

RESOLUTION NO. 1094

A RESOLUTION AUTHORIZING ISSUANCE OF A NOTICE OF INTENT THAT THE CITY OF TERRELL, TEXAS INTENDS TO ESTABLISH TAX INCREMENT REINVESTMENT ZONE NO. TWO, CITY OF TERRELL (TIRZ #2) PURSUANT TO THE TAX INCREMENT FINANCING ACT, TEXAS TAX CODE ANN., CHAPTER 311, FOR THE CITY OF TERRELL, TEXAS; AUTHORIZING THE CITY SECRETARY TO PUBLISH A NOTICE OF PUBLIC HEARING IN A NEWSPAPER OF GENERAL CIRCULATION IN THE AREA AND ON THE CITY WEBSITE; AUTHORIZE PREPARATION OF AN INTERLOCAL PARTICIPATION AGREEMENT FOR A PARTNERSHIP BETWEEN THE CITY OF TERRELL AND KAUFMAN COUNTY; AUTHORIZE THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH P3WORKS, LLC FOR TIRZ ADMINISTRATION SERVICES; INSTRUCT THE CITY SECRETARY TO SEND NOTICE OF INTENT TO ALL TAXING ENTITIES WITHIN TIRZ #2, PURSUANT TO THE TAX INCREMENT FINANCING ACT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Terrell, Texas, a Texas home-rule municipality, has the authority under Chapter 311 of the Tax Increment Financing Act, as amended, of the Texas Tax Code, to designate a contiguous or noncontiguous geographic area or areas within the corporate limits or extraterritorial jurisdiction of the City as tax increment reinvestment zones to promote development or redevelopment, and the City Council has determined that development or redevelopment would not occur solely through private investment in the reasonable, foreseeable future, that the zones are feasible, and that creation of the zones is in the best interest of the City and the property in the zones; and

WHEREAS, the City of Terrell intends to establish Tax Increment Reinvestment Zone No. Two, City of Terrell (TIRZ #2) for the purpose of facilitating such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the zones, plus other costs incidental to those expenditures, all of which costs are authorized by the Act; and

WHEREAS, the boundaries of the Tax Increment Reinvestment Zone No. Two, City of Terrell (TIRZ #2) are described on the attachment designated as Exhibit "A" and shown on the maps attached hereto as Exhibit "B"; said TIRZ #2 being within the city limits and the extraterritorial jurisdiction of the City of Terrell; and

WHEREAS, Section 311.003 of the Act provides that not less than seven (7) days before the date of the Public Hearing, the governing body of the municipality must publish a Notice of Public Hearing in a newspaper of general circulation in the area; and

WHEREAS, the required City of Terrell and Kaufman County Participation Agreement in the form of an Interlocal Agreement between the City of Terrell and Kaufman County should be created.

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

Section 1: The City of Terrell intends to undertake all measures required, and has initiated the necessary process, to create Tax Increment Reinvestment Zone No. Two, City of Terrell (TIRZ #2), as described in Exhibits A and B, and is fully committed to completing that process.

Section 2: The City Secretary is hereby instructed to post notice of the required public hearing for purposes of creating Tax Increment Reinvestment Zone No. Two, City of Terrell (TIRZ #2) to be held in the City Council Chambers, Terrell City Hall, 201 East Nash Street, Terrell, Texas, on a date and at a time to be subsequently determined by the City Manager.

Section 3: The Notice shall include all descriptions and other documents as required by State law.

Section 4: City staff is hereby instructed to create and negotiate the required City-County Participation Agreement in the form of a Participation Agreement and Project Plan/Finance Plan, to ensure a partnership between the City of Terrell and Kaufman County, the preliminary drafts of which are included as Exhibit C, attached.

Section 5: Upon approval by Kaufman County of the Participation Agreement, with Project Plan/Finance Plan, for Tax Increment Reinvestment Zone No. Two, City of Terrell (TIRZ #2), the City Manager is instructed to return to the City Council as necessary to finalize Tax Reinvestment Zone No. Two, City of Terrell (TIRZ #2).

Section 6: The City Manager is hereby authorized to execute a consulting services agreement, in the form of Exhibit D, with P3Works, LLC to properly administer Tax Increment Zone No. Two and ensure compliance with the TIF Act, and is further instructed to do so.

Section 7: This Resolution shall be effective immediately upon its passage.

PASSED AND APPROVED by the City Council of the City of Terrell, Texas, on this 21st day of June, 2022.

ECC

E. Rick Carmona, Mayor

Attest:

Dawn Steil

Dawn Steil, City Secretary

*City of El Paso
City Secretary*

Tax Increment Reinvestment Zone # 2

(+/-1,789.48 Acres)

BEING a 1,848.02 Acre tract of land situated in the R. Mead Survey, Abstract No. 316, the W.M. Simpson Survey, Abstract No. 453, the J.W. Ward Survey, Abstract No. 596, the R. Turner Survey, Abstract No. 551, the M.L. Swing / J.W. Laws Survey, Abstract No. 512, the T.B. Finley Survey, Abstract No. 165, the D. McIver Survey, Abstract No. 331, the J.C. Hale Survey, Abstract No. 202, the C. Wilson Survey, Abstract No. 571, and the J.C. Moses Survey, Abstract No. 635, Kaufman County, Texas, Save and Except the +/- 58.54 Acre Tract 2, and more particularly described as follows:

BEGINNING at a point in the south right-of-way line of Interstate Highway 20 (variable width right-of-way) said point also being the northeast corner of a 7.923 Acre tract of land deeded to Gregory Lamb in Volume 3388, Page 205 of the Deed Records of Kaufman County, Texas;

THENCE South 45°07'42" East, a distance of 2,287.45 feet to a point for corner;

THENCE North 43°19'46" East a distance of 1,196.04 feet to a point for corner;

THENCE North 82°10'40" East a distance of 2,348.02 feet to a point for corner;

THENCE North 43°19'27" East a distance of 567.04 feet to a point for corner in the south Right of Way of Interstate Highway 20, said point also being the northernmost corner of a tract of land deeded to Bright Star Estates LLC in Volume 6762, Page 160 of the Deed Records of Kaufman County, Texas;

THENCE South 83°02'30" East a distance of 358.04 feet to a point for corner;

THENCE South 76°03'48" East a distance of 279.09 feet to a point for corner;

THENCE South 67°48'01" East a distance of 263.62 feet to a point for corner;

THENCE South 45°52'51" East a distance of 316.30 feet to a point for corner;

THENCE South 42°12'19" West a distance of 270.97 feet to a point for corner;

THENCE South 45°29'43" East a distance of 952.35 feet to a point for corner;

THENCE South 44°39'18" West a distance of 463.75 feet to a point for corner;

THENCE South 44°29'41" West a distance of 684.19 feet to a point for corner;

THENCE South 44°25'21" West a distance of 1,011.35 feet to a point for corner;

