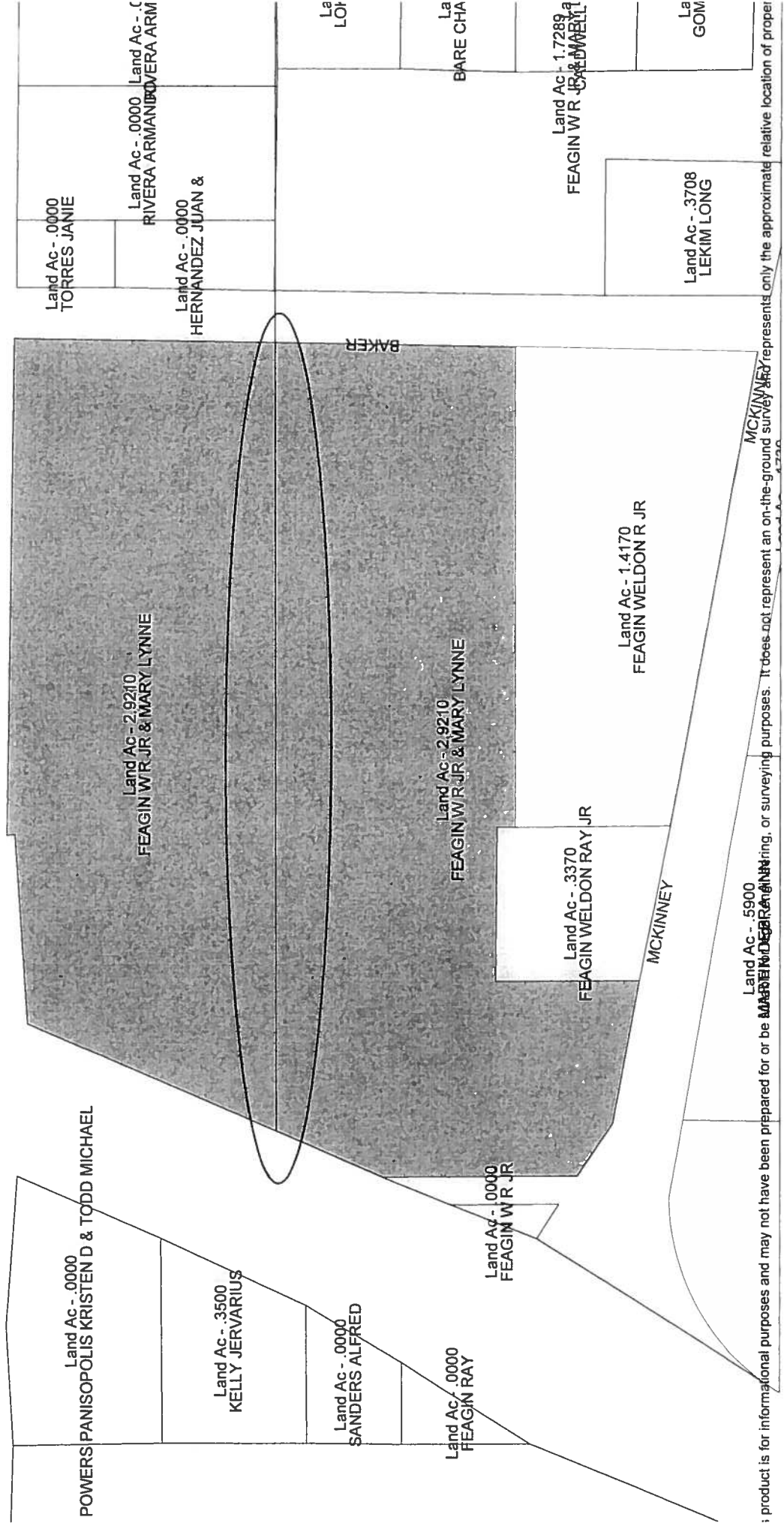
Land Ac - .1860
 FARMERSVILLE CITY OF
 MAPLE

HARRIS GWENDOLYN ANN CLAY
 MAPLE

Land Ac - .3050
 CLAY TOBY
 MAPLE

Land Ac - .0000
 DOCK JERRY & KATHEY
 MAPLE

H



This product is for informational purposes and may not have been prepared for or be used for engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of proper



TO: TIRZ Board
FROM: Daphne Hamlin, Finance Director
DATE: May 16th, 2012
SUBJECT: TIRZ Documents

Discussion and approval process of final TIRZ documents

City of Farmersville
Farmersville Tax Increment Financing Reinvestment Zone No. 1
BYLAWS

A R T I C L E I

POWERS AND PURPOSE

Section 1. Financing Development or Redevelopment in the Z1. In order to implement the purposes for which Tax Increment Financing Reinvestment Zone No.1, City of Farmersville, Texas (the "Zone") was formed, as set forth in **Ordinance No. 2011-1219-002**, approved on second reading December 19, 2011, creating the Zone, the City of Farmersville, Texas (the "City") may issue obligations to finance all or part of the cost of implementing the "project plan" for the Zone as defined in the Tax Increment Financing Act of the Tax Code, Chapter 311, Vernon's Texas Codes Annotated (the "Act").

Section 2. Books and Records: Approval of Programs and Financial Statements. The Board of Directors shall keep correct and complete books and records of account and shall also keep minutes of its proceedings and the proceedings of committees having any of the authority of the Board of Directors. All books and records of the Zone may be inspected by any director or his agent or attorney for any proper purpose at any reasonable time; and at all times the City Council and the City Auditor will have access to the books and records of the Zone. The City Council must approve all programs and expenditures for the Zone and annually review any financial statements of the Zone.

A R T I C L E II

BOARD OF DIRECTORS

Section 1. Powers, Number, and Term of Office. The property and affairs of the Zone shall be managed and controlled by the City Council based on the recommendations of the Board of Directors of the Zone ("Board of Directors" or "Board"), subject to the restrictions imposed by law, the ordinance creating the Zone, and these Bylaws. It is the intention of the City Council that the Board of Directors shall function only in an advisory or study capacity with respect to the Zone and shall exercise only those powers, advisory in nature, which are either granted to the Board pursuant to the Act or delegated to the Board by the City Council.

The Board of Directors shall consist of five (5) directors: three (3) of whom shall be appointed by the City Council of the City, and two(2)members shall be appointed by the County Commissioners Court of Collin County; provided however, that if a taxing unit (other than the

City) waives its right to appoint a member to the Board, as evidenced by written resolution duly adopted by the governing body of such taxing unit, the City may appoint such Board member in its stead.

The first Board of Directors shall serve for an initial term ending December 31, 2013 or until his or her successor is appointed. Subsequent directors shall be appointed by the governing bodies of the City and County, and shall serve for two (2) year terms beginning January 1, 2014 or until their successors are appointed by the respective governing bodies.

Any director may be removed from office by the City Council for cause deemed by the City Council as sufficient for their removal in the interest of the public, but only after a public hearing before the City Council on charges publicly made, if demanded by such Board member within ten (10) days.

In the event of a vacancy caused by the resignation, death, or removal for any reason, of a director, the governing body of the respective taxing unit which made such Board appointment shall be responsible for filling the vacancy.

Section 2. Meetings of Directors. The directors shall hold their meetings within a public building in the City as the Board of Directors may from time to time determine.

Section 3. Regular and Special Meetings. Regular and Special Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by the Board of Directors. All meetings of the Board shall be of a public nature unless pertaining to matters of land purchase, security, personnel, or strictly legal matters. Notice of all regular and special meetings of the Board and any committees thereof shall be posted in accordance with the provisions of Chapter 551, Texas Government Code. There shall be at least one Regular Meeting held each year.

Section 4. Emergency Meetings. Emergency Meetings of the Board of Directors shall be held whenever called by the chair, by the secretary, by a majority of the directors then in office or upon advice of or request by the City Council. The secretary shall give notice to each director of each Emergency Meeting. Notice of all Emergency Meetings shall state the purpose, which shall be the only business conducted and shall be subject to the requirements of State Law.

Section 5. Quorum. A majority three (3) of the five (5) directors holding current appointments shall constitute a quorum for the consideration of matters pertaining to the purposes of the Zone. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law.

Section 6. Conduct of Business. At the meetings of the Board of Directors, matters pertaining to the purposes of the Zone shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the chair shall preside and in the absence of the chair, the vice chair shall exercise the power of the chair.

The secretary of the Board of Directors shall act as secretary of all meetings of the Board of Directors, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting. City staff shall provide notice of meetings and prepare meeting agendas.

Within five (5) days of approval of minutes for each Regular Meeting, Special and Emergency meeting, a copy of the approved minutes shall be submitted to the City Secretary of the City.

Section 7. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual reasonable expenses incurred in the performance of their duties hereunder.

Section 8. Attendance. Board members shall make every effort to attend all Regular, Special and Emergency meetings of the Board and/or Committees. The City Council may replace a City appointee of the Board or request replacement of an appointee from other taxing jurisdictions for non-attendance at three consecutive meetings.

A R T I C L E I I I

O F F I C E R S

Section 1. Titles and Term of Office. The officers of the Zone shall consist of a chair, a vice chair, a secretary, and such other officers as the Board of Directors may from time to time elect or appoint; provided however that the City Council shall, on an annual basis, appoint the chair whose term shall end on December 31 of each year. 1 (1) person may hold more than 1 (1) office, except that the chair shall not hold the office of secretary. Terms of office for officers, other than the chair, shall not exceed two (2) years.

All officers, other than the chair, shall be subject to removal from office, with or without cause, at any time by a vote of a majority of the entire Board of Directors.

A vacancy in the office of any officer, other than the chair, shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the Chair. The chair shall be the chief executive officer of the Board of Directors and, subject to the approval of the City Council, he/she shall be in general charge of the properties and affairs of the Zone and shall preside at all meetings of the Board of Directors.

Section 3. Vice Chair. The Vice chair shall be a member of the Board of Directors, shall have such powers and duties as may be assigned to him by the Board of Directors and shall exercise the powers of the chair during that officer's absence or inability to act. Any action taken by the vice chair in the performance of the duties of the chair shall be conclusive evidence of the absence or inability to act of the chair at the time such action was taken.

Section 4. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for the purpose, he/she shall have charge of such books, records, documents and instruments as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection, and he/she shall in general perform all duties incident to the office of secretary subject to the control of the City Council and the Board of Directors. The function of Secretary may be performed by City Staff.

Section 5. Compensation. Officers as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual reasonable expenses incurred in the performance of their duties hereunder.

Section 6. Staff. Staff functions for the Board of Directors may be performed by the City Manager or his designees.

A R T I C L E I V

PROVISIONS REGARDING BYLAWS

Section 1. Effective Date. These Bylaws shall become effective only upon the occurrence of the following events:

- (1) The adoption of these Bylaws by the Board of Directors, and
- (2) The approval of these Bylaws by the City Council.

Section 2. Amendments to Bylaws. These Bylaws may be amended by majority vote of the Board of Directors, provided that the Board of Directors files with the City Council a written application requesting that the City Council approve such amendment to the Bylaws, specifying in such application, the amendment or amendments proposed to be made. If the City Council by appropriate resolution finds and determines that it is advisable that the proposed amendment be made, authorizes the same to be made and approves the form of the proposed amendment, the Board of Directors shall proceed to amend the Bylaws.

After consultation with the Board of Directors, the Bylaws may also be amended at any time by the City Council by adopting an amendment to the Bylaws by resolution of the City Council and delivering the Bylaws to the secretary of the Board of Directors.

Section 3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

A R T I C L E V

GENERAL PROVISIONS

Section 1. Notice and Waiver of Notice. Unless otherwise required by State Law, whenever any notice whatsoever is required to be given under the provision of these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled hereto at his post office address, as it appears on the books of the Zone, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purposes of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. A waiver of notice in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 2. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the City Council. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 3. Approval or Delegation of Power by the City Council. To the extent that these Bylaws refer to any approval by the City, such approval of delegation shall be evidenced by a certified copy of an ordinance, or resolution (if permissible), duly adopted by the City Council.

Approved by the TIRZ Board of Directors on the _____ day of _____, 2012.

Approved by the Farmersville City Council on the _____ day of _____, 2012.

INTERLOCAL AGREEMENT

THE STATE OF TEXAS

COUNTY OF COLLIN

This **INTERLOCAL AGREEMENT** (the "Agreement") is made by and between the **CITY OF FARMERSVILLE, TEXAS** (the "City"), a municipal corporation and general law municipality of the State of Texas situated in Collin County, acting by and through its governing body, the City Council; **COLLIN COUNTY, TEXAS**, a body corporate and politic under the laws of the State of Texas, acting by and through its governing body, the Collin County Commissioners' Court (the "County"); and **REINVESTMENT ZONE NUMBER 1, CITY OF FARMERSVILLE** (the "Zone"), a reinvestment Zone created by the City pursuant to Chapter 311 of the Texas Tax Code, as amended, acting by and through its Board of Directors. This Agreement is made pursuant to Chapter 791 of the Texas Government Code, and Chapter 311 of the Texas Tax Code, as amended.

The City, the County and the Zone hereby agree to the following terms and conditions of this Agreement.

I. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set out below:

"Agreement" means this Interlocal Agreement between the City, the County and the Zone.

"*Captured Appraised Value*" means the captured appraised value of the Zone, as defined by Chapter 311 of the Texas Tax Code, as amended.

"City" means the City of Farmersville, Texas, and its successors and assigns. "Countersignature Date" means that date shown as the date countersigned by the City Attorney on the signature page of this Agreement.

"County" means Collin County, Texas, and its successors and assigns.

"*County Tax Increment Participation*" means the amount of the County tax levy on the Captured Appraised Value which the County agrees to contribute to the Zone pursuant to of Sections III (A) and (B) of this Agreement.

"*Project*" means the development of transportation improvements, and any supporting improvements, facilities, and infrastructure related thereto on property within the boundary of the reinvestment Zone, and as further described in the Project Plan.

"*Project Plan*" means the project plan and reinvestment Zone financing plan for the Zone, a true and correct copy of which is attached to this Agreement as ***Exhibit "B"***, and such amendments and revisions to such plan as may be adopted by the Board of Directors of the Zone and approved by the City Council of the City.

"*Tax Increment Fund*" means the tax increment fund created by the City in the City's Depository Accounts for the Zone.

