

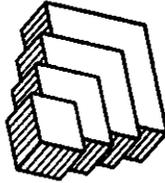
PRELIMINARY

FINANCE PLAN

September 2013

Tax Increment Financing Reinvestment Zone No. 1

City of Everman, Texas



SCHRADER & CLINE, LLC

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September 2013

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 each entity that participates 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 advice 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 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 – EVERMAN TIF NO. 1

The specific capital improvement projects anticipated to be undertaken in the Everman 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 \$ 3.878 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 Everman may consider issuing bonds and utilize tax increment funds to cover debt service as those funds are available.
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.
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 bonds which may be issued and utilize tax increment funds to support debt service as those funds are available. The revenue sources will be the real property taxes captured by the TIF, which will account for 100% of revenues used to fund project costs or bond debt service. For the Financial Plan, the City of Everman will contribute 75% of its M & O tax rate, Tarrant County will contribute 50% of its tax rate, and Tarrant Hospital District will contribute 50% of its tax rate on incremental taxable value as shown in *Finance Plan Table 2*.
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 boundary using the 2013 certified values provided by the Tarrant Appraisal District is \$10.67 million.

FINANCE PLAN – EVERMAN TIF NO. 1

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 table.

TABLE 1

Assessed Real Property Value Including Anticipated New Development Years 2013-2042

YEAR	TOTAL ASSESSED VALUE, \$M
2013 (Base Value)	10.67
2014	10.67
2015	10.67
2016	10.67
2017	13.17
2018	13.17
2019	13.17
2020	13.17
2021	15.67
2022	15.67
2023	15.67
2024	15.67
2025	20.67
2026	20.67
2027	20.67
2028	20.67
2029	25.67
2030	25.67
2031	25.67
2032	25.67
2033	33.17
2034	33.17
2035	33.17
2036	33.17
2037	40.67
2038	40.67
2039	40.67
2040	40.67
2041	48.17
2042	48.17

FINANCE PLAN – EVERMAN TIF NO. 1

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

TABLE 2

**Annual Incremental Funds Provided for TIF No. 1
Years 2013-2042**

<u>YEAR</u>	<u>ASSESSED VALUE, \$M</u>	<u>BASE ASSESSED VALUE, \$M</u>	<u>CUM. ADDED VALUE, \$M</u>	<u>TIF FUND CONTRIBUTION, \$K</u>			<u>TIF FUND TOTAL, \$K</u>
				<u>CITY</u>	<u>COUNTY</u>	<u>HOSPITAL DISTRICT</u>	
2013	10.67	10.67	----	----	----	----	----
2014	10.67	10.67	----	----	----	----	----
2015	10.67	10.67	----	----	----	----	----
2016	10.67	10.67	----	----	----	----	----
2017	13.17	10.67	2.50	----	----	----	----
2018	13.71	10.67	2.50	18	3	3	24
2019	13.17	10.67	2.50	18	3	3	24
2020	13.17	10.67	2.50	18	3	3	24
2021	15.67	10.67	5.00	18	3	3	24
2022	15.67	10.67	5.00	36	7	6	49
2023	15.67	10.67	5.00	36	7	6	49
2024	15.67	10.67	5.00	36	7	6	49
2025	20.67	10.67	10.00	36	7	6	49
2026	20.67	10.67	10.00	71	13	11	95
2027	20.67	10.67	10.00	71	13	11	95
2028	20.67	10.67	10.00	71	13	11	95
2029	25.67	10.67	15.00	71	13	11	95
2030	25.67	10.67	15.00	107	20	17	144
2031	25.67	10.67	15.00	107	20	17	144
2032	25.67	10.67	15.00	107	20	17	144
2033	33.17	10.67	22.50	107	20	17	144
2034	33.17	10.67	22.50	161	30	26	217
2035	33.17	10.67	22.50	161	30	26	217
2036	33.17	10.67	22.50	161	30	26	217
2037	40.67	10.67	30.00	161	30	26	217
2038	40.67	10.67	30.00	214	40	34	288
2039	40.67	10.67	30.00	214	40	34	288
2040	40.67	10.67	30.00	214	40	34	288
2041	48.17	10.67	37.50	214	40	34	288
2042	48.17	10.67	37.50	268	50	43	361
2043	==	==	==	<u>268</u>	<u>50</u>	<u>43</u>	<u>361</u>
TOTAL	48.17	10.67	37.50	2,964	552	474	3,990

*Based on 75% of 2012 City M&O tax rate, 50% of 2012 County, and 50% of Hospital District.

FINANCE PLAN – EVERMAN TIF NO. 1

9. The duration of the TIF:

- The TIF was created in 2013. It is proposed that the TIF exist for thirty (30) years with termination of the TIF set as 2042 or the date when all project costs are paid and any debt is retired, whichever comes first.