THENCE South 44°17'37" West a distance of 393.44 feet to a point for corner;

THENCE South 44°27'21" West a distance of 196.04 feet to a point for corner;

THENCE South 44°30'18" West a distance of 984.45 feet to a point for corner;

THENCE North 45°42'09" West a distance of 710.37 feet to a point for corner;

THENCE South 41°52'54" West a distance of 1,729.47 feet to a point for corner;

THENCE South 41°54'14" West a distance of 1,113.00 feet to a point for corner;

THENCE South 41°54'37" West a distance of 152.85 feet to a point for corner;

THENCE South 41°56'45" West a distance of 830.33 feet to a point for corner;

THENCE South 45°41'02" East a distance of 305.53 feet to a point for corner;

THENCE South 44°51'16" West a distance of 2,268.35 feet to a point for corner;

THENCE North 45°09'05" West a distance of 662.54 feet to a point for corner;

THENCE South 44°38'03" West a distance of 660.00 feet to a point for corner;

THENCE South 45°09'05" East a distance of 660.00 feet to a point for corner;

THENCE South 44°51'16" West a distance of 253.73 feet to a point for corner;

THENCE South 42°54'18" West a distance of 766.51 feet to a point for corner;

THENCE South 43°57'42" West a distance of 1,422.46 feet to a point for corner;

THENCE South 44°29'35" West a distance of 1,062.06 feet to a point for corner, said corner also being the southernmost corner of a tract of land deeded to MM Terrell 1098 LLC in Volume 7385, Page 1 of the Deed Records of Kaufman County, Texas;

THENCE North 46°16'01" West a distance of 2,587.89 feet to a point for corner;

THENCE North 45°34'47" West a distance of 1,210.06 feet to a point for corner;

THENCE North 45°36'32" West a distance of 2,138.22 feet to a point for corner;

THENCE North 44°11'59" East a distance of 772.49 feet to a point for corner;

THENCE North 45°43'19" West a distance of 2,096.40 feet to a point for corner in the South Right of Way of Interstate Highway 20, said point being the Northwest corner of a tract of land deeded to Blue Star Land LP in Volume 7494, Page 274 of the Deed Records of Kaufman County, Texas;

THENCE North 60°09'54" East a distance of 498.98 feet to a point for corner;

THENCE North 54°52'35" East a distance of 614.62 feet to a point for corner;

THENCE North 51°15'18" East a distance of 550.73 feet to a point for corner;

THENCE North 54°20'15" East a distance of 1,799.74 feet to a point for corner;

THENCE North 57°26'14" East a distance of 558.47 feet to a point for corner;

THENCE North 54°16'25" East a distance of 791.95 feet to a point for corner;

THENCE North 52°44'07" East a distance of 1,051.19 feet to a point for corner;

THENCE North 54°13'26" East a distance of 754.54 feet to a point for corner at the beginning of a curve to the right having a radius of 5,146.25 feet;

THENCE along the arc of said curve a distance of 356.68 feet with a delta of 3°58'16", a chord bearing of North 56°12'34" East, and a chord distance of 356.61 feet to a point for corner at the beginning of a curve to the right with a radius of 5,717.41 feet;

THENCE along the arc of said curve a distance of 1,081.53 feet with a delta of 10°50'18", a chord bearing of North 63°36'51" East, and a chord distance of 1,079.92 feet to a point for corner;

THENCE South 45°31'02" East a distance of 86.10 feet to a point for corner;

THENCE North 44°45'21" East a distance of 180.11 feet to a point for corner at the beginning of a curve to the right with a radius of 5,529.58 feet;

THENCE along the arc of said curve a distance of 123.34 feet with a delta of 1°16'41", a chord bearing of North 71°55'46" East, and a chord distance of 123.34 feet to a point for corner;

THENCE North 72°25'05" East a distance of 99.55 feet to a point for corner;

THENCE North 72°39'56" East a distance of 26.01 feet to a point for corner;

THENCE North 71°49'28" East a distance of 54.58 feet to a point for corner;

THENCE North 76°28'07" East a distance of 391.85 feet to a point for corner;

THENCE North 76°26'28" East, a distance of 941.21 feet to a point for corner; to the **POINT OF BEGINNING** and containing 1,848.02 acres of land, more or less. **Save and Except TRACT 2, 58.54 Acres more or less, more particularly described below, leaving a total area of 1,789.48 acres** for the herein described tract of land.

TRACT 2

**(Save and Except Tract)
(+/- 58.54 Acres)**

BEING a 58.48 Acre tract of land situated in the T.B. Finley Survey, Abstract No. 165, and the D. McIver Survey, Abstract No. 331, Kaufman County, Texas, and more particularly described as follows:

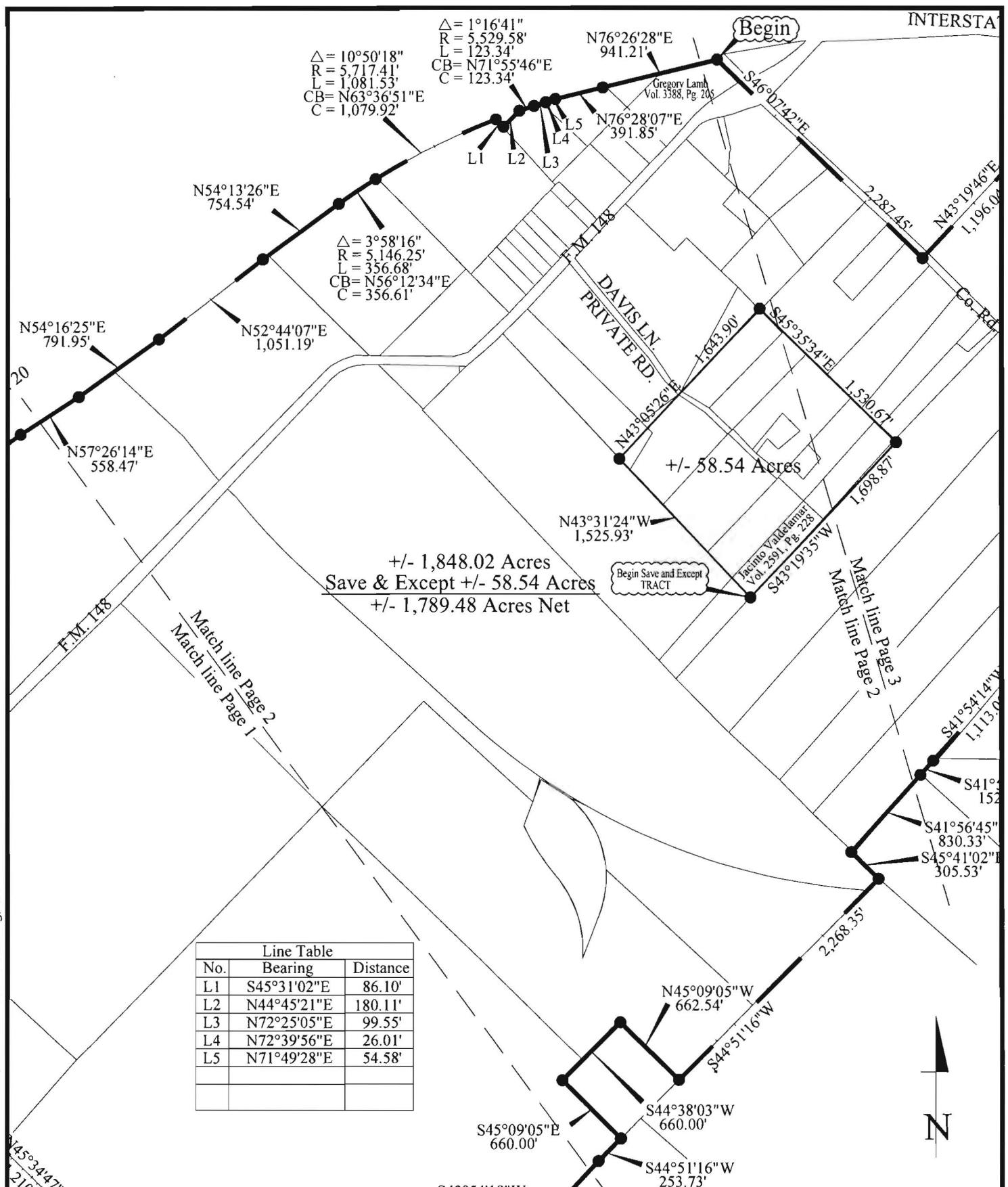
BEGINNING at the southernmost corner of a 9.722 Acre tract of land deeded to Jacinto Valdelamar in Volume 2591, Page 228 of the Deed Records of Kaufman County, Texas;