"*Zone*" means Reinvestment Zone Number 1, City of Farmersville, Texas, created by the City on first reading December 13, 2011 and second reading December 19, 2011, by Ordinance No. 2011-1219-002, a true and correct copy of said ordinance is attached to this Agreement as ***Exhibit "A"***. Otherwise, the terms used herein have the meanings ascribed to them in Chapter 311 of Texas Tax Code, as amended.

II. BACKGROUND

On first reading December 13, 2011 and second reading December 19, 2011, the City created the Zone by adoption of City Ordinance No. 2011-1219-002, for the purposes of development and redevelopment of the property within the Zone pursuant to the Project Plan. The City has agreed to participate in the Zone by contributing tax increments produced in the Zone to the Tax Increment Fund. The County desires to participate in the Zone in consideration for the agreements set forth below. The parties now desire to enter into an Interlocal Agreement pursuant to Section 311.013(f) of the Texas Tax Code, as amended.

III. OBLIGATIONS OF COUNTY

A. Tax Increment Participation.

For and in consideration of the agreements of the parties set forth herein, and subject to the remaining subsections of this section, the County agrees to participate in the Zone by contributing to the Tax Increment Fund during the term of this Agreement fifty percent (50%) of the tax increment attributed to the Captured Appraised Value in the Zone attributable to the County, and the County's contribution along with the contributions of the City shall fund Projects identified in the approved Project Plan, as amended, for the Zone. County participation is limited to a maximum of \$6,385,000 or thirty (30) years, whichever is reached first. In addition, the use of County funds is limited to roadways and associated storm sewer projects.

B. County Tax Increment Limitation

The County is not obligated to pay the County Tax Increment Participation from any source other than taxes collected on the Captured Appraised Value. Furthermore, the County has no duty or obligation to pay the County Tax Increment Participation from any other County taxes or revenues, or until the County Tax Increment Participation in the Zone is actually collected. The obligation to pay the County Tax Increment Participation accrues as taxes representing the County Tax Increment Participation are collected by the County, and payment shall be due on May 1 of each year the County participates in the reinvestment Zone. No interest or penalty will be charged to the County for any late payment received from the County; provided, however, the penalty and interest received by the County on any delinquent taxes from the

County Tax Increment Participation shall be paid to the Tax Increment Fund. Any portion of the taxes representing the County Tax Increment Participation that are paid to the County and subsequently refunded pursuant to a provision of the Texas Tax Code, as amended, shall be offset against future payments to the Tax Increment Fund.

C. Expansion of the Zone.

The obligation of the County to participate in the Zone is limited to the area described in the Project Plan. The County's participation does not extend to the tax increment on any additional property added to the Zone unless the County specifically agrees to participate in the additional area.

D. Board of Directors

Notwithstanding anything to the contrary in City's Ordinance creating the Zone, pursuant to the provisions of Section 311.009(a) of the Texas Tax Code, as amended, the County shall have the right to appoint and thereafter at all times maintain Two (2) members on the Board of Directors of the Zone. Failure of the County to appoint a person to the Board of Directors of the Zone shall not be deemed a waiver of the County's right to make an appointment at a later date. The County will make good faith efforts to appoint and maintain a person to serve on the Board of Directors.

IV. OBLIGATIONS OF THE CITY AND THE ZONE

A. Project Plan

Any member of the County Commissioners' Court may review and comment upon any amendment to the Project Plan prior to its approval by the City Council. The City agrees to provide the County with any proposed amendments to the Project Plan at least fourteen (14) days prior to their submission to the City Council for approval. The City agrees to work with the Zone Board of Directors to implement the Project Plan.

B. Disposition of Tax Increments

Upon termination of the Zone, and after all obligations and bonded indebtedness of the Zone have been paid, the City and the Zone shall pay to the County, within sixty (60) days of said termination, all monies remaining in the Tax Increment Fund that are attributable to the County Tax Increment Participation paid by the County into the Tax Increment Fund.

C. Audits

In the event the City creates a redevelopment authority in connection with the Zone, the City shall provide to the County a copy of each of the audits required by the agreement between the City, the Zone and any such redevelopment authority within thirty (30) days of receipt of each audit.

V. TERM AND TERMINATION

A. Agreement Term

This Agreement becomes effective as of the Countersignature Date. The term of this Agreement shall commence with the tax year beginning on January 1, 2011. This Agreement shall terminate on December 31, 2040, unless earlier terminated by the parties hereto. Nothing in this Agreement limits the authority of the Collin County Commissioners' Court to extend the term of this Agreement. Upon termination of this Agreement, the obligation of the County to contribute to the Tax Increment Fund for the Zone shall end; however, any refund obligations of the City, the Zone or any related redevelopment authority shall survive such termination.

B. Early Termination

The Zone may terminate pursuant to the provisions of Section 311.017 of the Texas Tax Code, as amended.

VI. MISCELLANEOUS

A. Severability

In the event any term, covenant or condition herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained.

In the event any term, covenant or condition shall be held invalid and affects in any manner the limitations on the County's, or any other party's, contributions or participation, then neither the County, nor any other party, shall have any liability for any incremental or other payments as may otherwise be provided for in this Agreement.

B. Entire Agreement

This Agreement merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (express or implied) or other terms with respect to the covenants, whether written or verbal, antecedent or contemporaneous, with the execution hereof.

C. Written Amendment

Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party.

D. Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third (3rd) day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt

requested) addressed to the respective other party at the address set out below or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

The initial addresses of the parties, which any party may change by giving written notice of its changed address to the other parties, are as follows:

City of Farmersville:

City of Farmersville
205 South Main Street
Farmersville, Texas 75442
Attn: City Manager
Telephone: 972-782-6151
Facsimile: 972-782-6604

Collin County:

County Judge
2300 Bloomdale Road, Suite 4192
McKinney, Texas 75071
Telephone: 972-548-4623
Facsimile: 972-548-4699

Zone:

Chairman, Board of Directors
Reinvestment Zone Number One
City of Farmersville
205 South Main Street,
Farmersville, Texas 75442
Telephone: 972-782-6151
Facsimile: 972-782-6604

E. Non-Waiver

Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any other right or remedy occurring as a result of any future default or failure of performance.

F. Assignment

No party shall assign this Agreement at law or otherwise without the prior written consent

of the other parties. No party shall delegate any portion of its performance under this Agreement without the written consent of the other parties.

G. Successors

This Agreement shall bind and benefit the parties and their legal successors. This Agreement does not create any personal liability on the part of any officer, agent or employee of the City, County, or the Zone.

H. No Waiver of Immunity

No party hereto waives or relinquishes any immunity or defense on behalf of itself, its trustees, officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

IN WITNESS HEREOF, the City, the County and the Zone have made and executed this Agreement in multiple copies, each of which is an original.

CITY OF FARMERSVILLE, TEXAS

JOSEPH E. HELMBERGER, P.E., Mayor

City of Farmersville Date: _____

ATTEST:

EDIE SIMS, City Secretary

APPROVED AS TO FORM:

ALAN LATHROM, City Attorney
Date: _____

COLLIN COUNTY, TEXAS

By: _____
Name: KEITH SELF
Title: County Judge
Date: _____

ATTEST:

County Clerk
Date: _____

**REINVESTMENT ZONE NUMBER, 1
CITY OF FARMERSVILLE, TEXAS**

By: _____
Name: _____
Title: Chairman, Board of Directors
Date: _____

ATTEST:

By: _____
Name: _____
Title: Secretary, Board of Directors
Date: _____

FINAL

FEASIBILITY ANALYSIS
(EXHIBIT D OF THE FINANCE PLAN)

February 2012

Tax Increment Financing Reinvestment Zone No. 1

City of Farmersville, Texas

SCHRADER & CLINE, LLC

George R. Schrader

Larry D. Cline

4800 Broadway, Ste A Addison, TX 75001

972-661-1973

schcli@swbell.net

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FORWARD

Schrader & Cline, LLC was asked to prepare a Feasibility Analysis using tax increment financing to encourage accelerated development and redevelopment for **Tax Increment Financing Reinvestment Zone (TIRZ) No. 1 in the City of Farmersville, Texas**. The areas of the City and County within the boundary of the TIRZ need public infrastructure projects that will provide a stimulus for new development.

Section I summarizes the history of and current conditions in the area of TIRZ No. 1

Section II details the tax increment analysis.

Section III contains Exhibits.

The following projections of development, redevelopment and tax revenues are subject to change. As underlying conditions in the national and regional economy change, the pace and value of new development and redevelopment projected for the TIRZ area may shift. Future property tax rates are particularly difficult to predict given their dependence on changes in the tax base, the mix of taxes levied and the various jurisdictions' overall fiscal and budgetary policies. Thus, the projected tax increments are subject to change. The analysis of future tax increment funds is dependent on a series of projections, assumptions, and other inputs. As a result, the report should be reviewed in totality.

Neither this report nor its conclusions may be referred to or included in any prospectus or part of any offering made in connection with private syndication of equity, sale of bonds, sale of securities or sale of participation interests to the public without express written approval.

SECTION I: HISTORY AND CURRENT CONDITIONS

Farmersville originated in 1849 as a settlement on the Jefferson-McKinney Road and near Republic of Texas National Road. Farmersville was named by pioneers for their chief occupation. The town was incorporated on June 2, 1873. As the town became a trade center, agriculture kept pace. Farmersville in the 1930's was known as the "Onion Capital of North Texas", annually shipping over 1,000 carloads of onions. Along with some small industry, cattle, cotton and maize crops remain important. The population of the city has continued to increase from 2,311 in 1970 to 3,301 in 2010, a 43% increase.

As the town has grown over time, the US 380 highway corridor has become the main development spine through the City of Farmersville. But even the expansion of the highway has done little to stimulate new economic development. Real property values have stagnated since 2008 and have even declined more recently. Some method of stimulating growth along this corridor is needed, especially to create growth beyond highway retail. This will require infrastructure (roadways, storm sewer, sanitary sewer, water) which does not presently exist, to pull development beyond the immediate highway corridor. Creation of a Tax Increment Financing Reinvestment Zone (TIRZ) is needed as an economic development tool to fund the needed public infrastructure to spearhead new private development along the US 380 corridor.

SECTION H: TAX INCREMENT ANALYSIS

This section documents the detailed analysis and inputs used to generate the tax increment revenue estimates.

Tax Increment Financing involves:

- Designating an eligible redevelopment area as a Tax Increment Financing Reinvestment Zone;
- Setting the assessment base at the level of the most recent assessment; and
- Placing tax revenues generated by the increase in assessed value in a tax increment fund for funding public improvements.

Thus, future tax increment revenues depend on four elements:

- The timing and added value of new development;
- Appreciation of existing land and improvements;
- The loss of value from any existing improvements demolished to make way for new development; and
- Future tax rates and the percentage of participation of the taxing jurisdiction.

Assessment policies typically set building assessments at 100 percent of fair market value, which are generally comparable to construction costs for new construction. Assessed values are established as of January 1 of the tax year. Thus, development in 2011 goes on the tax rolls for the Tax Year 2012. The 2011 certified taxable value of real property in the TIRZ boundary is \$54,203,918. This value is the base tax value. In this analysis, to be conservative, no increase in existing values or in value of new development after completion has been included.

All taxes from the existing 2011 certified value of both real and business personal property will continue to flow to the City and County. During the 30-year life of the TIRZ, 100% of taxes on increased real property value from the City and 50% of taxes on increased real property value from the County will flow to the TIRZ Fund: The County will receive 50% of taxes on increased real property value. Both the City and County will receive 100% of the taxes from the increased business personal property value.

For the purpose of determining the expected increase in value within the TIRZ boundary, the area was divided into nineteen (19) development tracts as shown in Exhibit 1 and Exhibit 2. Within each development tract, the expected increase in value was determined as shown in Exhibit 3. Once these values were determined, development time frames were applied as shown in Exhibit 4. Over the next thirty (30) years, it is projected that within the TIRZ boundary, the following new development will occur:

Commercial --	980,000 square feet
Retail --	660,000 square feet
Industrial --	977,000 square feet
Single-Family --	674 units
Multi-Family --	1,250 units

This new development will add an additional \$347,215,000 to the City and County real property taxable value (see Exhibit 5).

Based on the increase in value shown in Exhibit 5, and the tax rate participation outlined previously, the income to the TIRZ Fund will total \$39,909,000 as shown in Exhibit 6. This TIRZ Fund estimate exceeds the \$31,500,000 for infrastructure projects listed in the Project Plan by almost 27%.