CITY OF EVERMAN
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1

BOUNDARY DESCRIPTION

Beginning at the northeast corner of the ROW intersection of Race Street and Shelby Road, the POINT OF BEGINNING;

THENCE, east along the north ROW of Shelby Road to the southwest corner of Shelby County School Land, Tract 19A;

THENCE, north along the west boundary of Shelby County School Land, Tract 19A, Block 19, Tract 19M and Recold Industrial Park, Tracts 1 through 10 to the north property line of Recold Industrial Park, Tract 1;

THENCE, east along the north boundary of Recold Industrial Park, Tract 1, to a point directly south of the east ROW of Cunningham Street;

THENCE, north across Barron Street continuing along the east ROW of Cunningham Street to the south ROW of Noble Avenue;

THENCE, east along the south ROW of Noble Avenue to the west ROW of the I&GN Railroad ROW;

THENCE, northerly along the west ROW of the I&GN Railroad ROW to the southeast corner of the Baker Addition, Tract 18026;

THENCE, west along the south boundaries of the Baker Addition, Tract 18026, Tract 18035 and Tract 18031 to the southwest corner of Tract 18031;

THENCE, north along the west boundary of Baker Addition, Tract 18031 to its northwest corner;

THENCE, east along the north boundaries of the Baker Addition, Tract 18031 and 18034 to the southwest corner of the Baker Addition, Tract 18028;

THENCE, north along the west boundaries of the Baker Addition 18028, crossing Lee Street, Tract 18025A, Tract 18032, crossing Kings Street, Tract 18024, Tract 18027, Tract 18021A and Tract 18021 to its northwest corner;

THENCE, east along the north boundary of the Baker Addition, Tract 18021 to the west ROW of the I&GN Railroad ROW;

THENCE, northerly along the west ROW of the I&GN Railroad ROW to the north ROW of Belle Street;

FINANCE PLAN – EVERMAN TIF NO. 1

THENCE, east along the north ROW of Belle Street, crossing the I&GN Railroad ROW to the city limits boundary;

THENCE; south and east along the city limits boundary to the west boundary of the Souder Elementary School property;

THENCE, south and east along the west and south boundary of the Souder Elementary School property to the west ROW of Forest Hill Drive;

THENCE, south along the west ROW of Forest Hill Drive to the south ROW of Enon Avenue;

THENCE, west along the south ROW of Enon Avenue to a point directly south of the west ROW of Thompson Street;

THENCE, north across Enon Avenue continuing along the west ROW of Thompson Street to the south ROW of Trammell Avenue;

THENCE, west along the south ROW of Trammell Avenue to the east ROW of the I&GN Railroad ROW;

THENCE, southeasterly along the east ROW of the I&GN Railroad ROW to the northwest corner of the Everman Industrial Park;

THENCE, east and south along the north and east boundaries of the Everman Industrial Park to the centerline of Shelby Road;

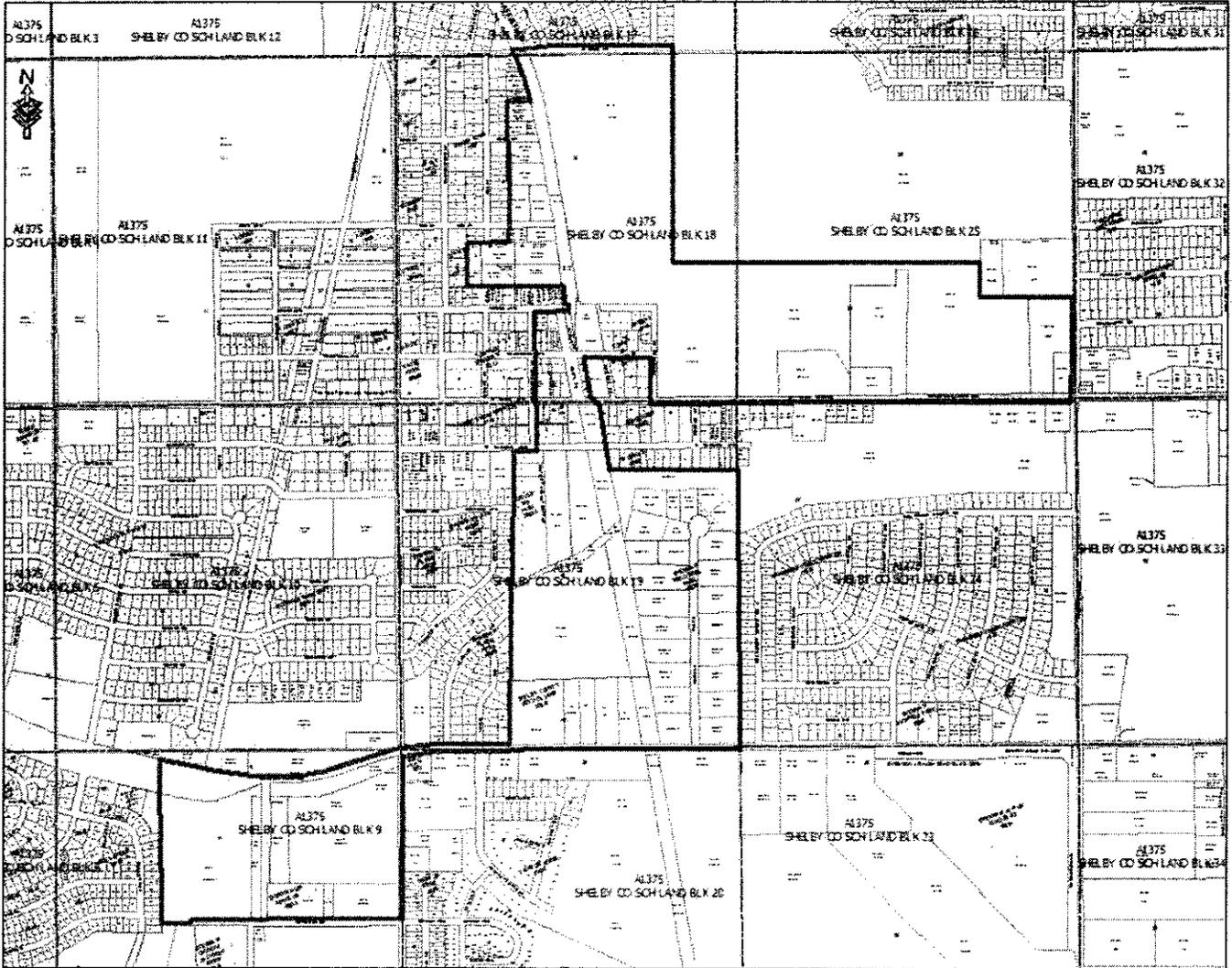
THENCE, west along the centerline of Shelby Road to the east ROW of Race Street;