THENCE North 43°31'24" West a distance of 1,525.93 feet to a point for corner;

THENCE North 43°05'26" East a distance of 1,643.90 feet to a point for corner;

THENCE South 45°35'34" East a distance of 1,530.67 feet to a point for corner;

THENCE South 43°19'35" West a distance of 1,698.87 feet to the **POINT OF BEGINNING** and containing 58.54 Acres more or less.



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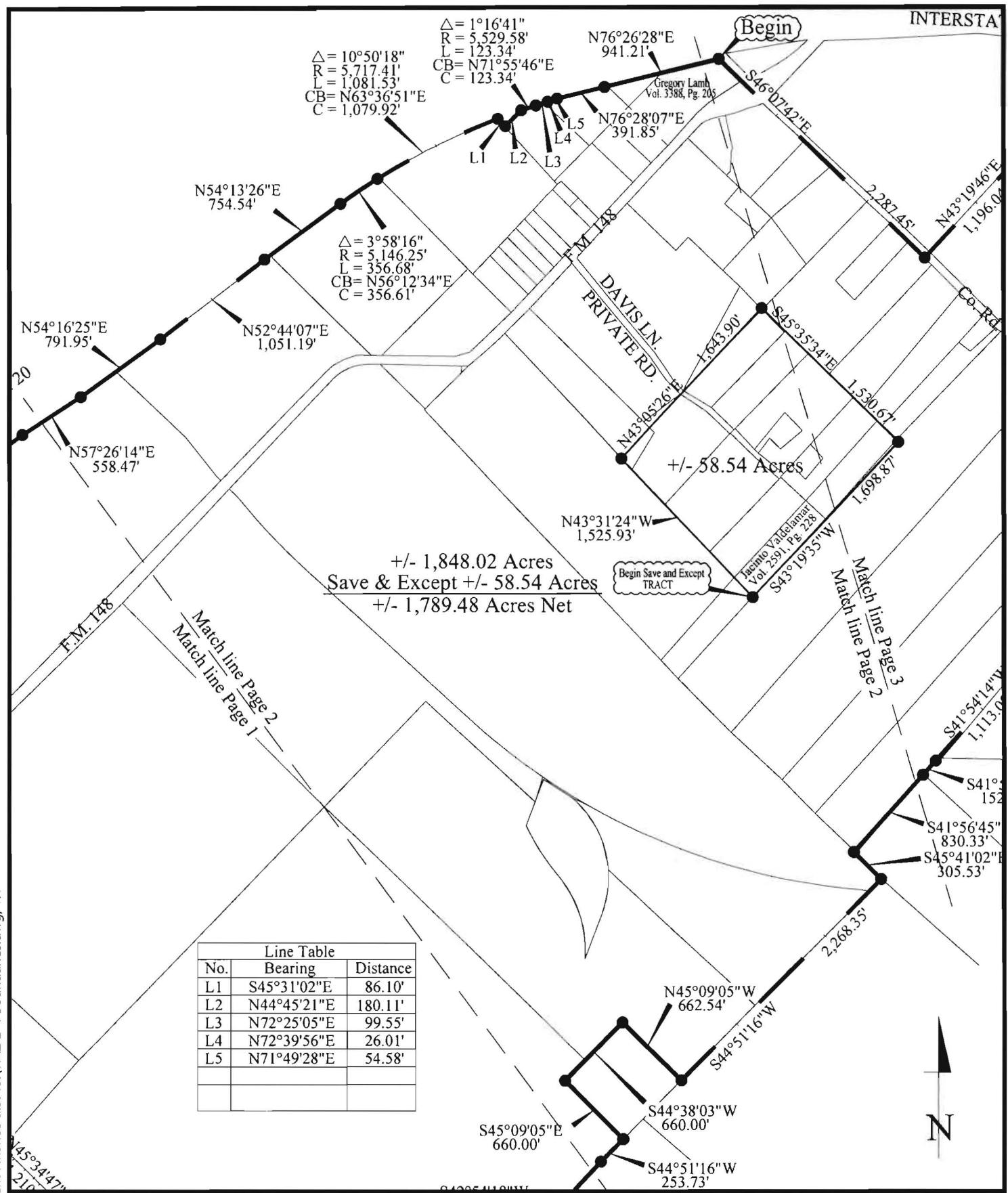
CITY OF TERRELL