CITY OF FARMERS VILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1

SECTION HI: EXHIBITS

EXHIBIT 1

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1**

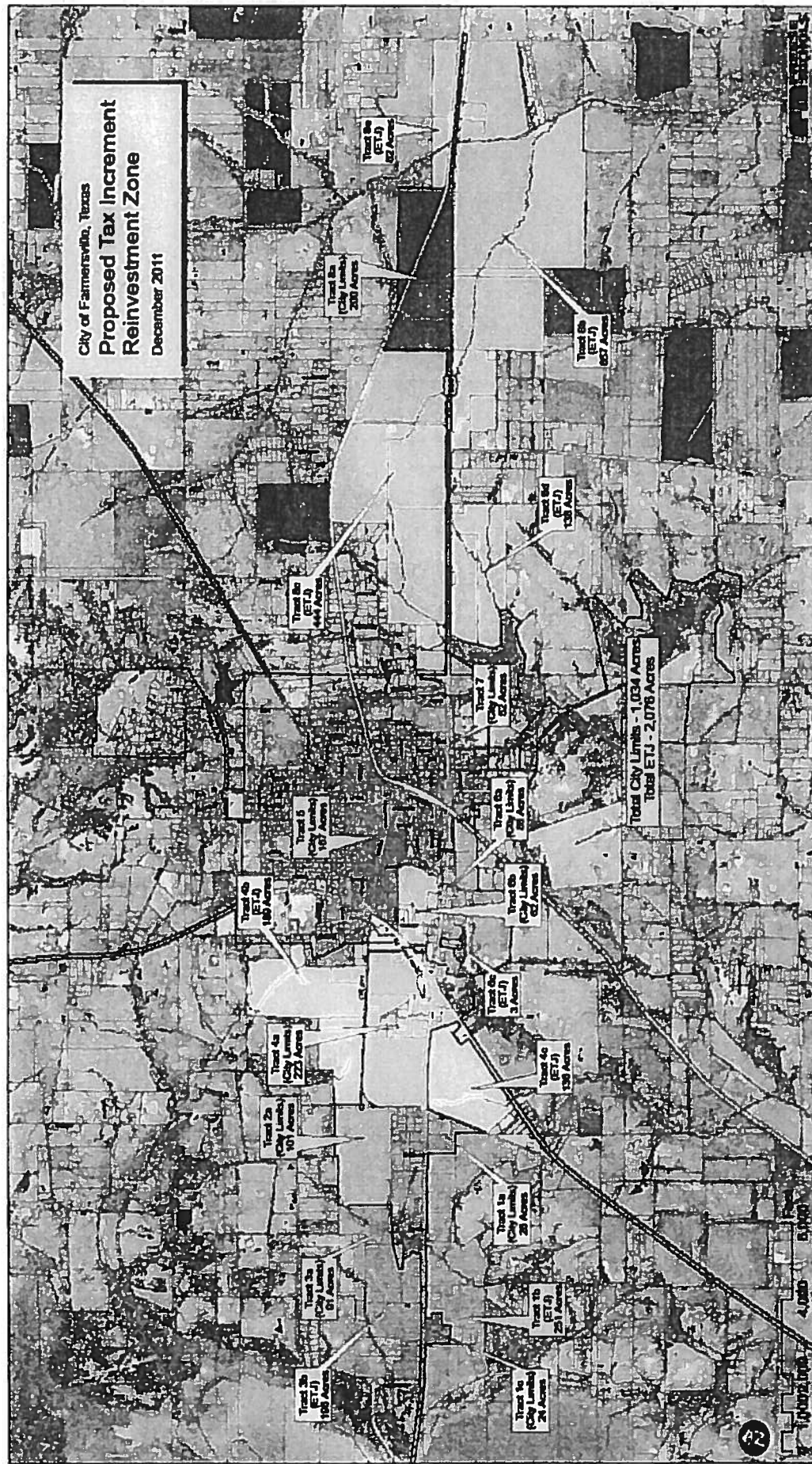


EXHIBIT 3

**CITY OF FARMERS VILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
DEVELOPMENT ANALYSIS DETAIL**

TRACT	DEVELOPMENT ANALYSIS
1a	<p>Info from Kim Wiens at EMP</p> <p>Retail — 10.28 ac. (approx.) = 24,800 SF = \$1,800,000</p> <p>Bank — 1.043 ac. = 3,000 SF = \$400,000</p> <p>Storage — 3.8 ac. = 20,000 SF = \$500,000</p>
1b	<p>251 ac., 207 ac. vacant</p> <p>Highway Retail — 35 ac. (5,000 LF frontage @ 300' deep = 1,500,000 SF)</p> <p>10% lot coverage = 150,000 SF @ \$60/SF = \$9,000,000</p> <p>Single-Family — 207 - 35 = 172 ac., 20% developed = 34 ac.</p> <p>34 ac. @ 4 du/ac. = 136 un @ \$175K/un = \$23,800,000</p>
1c	<p>24 ac., 0 ac. vacant</p> <p>No development</p>
2	<p>Used information provided by developer except extended development time frame from 5 to 11 years.</p> <p>101 ac., 100 ac. vacant</p> <p>Assisted Living -- \$13,500,000</p> <p>Medical Office -- \$10,000,000</p> <p>Retail -- \$3,000,000</p> <p>Storage -- \$6,000,000</p> <p>Single-Family -- 298 un @ \$140K/un = \$41,720,000</p> <p>Multi-Family — 360 un @ \$75K/un = \$27,000,000</p>
3a	<p>91 ac., 60 ac. vacant</p> <p>Highway Retail — 27.5 ac. (4,000 LF frontage @ 300' deep = 1,200,000 SF)</p> <p>10% lot coverage = 120,000 SF @ \$60/SF = \$7,200,000</p> <p>Multi-Family — 60 ac. - 27.5 ac. = 32.5 ac.</p> <p>32.5 ac. @ 15% coverage = 212,355 SF (say 212,000 SF)</p> <p>212,000 SF @ 1,000 SF/un = 212 un @ \$60K/un = \$12,720,000</p>
3b	<p>196 ac., 168 ac. vacant</p> <p>Highway Retail — 20.7 ac. (3,000 LF frontage @ 300' deep = 900,000 SF)</p> <p>10% lot coverage = 90,000 SF @ \$60/SF = \$5,400,000</p> <p>Single-Family — 168 ac. - 20.7 ac. = 147.3 ac. @ 20% dev. = 29.5 ac.</p> <p>29.5 ac. @ 4 du/ac. = 118 du @ \$175K/un = \$20,650,000</p>

EXHIBIT 3 (CON'T)

- 4a 223 ac., 75 ac. reserved, 75 ac. vacant
 Highway Retail — 20.7 ac. (3,000 LF frontage @ 300' deep = 900,000 SF)
 10% lot coverage = 90,000 SF @ \$60/SF = \$5,400,000
 Multi-Family — 75 ac. - 20.7 ac. = 54.3 ac.
 54.3 ac. @ 15% coverage = 354,796 SF (say 355,000 SF)
 355,000 SF @ 1,000 SF/un = 355 un @ \$60K/un = \$21,300,000
- 4b 188 ac., 174 ac. vacant
 Street Retail — 20.7 ac. (3,000 IF frontage @ 300' deep = 900,000 SF)
 10% lot coverage = 90,000 SF @ 50% dev. = 45,000 SF
 45,000 SF @ \$50/SF = \$2,250,000
 Single-Family — 174 ac. - 20.7 ac. = 153.3 ac. @ 20% dev. = 30.66 ac.
 30.66 ac. @ 4 du/ac. = 122 un @ 175K/un = \$21,350,000
- 4c 136 ac., 109 ac. vacant
 Highway Retail — 20.7 ac. (3,000 LF frontage @ 300' deep = 900,000 SF)
 10% lot coverage = 90,000 SF @ \$60/SF = \$5,400,000 Multi-Family
 — 109 ac. - 20.7 ac. = 88.3 ac. @ 25% dev. = 22 ac. 22 ac. @
 15% coverage = 143,748 SF (say 144,000 SF) 144,000 SF @
 1,000 SF/un = 144 un @ \$60K/un = \$8,640,000
- 5 167 ac., 37 ac. vacant
 Assume 4,000 SF of development every 5 years
 4,000 SF/yr 5 times = 20,000 SF @ 60K/SF = \$1,200,000
- 6a 87 ac., 56 ac. vacant
 Assume redevelopment and new development on 40 ac.
 40 ac. @ 15% coverage = 261,360 SF @ \$60/SF = \$15,680,000
- 6b 62 ac., 38 ac. vacant
 Assume mixed-use development
 38 ac. @ 15% coverage = 248,292 SF @ \$60/SF = \$14,900,000
- 6c 3 ac., 2 ac. vacant
 Assume no development
- 52 ac., 19 ac. vacant
 Assume redevelopment and new development on 25 ac.
 25 ac. @ 15% coverage = 163,350 SF @ \$60/SF = \$9,800,000

EXHIBIT 3 (CON'T)

- 8a 188 ac., 125 ac. vacant
 125 ac. @ 5% coverage = 272,250 SF @ \$60/SF = \$16,335,000
 25 years of 30 year build out = \$13,625,000
- 8b 659 ac., 640 ac. vacant
 640 ac. @ 5% coverage = 1,393,920 SF @ \$60/SF = \$83,635,000
 15 years of 30 year build out - \$41,817,600
 Assume 50% developed = \$20,908,800
- 8c 443 ac., 427 ac. vacant
 427 ac. @ 5% coverage = 930,000 SF @ \$60/5F = \$55,800,000 18
 years of 30 year build out = \$33,480,000
 Assume 50% developed = \$16,740,000
- 8d 139 ac., 129 ac. vacant
 129 ac. @ 5% coverage = 280,960 SF @ \$60/SF = \$16,857,600
 20 years of 30 year build out = \$11,238,400
 Assume 50% development = \$5,619,200
- 8e 54 ac., 54 ac. vacant
 54 ac. @ 5% coverage = 117,612 SF @ \$60/SF = \$7,050,000 15
 years of 30 year build out = \$3,525,000
 Assume 50% developed = \$1,762,500

EXHIBIT 4

**CITY OF FARMERS VILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1**

FUTURE DEVELOPMENT ASSUMPTIONS

TRACT	ASSUMPTIONS		
Ia 26 ac. 16 ac. vac.	Used information provided by developer		
	Retail	2012 - 2015	\$1,800,000
	Bank	2013	400,000
	Storage	2016	500,000
	TOTAL		\$2,700,000
Ib 251 ac. 207 ac. vac.	Highway Retail	2021 - 2040	\$9,000,000
	Single-Family (20% dev.)	2026 - 2040	23,800,000
	TOTAL		\$32,800,000
Ic 24 ac.	N/A		
2 101 ac. 100 ac. vac.	Used information provided by developer except extended development time frame from 5 to 11 years		
	Assisted Living	2013, 2016, 2019	\$13,500,000
	Medical Office	2013, 2016, 2019, 2022	10,000,000
	Retail	2015, 2017	3,000,000
	Storage	2014, 2017, 2020	6,000,000
	Single-Family	2012 - 2022	41,720,000
	Multi-Family	2016, 2019, 2022	27,000,000
	TOTAL		\$101,220,000
3a 91 ac. 60 ac. vac.	Highway Retail	2013 - 2035	\$7,200,000
	Multi-Family	2018, 2021	12,720,000
	TOTAL		\$19,920,000
3b 196 ac. 168 ac. vac.	Highway Retail	2021 - 2040	\$5,400,000
	Single-Family (20% dev.)	2021 - 2040	20,650,000
	TOTAL		\$26,050,000
4a 223 ac. 75 ac. vac. 75 ac. CCCC	Highway Retail	2016 - 2040	\$5,400,000
	Multi-Family	2020, 2025	21,300,000
	TOTAL		\$26,700,000

EXHIBIT 4 (CON'T)

TRACT	ASSUMPTIONS		
4b 188 ac. 174 ac. vac.	Street Retail (50% dev.)	2026 - 2040	\$2,200,000
	Single-Family (20% dev.)	2026 - 2040	21,350,000
	TOTAL		\$23,550,000
4c 136 ac. 109 ac. vac.	Highway Retail	2026 - 2040	\$5,400,000
	Multi-Family (25% dev.)	2030, 2035	8,640,000
	TOTAL		\$14,040,000
5 167 ac. 37 ac. vac.	4,000 SF of development every 5 years	2016, 2021, 2026, 2031, 2036	\$1,200,000
6a 87 ac. 56 ac. vac.	Redevelopment & New development 40 ac. @ 15% coverage	2014 - 2040	\$15,680,000
6b 62 ac. 38 ac. vac.	Mixed-Use 38 ac. @ 15% coverage	2014 - 2040	\$14,900,000
6c 3 ac. 2 ac. vac.	N/A		
7 52 ac. 19 ac. vac.	Redevelopment & New development 25 ac. @ 15% coverage	2014 - 2040	\$9,800,000
8a 188 ac. 125 ac. vac.	Light Industrial 125 ac. @ 5% coverage 30-year build out	2016 - 2040	\$13,625,000

(CON'T)

TRACT 1		ASSUMPTIONS	
8b 659 ac. 640 ac. vac.	Light Industrial 531 ac. @ 5% coverage 30-year build out	2026 - 2040	\$20,908,800
8c 443 ac. 427 ac. vac.	Light Industrial 427 ac. @ 5% coverage 30-year build out	2023 - 2040	\$16,740,000
8d 139 ac. 129 ac. vac.	Light Industrial 129 ac. @ 5% coverage 30-year build out	2021 - 2040	\$5,619,200
8e 54 ac. 54 ac. vac.	Light Industrial 54 ac. @ 5% coverage 30-year build out	2026 - 2040	\$1,762,500
GRAND TOTAL			
			\$347,215.500

EXHIBIT 5**FUTURE DEVELOPMENT - \$K**

YEAR	TRACT																			TOTAL
	1a	1b	1c	2a	3a	3b	4a	4b	4c	5	6a	6b	6c	7	8a	8b	8c	8d	8e	
2011																				0
2012	750			1,120																1,870
2013	400			9,800	313															10,513
2014	450			6,200	313						580	555		360						8,458
2015	600			5,700	313						580	555		360						8,108
2016	500			20,200	313		216			240	580		555	360	545					23,509
2017	—			7,700	313		216				580		555	360	545					10,269
2018					6,673						580		555	360	545					13,129
2019		-		20,200	313		216				580		555	360	545					22,769
2020	---			6,200	313		10,966				580		555	360	545					19,419
2021		450		4,200	6,673	1,303	216			240	580		555	360	545			280		15,402
2022			450	15,700	313	1,303	216				580	555		360	545			280		20,302
2023	---		450	---	313	1,303	216				580	555		360	545			930	280	5,532
2024			450		313	1,303	216				580		555	360	545			930	280	5,532
2025			450		313	1,303	10,866				580		555	360	545			930	280	16,182
2026	----	2,030			313	1,303	216	1,570	360	240	580		555	360	545	1,394		930	280	10,793
2027		2,030			313	1,303	216	1,570	360		580		555	360	545	1,394		930	280	117
2028		2,030			313	1,303	216	1,570	360		580		555	360	545	1,394		930	280	117
2029	---	2,030			313	1,303	216	1,570	360		580	555		360	545	1,394		930	280	117
2030		2,030			313	1,303	216	1,570	4,680		580	555		360	545	1,394		930	280	117
2031		2,030			313	1,303	216	1,570	360	240	580	555		360	545	1,394		930	280	117
2032	----	2,030			313	1,303	216	1,570	360		580		555	360	545	1,394		930	280	117
2033		2,030			313	1,303	216	1,570	360		580		555	360	545	1,394		930	280	117
2034		2,030			313	1,303	216	1,570	360		580		555	360	545	1,394		930	280	117
2035		2,030			314	1,303	216	1,570	4,680		580		555	360	545	1,394		930	280	117

EXHIBIT 6

**CITY OF FARMERS VILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
TIRZ FUND**

YEAR	NEW DEVELOPMENT, \$K	CUMULATIVE NEW DEVELOPMENT, \$K	TIRZ FUND, \$K*
2011			
2012	1,870	1,870	
2013	10,513	12,383	14
2014	8,458	20,841	93
2015	8,108	28,949	156
2016	23,509	52,458	217
2017	10,269	62,727	393
2018	13,129	75,856	470
2019	22,769	98,625	569
2020	19,419	118,044	740
2021	15,402	133,446	885
2022	20,302	153,748	1,001
2023	5,532	159,280	1,153
2024	5,532	164,812	1,195
2025	16,182	180,994	1,236
2026	10,793	191,787	1,357
2027	10,553	202,340	1,438
2028	10,553	212,893	1,518
2029	10,553	223,446	1,597
2030	14,873	238,319	1,676
2031	10,793	249,112	1,787
2032	10,553	259,665	1,868
2033	10,553	270,218	1,947
2034	10,553	280,771	2,027
2035	14,874	295,645	2,106
2036	10,480	306,125	2,217
2037	10,240	316,365	2,296
2038	10,240	326,605	2,373
2039	10,240	336,845	2,450
2040	10,370	347,215	2,526
2041			<u>2,604</u>
TOTAL	347,215	347,215	39,909**

*Based on 2011 tax rates of:

City - \$0.63/\$100 valuation
Co. (50%) - 0.12/5100 valuation
TOTAL \$0.75/\$100 valuation

**City contribution: \$33,524,000 (84%)
County contribution: \$6,385,000 (16%)

FINAL

FINANCE PLAN

February 2012

Tax Increment Financing Reinvestment Zone No. 1

City of Farmersville, Texas

SCHRADER & CLINE, LLC

George R. Schrader

Larry D. Cline

4800 Broadway, Ste A Addison, TX 75001

972-661-1973

scheWswbell.net

The Financing Plan provides information on the projected monetary impact that the formation of the Tax Increment Financing Reinvestment Zone (TIF) could have on the property described in *Finance Plan Exhibit: A* and shown in *Finance Plan Exhibit: B*. It will also describe how that impact can be utilized to enhance the area and region through leveraging the resources of the City in the project.