THENCE, south along the east ROW of Race Street to a point opposite the north ROW of Townley Drive;

THENCE, west across Race Street and continuing west along the north ROW of Townley Drive, continuing west along the projection of the north ROW of Townley Drive to the Everman city limits;

THENCE, north along the Everman city limits, proceeding directly across Everman Parkway to the north ROW of Everman Parkway;

THENCE, easterly along the north ROW of Everman Parkway and continuing directly across Race Street to the northeast corner of the ROW intersection of Race Street and Shelby Road, the POINT OF BEGINNING, and containing an area of approximately 290 acres.



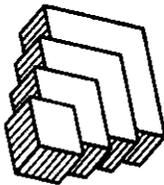
PRELIMINARY

FEASIBILITY ANALYSIS

September 2013

Tax Increment Financing Reinvestment Zone No. 1

City of Everman, Texas



SCHRADER & CLINE, LLC

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FINANCE PLAN: EXHIBIT D—Feasibility Analysis

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FORWARD

Schrader & Cline, LLC was asked to prepare a Feasibility Analysis using tax increment financing to encourage accelerated development for Tax Increment Financing (TIF) Reinvestment Zone No. 1 in the City of Everman, Texas. The area of the City within the boundary of the TIF needs public infrastructure projects that will provide a stimulus for new development.

Section I summarizes the history of Everman and discusses the current situation.

Section II details the tax increment analysis.

Section III contains exhibits.

The following projections of development and tax revenues are subject to change. As underlying conditions in the national and regional economy change, the pace and value of new development projected for the TIF 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.



SCHRADER & CLINE, LLC

Schrader & Cline, LLC

Addison, Texas

September 2013

SECTION I: HISTORY/CURRENT SITUATION

HISTORY

The Everman area, in southeastern Tarrant County, was originally inhabited during the early 1800's by Indian tribes with the first white settlers arriving in the mid-1850's. The area was first known as Oak Grove. When the International–Great Northern Railroad arrived in 1902, a more established community of Everman Village was developed. The community was named after John Wesley Everman, the man who was head of the surveying party that platted the town site.

By the mid-1920's, Everman had eight businesses and an estimated population of 138. An election was held on July 7, 1945, launching the City of Everman and the name was formally changed from the Village of Everman to the City of Everman. The population of the city increased fairly rapidly from 451 in 1950 to 1,076 in 1960, 4,570 in 1970 and 5,387 in 1980. Since 1980, growth has slowed considerably, adding only 640 people in the last 30 years to a 2010 estimated population of 6,027.

CURRENT SITUATION

With very little growth over the last 30 years, it is obvious the City of Everman is in need of some type of stimulus that will bring new commercial development to the city resulting in new employees and residents that, in turn, will stimulate new residential development. There currently is an area of approximately 290 acres within the City of Everman that is generally undeveloped because of a lack of public infrastructure (streets and utilities). In order to develop this area, a method of funding this infrastructure is required. One method which could be used in this 290-acre, generally undeveloped area, is through the use of a Tax Increment Financing (TIF) Reinvestment Zone which would utilize a portion of the real property tax revenue generated by the new private development as a funding source. This funding could be used to incentivize developers and/or companies to build in the City of Everman by reimbursing the cost of the public infrastructure required for private development. Section II of this Feasibility Analysis will provide details of this type of funding.

SECTION II: 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;
- Soliciting participation of other taxing jurisdictions;
- Setting the assessment base at the level of the most recent assessment; and
- Placing designated 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 each taxing jurisdiction.

Assessment policies in Tarrant County generally set building assessments at 100 percent of fair market value, which are typically comparable to construction costs for new construction. Assessed values are established as of January 1 of the tax year. Thus, development in 2013 goes on the tax rolls for the Tax Year 2014. In this analysis, to be conservative, no increase on existing land and improvements and new development after completion has been included. In addition, only a portion of taxes from increases in real property values are directed to the TIF Fund. All taxes from the base real property tax value and all taxes from existing and new business personal property continue to flow to each taxing jurisdiction.

The total year 2013 assessed value of real property within the TIF boundary was \$10.67 million. For purposes of this tax increment analysis, the initial tax base for the Tax Increment

FINANCE PLAN: EXHIBIT D—Feasibility Analysis

Fund is assumed to be \$10.67 million. Taxes on this amount will continue to flow to each taxing jurisdiction during the 30-year life of the TIF.