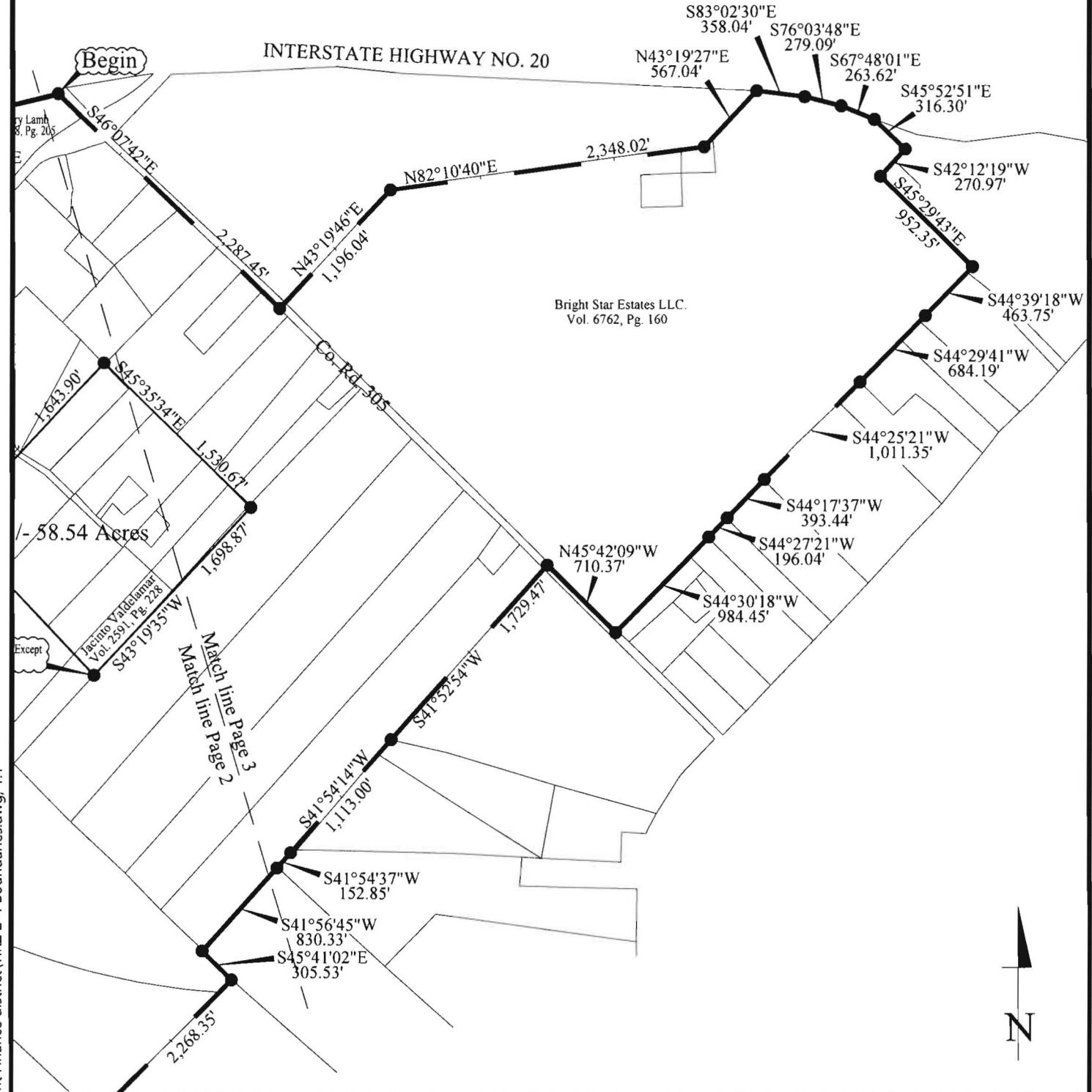


TIRZ No. 2 Page 2
+/-1,789.48 Acres

Line Table		
No.	Bearing	Distance
L1	S45°31'02"E	86.10'
L2	N44°45'21"E	180.11'
L3	N72°25'05"E	99.55'
L4	N72°39'56"E	26.01'
L5	N71°49'28"E	54.58'

DATE: 2/11/2022
DRAWN: KW
CHECK:
REMARKS:
SCALE:
1"-1,000'





CITY OF TERRELL

TIRZ No. 2 Page 3
+/-1,789.48 Acres

DATE: 2/11/2022
DRAWN: KW
CHECK:
REMARKS:
SCALE: 1"=1,000'



City of Terrell TIRZ#2 - Summary			
Land Use	City Tax Increment		
	City Gross New AV Revenue	City TIRZ#2 Fund Contribution	City Retained New AV Revenue
Developer Residential	\$ 286,571,927	\$ 181,258,057	\$ 105,313,871
Developer Non-Residential	\$ 35,757,324	\$ 22,616,671	\$ 13,140,653
Total	\$ 573,143,855	\$ 203,874,728	\$ 118,454,524

County Tax Increment			
Land Use	County Gross AV New Revenue	County TIRZ#2 Fund Contribution	County Retained New AV Revenue
Developer Residential	\$ 142,492,847	\$ 116,649,249	\$ 25,843,598
Developer Non-Residential	\$ 17,779,700	\$ 14,555,037	\$ 3,224,663
Total	\$ 160,272,547	\$ 131,204,286	\$ 29,068,261

Total			
Land Use	Gross New AV Revenue	TIRZ#2 Fund Contribution	Retained New AV Revenue
Developer Residential	\$ 429,064,775	\$ 297,907,306	\$ 131,157,469
Developer Non-Residential	\$ 53,537,024	\$ 37,171,708	\$ 16,365,316
Total	\$ 482,601,799	\$ 335,079,014	\$ 147,522,785

City of Terrell TIRZ#2 Revenue Fund					
Entity	Total Participation Rate	Developer Property Account		Project Account	
City Participation Rate ¹	80%	60%	80%	20%	0%
County Participation Rate ²	100%	60%	80%	40%	20%
City Cumulative TIRZ Contribution	\$ 135,943,542	\$ 22,616,671	\$ 45,314,514	\$ -	
County Cumulative TIRZ Contribution	\$ 69,989,550	\$ 11,644,030	\$ 46,659,700	\$ 2,911,007	
Total Cumulative TIRZ Contribution	\$ 205,933,092	\$ 34,260,701	\$ 91,974,214	\$ 2,911,007	

Footnotes:

(1) City participating exclusively from its maintenance and operations rate.

(2) County has not yet agreed to participate. City's request is for 100% of County M&O Tax Rate.