Below is a summary of the Financing Plan items required by law.

1. **The proposed public improvements in the TIF may include:**
 - Capital costs, including the actual costs of the construction of public works, public improvements, new buildings, structures, and fixtures; and the actual costs of the acquisition of land and the clearing and grading of land;
 - Financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;
 - Any real property assembly costs;
 - Professional service costs, including those incurred for architectural, planning, engineering, and legal advise and services;
 - Any relocation costs;
 - Organizational costs, including costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the TIF, and the cost of implementing the project plan for the TIF;
 - Interest before and during construction and for one (1) year after completion of construction, whether or not capitalized;
 - The amount of any contributions made by the municipality from general revenue for the implementation of the project plan;
 - Imputed administrative costs, including reasonable charges for the time spent by employees of the municipality in connection with the implementation of a project plan;
 - The cost of operating the TIF and project facilities; and
 - Payments made at the discretion of the governing body of the municipality that the municipality finds necessary or convenient to the creation of the TIF or to the implementation of the project plans for the TIF.

FINANCE PLAN — FARMERS VILLE TIF NO. 1 FINAL

The specific capital improvement projects anticipated to be undertaken in the Farmersville TIF No. 1, are included in *Finance Plan Exhibit: C*.

2. **Estimated Project Cost of TIF, including administrative expenses.**
 - Project costs are estimated at approximately \$31.5 million dollars. Specific cost estimates are included in *Finance Plan Exhibit: C*.
3. **Economic Feasibility Study.**
 - An economic feasibility analysis has been completed and is included as *Finance Plan Exhibit: D*.
4. **The estimated amount of bonded indebtedness to be incurred.**
 - If initial project costs are not advanced by a Developer, the City of Farmersville may consider issuing bonds.
5. **The time when related costs or monetary obligations are to be incurred.**
 - Please refer to *Finance Plan Exhibit: C* for details regarding the type of improvement costs anticipated. The timing will be monitored by the TIF Board to insure adequate TIF funds or funds from other sources are available.
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 on real property in the TIF.**
 - Project costs will be financed through loans advanced by developers or by the use of tax increment funds received on a pay-as-you-go basis. No new debt is envisioned at this time, but bonds may be issued at a later date with debt service supported by tax increment funds or funds from other sources. The revenue sources will be the real property taxes captured by the TIF, or other sources which will be used to fund project costs or bond debt service. For the Financial Plan, the City will participate at 100% of the City tax rate for thirty (30) years, and the County will participate at 50% of the County tax rate for thirty (30) years, all on the incremental taxable value and all as shown in *Finance Plan Table 2 and Table 4*.
7. **The current total appraised value of taxable real property in the TIF.**
 - The current appraised base value of the taxable real property in the TIF using the 2011 certified taxable values provided by the Appraisal District is \$54,203,918.
8. **The estimated appraised value of the improvements in the TIF during each year of its existence.**
 - The estimated appraised value of the improvements in the TIF per year is listed in the following FINANCE PLAN TABLE 1 and TABLE 3.

**ASSESSED REAL PROPERTY VALUE INCLUDING
ANTICIPATED NEW DEVELOPMENT
YEARS 2011-2040 (CITY OF FARMERSVILLE)**

YEAR	TOTAL ASSESSED VALUE, \$K
2011	54,204
2012	56,074
2013	66,587
2014	75,045
2015	83,153
2016	106,662
2017	116,931
2018	130,060
2019	152,829
2020	172,248
2021	187,650
2022	207,952
2023	213,484
2024	219,016
2025	235,198
2026	245,991
2027	256,544
2028	267,097
2029	277,650
2030	292,523
2031	303,316
2032	313,869
2033	324,422
2034	334,975
2035	349,849
2036	360,329
2037	370,569
2038	380,809
2039	391,049
2040	401,419

- The estimated annual incremental funds available from future development in the TIF are listed in the following table.

9. The duration of the TIF:

- The TIF was created in 2011; It is proposed that the TIF exist for thirty (30) years with termination of the TIF set as 2040 or the date when all project costs are paid and debt is retired, whichever comes first.

FINANCE PLAN - FARMERS VILLE TIF NO. 1 FINAL

TABLE 2

**ANNUAL INCREMENTAL FUNDS PROVIDED FOR TIF No. 1
YEARS 2011-2041**

Year	ASSESSED VALUE \$K	BASE ASSESSED VALUE \$K	ANNUAL CUM. CAPTURED VALUE \$K	TIF FUND, \$K
2011	54,204	54,204	--	--
2012	56,074	54,204	1,870	--
2013	66,587	54,204	12,383	14
2014	75,045	54,204	20,841	93
2015	83,153	54,204	28,949	156
2016	106,662	54,204	52,458	217
2017	116,931	54,204	62,727	393
2018	130,060	54,204	75,856	470
2019	152,829	54,204	98,625	569
2020	172,248	54,204	118,044	740
2021	187,650	54,204	133,446	885
2022	207,952	54,204	153,748	1,001
2023	213,484	54,204	159,280	1,153
2024	219,016	54,204	164,812	1,195
2025	235,198	54,204	180,994	1,236
2026	245,991	54,204	191,787	1,357
2027	256,544	54,204	202,340	1,438
2028	267,097	54,204	212,893	1,518
2029	277,650	54,204	223,446	1,597
2030	292,523	54,204	238,319	1,676
2031	303,316	54,204	249,112	1,787
2032	313,869	54,204	259,665	1,868
2033	324,422	54,204	270,218	1,947
2034	334,975	54,204	280,771	2,027
2035	349,849	54,204	295,645	2,106
2036	360,329	54,204	306,125	2,217
2037	370,569	54,204	316,365	2,296
2038	380,809	54,204	326,605	2,373
2039	391,049	54,204	336,845	2,450
2040	401,419	54,204	347,215	2,526
2041	--	--	--	2,604
TOTAL	401,419	54,204	347,215	39,909

TIF CONTRIBUTION TAX RATE / \$100 VALUATION

City of Farmersville --	\$0.63 (100%)
Collin County -	0.12 (50%)
TOTAL	\$0.75

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
BOUNDARY DESCRIPTION**

OBJECTID	Direction	Distance	COGO_Start
6	N 1-29-59 E	366.63	Point of Beginning
7	S 89-31-48 W	846.67	
8	N 1-8-17 E	240.3	
9	S 83-9-28 W	18.374	
10	S 4-23-15 E	31.38	
11	S 25-34-4 W	84.3	
12	N 57-59-45 W	63.4	
13	S 68-38-20 W	43.41	
14	S 82-20-26W	152.07	
15	N 2-15-31 E	64.66	
16	N 73-25-47 W	113.14	
17	S 17-19-50W	136.62	
18	N 89-17-53 W	112.991	
19	N 25-19-30 W	49.007	
20	N 82-33-1 W	144.831	
21	N 35-9-3 W	153.284	
22	S 88-44-51W	91.522	
23	S 83-42-38W	31.942	
24	S 47-33-47 W	23.712	
25	S 35-32-13 W	21.506	
26	S 70-20-49 W	14.867	
27	S 45-0-3 W	17.677	
28	S 75-57-46W	14.431	
29	S 83-34-16 W	17.862	
30	S 72-38-47 W	16.763	
31	S 47-5-56 W	33.787	
32	S 41-54-20 W	26.201	
33	S 33-41-21 W	12.62	
34	S 0-0-0 W	30	
35	S 22-37-8 W	9.75	
36	S 68-11-54 W	18.849	
37	S 72-19-46 W	29.649	
38	S 86-45-32 W	26.543	
39	N 75-51-48 W	34.804	
40	N 48-22-2 W	21.073	
41	N 55-42-39 W	13.314	
42	N 63-26-14 W	14.535	
43	N 74-58-49 W	21.224	
44	N 86-25-30 W	16.031	
45	S 81-52-15 W	21.213	
46	S 71-57-49 W	11.305	
47	S 63-52-13 W	14.758	
48	N 3-41-8 E	38.079	

FINANCE PLAN - FARMERS VILLE TIF NO. 1

FINAL

EXHIBIT A (CON'T)

49	N 19-9-35 W	57.93
50	N 42-47-22 E	155.14
51	N 34-53-36 W	135.62
52	N 47-1-25 E	72.494
53	N 66-41-29 W	58.51
54	N 24-58-37 E	26.52
55	N 54-22-40 E	57.036
56	N 81-11-14 W	223.205
57	N 8-4-3 E	79.96
58	N 82-41-42 W	108.354
59	S 8-2-23 W	313.345
60	S 73-39-45 W	110
61	N 8-1-24 E	429.925
62	N 16-0-12 W	20.49
63	S 73-52-58 W	52.1
64	S 52-21-41 W	792.686
65	S 43-25-12 W	20.184
66	S 35-32-15 E	110.005
67	S 53-14-27 W	177.278
68	N 33-33-50 W	113.182
69	S 51-55-52 W	545.657
70	S 52-28-19W	2028.594
71	S 40-9-21 W	109.034
72	S 60-43-44W	156.233
73	S 53-16-35 W	92.069
74	S 51-57-57W	906.967
75	S 51-24-48 W	184.017
76	N 89-29-11 W	302.191
77	N 72-15-0 W	44.88
78	S 88-54-22W	100.825
79	N 89-29-18 W	228.423
80	N 13-25-OW	703.978
81	N 71-58-2 E	310.459
82	N 0-30-13 W	438.006
83	N 22-23-43 W	371.244
84	N 26-53-46 W	153.57
85	N 42-13-10 W	187.44
86	N 30-28-10 W	244.2
87	N 61-20-40 W	114.058
88	N 45-15-18 W	204.752
89	N 29-0-13 W	495.599
90	S 84-54-40W	757.312
91	N 89-57-9 W	443.04
92	S 32-34-31 W	245.672
93	S 32-6-54 E	516.115
94	S 61-16-11 W	555.082
95	S 63-3-46W	272.135
96	N 46-23-12 W	98.091
97	N 78-12-4 W	259.741

99	N 89-54-19 W	334.268
100	S 32-30-23 W	38.627
101	S 89-40-8W	365.023
102	N 85-0-23 W	13.181
103	N 83-0-31 W	13.181
104	N 80-30-30 W	19.77
105	N 77-30-22 W	19.77
106	N 74-30-27 W	19.77
107	N 71-30-31 W	19.77
108	N 68-10-23 W	100.917
109	N 59-38-58 W	23.109
110	N 65-38-56 W	16.51
111	N 70-39-1 W	16.511
112	N 76-8-49 W	19.81
113	N 81-27-50 W	15.28
114	N 89-34-5 W	489.649
115	N 74-35-33 W	10.957
116	N 67-5-40 W	12.519
117	N 57-35-36 W	17.202
118	N 45-30-46 W	20.559
119	S 88-37-11 W	315.684
120	S 75-8-46 W	366.013
121	S 86-51-49W	126.996
122	N 22-24-41 W	340.597
123	N 22-24-41 W	962.477
124	N 37-45-40 W	1025.66
125	N 11-25-40 E	219.706
126	S 79-29-49 E	300.14
127	S 83-5-56 E	656.74
128	N 1-29-4 E	806.514
129	N 2-38-24 E	1160.816
130	S 88-51-2 E	554.22
131	N 89-55-10 E	1585.103
132	N 0-29-3 E	32.539
133	N 89-18-3 E	1600.723
134	N 0-19-9 W	411.304
135	N 89-51-17 E	27.418
136	N 0-6-7 W	66.151
137	S 90-0-0 E	604.179
138	S 85-52-12 E	131.162
139	N 87-35-19 E	224.523
140	N 90-0-0 E	1055.271
141	N 1-1-46 E	99.972
142	S 89-50-59 E	1308.464
143	N 77-26-11 E	72.506
144	S 89-48-30 E	903.513
145	N 0-49-28 W	456.523
146	N 90-0-0 E	1365.836
147	N 0-48-56 W	334.187

EXHIBIT A (CON'T)