The TIF Fund generated by the incremental real property value of new development shown in Exhibit C, which also includes the contribution provided by each taxing jurisdiction, is calculated by multiplying the incremental assessed value by the portion of the property tax rates of participating taxing jurisdictions.

Fiscal Year 2012 tax rates used:

<u>JURISDICTION</u>	<u>TAX RATE/\$100 OF TAXABLE VALUE</u>	<u>% APPLIED TO TIF FUND</u>	<u>UTILIZED TAX RATE / \$100</u>
City of Everman	\$0.952566*	75	\$0.7144245
Tarrant County	\$0.264	50	\$0.132
Tarrant County Hospital District	\$0.227897	50	\$0.1139485

* M&O Tax Rate

Over the 30-year life of the TIF, it is conservatively assumed that the tax rates will remain constant. Taxes generated on tax year 2013 values as of January 1, 2013 are due and collected at the beginning of 2014.

Based on this analysis, establishment of the TIF is expected to provide TIF Fund income of \$3,990,000 (Exhibit C) over the next 30 years which will adequately fund the projects total of \$3,878,000 (Exhibit A).

SECTION III: EXHIBITS

CITY OF EVERMAN
TAX INCREMENT FINANCING REINVESTMENT ZONE No. 1

PROJECT PLAN (SUMMARY)

	EST. COST, \$K
Roadways	2,114
Water	851
Sanitary Sewer	513
Drainage	<u>250</u>
SUB-TOTAL	3,728
Administration	<u>150</u>
TOTAL	3,878

**CITY OF EVERMAN
TAX INCREMENT FINANCING REINVESTMENT ZONE No. 1
PROJECT PLAN (DETAIL)**

<u>ROADWAYS</u>	<u>EST. COST, \$K</u>
7 Add drive approach (2) 2,400 sq ft. @ \$55/sq ft	132
8 Add drive approach (2) 2,400 sq ft @ \$55/sq ft	132
9 Two-lane asphalt Enon to Noble 3,600 lineal feet @ \$150/ft	540
11 Four-lane concrete (Roy Brooks) Enon to Shelby 2,700 lineal feet @ \$300/ft	810
12 Everman Parkway/Shelby Road Improvements	<u>500</u>
SUB-TOTAL	2,114
 <u>WATER</u>	
1 Replace existing 6" with 8" Trammel to Forest Hill 3,300 lineal feet @ \$90/ft	297
2 Extend 8" line Roy Brooks to existing line 750 lineal feet @ \$90/ft	68
3 Replace existing 2" with 8" 2,700 lineal feet @ \$90/ft	243
4 Install 8" line Shelby to Enon 2,700 lineal feet @ \$90/ft	<u>243</u>
SUB-TOTAL	851
 <u>SANITARY SEWER</u>	
5 Install 10" sewer line Shelby to Enon 2,400 lineal feet @ \$90/ft	216
6 Install 10" sewer line Roy Brooks to existing line 900 lineal feet @ \$90/ft	81
10 Replace existing 6" with 10" 2,400 lineal feet @ \$90/ft	<u>216</u>
SUB-TOTAL	513
 <u>DRAINAGE</u>	
13 Permitting and design for drainage area improvements (north of Enon between Thompson Street and Forest Hill Drive)	<u>250</u>
TOTAL	3,728

EXHIBIT C

CITY OF EVERMAN
 TAX INCREMENT FINANCING REINVESTMENT ZONE No. 1
 PRIVATE DEVELOPMENT VALUE AND TIF FUND

YEAR	ADDED VALUE, \$M	CUM. ADDED VALUE, \$M	TIF FUND, \$K*			
			CITY	COUNTY	HOSPITAL DISTRICT	TOTAL
2013	---	---	---	---	---	---
2014	---	---	---	---	---	---
2015	---	---	---	---	---	---
2016	---	---	---	---	---	---
2017	2.5	2.5	---	---	---	---
2018	---	2.5	18	3	3	24
2019	---	2.5	18	3	3	24
2020	---	2.5	18	3	3	24
2021	2.5	5.0	18	3	3	24
2022	---	5.0	36	7	6	49
2023	---	5.0	36	7	6	49
2024	---	5.0	36	7	6	49
2025	5.0	10.0	36	7	6	49
2026	---	10.0	71	13	11	95
2027	---	10.0	71	13	11	95
2028	---	10.0	71	13	11	95
2029	5.0	15.0	71	13	11	95
2030	---	15.0	107	20	17	144
2031	---	15.0	107	20	17	144
2032	---	15.0	107	20	17	144
2033	7.5	22.5	107	20	17	144
2034	---	22.5	161	30	26	217
2035	---	22.5	161	30	26	217
2036	---	22.5	161	30	26	217
2037	7.5	30.0	161	30	26	217
2038	---	30.0	214	40	34	288
2039	---	30.0	214	40	34	288
2040	---	30.0	214	40	34	288
2041	7.5	37.5	214	40	34	288
2042	---	37.5	268	50	43	361
<u>2043</u>	---	---	<u>268</u>	<u>50</u>	<u>43</u>	<u>361</u>
TOTAL	37.5	37.5	2,964	552	474	3,990

*Based on 75% of 2012 City M & O tax rate (\$0.7144245/\$100) and 50% of 2012 County tax rate (\$0.132/\$100) and 50% of Hospital District tax rate (\$0.1139485/\$100).