Reinvestment Zone Number Two, City of Terrell Feasibility Study - Developer Property														
Zone Year	Calendar Year	Growth/ Year ¹	Residential			City			County ²			Total TIRZ Fund Contribution (Single-Family)		
			New Taxable		Incremental Value	TIRZ Fund Contribution		TIRZ Fund Contribution		Annual	Cumulative	Annual	Cumulative	
			Added Value	Value		% ³	Annual	% ³	Annual					
Base	2022		\$ -	\$ -	\$ -	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	2023	2%	\$ -	\$ -	\$ -	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	2024	2%	\$ -	\$ -	\$ -	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	2025	2%	\$ 53,550,000	\$ 53,550,000	\$ 53,550,000	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	2026	2%	\$ 54,621,000	\$ 109,242,000	\$ 109,242,000	80%	\$ 258,839	\$ 258,839	100%	\$ 166,577	\$ 166,577	\$ 425,416	\$ 425,416	
5	2027	2%	\$ 137,957,040	\$ 249,383,880	\$ 249,383,880	80%	\$ 528,032	\$ 786,871	100%	\$ 339,817	\$ 506,394	\$ 867,849	\$ 1,293,265	
6	2028	2%	\$ 141,257,397	\$ 395,628,954	\$ 395,628,954	80%	\$ 1,205,422	\$ 1,992,293	100%	\$ 775,753	\$ 1,282,147	\$ 1,981,175	\$ 3,274,441	
7	2029	2%	\$ 88,326,464	\$ 491,867,998	\$ 491,867,998	80%	\$ 1,912,312	\$ 3,904,605	100%	\$ 1,230,675	\$ 2,512,822	\$ 3,142,987	\$ 6,417,428	
8	2030	2%	\$ 90,092,994	\$ 591,798,351	\$ 591,798,351	80%	\$ 2,377,493	\$ 6,282,099	100%	\$ 1,530,044	\$ 4,042,866	\$ 3,907,537	\$ 10,324,965	
9	2031	0.0%	\$ 90,092,994	\$ 681,891,345	\$ 681,891,345	80%	\$ 2,860,517	\$ 9,142,615	100%	\$ 1,840,895	\$ 5,883,762	\$ 4,701,412	\$ 15,026,377	
10	2032	0.0%	\$ 90,092,994	\$ 771,984,338	\$ 771,984,338	80%	\$ 3,295,990	\$ 12,438,605	100%	\$ 2,121,146	\$ 8,004,907	\$ 5,417,136	\$ 20,443,512	
11	2033	2%	\$ 74,664,568	\$ 862,088,594	\$ 862,088,594	80%	\$ 3,731,463	\$ 16,170,069	100%	\$ 2,401,396	\$ 10,406,304	\$ 6,132,860	\$ 26,576,372	
12	2034	2%	\$ 64,265,517	\$ 943,595,882	\$ 943,595,882	80%	\$ 4,166,991	\$ 20,337,060	100%	\$ 2,681,682	\$ 13,087,985	\$ 6,848,673	\$ 33,425,045	
13	2035	2%	\$ -	\$ 962,467,800	\$ 962,467,800	80%	\$ 4,560,965	\$ 24,898,025	100%	\$ 2,935,725	\$ 16,023,210	\$ 7,496,190	\$ 40,921,235	
14	2036	2%	\$ -	\$ 981,717,156	\$ 981,717,156	80%	\$ 4,652,184	\$ 29,550,209	100%	\$ 2,993,929	\$ 19,017,140	\$ 7,646,114	\$ 48,567,349	
15	2037	2%	\$ -	\$ 1,001,351,499	\$ 1,001,351,499	80%	\$ 4,745,228	\$ 34,295,438	100%	\$ 3,053,808	\$ 22,070,947	\$ 7,799,036	\$ 56,366,385	
16	2038	2%	\$ -	\$ 1,021,378,529	\$ 1,021,378,529	80%	\$ 4,840,133	\$ 39,135,570	100%	\$ 3,114,884	\$ 25,185,832	\$ 7,955,017	\$ 64,321,402	
17	2039	2%	\$ -	\$ 1,041,806,100	\$ 1,041,806,100	80%	\$ 4,936,935	\$ 44,072,505	100%	\$ 3,177,182	\$ 28,363,013	\$ 8,114,117	\$ 72,435,519	
18	2040	2%	\$ -	\$ 1,062,642,222	\$ 1,062,642,222	80%	\$ 5,035,674	\$ 49,108,179	100%	\$ 3,240,725	\$ 31,603,739	\$ 8,276,399	\$ 80,711,918	
19	2041	0.0%	\$ -	\$ 1,062,642,222	\$ 1,062,642,222	80%	\$ 5,136,387	\$ 54,244,567	100%	\$ 3,305,540	\$ 34,909,279	\$ 8,441,927	\$ 89,153,845	
20	2042	0.0%	\$ -	\$ 1,062,642,222	\$ 1,062,642,222	80%	\$ 5,136,387	\$ 59,380,954	100%	\$ 3,305,540	\$ 38,214,818	\$ 8,441,927	\$ 97,595,773	
21	2043	2%	\$ -	\$ 1,083,895,066	\$ 1,083,895,066	80%	\$ 5,136,387	\$ 64,517,342	100%	\$ 3,305,540	\$ 41,520,358	\$ 8,441,927	\$ 106,037,700	
22	2044	2%	\$ -	\$ 1,105,572,968	\$ 1,105,572,968	80%	\$ 5,239,115	\$ 69,756,457	100%	\$ 3,371,651	\$ 44,892,009	\$ 8,610,766	\$ 114,648,466	
23	2045	2%	\$ -	\$ 1,127,684,427	\$ 1,127,684,427	80%	\$ 5,343,897	\$ 75,100,354	100%	\$ 3,439,084	\$ 48,331,093	\$ 8,782,981	\$ 123,431,447	
24	2046	2%	\$ -	\$ 1,150,238,115	\$ 1,150,238,115	80%	\$ 5,450,775	\$ 80,551,130	100%	\$ 3,507,865	\$ 51,838,958	\$ 8,958,641	\$ 132,390,088	
25	2047	2%	\$ -	\$ 1,173,242,878	\$ 1,173,242,878	80%	\$ 5,559,791	\$ 86,110,921	100%	\$ 3,578,023	\$ 55,416,981	\$ 9,137,814	\$ 141,527,902	
26	2048	2%	\$ -	\$ 1,196,707,735	\$ 1,196,707,735	80%	\$ 5,670,987	\$ 91,781,908	100%	\$ 3,649,583	\$ 59,066,564	\$ 9,320,570	\$ 150,848,472	
27	2049	2%	\$ -	\$ 1,220,641,890	\$ 1,220,641,890	80%	\$ 5,784,407	\$ 97,566,314	100%	\$ 3,722,575	\$ 62,789,139	\$ 9,506,981	\$ 160,355,453	
28	2050	2%	\$ -	\$ 1,245,054,728	\$ 1,245,054,728	80%	\$ 5,900,095	\$ 103,466,409	100%	\$ 3,797,026	\$ 66,586,165	\$ 9,697,121	\$ 170,052,574	
29	2051	0.0%	\$ -	\$ 1,245,054,728	\$ 1,245,054,728	80%	\$ 6,018,097	\$ 109,484,505	100%	\$ 3,872,967	\$ 70,459,132	\$ 9,891,063	\$ 179,943,637	
30	2052	0.0%	\$ -	\$ 1,402,133,844	\$ 1,402,133,844	80%	\$ 6,018,097	\$ 115,502,602	100%	\$ 3,872,967	\$ 74,332,099	\$ 9,891,063	\$ 189,834,701	
31	2053	2%	\$ -	\$ 1,269,955,822	\$ 1,269,955,822	80%	\$ 6,018,097	\$ 121,520,698	100%	\$ 3,872,967	\$ 78,205,066	\$ 9,891,063	\$ 199,725,764	
32	2054	2%	\$ -	\$ 1,295,354,939	\$ 1,295,354,939	80%	\$ 6,138,458	\$ 127,659,157	100%	\$ 3,950,426	\$ 82,155,492	\$ 10,088,885	\$ 209,814,649	
33	2055	2%	\$ -	\$ 1,321,262,038	\$ 1,321,262,038	80%	\$ 6,261,228	\$ 133,920,384	100%	\$ 4,029,435	\$ 86,184,927	\$ 10,290,662	\$ 220,105,311	
34	2056	2%	\$ -	\$ 1,347,687,278	\$ 1,347,687,278	80%	\$ 6,386,452	\$ 140,306,837	100%	\$ 4,110,023	\$ 90,294,950	\$ 10,496,476	\$ 230,601,787	
35	2057	2%	\$ -	\$ 1,374,641,024	\$ 1,374,641,024	80%	\$ 6,514,181	\$ 146,821,018	100%	\$ 4,192,224	\$ 94,487,174	\$ 10,706,405	\$ 241,308,192	
36	2058	2%	\$ -	\$ 1,402,133,844	\$ 1,402,133,844	80%	\$ 6,644,465	\$ 153,465,483	100%	\$ 4,276,068	\$ 98,763,242	\$ 10,920,533	\$ 252,228,725	
37	2059	2%	\$ -	\$ 1,430,176,521	\$ 1,430,176,521	80%	\$ 6,777,354	\$ 160,242,837	100%	\$ 4,361,590	\$ 103,124,832	\$ 11,138,944	\$ 263,367,669	
38	2060	2%	\$ -	\$ 1,458,780,052	\$ 1,458,780,052	80%	\$ 6,912,901	\$ 167,155,738	100%	\$ 4,448,822	\$ 107,573,653	\$ 11,361,723	\$ 274,729,391	
39	2061	0.0%	\$ -	\$ 1,458,780,052	\$ 1,458,780,052	80%	\$ 7,051,159	\$ 174,206,897	100%	\$ 4,537,798	\$ 112,111,451	\$ 11,588,957	\$ 286,318,349	
40	2062	0.0%	\$ -	\$ 1,458,780,052	\$ 1,458,780,052	80%	\$ 7,051,159	\$ 181,258,057	100%	\$ 4,537,798	\$ 116,649,249	\$ 11,588,957	\$ 297,907,306	