149	S 89-35-8 E	1106.182
150	N 89-35-15 E	303.095
151	S 0-58-16 E	264.078
152	S 24-34-53 E	154.2
153	S 0-20-41 E	922.171
154	N 89-33-35 E	366.805
155	S 0-20-15 W	375.868
156	S 82-24-9W	591.184
157	S 0-46-5 E	1467.406
158	S 88-0-11 E	585.11
159	S 0-12-53 W	428.815
160	S 86-34-35 E	203.481
161	S 86-21-47 E	30.521
162	N 0-3-0 E	22.983
163	S 75-49-59 E	405.839
164	N 69-46-17 E	60.017
165	N 23-53-48 E	407.175
166	N 30-49-19 E	238.234
167	S 89-54-37 E	1150.685
168	S 8-52-21 E	29.859
169	N 90-0-0 E	747.008
170	N 0-0-0 E	249.003
171	N 90-0-0 E	460.022
172	N 0-0-0 E	122.391
173	S 89-47-25 E	333.882
174	S 88-48-13 E	297.462
175	S 89-53-14 E	208.58
176	S 0-0-0 W	110.326
177	S 89-7-39 E	831.512
178	S 0-35-34 E	529.889
179	N 88-45-1 E	27.275
180	S 3-0-33 E	289.898
181	S 71-42-55 W	193.349
182	S 0-17-45 E	926.912
183	S 89-29-18 W	868.222
184	S 1-4-44 E	458.028
185	N 87-38-47 E	156.476
186	S 3-14-30W	203.776
187	N 88-14-39 E	39.606
188	S 0-22-40 W	154.189
189	S 88-51-43 W	75.515
190	S 1-28-12 E	75.027
191	S 90-0-0 W	22.985
192	S 0-25-4 W	92.106
193	N 89-14-55 E	8.881
194	S 0-43-35 E	58.58
195	N 86-56-54 E	49.865
196	S 0-30-51 E	76.652
197	N 88-22-35 E	268.823

198 N 89-34-5 E 317.969

EXHIBIT A (CON'T)

199	S 1-36-44 E	81.466
200	S 89-32-40 E	139.024
201	S 77-44-9 E	37.589
202	N 89-39-38 E	194.853
203	N 0-0-0 E	140.464
204	N 90-0-0 E	224.742
205	S 0-0-0 W	35.755
206	N 89-23-16 E	209.578
207	N 0-12-58 E	254.486
208	S 87-43-17 E	16.182
209	N 0-2-52 W	418.955
210	N 89-41-34 E	656.26
211	S 0-0-34 W	760.442
212	S 89-39-58 E	187.41
213	S 0-18-37 E	74.274
214	S 89-22-24 E	354.078
215	N 82-44-12 E	93.384
216	N 0-0-0 E	269.932
217	N 90-0-0 E	322
218	N 0-20-32 E	572.91
219	N 89-26-16 E	1181.9
220	N 0-41-25 E	891.065
221	S 89-21-45 E	691.89
222	S 89-39-29 E	971.921
223	S 89-36-28 E	949.272
224	N 1-28-31 E	1731.342
225	N 87-44-59 E	101.862
226	S 89-38-14 E	675.272
227	S 87-25-15 E	94.892
228	S 85-39-15 E	94.89
229	S 83-53-14 E	94.891
230	S 82-24-22 E	74.449
231	S 80-42-43 E	74.448
232	S 79-1-11 E	74.45
233	S 77-19-43 E	74.448
234	S 75-38-4 E	74.448
235	S 74-7-42 E	87.93
236	S 72-12-17 E	87.933
237	S 70-16-54 E	87.93
238	S 68-21-33 E	87.931
239	S 66-45-54 E	116.25
240	S 65-39-19 E	116.249
241	S 64-32-44 E	116.249
242	S 64-12-45 E	647.158
243	S 64-18-11 E	2071.707
244	S 64-16-17 E	1118.377
245	S 64-31-40 E	58.426
246	N 89-52-51 E	76.993
247	S 89-52-29 E	3056.239

FINANCE PLAN - FARMERS VILLE TIF NO. 1

FINAL

EXHIBIT A (CON'T)

249	S 89-30-2 E	1925.931
250	S 89-18-49 E	2048.406
251	S 0-26-31 W	871.828
252	S 14-4-21 W	109.754
253	S 0-2-56 W	1545.715
254	S 81-18-5W	2405.409
255	S 29-17-10 E	340.45
256	S 14-3-43 E	116.249
257	S 25-9-25 E	119.142
258	S 2-3-58 W	71.659
259	S 25-9-12 E	963.927
260	S 28-3-49 E	24.339
261	S 23-3-44 E	36.498
262	S 18-33-52 E	18.256
263	S 14-33-45 E	30.419
264	S 9-33-48 E	30.42
265	S 5-2-39 E	37.852
266	N 89-43-54 W	1252.016
267	S 0-53-35 W	95.338
268	N 89-29-0 W	3082.276
269	N 0-38-13 E	1225.311
270	S 89-30-50 W	218.038
271	S 89-30-50 W	1548.478
272	N 89-41-17 W	400.156
273	N 1-0-0 E	1428.42
274	N 89-57-4 W	1290.553
275	N 89-58-11W	792.793
276	N 0-35-44 W	280.594
277	S 90-0-0 W	53.48
278	N 0-0-0 E	513.794
279	S 90-0-0 W	463.267
280	N 0-12-38 E	610.058
281	S 87-52-41W	144.165
282	N 89-47-59 W	546.87
283	N 87-3-51 W	200.45
284	S 89-23-18 W	248.93
285	N 89-45-4 W	541.68
286	S 0-30-15 W	410.967
287	S 89-38-6 E	272.575
288	S 0-31-28 W	1281.56
289	S 89-57-40 W	2798.98
290	N 1-16-36 E	238.987
291	S 71-46-30 W	229.825
292	N 87-45-19 W	696.686
293	N 27-4-20 W	201.805
294	N 10-38-15 E	1320.909
295	N 89-43-29 W	396.983
296	N 27-38-59 E	45.753
297	N 89-43-45 W	132.059

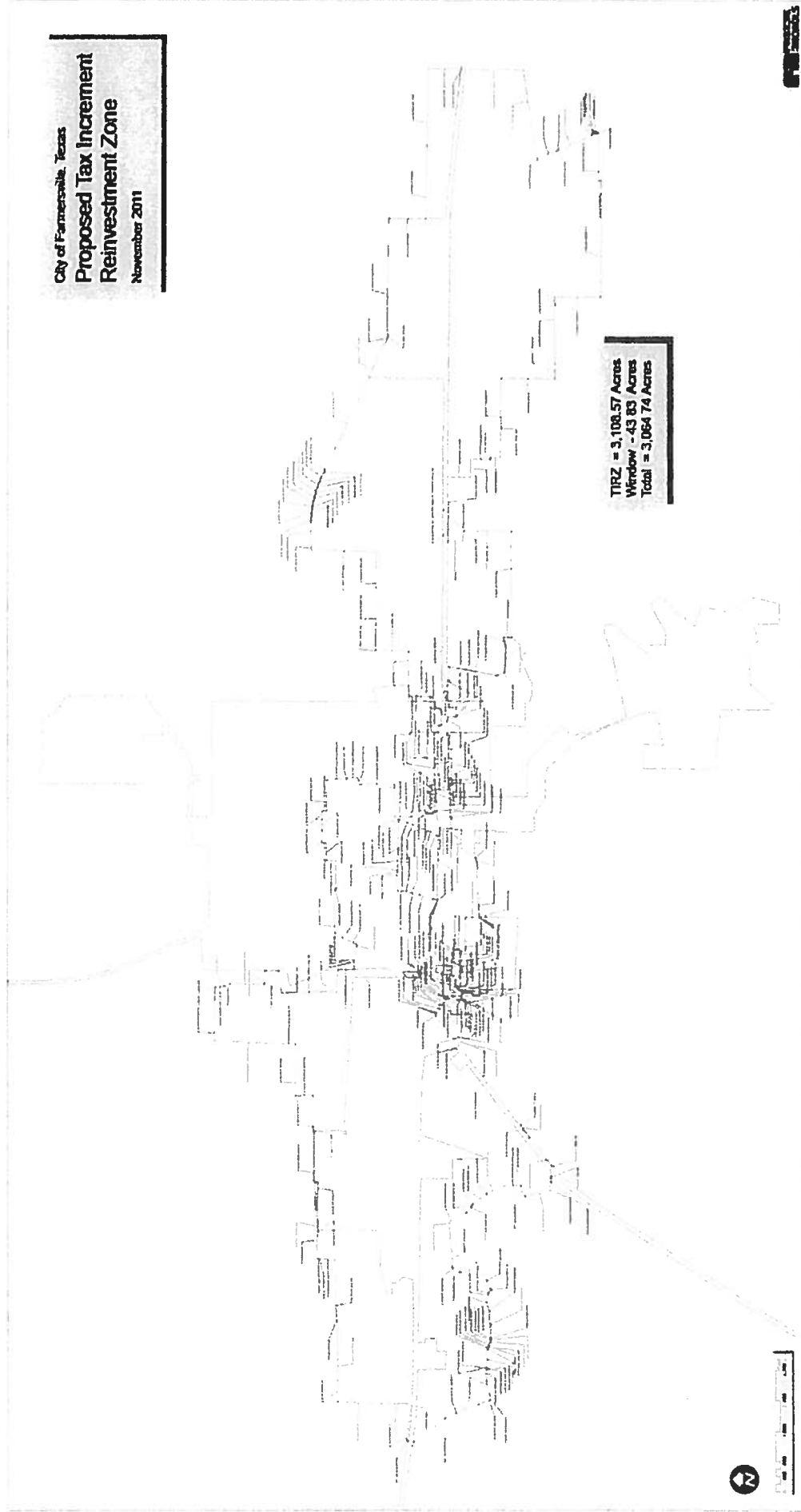
299	N 85-56-43 W	74.222	
300	S 0-2-10 W	217.699	
301	N 89-2-14 W	242.26	
302	N 0-1-2 W	235.537	
303	N 83-4-5 W	84.179	
304	N 89-19-38 W	386.617	
305	S 1-34-25 W	77.402	
306	S 86-47-53 W	637.533	
307	S 89-36-20W	196.554	
308	S 86-46-11 W	346.05	
309	S 88-41-54 W	71.618	
310	S 70-20-43 W	37.847	
311	S 89-24-40 W	315.454	
312	S 61-47-28 W	36.635	
313	S 89-30-54W	209.413	
314	N 0-34-19 W	90.803	
315	N 88-29-34 W	305.089	
316	S 42-38-52 W	65.069	
317	S 89-41-16 W	276.351	
318	S 5-8-11 W	268.376	
319	S 89-57-18W	364.448	
320	N 1-25-54 E	137.306	
321	S 37-25-35 W	627.425	
322	S 67-15-30W	147.302	
323	S 87-38-44W	1382.771	
324	N 89-16-16 W	50	to point of beginning contains 3,108.57 Acres

FINANCE PLAN — FARMERS VILLE TIF NO. 1 FINAL

EXHIBIT A (CON'T) SAVE AND EXCEPT

	Direction	Distance	COGO_Start
325	N 9-47-9 E	117.38	Point of beginning
326	N 17-30-3 E	387.77	
327	N 11-56-29 E	235.927	
328	N 16-44-39 E	131.237	
329	N 8-7-48 E	94.235	
330	N 1-40-13 E	143.273	
331	N 89-51-13 E	513.029	
332	S 0-24-9 W	7.47	
333	N 89-20-35 E	136.092	
334	S 89-10-28 E	435.451	
335	S 0-0-0 W	13.59	
336	S 89-48-21 E	801.802	
337	S 27-54-3 W	19.934	
338	S 21-43-2 W	226.387	
339	S 20-24-59 W	154.802	
340	S 21-43-1 W	306.322	
341	S 20-21-43 W	120.545	
342	S 15-27-43 W	84.529	
343	S 29-39-21 W	185.727	
344	S 25-22-6 W	48.486	
345	S 90-0-0 W	1049.131	
346	N 89-27-55 W	640.256	to the Point of beginning Contains 43.83 Acres

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1**



CITY OF FARMERS VILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
PUBLIC IMPROVEMENTS

ITEM	COST, \$K
Roadways & Storm Sewer	21,000
Sanitary Sewer (incl. Lift Stations)	2,500
Water	2,250
Community Center	5,000
Park Upgrades	500
Administration	250
TOTAL	31,500

FINAL

PROJECT PLAN

February 2012

Tax Increment Financing Reinvestment Zone No. 1

City of Farmersville, Texas

SCHRADER & CLINE, LLC

George R. Schrader

Larry D. Cline

4800 Broadway, Ste A Addison, TX 75001

972-661-1973

scheliaswbell.net

PROJECT PLAN — FARMERSVILLE TIRZ NO. 1 FINAL

February 2012

The City of Farmersville, Texas established Tax Increment Financing Reinvestment Zone ("TIRZ") No. 1 for the purpose of dedicating the increase in tax revenue generated within the TIRZ to provide funds for public infrastructure to encourage accelerated development and redevelopment along the US 380 corridor. The TIRZ consists of approximately 3,065 acres and is more fully described in *Project Plan Exhibit A*.

The City created this TIRZ to encourage accelerated development and redevelopment in this area of the City in an effort to stimulate new higher value, higher density development which would benefit and be incentivized from the proposed public infrastructure improvements. It is expected that the TIRZ will exist for thirty (30) years or the date when all project costs are paid, whichever comes first.

As set forth in Section 311.011 of the Tax Increment Financing Act of the Texas Tax Code Ann., the Project Plan for Tax Increment Financing Reinvestment Zone No. 1, Farmersville, Texas must and does include the following elements:

1. A map showing existing uses and conditions of real property in the TIRZ and a map showing proposed improvements to and proposed use of the property.

- The boundaries of the TIRZ are shown on the map labeled *Project Plan Exhibit: B*;
- *Project Plan Exhibit: C* shows existing land use within the TIRZ. Currently, the area is generally undeveloped and contains less than thirty percent residential.
- *Project Plan Exhibit: D* lists public improvements being proposed for the TIRZ;
- *Project Plan Exhibit: E* shows anticipated Future Land Use within the TIRZ.

PROJECT PLAN — FARMERSVILLE TIRZ NO. 1 FINAL

2. Proposed changes of zoning ordinances, the master plan of the municipality, building codes, and other municipal ordinances.

- Any changes to codes, ordinances, or master plan as a result of the creation of the TIRZ will be made through the standard process and procedures of the City.

3. A list of estimated non-project costs.

- Non-project costs within the TIRZ are those development costs not paid for by the TIRZ. These costs will include, but are not limited to, \$347.215 million, which is comprised of new private development.

4. A statement of a method of relocating persons to be displaced as a result of implementing the plan.

- Although not anticipated, in the process of developing the TIRZ, any relocation will be made through the standard process and procedures of the City.