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

ARTICLE I

POWERS AND PURPOSE

Section 1. Financing Development or Redevelopment in the Zone. In order to implement the purposes for which Tax Increment Financing Reinvestment Zone No. One, City of Everman, Texas (the “Zone”) was formed, as set forth in **Ordinance No. ____ - __**, dated November 12, 2013, creating the Zone, the City of Everman, 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.

ARTICLE 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 appointed by the City Council of the City and the Tarrant County Commissioners Court, 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 October 31, 2015 or until his or her successor is appointed. Subsequent directors shall be appointed by the governing body of the City, and shall serve for two (2) year terms beginning November 1, 2015 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 for review and approval of the Annual Report.

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 days following each Regular, Special and Emergency meeting, a copy of the minutes of the meeting 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.

ARTICLE III

OFFICERS

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 October 31 of each year. One person may hold more than one 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 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 Administrator and her designees.

ARTICLE IV

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.

ARTICLE 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 TIF Board of Directors on the 16 day of January.

Approved by the Everman City Council on the 11 day of February.

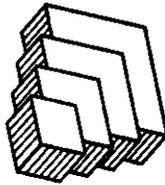
PRELIMINARY

PROJECT PLAN

September 2013

Tax Increment Reinvestment Zone No. 1

City of Everman, Texas



SCHRADER & CLINE, LLC

Larry D. Cline
4800 Broadway, Suite A
Addison, TX 75001
PH: (972) 661-1973
Email: schcli@swbell.net

PROJECT PLAN—EVERMAN TIF NO. 1

September 2013

The City of Everman, Texas proposes to establish a Tax Increment Financing Reinvestment Zone (“TIF”) for the purpose of dedicating the increase in tax revenue generated within the TIF to provide funds for the necessary public infrastructure to encourage accelerated development in this area of the City. The TIF consists of approximately 290 acres and is more fully described in *Project Plan Exhibit A*. It is expected that the TIF 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, Everman, Texas must and does include the following elements:

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

- The boundaries of the TIF are shown on the map labeled *Project Plan Exhibit: B*;
- *Project Plan Exhibit: C* shows existing land use within the TIF. Currently, the area is mostly undeveloped. Future land use will be determined based on development requirements.

The area contains less than thirty percent existing residential.

- *Project Plan Exhibit: D*, identifies the location of public improvements being proposed for the TIF;
- A listing of those public improvements is shown in *Project Plan Exhibit: E and E-1*.

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 TIF will be made through the standard process and procedures of the City.

PROJECT PLAN—EVERMAN TIF NO. 1

3. A list of estimated non-project costs.

- Non-project costs within the TIF are those development costs not paid for by the TIF. These costs will include, but are not limited to, \$ 37.5 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 TIF, any relocation will be made through the standard process and procedures of the City.

PROJECT PLAN—EVERMAN TIF NO. 1

EXHIBIT A

CITY OF EVERMAN
TAX INCREMENT FINANCING REINVESTMENT ZONE NO. 1

BOUNDARY DESCRIPTION

Beginning at the northeast corner of the ROW intersection of Race Street and Shelby Road, the POINT OF BEGINNING;

THENCE, east along the north ROW of Shelby Road to the southwest corner of Shelby County School Land, Tract 19A;

THENCE, north along the west boundary of Shelby County School Land, Tract 19A, Block 19, Tract 19M and Recold Industrial Park, Tracts 1 through 10 to the north property line of Recold Industrial Park, Tract 1;

THENCE, east along the north boundary of Recold Industrial Park, Tract 1, to a point directly south of the east ROW of Cunningham Street;

THENCE, north across Barron Street continuing along the east ROW of Cunningham Street to the south ROW of Noble Avenue;

THENCE, east along the south ROW of Noble Avenue to the west ROW of the I&GN Railroad ROW;

THENCE, northerly along the west ROW of the I&GN Railroad ROW to the southeast corner of the Baker Addition, Tract 18026;

THENCE, west along the south boundaries of the Baker Addition, Tract 18026, Tract 18035 and Tract 18031 to the southwest corner of Tract 18031;

THENCE, north along the west boundary of Baker Addition, Tract 18031 to its northwest corner;

THENCE, east along the north boundaries of the Baker Addition, Tract 18031 and 18034 to the southwest corner of the Baker Addition, Tract 18028;

THENCE, north along the west boundaries of the Baker Addition 18028, crossing Lee Street, Tract 18025A, Tract 18032, crossing Kings Street, Tract 18024, Tract 18027, Tract 18021A and Tract 18021 to its northwest corner;

THENCE, east along the north boundary of the Baker Addition, Tract 18021 to the west ROW of the I&GN Railroad ROW;

PROJECT PLAN—EVERMAN TIF NO. 1

THENCE, northerly along the west ROW of the I&GN Railroad ROW to the north ROW of Belle Street;

THENCE, east along the north ROW of Belle Street, crossing the I&GN Railroad ROW to the city limits boundary;

THENCE; south and east along the city limits boundary to the west boundary of the Souder Elementary School property;