Assumptions

Tax Increment Base ²	\$ -
City M&O Rate	0.604200
County M&O Rate	0.311068
City AV Rate	0.764200
County AV Rate	0.379985

Footnotes

- 1) Values increased at 2% annually with two years of no growth each decade to simulate an economic downturn.
- 2) Tax Increment Base estimated as of January 1, 2022, and subject to confirmation by Appraisal District.
- 3) City and County (if applicable) only participating with a percentage of their M&O Rate.
- 4) County has not yet agreed to participate and is shown for illustrative purposes only.

Reinvestment Zone Number Two, City of Terrell Feasibility Study - Developer Property (Non-Residential)													
Zone Year	Calendar Year	Growth/ Year ¹	Non-Residential			City			County ⁴			Total TIRZ Fund Contribution (Non-Residential)	
			Added Value	New Taxable Value	Incremental Value	TIRZ Fund Contribution		TIRZ Fund Contribution		Annual	Cumulative	Annual	Cumulative
						% ²	Annual	% ³	Annual				
Base	2022		\$ -	\$ -	\$ -	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -
1	2023	2%	\$ -	\$ -	\$ -	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -
2	2024	2%	\$ -	\$ -	\$ -	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -
3	2025	2%	\$ 6,120,000	\$ 6,120,000	\$ 6,120,000	80%	\$ -	100%	\$ -	\$ -	\$ -	\$ -	\$ -
4	2026	2%	\$ 6,242,400	\$ 12,484,800	\$ 12,484,800	80%	\$ 29,582	100%	\$ 19,037	\$ 19,037	\$ 48,619	\$ 48,619	\$ -
5	2027	2%	\$ 6,367,248	\$ 19,101,744	\$ 19,101,744	80%	\$ 60,347	100%	\$ 38,836	\$ 57,874	\$ 99,183	\$ 147,802	\$ -
6	2028	2%	\$ 21,378,035	\$ 40,861,814	\$ 40,861,814	80%	\$ 92,330	100%	\$ 59,419	\$ 117,293	\$ 151,750	\$ 299,551	\$ -
7	2029	2%	\$ -	\$ 41,679,050	\$ 41,679,050	80%	\$ 197,510	100%	\$ 127,108	\$ 244,401	\$ 324,618	\$ 624,169	\$ -
8	2030	2%	\$ 15,484,733	\$ 57,163,784	\$ 57,163,784	80%	\$ 201,460	100%	\$ 129,650	\$ 374,051	\$ 331,110	\$ 955,279	\$ -
9	2031	0.0%	\$ -	\$ 57,163,784	\$ 57,163,784	80%	\$ 276,307	100%	\$ 177,818	\$ 551,869	\$ 454,125	\$ 1,409,404	\$ -
10	2032	0.0%	\$ 15,484,733	\$ 73,791,793	\$ 73,791,793	80%	\$ 276,307	100%	\$ 177,818	\$ 729,688	\$ 454,125	\$ 1,863,529	\$ -
11	2033	2%	\$ -	\$ 75,267,628	\$ 75,267,628	80%	\$ 356,680	100%	\$ 229,543	\$ 959,230	\$ 586,223	\$ 2,449,752	\$ -
12	2034	2%	\$ 16,110,316	\$ 92,883,297	\$ 92,883,297	80%	\$ 363,814	100%	\$ 234,134	\$ 1,193,364	\$ 597,947	\$ 3,047,699	\$ -
13	2035	2%	\$ -	\$ 94,740,963	\$ 94,740,963	80%	\$ 448,961	100%	\$ 288,930	\$ 1,482,294	\$ 737,891	\$ 3,785,590	\$ -
14	2036	2%	\$ 16,761,173	\$ 113,396,956	\$ 113,396,956	80%	\$ 457,940	100%	\$ 294,709	\$ 1,777,003	\$ 752,649	\$ 4,538,239	\$ -
15	2037	2%	\$ -	\$ 115,664,895	\$ 115,664,895	80%	\$ 488,116	100%	\$ 330,351	\$ 352,742	\$ 1,219,745	\$ 900,857	\$ 5,439,096
16	2038	2%	\$ 17,438,325	\$ 135,416,518	\$ 135,416,518	80%	\$ 559,078	100%	\$ 3,868,429	\$ 359,796	\$ 2,489,541	\$ 918,874	\$ 6,357,970
17	2039	2%	\$ -	\$ 138,124,848	\$ 138,124,848	80%	\$ 654,549	100%	\$ 4,522,978	\$ 421,237	\$ 2,910,778	\$ 1,075,787	\$ 7,433,757
18	2040	2%	\$ -	\$ 138,124,848	\$ 138,124,848	80%	\$ 667,640	100%	\$ 429,662	\$ 3,340,441	\$ 1,097,302	\$ 8,531,059	\$ -
19	2041	0.0%	\$ -	\$ 138,124,848	\$ 138,124,848	80%	\$ 667,640	100%	\$ 429,662	\$ 3,770,103	\$ 1,097,302	\$ 9,628,362	\$ -
20	2042	0.0%	\$ -	\$ 140,887,345	\$ 140,887,345	80%	\$ 667,640	100%	\$ 429,662	\$ 4,199,765	\$ 1,097,302	\$ 10,725,664	\$ -
21	2043	2%	\$ -	\$ 143,705,092	\$ 143,705,092	80%	\$ 680,993	100%	\$ 438,255	\$ 4,638,021	\$ 1,119,249	\$ 11,844,913	\$ -
22	2044	2%	\$ -	\$ 146,579,194	\$ 146,579,194	80%	\$ 694,613	100%	\$ 470,215	\$ 5,085,041	\$ 1,141,633	\$ 12,986,546	\$ -
23	2045	2%	\$ -	\$ 149,510,778	\$ 149,510,778	80%	\$ 708,505	100%	\$ 455,961	\$ 5,541,002	\$ 1,164,466	\$ 14,151,013	\$ -
24	2046	2%	\$ -	\$ 152,500,993	\$ 152,500,993	80%	\$ 722,675	100%	\$ 465,080	\$ 6,006,082	\$ 1,187,755	\$ 15,338,768	\$ -
25	2047	2%	\$ -	\$ 155,551,013	\$ 155,551,013	80%	\$ 737,129	100%	\$ 406,981	\$ 4,743,382	\$ 6,480,464	\$ 1,211,511	\$ 16,550,279
26	2048	2%	\$ -	\$ 158,662,033	\$ 158,662,033	80%	\$ 751,871	100%	\$ 483,869	\$ 6,964,333	\$ 1,235,741	\$ 17,786,019	\$ -