PROJECT PLAN — FARMERSVILLE TIRZ NO. 1 FINAL

EXHIBIT A

CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
BOUNDARY DESCRIPTION

OBJECTID	Direction	Distance	COGO_Start
6	N 1-29-59 E	366.63	Point of Beginning
7	S 89-31-48W	846.67	
8	N 1-8-17 E	240.3	
9	S 83-9-28 W	18.374	
10	S 4-23-15 E	31.38	
11	S 25-34-4 W	84.3	
12	N 57-59-45 W	63.4	
13	S 68-38-20 W	43.41	
14	S 82-20-26W	152.07	
15	N 2-15-31 E	64.66	
16	N 73-25-47 W	113.14	
17	S 17-19-50W	136.62	
18	N 89-17-53 W	112.991	
19	N 25-19-30 W	49.007	
20	N 82-33-1 W	144.831	
21	N 35-9-3 W	153.284	
22	S 88-44-51W	91.522	
23	S 83-42-38 W	31.942	
24	S 47-33-47 W	23.712	
25	S 35-32-13 W	21.506	
26	S 70-20-49 W	14.867	
27	S 45-0-3 W	17.677	
28	S 75-57-46 W	14.431	
29	S 83-34-16 W	17.862	
30	S 72-38-47 W	16.763	
31	S 47-5-56 W	33.787	
32	S 41-54-20 W	26.201	
33	S 33-41-21 W	12.62	
34	S 0-0-0 W	30	
35	S 22-37-8 W	9.75	
36	S 68-11-54 W	18.849	
37	S 72-19-46 W	29.649	
38	S 86-45-32 W	26.543	
39	N 75-51-48 W	34.804	
40	N 48-22-2 W	21.073	
41	N 55-42-39 W	13.314	
42	N 63-26-14 W	14.535	
43	N 74-58-49 W	21.224	
44	N 86-25-30 W	16.031	
45	S 81-52-15 W	21.213	
46	S 71-57-49 W	11.305	
47	S 63-52-13 W	14.758	
48	N 3-41-8 E	38.079	

PROJECT PLAN - FARMERSVILLE TIRZ NO. 1 FINAL

EXHIBIT A (CON'T)

49	N 19-9-35 W 57.93
50	N 42-47-22 E 155.14
51	N 34-53-36 W 135.62
52	N 47-1-25 E 72.494
53	N 66-41-29 W 58.51
54	N 24-58-37 E 26.52
55	N 54-22-40 E 57.036
56	N 81-11-14 W 223.205
57	N 8-4-3 E 79.96
58	N 82-41-42 W 108.354
59	S 8-2-23 W 313.345
60	S 73-39-45 W 110
61	N 8-1-24 E 429.925
62	N 16-0-12 W 20.49
63	S 73-52-58 W 52.1
64	S 52-21-41 W 792.686
65	S 43-25-12 W 20.184
66	S 35-32-15 E 110.005
67	S 53-14-27W 177.278
68	N 33-33-50 W 113.182
69	S 51-55-52 W 545.657
70	S 52-28-19W 2028.594
71	S 40-9-21 W 109.034
72	S 60-43-44 W 156.233
73	S 53-16-35 W 92.069
74	S 51-57-57 W 906.967
75	S 51-24-48 W 184.017
76	N 89-29-11 W 302.191
77	N 72-15-0 W 44.88
78	S 88-54-22W 100.825
79	N 89-29-18 W 228.423
80	N 13-25-OW 703.978
81	N 71-58-2 E 310.459
82	N 0-30-13 W 438.006
83	N 22-23-43 W 371.244
84	N 26-53-46 W 153.57
85	N 42-13-10 W 187.44
86	N 30-28-10 W 244.2
87	N 61-20-40 W 114.058
88	N 45-15-18 W 204.752
89	N 29-0-13 W 495.599
90	S 84-54-40W 757.312
91	N 89-57-9 W 443.04
92	S 32-34-31 W 245.672
93	S 32-6-54 E 516.115
94	S 61-16-11 W 555.082
95	S 63-3-46 W 272.135
96	N 46-23-12 W 98.091
97	N 78-12-4 W 259.741

PROJECT PLAN - FARMERSVILLE TIRZ NO. 1 FINAL

EXHIBIT A (CON'T)

98	S 72-3-35 W 238.604
99	N 89-54-19 W 334.268
100	S 32-30-23W 38.627
101	S 89-40-8 W 365.023
102	N 85-0-23 W 13.181
103	N 83-0-31 W 13.181
104	N 80-30-30 W 19.77
105	N 77-30-22 W 19.77
106	N 74-30-27 W 19.77
107	N 71-30-31 W 19.77
108	N 68-10-23 W 100.917
109	N 59-38-58 W 23.109
110	N 65-38-56 W 16.51
111	N 70-39-1 W 16.511
112	N 76-8-49 W 19.81
113	N 81-27-50 W 15.28
114	N 89-34-5 W 489.649
115	N 74-35-33 W 10.957
116	N 67-5-40 W 12.519
117	N 57-35-36 W 17.202
118	N 45-30-46 W 20.559
119	S 88-37-11 W 315.684
120	S 75-8-46W 366.013
121	S 86-51-49 W 126.996
122	N 22-24-41 W 340.597
123	N 22-24-41 W 962.477
124	N 37-45-40 W 1025.66
125	N 11-25-40 E 219.706
126	S 79-29-49 E 300.14
127	S 83-5-56 E 656.74
128	N 1-29-4 E 806.514
129	N 2-38-24 E 1160.816
130	S 88-51-2 E 554.22
131	N 89-55-10 E 1585.103
132	N 0-29-3 E 32.539
133	N 89-18-3 E 1600.723
134	N 0-19-9 W 411.304
135	N 89-51-17 E 27.418
136	N 0-6-7 W 66.151
137	S 90-0-0 E 604.179
138	S 85-52-12 E 131.162
139	N 87-35-19 E 224.523
140	N 90-0-0 E 1055.271
141	N 1-1-46 E 99.972
142	S 89-50-59 E 1308.464
143	N 77-26-11 E 72.506
144	S 89-48-30 E 903.513
145	N 0-49-28 W 456.523
146	N 90-0-0 E 1365.836
147	N 0-48-56 W 334.187

EXHIBIT A (CON'T)

148	N 2-26-28 E	1831.892
149	S 89-35-8 E	1106.182
150	N 89-35-15 E	303.095
151	S 0-58-16 E	264.078
152	S 24-34-53 E	154.2
153	S 0-20-41 E	922.171
154	N 89-33-35 E	366.805
155	S 0-20-15 W	375.868
156	S 82-24-9W	591.184
157	S 0-46-5 E	1467.406
158	S 88-0-11 E	585.11
159	S 0-12-53 W	428.815
160	S 86-34-35 E	203.481
161	S 86-21-47 E	30.521
162	N 0-3-0 E	22.983
163	S 75-49-59 E	405.839
164	N 69-46-17 E	60.017
165	N 23-53-48 E	407.175
166	N 30-49-19 E	238.234
167	S 89-54-37 E	1150.685
168	S 8-52-21 E	29.859
169	N 90-0-0 E	747.008
170	N 0-0-0 E	249.003
171	N 90-0-0 E	460.022
172	N 0-0-0 E	122.391
173	S 89-47-25 E	333.882
174	S 88-48-13 E	297.462
175	S 89-53-14 E	208.58
176	S 0-0-0 W	110.326
177	S 89-7-39 E	831.512
178	S 0-35-34 E	529.889
179	N 88-45-1 E	27.275
180	S 3-0-33 E	289.898
181	S 71-42-55 W	193.349
182	S 0-17-45 E	926.912
183	S 89-29-18 W	868.222
184	S 1-4-44 E	458.028
185	N 87-38-47 E	156.476
186	S 3-14-30 W	203.776
187	N 88-14-39 E	39.606
188	S 0-22-40 W	154.189
189	S 88-51-43 W	75.515
190	S 1-28-12 E	75.027
191	S 90-0-0 W	22.985
192	S 0-25-4 W	92.106
193	N 89-14-55 E	8.881
194	S 0-43-35 E	58.58
195	N 86-56-54 E	49.865
196	S 0-30-51 E	76.652
197	N 88-22-35 E	268.823

EXHIBIT A (CON'T)

198	N 89-34-5 E	317.969
199	S 1-36-44 E	81.466
200	S 89-32-40 E	139.024
201	S 77-44-9 E	37.589
202	N 89-39-38 E	194.853
203	N 0-0-0 E	140.464
204	N 90-0-0 E	224.742
205	S 0-0-0 W	35.755
206	N 89-23-16 E	209.578
207	N 0-12-58 E	254.486
208	S 87-43-17 E	16.182
209	N 0-2-52 W	418.955
210	N 89-41-34 E	656.26
211	S 0-0-34 W	760.442
212	S 89-39-58 E	187.41
213	S 0-18-37 E	74.274
214	S 89-22-24 E	354.078
215	N 82-44-12 E	93.384
216	N 0-0-0 E	269.932
217	N 90-0-0 E	322
218	N 0-20-32 E	572.91
219	N 89-26-16 E	1181.9
220	N 0-41-25 E	891.065
221	S 89-21-45 E	691.89
222	S 89-39-29 E	971.921
223	S 89-36-28 E	949.272
224	N 1-28-31 E	1731.342
225	N 87-44-59 E	101.862
226	S 89-38-14 E	675.272
227	S 87-25-15 E	94.892
228	S 85-39-15 E	94.89
229	S 83-53-14 E	94.891
230	S 82-24-22 E	74.449
231	S 80-42-43 E	74.448
232	S 79-1-11 E	74.45
233	S 77-19-43 E	74.448
234	S 75-38-4 E	74.448
235	S 74-7-42 E	87.93
236	S 72-12-17 E	87.933
237	S 70-16-54 E	87.93
238	S 68-21-33 E	87.931
239	S 66-45-54 E	116.25
240	S 65-39-19 E	116.249
241	S 64-32-44 E	116.249
242	S 64-12-45 E	647.158
243	S 64-18-11 E	2071.707
244	S 64-16-17 E	1118.377
245	S 64-31-40 E	58.426
246	N 89-52-51 E	76.993
247	S 89-52-29 E	3056.239

EXHIBIT A (CON'T)

248	S 0-14-3 W	1022.662
249	S 89-30-2 E	1925.931
250	S 89-18-49 E	2048.406
251	S 0-26-31 W	871.828
252	S 14-4-21 W	109.754
253	S 0-2-56 W	1545.715
254	S 81-18-5W	2405.409
255	S 29-17-10 E	340.45
256	S 14-3-43 E	116.249
257	S 25-9-25 E	119.142
258	S 2-3-58 W	71.659
259	S 25-9-12 E	963.927
260	S 28-3-49 E	24.339
261	S 23-3-44 E	36.498
262	S 18-33-52 E	18.256
263	S 14-33-45 E	30.419
264	S 9-33-48 E	30.42
265	S 5-2-39 E	37.852
266	N 89-43-54 W	1252.016
267	S 0-53-35 W	95.338
268	N 89-29-0 W	3082.276
269	N 0-38-13 E	1225.311
270	S 89-30-50 W	218.038
271	S 89-30-50W	1548.478
272	N 89-41-17 W	400.156
273	N 1-0-0 E	1428.42
274	N 89-57-4 W	1290.553
275	N 89-58-11 W	792.793
276	N 0-35-44 W	280.594
277	S 90-0-0 W	53.48
278	N 0-0-0 E	513.794
279	S 90-0-0 W	463.267
280	N 0-12-38 E	610.058
281	S 87-52-41W	144.165
282	N 89-47-59 W	546.87
283	N 87-3-51 W	200.45
284	S 89-23-18 W	248.93
285	N 89-45-4W	541.68
286	S 0-30-15 W	410.967
287	S 89-38-6 E	272.575
288	S 0-31-28 W	1281.56
289	S 89-57-40 W	2798.98
290	N 1-16-36 E	238.987
291	S 71-46-30 W	229.825
292	N 87-45-19 W	696.686
293	N 27-4-20 W	201.805
294	N 10-38-15 E	1320.909
295	N 89-43-29 W	396.983
296	N 27-38-59 E	45.753
297	N 89-4345 W	132.059

EXHIBIT A (CON'T)

298	S 86-16-25 W	501.22	
299	N 85-56-43 W	74.222	
300	S 0-2-10 W	217.699	
301	N 89-2-14 W	242.26	
302	N 0-1-2 W	235.537	
303	N 83-4-5 W	84.179	
304	N 89-19-38 W	386.617	
305	S 1-34-25 W	77.402	
306	S 86-47-53 W	637.533	
307	S 89-36-20 W	196.554	
308	S 86-46-11 W	346.05	
309	S 88-41-54 W	71.618	
310	S 70-20-43 W	37.847	
311	S 89-24-40W	315.454	
312	S 61-47-28 W	36.635	
313	S 89-30-54W	209.413	
314	N 0-34-19 W	90.803	
315	N 88-29-34 W	305.089	
316	S 42-38-52 W	65.069	
317	S 89-41-16 W	276.351	
318	S 5-8-11 W	268.376	
319	S 89-57-18W	364.448	
320	N 1-25-54 E	137.306	
321	S 37-25-35 W	627.425	
322	S 67-15-30W	147.302	
323	S 87-38-44 W	1382.771	
324	N 89-16-16 W	50	to point of beginning contains 3,108.57 Acres

PROJECT PLAN — FARMERSVILLE TIRZ NO. 1 FINAL

EXHIBIT A (CON'T)