THENCE, south and east along the west and south boundary of the Souder Elementary School property to the west ROW of Forest Hill Drive;

THENCE, south along the west ROW of Forest Hill Drive to the south ROW of Enon Avenue;

THENCE, west along the south ROW of Enon Avenue to a point directly south of the west ROW of Thompson Street;

THENCE, north across Enon Avenue continuing along the west ROW of Thompson Street to the south ROW of Trammell Avenue;

THENCE, west along the south ROW of Trammell Avenue to the east ROW of the I&GN Railroad ROW;

THENCE, southeasterly along the east ROW of the I&GN Railroad ROW to the northwest corner of the Everman Industrial Park;

THENCE, east and south along the north and east boundaries of the Everman Industrial Park to the centerline of Shelby Road;

THENCE, west along the centerline of Shelby Road to the east ROW of Race Street;

THENCE, south along the east ROW of Race Street to a point opposite the north ROW of Townley Drive;

THENCE, west across Race Street and continuing west along the north ROW of Townley Drive, continuing west along the projection of the north ROW of Townley Drive to the Everman city limits;

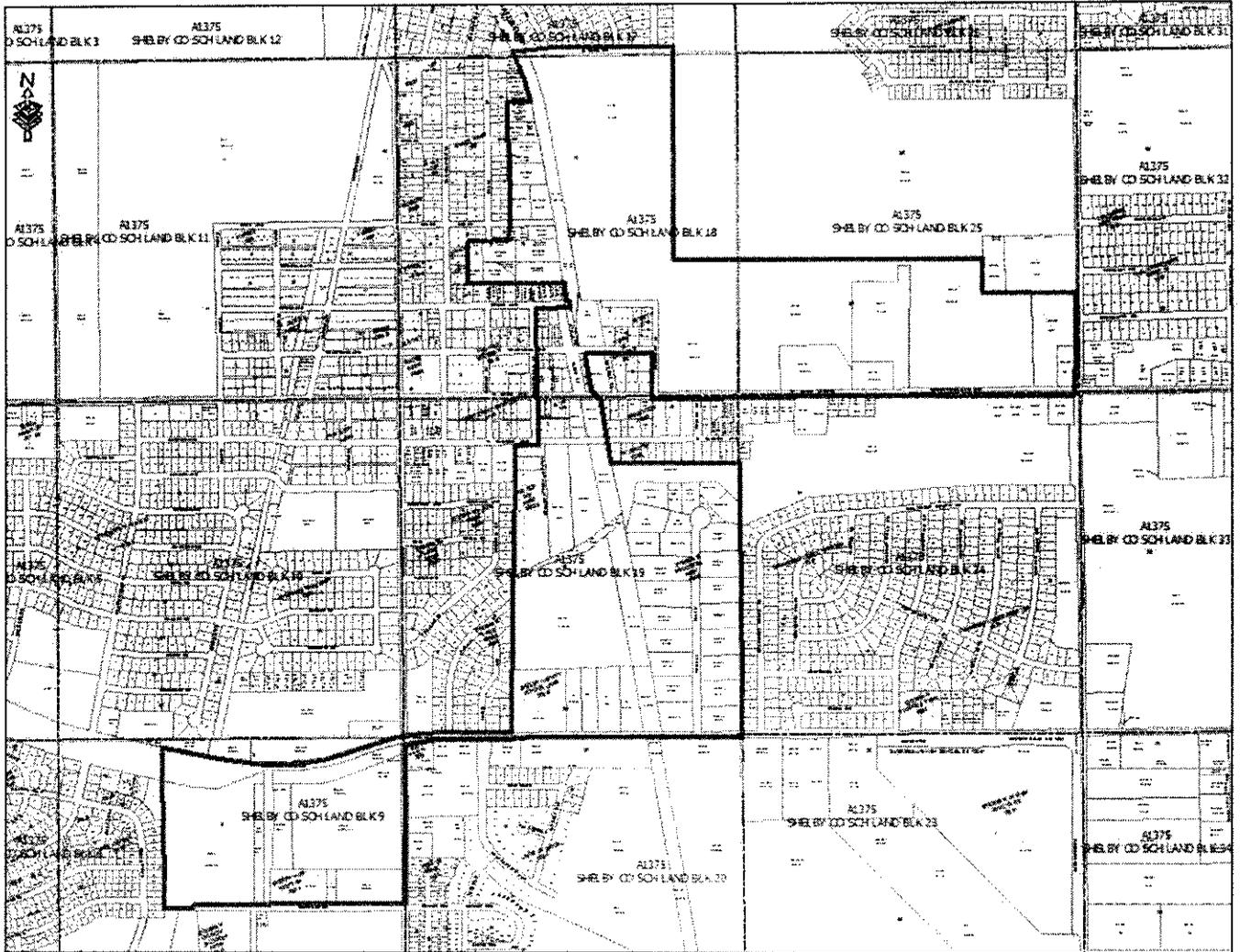
THENCE, north along the Everman city limits, proceeding directly across Everman Parkway to the north ROW of Everman Parkway;

THENCE, easterly along the north ROW of Everman Parkway and continuing directly across Race Street to the northeast corner of the ROW intersection of Race Street and Shelby Road, the POINT OF BEGINNING, and containing an area of approximately 290 acres.