27	2049	2%	\$ -	\$ 161,835,274	\$ 161,835,274	80%	\$ 766,909	100%	\$ 493,547	\$ 7,457,880	\$ 1,260,456	\$ 19,046,475	\$ -
28	2050	2%	\$ -	\$ 161,835,274	\$ 161,835,274	80%	\$ 782,247	100%	\$ 503,418	\$ 7,961,298	\$ 1,285,665	\$ 20,332,140	\$ -
29	2051	0.0%	\$ -	\$ 161,835,274	\$ 161,835,274	80%	\$ 782,247	100%	\$ 503,418	\$ 8,464,716	\$ 1,285,665	\$ 21,617,804	\$ -
30	2052	0.0%	\$ -	\$ 165,071,979	\$ 165,071,979	80%	\$ 782,247	100%	\$ 503,418	\$ 8,968,133	\$ 1,285,665	\$ 22,903,469	\$ -
31	2053	2%	\$ -	\$ 168,373,419	\$ 168,373,419	80%	\$ 797,892	100%	\$ 513,486	\$ 9,481,620	\$ 1,311,378	\$ 24,214,847	\$ -
32	2054	2%	\$ -	\$ 171,740,887	\$ 171,740,887	80%	\$ 813,850	100%	\$ 523,756	\$ 10,005,375	\$ 1,337,606	\$ 25,552,453	\$ -
33	2055	2%	\$ -	\$ 175,175,705	\$ 175,175,705	80%	\$ 830,127	100%	\$ 534,231	\$ 10,539,606	\$ 1,364,358	\$ 26,916,810	\$ -
34	2056	2%	\$ -	\$ 178,679,219	\$ 178,679,219	80%	\$ 846,729	100%	\$ 544,916	\$ 11,084,522	\$ 1,391,645	\$ 28,308,455	\$ -
35	2057	2%	\$ -	\$ 182,252,804	\$ 182,252,804	80%	\$ 863,664	100%	\$ 555,814	\$ 11,640,336	\$ 1,419,478	\$ 29,727,933	\$ -
36	2058	2%	\$ -	\$ 185,897,866	\$ 185,897,866	80%	\$ 880,937	100%	\$ 566,930	\$ 12,207,266	\$ 1,447,867	\$ 31,175,800	\$ -
37	2059	2%	\$ -	\$ 189,615,817	\$ 189,615,817	80%	\$ 898,556	100%	\$ 578,269	\$ 12,785,535	\$ 1,476,825	\$ 32,652,625	\$ -
38	2060	2%	\$ -	\$ 189,615,817	\$ 189,615,817	80%	\$ 916,527	100%	\$ 589,834	\$ 13,375,369	\$ 1,506,361	\$ 34,158,986	\$ -
39	2061	0.0%	\$ -	\$ 189,615,817	\$ 189,615,817	80%	\$ 916,527	100%	\$ 589,834	\$ 13,965,203	\$ 1,506,361	\$ 35,665,347	\$ -
40	2062	0.0%	\$ -	\$ 189,615,817	\$ 189,615,817	80%	\$ 916,527	100%	\$ 589,834	\$ 14,555,037	\$ 1,506,361	\$ 37,171,708	\$ -

Assumptions	
Tax Increment Base ²	\$ -
City M&O Rate	0.604200
County M&O Rate	0.311068
City AV Rate	0.764200
County AV Rate	0.379985

Footnotes	
1)	Values increased at 2% annually with two years of no growth each decade to simulate an economic downturn.
2)	Tax Increment Base estimated as of January 1, 2022, and subject to confirmation by Appraisal District.
3)	City and County (if applicable) only participating with a percentage of their M&O Rate.
4)	County has not yet agreed to participate and is shown for illustrative purposes only.

STATE OF TEXAS

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AGREEMENT FOR CONSULTING SERVICES

COUNTY OF

This Agreement for Tax Increment Reinvestment Zone Administration Services ("Agreement") is entered into this 24th day of May, 2022 by and between P3Works, LLC, ("P3Works") and the City of Terrell, Texas ("City"), acting by and through their authorized representatives.

RECITALS

WHEREAS, the City Council has created Tax Increment Financing Reinvestment Zone Number One, City of Terrell, Texas, as well as a complementary area in a defined 380/381 Agreement referred to as the Power Center which shall jointly be referred to as the “Zone”, and has established Boards of Directors for the Zone; and

WHEREAS, the Board of Directors of the Zone considered and adopted a Final Project and Financing Plan (the “Project and Financing Plan”) for the Zone; and

WHEREAS, the City requires specialized services related to the evaluation of the TIRZ No. 1 and administration of the Zone, as more fully set forth in this Agreement and described in the Texas Tax Code, Chapter 311, the Tax Increment Financing Act (“TIF Act”); and

WHEREAS, P3Works has agreed to properly administer the Zone and will ensure compliance with the TIF Act, and the Final Project and Financing Plan, as amended; and

WHEREAS, the City desires to retain P3Works to provide Zone administration services as set forth herein:

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

ARTICLE I

TERM OF AGREEMENT

1.0 The Agreement shall be effective as of its approval by all parties and shall be for a period of three (3) years, subject to annual appropriation by the City Council, and shall automatically renew on a year-to-year basis until terminated pursuant to Article IV of this Agreement.