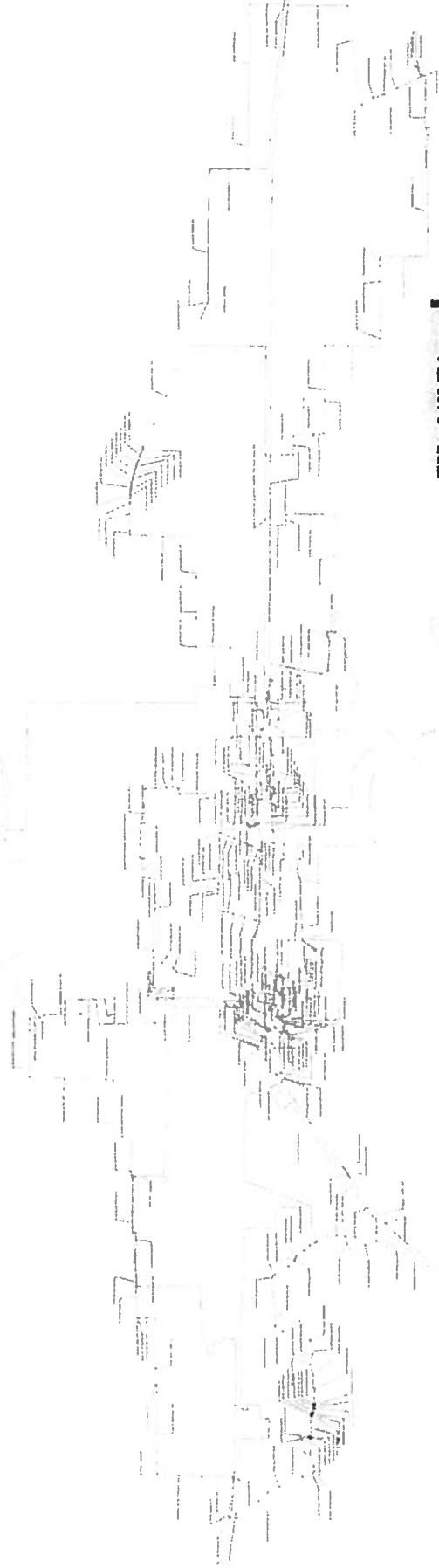
SAVE AND EXCEPT

	Direction Direction	Distance	
325	N 9-47-9 E	117.38	Point of beginning
326	N 17-30-3 E	387.77	
327	N 11-56-29 E	235.927	
328	N 16-44-39 E	131.237	
329	N 8-7-48 E	94.235	
330	N 1-40-13 E	143.273	
331	N 89-51-13 E	513.029	
332	S 0-24-9 W	7.47	
333	N 89-20-35 E	136.092	
334	S 89-10-28 E	435.451	
335	S 0-0-0 W	13.59	
336	S 89-48-21 E	801.802	
337	S 27-54-3 W	19.934	
338	S 21-43-2 W	226.387	
339	S 20-24-59 W	154.802	
340	S 21-43-1 W	306.322	
341	S 20-21-43 W	120.545	
342	S 15-27-43 W	84.529	
343	S 29-39-21 W	185.727	
344	S 25-22-6W	48.486	
345	S 90-0-0 W	1049.131	
346	N 89-27-55 W	640.256	to the Point of beginning
			Contains 43.83 Acres

EXHIBIT B

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1**

City of Farmersville, Texas
Proposed Tax Increment
Reinvestment Zone
November 2011



TIRZ = 3,108.57 Acres
Window = 43.83 Acres
Total = 3,064.74 Acres

PROJECT PLAN - FARMERSVILLE TIRZ NO. 1 FINAL EXHIBIT D

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
PUBLIC IMPROVEMENTS**

ITEM	COST, \$K
Roadways & Storm Sewer	21,000
Sanitary Sewer (incl. Lift Stations)	2,500
Water	2,250
Community Center	5,000
Park Upgrades	500
Administration	250
TOTAL	31,500

(CONT'D)

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
PROJECT PLAN ROAD ESTIMATED COSTS***

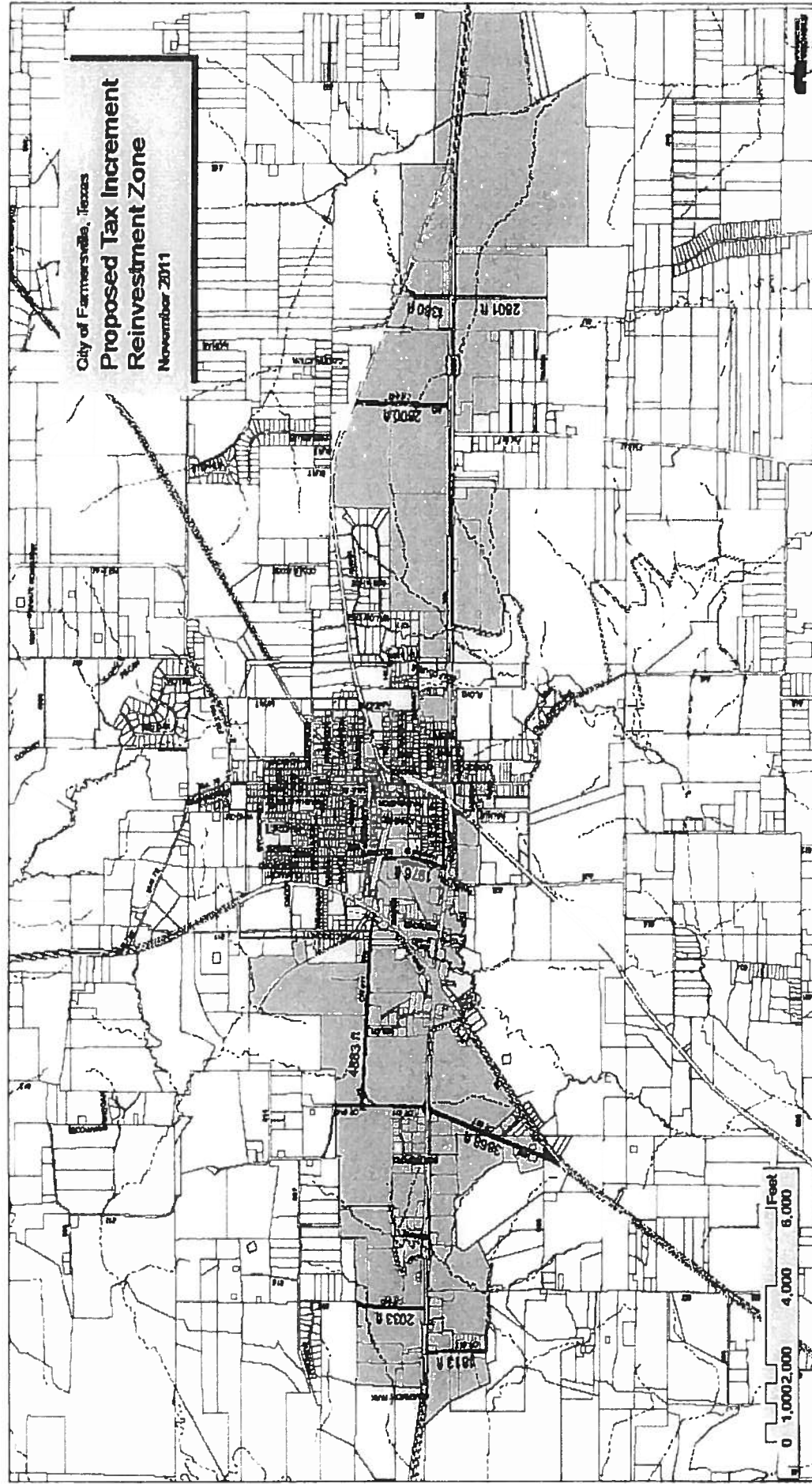
Assumptions

Traffic Signal = \$125,000 (full movement, non-coordinated)
Four Lane arterial (divided) per mile = \$3,900,000 \$740 per linear foot
(some drainage but no bridges)
Four Lane collector (undivided) per mile = \$500 per linear foot
Bridge for 4 lane arterial = \$2,000,000 average
Bridge/culvert for 4 lane collector = \$1,000,000 average

	Road Segment	Type	Linear Ft	Cost
Tract 1	-			
	CR 607 south of US 380	Arterial	3868	\$2,862,320
	South of US 380, west end	Collector	1813	\$906,500
	US 380 at west end	Signal		\$125,000
Tract 2				\$0
Tract 3	CR 560 north of US 380	Collector	2033	\$1,016,500
	CR 560 north of US 380	Culvert		\$1,000,000
	CR 560 at US 380	Signal		\$125,000
Tract 4	CR 611/610 North of US 380	Arterial	2760	\$2,042,400
	CR 611/612 West of SH 78	Arterial	4833	\$3,576,420
	CR 611 West of SH 78	Culvert		\$1,000,000
	CR 611 West at SH 78	Signal		\$125,000
Tract 5				\$0
Tract 6	Hamilton north of SH380	Collector	1676	\$838,000
	Hamilton north of SH380	Culvert		\$1,000,000
	Hamilton north of SH380	Signal		\$125,000
	Sid Nelson St east of Hamilton	Collector	1720	\$860,000
Tract 7				\$0
Tract 8	CR 653 north of US 380	Collector	2800	\$1,400,000
	CR 653 north of US 380	Culvert		\$1,000,000
	North of US 380, east end	Collector	1360	\$680,000
	South of US 380, east end	Collector	2801	\$1,400,500
	South of US 380, east end	Culvert		\$1,000,000
Total				\$21,082,640

*These are estimates only and are subject to detailed engineering of paving and drainage. In addition, they do not include any Right-of-Way costs and are based on today's costs with no inflation factors included.

**CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
PROJECT PLAN PROPOSED ROADWAYS**





TO: TIRZ Board
FROM: Daphne Hamlin, Finance Director
DATE: May 16th, 2012
SUBJECT: Developer Agreement Contract

Discussion and review of Developer Agreement Contract

Note: Attached document is a rough draft of a Developer Agreement Contract received from Larry Kline.

ECONOMIC DEVELOPMENT AGREEMENT

This **ECONOMIC DEVELOPMENT AGREEMENT** by and between the CITY
Q. a Texas home-rule municipality ("City"), and
(the "Developer"), is entered into as of February 28, 202.

WHEREAS, the Developer is the owner or will become the owner of appropriate property rights of that certain tract of land in the City described in Exhibit A attached hereto and incorporated herein for all purposes (the "Property"), which Property comprises the land described and referred to in the Developer's Conceptual Plan, attached hereto as Exhibit B, for the proposed development described therein (the "Project"); and

WHEREAS, the Developer and the City have determined that the development of the Property will best be accomplished, through an economic development agreement, entered into pursuant to the provisions of Chapter 380, Texas Local Government Code; and,

WHEREAS, the City and the Developer agree that the provisions of this Agreement substantially advance a legitimate interest of the City;

NOW, THEREFORE, for and in consideration of the promises **and the** mutual agreements set forth **herein**, the City and the Developer hereby agree as follows:

fis

1. The Project. The Developer **intends to** renovate the existing currently configured as a traditional enclosed retail mall, an ^b chore y large apartment stores at each end with a row of small retail tenant spaces located between leasable area of 250,548 the anchors. The proposed renovation will provide for a leasable area, transformation to a "Big Box" undisturbed by renovation, configuration; large retailers with access directly to the parking are The existing Mall are feet will be reduced to approx. 216,093 square feet of approx. 110,993 square feet) will remain will be relocated into newly created spaces, with the remainder of the leasable area occupied by "Big Box" retailers new to the project. The renovation will be undertaken in one or more phases to be located on the property in accordance with the Conceptual Plan, as generally described in Exhibit B.

2. Project Improvements and Performance Measures.

(a) All of the improvements set forth in **Exhibit B** attached hereto, together with such other improvements as may be related thereto (including, without limitation, all costs incurred in connection with obtaining governmental approvals, certificates, and permits required in connection with the construction of the Improvements), shall be referred to herein as the "Project Improvements." Such Project Improvements shall be designed and constructed in accordance with the applicable ordinances of the City and other regulatory agencies with jurisdiction. The City shall have the right to review and approve all plans and specifications for the Project Improvements prior to construction.

(b) As a condition of receiving the Grant Payments described in Section 3, the Developer shall achieve and maintain the following Performance Measures;

(1) commence construction of the Project within six (6) months of the effective date of this Agreement.

(2) invest a minimum of \$11,306,329 in the Project as it relates to real property.

(3) invest of minimum of \$316,000 in the Project as it relates to personal property.

(4) maintain a minimum taxable assessed value of the property of \$10,000,000 throughout the term of the agreement.

(5) maintain a minimum of \$23,000,000 in annual taxable sales at the Property over the term of this Agreement.

3. Grant Payments.

(a) In consideration of the construction of the Project and the economic investment and job creation in the City by the Developer, the City agrees to pay the Developer certain Grant Payments as provided in this Section. The Grant Payments are calculated on incremental sales taxes the City receives based on the amounts above the minimum annual taxable sales referred to in Section 2(b)(5) and will be composed of 50% of the incremental City sales taxes (i.e., 5/10ths of the total 1.375% sales tax) generated. The City may make Grant Payments from any lawful source available to the City so long as the City's obligation does not *exceed* the amount of the Project Sales Tax. This agreement shall be subordinate to any pledge of the City's tax revenue with respect to the City's bonded indebtedness.

(b) On an annual basis and within thirty days (30 days) of the Grant **Payments, compliance with -the Performance** Measures and payment calculations for the previous calendar year shall be certified by an independent certified public accountant (at the Developer's cost) and verified by the City. Failure to comply with the Performance Measures listed as (b) 4 - 5 in Section 2 in any particular year during the term of this agreement shall result in the Developer not being entitled to the Grant Payment for that year. In addition, businesses at the Property that have been relocated to the Property from other parts of the City as a result of the Project shall not be counted in the Performance Measures as it relates to taxable sales; however, any incremental increase in jobs, taxable inventory, or taxable sales resulting from the relocation of a business within the City is eligible to be included in the Performance Measures.

(c) The City shall make the Grant Payments to the Developer in the amount of the Project Sales Taxes for the previous calendar year, as provided herein, on the first day of February starting the calendar year following the completion of the Project Improvements, continuing each year for a period of fifteen (15) years. The Grant Payments shall terminate upon achieving the earlier of i) the fifteenth payment as provided herein ii) a cumulative total of \$10 million in Grant Payments paid to the Developer iii) the payment made in Year 2028.

(d) In an effort to incentivize a higher level of upfront investment, if \$10,000,000 or more of the improvements referred to in Section 2(b) are completed within 18 months, the City agrees to forgo Section 3(c)(ii) and will not cap the cumulative amount of Grant Payments during the 15 year period.

5. Project Quality. As consideration in part of the City's agreement to pay the Grant Payment, the Developer agrees to construct the Project to meet applicable City standards for such developments as provided by City regulations.

6. Default. Remedies. Any party to this Agreement that believes that the other party to this Agreement has defaulted in the performance of any condition, term, or obligation owed to that party under this Agreement shall within ten business days after discovery of said default, give written notice of the default to the defaulting party, specifying in detail the provision or provisions of this Agreement that have allegedly been breached, what specific action must be taken to cure or correct the default, and requesting that the City Council of the City provide the parties an opportunity to be heard in public session to discuss the default at the next scheduled city council meeting. The City Council, after review of such request, shall determine whether to provide the

parties the opportunity to be heard in public session to discuss the default at the next scheduled city council meeting. Should the party receiving the notice fail to commence action to correct the default within the time determined by City Council and/or thereafter fail to diligently pursue the completion of the action to correct the default, or should City Council determine not to hear the matter, the party giving the notice of default may exercise other available remedies at law and in equity. Notwithstanding the foregoing, the parties hereto shall have all remedies provided at law and in equity with respect to this Agreement.