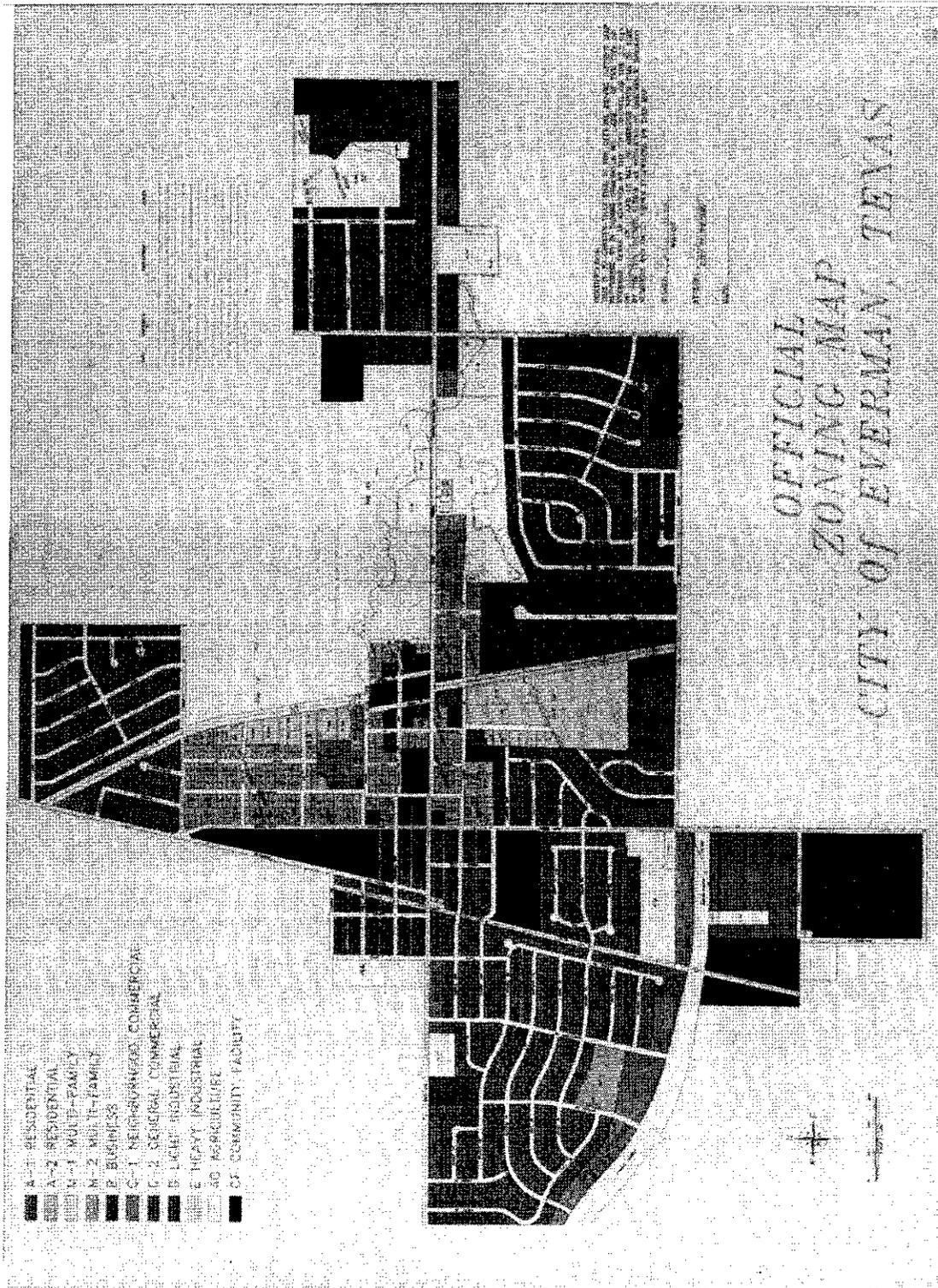
PROJECT PLAN—EVERMAN TIF NO. 1

EXHIBIT B

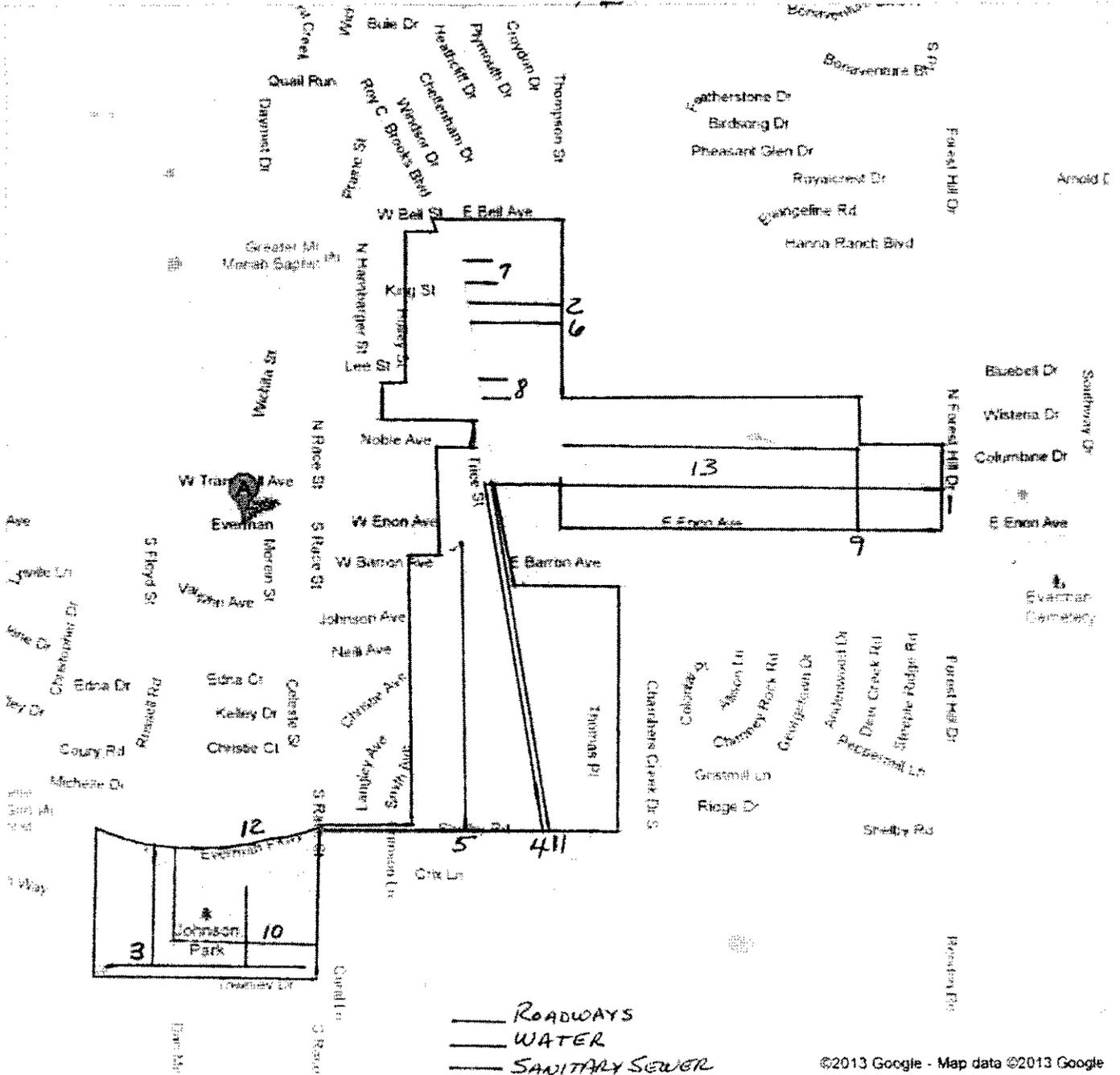
BOUNDARY MAP



EXISTING ZONING



PROJECT PLAN



CITY OF EVERMAN
TAX INCREMENT FINANCING REINVESTMENT ZONE No. 1

PROJECT PLAN (SUMMARY)

	EST. COST, \$K
Roadways	2,114
Water	851
Sanitary Sewer	513
Drainage	<u>250</u>
SUB-TOTAL	3,728
Administration	<u>150</u>
TOTAL	3,878

PROJECT PLAN--EVERMAN TIF NO. 1

EXHIBIT E-1

CITY OF EVERMAN
 TAX INCREMENT FINANCING REINVESTMENT ZONE No. 1
 PROJECT PLAN (DETAIL)

<u>ROADWAYS</u>		<u>EST. COST, \$K</u>
7	Add drive approach (2) 2,400 sq ft. @ \$55/sq ft	132
8	Add drive approach (2) 2,400 sq ft @ \$55/sq ft	132
9	Two-lane asphalt Enon to Noble 3,600 lineal feet @ \$150/ft	540
11	Four-lane concrete (Roy Brooks) Enon to Shelby 2,700 lineal feet @ \$300/ft	810
12	Everman Parkway/Shelby Road Improvements	<u>500</u>
	SUB-TOTAL	2,114
<u>WATER</u>		