ARTICLE II **SERVICES TO BE PROVIDED BY P3WORKS**

2.0 The scope and timing of services to be performed by P3 Works are set forth in Exhibit A, which is attached hereto and incorporated into this Agreement by this reference.

2.1 The Services to be provided by P3Works under the terms of this Agreement relate only to the Tax Increment Financing Reinvestment Zone Number One, City of Terrell, Texas

2.2 P3Works agrees that its services pursuant to this Agreement shall be performed under the direction of the City Manager, or his or her designee, and nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in Exhibit A. P3Works agrees to devote such time as reasonably necessary for the satisfactory performance of the services under this Agreement.

2.4 P3Works shall furnish the facilities, equipment, and personnel necessary to perform the services required under this Agreement unless otherwise provided herein.

ARTICLE III **PAYMENT TERMS AND CONDITIONS**

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in Exhibit A.

3.1 Monthly invoices shall be submitted to the City under the rates provided in Exhibit A. City agrees to pay the amount due to P3Works upon receipt of each invoice.

3.2 The rates set forth in Exhibit A shall remain in effect during the term of this Agreement. Any changes to established rates shall require the prior written consent of the City.

3.3 Copies of all invoices for expenses and materials provided by P3Works will accompany the invoices for services to the City. Mileage will be billed at the P3Works travel rate, as provided in Exhibit A. P3Works will pass any third-party cost through to the City without markup and will not incur any printing or publication expense in excess of \$200 without written consent of the City.

3.4 P3Works's services are to be paid exclusively from the TIRZ Fund in accordance with the TIRZ #1 Final Project and Finance Plan (the "TIRZ Plan"). In the event TIRZ funds are not available at the time of invoice, P3Works will defer its remuneration until such time as funds are available in the fund, but any payments that have been deferred by P3Works shall be paid first when funds are available before additional project funds are expended.

ARTICLE IV **TERMINATION OF THIS AGREEMENT**

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay any final invoices provided by P3Works,

within 30 days of such termination which shall include all of P3Works's fees and expenses actually accrued or incurred up to the date of termination.

ARTICLE V **GENERAL PROVISIONS**

5.0 This Agreement supersedes any and all agreements, either oral or written between the parties hereto with respect to rendering of services by P3Works to the City and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

5.1 This Agreement shall be administered and interpreted under the laws of the State of Texas and venue for any action concerning this Agreement shall be in the State District Court of Kauffman County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

5.2 This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

5.3 This Agreement and any duties or obligations under this Agreement may only be assigned by P3Works to an affiliate organization upon written approval by the City, which approval shall not be unreasonably withheld. In the event of an assignment by P3Works to which the City has consented, the assignee shall agree in writing with the City to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.

5.4 All records, reports, and other documents prepared by P3Works for the purposes of providing the services described in this Agreement are working documents of P3Works until submitted to the City, at which point they shall become the property of the City.

5.5 The City acknowledges P3Works's ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. This Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information.

5.6 It is understood and agreed by and between the Parties that P3Works, in satisfying the conditions of this Agreement, is acting independently, and that the City assumes no responsibility or liabilities to any third party in connection with these actions. All services to be performed by P3Works pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of the city. P3Works shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement.

5.7 P3WORKS DOES HEREBY COVENANT AND CONTRACT TO WAIVE ANY AND ALL CLAIMS, RELEASE, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS CITY COUNCIL, OFFICERS, EMPLOYEES, AND AGENTS, FROM AND AGAINST ALL LIABILITY, CAUSES OF ACTION, CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGEMENTS, LOSSES PENALTIES OR SUITS, CAUSED BY OR RESULTING FROM THE NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY P3WORKS, ITS AGENT, ITS CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH P3WORKS EXERCISES CONTROL SUBJECT TO THE LIMITATIONS IN TEXAS LOCAL GOVERNMENT CODE§ 271.904 AND TEXAS CIVIL PRACTICE AND REMEDIES CODE, § 130.002 (B).

INDEMNIFIED ITEMS SHALL INCLUDE REASONABLE ATTORNEYS' FEES AND COSTS, COURT COSTS, AND SETTLEMENT COSTS IN PROPORTION TO P3WORKS'S LIABILITY

P3Works's obligations under this section shall be limited to the limits of coverage of insurance maintained or required to be maintained by P3Works under this agreement. This provision shall survive the termination of this agreement.

5.8 All notices, requests, demands, and other communications which are required to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon the delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:
Mary V. Petty
Managing Partner
P3Works, LLC
9284 Huntington Square, Ste. 100
North Richland Hills, Texas 76182

To City:
Mike Sims
City Manager
City of Terrell
201 East Nash St.
P.O. Box 310
Terrell, Texas 75160

5.9 This Agreement may be amended by the mutual written agreement of the Parties.

5.10 This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

5.11 The exhibits attached hereto are incorporated herein and made a part hereof for all purposes.

5.12 The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

Executed on this 24th day of May, 2022:

P3Works, LLC.

BY: 
Mary Petty
Managing Partner

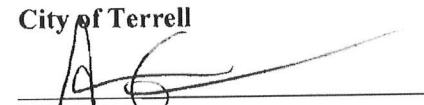
BY: 
Mike Sims
City Manager

EXHIBIT A
TAX INCREMENT REINVESTMENT ZONE SERVICES TO BE PROVIDED

BASIC DISTRICT ADMINISTRATION SERVICES

Covering both TIRZ No. 1 and the Power Center Zone

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	\$250
<i>Vice President</i>	\$185
<i>Senior Associate</i>	\$160
<i>Associate</i>	\$135
<i>Administrative</i>	\$100

Preparation of the Annual Report to be filed with the Secretary of State and then presented to the TIRZ Board and City Council for approval.

See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if future TIRZ changes are contemplated.

Project Plan and Finance Plan Updates (as needed)

1. P3Works will prepare a Project and Finance Plan ("PFP") Update as needed for changes to the Projects as identified by staff or technical updates identified by P3Works as may be necessary for compliance purposes.
2. P3Works will review and comment on any TIRZ Agreement to be adopted by the TIRZ Board

Consulting Services Relating to Bond Issuance (as needed)

1. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
2. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Prepare Annual Report

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for TIRZ improvements
2. Update Annual Report as necessary to account for any changes in development plan or land uses.
3. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to anticipated estimate of Tax Increment to be generated.
4. Calculate annual TIRZ Credit for each parcel.
5. Present preliminary Annual Report to TIRZ Board. Upon approval by TIRZ Board, submit final Annual Report to the Texas Secretary of State.
6. This item includes overdue prior year reports and adjustments/corrections as may be needed to TIRZ financial reports.