7. Separate Status. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in their respective businesses or otherwise, nor shall it cause them to be considered joint ventures or members of any, joint enterprise.

8. Construction and Interpretation.

(a) Whenever required by the context of this Agreement, (i) the singular shall include the plural, and vice versa, and the masculine shall include the feminine and neuter genders, and vice versa, and (ii) use of the words "including," "such as," or words of similar import, when following any general term, statement or matter, shall not be construed to limit such statement, term or matter to specific terms, whether or not language of non-limitation, such as "without limitation," or "but not limited to," are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest scope of such statement, term or matter.

(b) The captions preceding the text of each article and section of this Agreement are included only for **convenience** of reference. Captions shall be disregarded in the construction and interpretation of this Agreement. Capitalized terms are also selected only for convenience of reference and do not necessarily have any connection to the meaning that might otherwise be attached to such term in a context outside of this Agreement. •

(c) This Agreement may be executed in several counterparts; each of which shall be deemed an original. The signatures to this Agreement may be executed and notarized on separate pages, and when attached to this Agreement shall constitute one (1) complete document.

9. INDEMNIFICATION AND HOLD HARMLESS, TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE DEVELOPER OBLIGATES ITSELF TO THE CITY TO FULLY AND UNCONDITIONALLY PROTECT, INDEMNIFY AND

DEFEND THE CITY OF **WEI** ITS OFFICERS, AGENTS AND EMPLOYEES, AND HOLD IT SS FROM AND AGAINST ANY AND ALL COSTS, EXPENSES, REASONABLE ATTORNEY FEES, CLAIMS, SUITS, LOSSES OR WO tILITY FOR INJURIES TO PROPERTY, INJURIES TO TE.iRSONS (a"tibiNG DEyELOPER'S EMPLOYEES), INCLUDING DEAM, AND FROM ANY mitre. COSTS, EXPENSES, REASONABLE ATTORNEY FEES, CLAIMS, SUITS, LOSSES OR LIABILITIES OF ANY AND EVERY NATURE WHATSOEVER ARISING IN ANY MANNER, DIRECTLY OR INDIRECTLY, OUT OF OR IN CONNECTION i-renwrai, REGARDLESS OF CALTSE OR OF THE SOLE, JOINT, COMPARATIVE OR CONCURRENT NEGLIGENCE OR GROSS NEGLIGENCE OF THE CITY, ITS OFFICERS, AGENTS OR EMPLOYEES. THIS INDEMNIFICATION AND SAVE HARMLESS SHALL APPLY TO ANY IMPUTED OR ACTUAL JOINT ENTERPRISE LIABILITY.

10. Developer's Guarantee. The Developer guarantees and warrants that, with respect to that portion of the Project Improvements for which the City has agreed to consider ownership and/or maintenance thereof, if, within one year after the acceptance by City of such portion of the Project Improvements, defects should appear in the materials or workmanship relating to such portion of the Project Improvements, the Developer shall have such defects promptly repaired at no cost or expense to the City. This guarantee will apply to all parts of the Project Improvements that have been accepted by the City. This provision is for the sole benefit of the City anit s1411,40,in any way be construed to limit or modify any right or claim that the De '41oper may have against any person or entity that may have furnished such defective materials or ertp' rmed such defective work.

11. Miscellaneous Provisions.

(a) Actions Performable. The Cit5land the Developer that all actions to be performed ukCiar.ihis Agretent are performable Alely 'm County, Texas.

(b) Assignability. Performance by the Developer under the terms and conditions of this agreement are deemed personal and, as such, any attempt to convey, assign or transfer those duties and obligations without the prior written approval and consent by City are void; provided, however, the Developer shall be authorized to assign or transfer its rights, duties and obligations under this Agreement to an affiliate of the Developer under common ownership and control. The Developer may assign its interests in this Agreement, but not its duties or obligations, to the Developer's financial lenders of the Project without the consent of the City and the City agrees to execute any estoppel certificates (in a form reasonably acceptable to the City) required by such financial lenders regarding the status of this Agreement. Notwithstanding the above

and without limitation, **no assignment** of any kind shall be valid until the City has been provided written notice thereof, including the name and contact information of the assignee.

(C) Severability. If any ptevisiqz:i hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void; but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the Parties.

(d) Complete Agreement. This Agreement represents the complete agreement of the Parties with respect to the subject matter hereof and supersedes all prior written and oral matters related to this Agreement. Any amendment to this Agreement must be in writing and signed by all parties hereto or permitted or approved assignees.

(e) Exhibits. All exhibits attached to this Agreement are incorporated herein reference and expressly made part of this Agreement as if copied verbatim.

(f) Notice. Any notice or demand which either the City or the Developer is required to or may desire to serve upon the other, must be in writing, and, shall be **sufficiently served** if (1) personally delivered, (ii) sent by facsimile, (iii) sent by registered or certified mail postage prepaid, or (iv) sent by commercial overnight carrier, and addressed to:

0en11
City of _____, Texas

p exas IIIIII
Attention: City Manager

or any other address or addresses which the Developer may be notified of in writing by the City;

If to the The Developer:

ADDRESS

or such other address or addresses which the City may be notified in writing by the Developer.

Such notice shall be deemed to have been served (a) four business days after the date such notice is deposited and stamped by the U.S. Postal Service, except when lost, destroyed, improperly addressed or delayed by the U.S. Postal Service, or (b) upon receipt in the event of personal service or (c) the first business day after the date of deposit with an overnight courier, except when lost, destroyed, improperly addressed or delayed by the courier, or (d) the date of receipt by facsimile (as reflected by electronic confirmation); provided, however, that should such notice pertain to the change of address to either of the parties hereto, such notice shall be deemed to have been served upon receipt thereof by the party to whom such notice is given.

(g) Force Majeure. The Developer and the City agree that the obligations of each party shall be subject to force majeure events such as natural calamity, fire or strike.

(h) Forum Selection. This Agreement and the relationship between the City and The Developer shall be governed and interpreted under the laws of Texas without regard to any conflict of laws provision. Venue for any suit arising out of any relationship between the City and The Developer shall exclusively be the appropriate court in _____ county, Texas. The Developer specifically consents to and waives any objection *in personam* jurisdiction in _____ County, Texas.

(i) Appointment of Representatives. To further the commitment of the Parties to cooperate in the implementation of this Agreement, the City and the Developer each shall designate and appoint a representative to act as a liaison between the City and its various departments and the Developer. The initial representative for the City (the "City Representative") shall be the City Manager or his designee, and the initial representative for The Developer shall be the individual designated for notice purposes under Section 13(d) (the "Developer Representative"). The representatives shall be available at all reasonable times and places to discuss and review the performance of the parties to this Agreement and the development of the Property: pursuant to the Conceptual Plan, it being understood however, that any modifications, amendments or interpretations of this Agreement shall be subject to approval by the City Council of the City.

12. Effective Date. This Agreement shall be binding and take effect only upon both parties signature hereto, attachment of all required exhibits, receipt by City of a fully executed copy hereof For the purposes of timetables provided in this Agreement, the Effective Date shall be the date indicated below that the Agreement is signed by the City.

13. Preamble. The findings of fact, recitations and provisions set forth in the preamble to this **Development** Agreement are true and **are** adopted and made a part of the body of this agreement, binding the parties hereto, as if the same were fully set forth herein.

14. &presentation of City. The City represents and warrants to the Developer that the City is duly **authorized** and empowered to enter into this Agreement, subject to the terms and conditions contained herein, and has the legal authority to reimburse the Developer as provided in this Agreement. The Developer represents and warrants to the City that it has the requisite authority to enter into this Agreement and is a proper party to this Agreement.

15. Signature Warranty Clause. The signatories to this Agreement represent and warrant that they have the authority to execute this Agreement on behalf of the City and the Developer, respectively.

16. Legal Contest. This Agreement is entered into in accordance with applicable law as understood by the Developer and the City. In the event any part, provision or paragraph thereof shall become unenforceable by reason of judicial decree or determination the parties hereto mutually agree to the extent possible to ensure that all other provisions of the agreement including the intent of the Agreement be honored and performed.

17. Stipulations Relied Upon by City. The Developer understands that the City desires to follow applicable law in all respects; that the City does not want to subject its taxpayers to the costs of litigation and damages, for which it has not set aside funds; and that the City has a legitimate interest in wanting to know if the Developer believes that a condition is unlawful or of questionable validity or otherwise judicially untested when it is accepting the benefits of this Agreement, so that the City may review the subject condition administratively to make a focused inquiry as to whether in fact it is unlawful based upon the authority provided by The Developer, and if found to be unlawful, determine whether to proceed without the condition. Accordingly, for valuable consideration, the Developer stipulates and. agrees that the City has relied upon the following in approving this Agreement:

(a) Any protest to any fee, dedication, reservation, condition, or any purported exaction imposed herein shall be pursued in accordance with the procedures contained in Section 8 herein,, at the time of approval, or conditional approval or no later than 60 days after the date of the subject approval.

(b) The Developer acknowledges that it understands the conditions, voluntarily accepts them, and agrees that they are lawful and in all respects.

(c) That the benefits of the City's approval to this Agreement equal or outweigh the costs of any conditions imposed upon the Developer in this Agreement.

[Remainder of page left blank.]

CITY:

DEVELOPER:

CITY OF 11111111111TEXAs

By: _____

By: _____

Name: _____

Title: _____

Ai 1 hST:



TO: TIRZ Board
FROM: Daphne Hamlin, Finance Director
DATE: May 16th, 2012
SUBJECT: March 21st, 2012 meeting minutes

Consideration and possible approval of the minutes of the March 21st, 2012 meeting

CITY OF FARMERSVILLE
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1
MEETING MINUTES
March 21st, 2012

The City of Farmersville TIRZ Board met in regular session on March 21st, 2012, at 1:00 p.m. at the City Hall Council Chamber with the following members present: Chair Joe Helmberger, Stefanie Hurst, Robbie Tedford and Commissioner Joe Jaynes. Staff members present were City Manager Ben White, and Finance Director Daphne Hamlin. Guests recognized were Eddy Daniel 4A Board Chair, Chris Lair 4A Board member and Representative with Freese and Nichols Larry Kline.

CALL TO ORDER

Joe Helmberger convened the meeting at 1:00 p.m. and announced that a quorum was present.

RECOGNITION OF CITIZENS/VISITORS

Guests recognized were Eddy Daniel 4A Board Chair, Chris Lair 4A Board member and Representative with Freese and Nichols Larry Kline.

CONSIDERATION AND POSSIBLE ACTION OF BOARD DUTIES

On a motion by Joe Jaynes and a second by Stefanie Hurst, the board approved the Board Duties as written, motion carried unanimously

CONSIDERATION AND POSSIBLE ACTION REGARDING BOARD BYLAWS

Joe Helmberger suggested using the numeral one in all instances or word one in all instances. Decision was made to use numeral one on all documents. Article II Section 6. Change wording to read ,within (5) five days of approval of the minutes of each regular session or emergency meeting a copy of approved minutes of the meeting shall be submitted to the City Secretary.

Larry Kline advised the board Article II Section 3. Of the Bylaws Until the last legislature the annual report must be submitted within (3) months after end of physical year. The legislature has changed it is no longer required to hold a meeting in December. Larry suggested removing (in the month of December) from the Bylaws.

Under Article III Section 1. Joe Helmberger wanted clarification on term of chair. Larry said that it is in the statues, chair must be appointed annually, board members are appointed every two years no term limit.

On a motion by Stefanie Hurst and a second by Robbie Tedford, the board approved Bylaws with recommended changes. Motion carried unanimously

CONSIDERATION AND POSSIBLE ACTION ON PRELIMINARY PROJECT PLAN

Larry said this is just a formal document that both City Council and County Commissioners Court have already reviewed with no changes.

Joe Helmberger said that he was approached by developers interested in the City participating in construction of (3) three roadways on subdivision. If those roadways are not in the approved project plan does the board just modify the project plan? Larry said the board would modify the project plan for City Council approval, not necessary to take before Commissioners Court.

Larry said if funds are added you would then go to the Commissioners Court to add funds to project plan then to City Council for Approval.

Larry said you would prepare a developers agreement to specify on what the TIRZ would be used for. Joe Helmberger asked Larry for a developer agreement sample contract.

On a motion by Joe Jaynes and a second by Stefanie Hurst, the board approved the Project Plan as written. Motion carried unanimously

CONSIDERATION AND POSSIBLE ACTION ON FINANCE PLAN

On a motion by Robbie Tedford and a second by Stefanie Hurst, the board approved the Finance Plan as written, Motion carried unanimously

CONSIDERATION AND POSSIBLE ACTION OF FEASIBILITY ANALYSIS

On a motion by Stefanie Hurst and a second by Joe Jaynes, the board approved the Feasibility Analysis as written. Motion carried unanimously

CONSIDERATION AND POSSIBLE ACTION REGARDING INTERLOCAL AGREEMENT

Larry asked the board to review Section A. explaining the County participation is limited to a maximum of \$6,385,000 or thirty (30) years, whichever is reached first. In addition, the use of County funds is limited to roadways and associated storm sewer projects. Joe Helmberger said the increment from the County and the increment from the City will go into the same account to the City. Robbie said that it would even include land value. Joe Helmberger asked what is the funding mechanism with the State of Texas. Larry said it would be thru the County. Ben asked Daphne to get with the County to set-up TIRZ account. Larry said the appraisal district already has the TIRZ map. Stefanie asked about the audit. Joe Helmberger said that would be a part of the City wide audit.

Joe Helmberger asked on page (7) remove County Judge Keith Self and replace with County Judge, keep it consistent with other titles.

On a motion by Stefanie Hurst and second by Robbie Tedford, the board approved the Interlocal Agreement with recommended changes. Motion carried unanimously

DISCUSSION IN CONTEMPLATION OF PLACING ITEMS ON FUTURE AGENDA
funding mechanism with County and State

ADJOURNMENT

The Board adjourned at 1:45 p.m

Joseph Helmberger, Chair

ATTEST:

Stefanie Hurst, Secretary