1	Replace existing 6" with 8" Trammel to Forest Hill 3,300 lineal feet @ \$90/ft	297
2	Extend 8" line Roy Brooks to existing line 750 lineal feet @ \$90/ft	68
3	Replace existing 2" with 8" 2,700 lineal feet @ \$90/ft	243
4	Install 8" line Shelby to Enon 2,700 lineal feet @ \$90/ft	<u>243</u>
	SUB-TOTAL	851
<u>SANITARY SEWER</u>		
5	Install 10" sewer line Shelby to Enon 2,400 lineal feet @ \$90/ft	216
6	Install 10" sewer line Roy Brooks to existing line 900 lineal feet @ \$90/ft	81
10	Replace existing 6" with 10" 2,400 lineal feet @ \$90/ft	<u>216</u>
	SUB-TOTAL	513
<u>DRAINAGE</u>		
13	Permitting and design for drainage area improvements (north of Enon between Thompson Street and Forest Hill Drive)	<u>250</u>
	TOTAL	3,728

PROJECT PLAN—EVERMAN TIF NO. 1

CITY OF EVERMAN TIF BOARD MEMBERS

City Appointees

Susan Mackey – Chair

Judy Sellers

Michelle Meyer

County Appointee

Shannon Fletcher

Hospital District Appointee

Scott Rule