

City of Lavon, Texas, Ordinance No. 2006-12-01

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN CITY OF LAVON AS REINVESTMENT ZONE NUMBER ONE, CITY OF LAVON, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING A SEVERABILITY CLAUSE; AND OTHER PROVISIONS RELATING THERETO

* * *

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City may designate a contiguous geographic area within the City as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, which provides that a portion of City of Lavon ad valorem taxes are to be deposited into the tax increment fund, and that taxes of other taxing units may be utilized in the financing of the proposed zone; and

WHEREAS, the City provided written notice of the public hearing on the creation of the proposed zone, complying with the requirements of Chapter 311, Texas Tax Code, to the governing body of all taxing units levying taxes on property in the proposed zone and obtained waivers from all taxing units within the boundaries of the proposed zone; and

WHEREAS, a notice of the December 12, 2006, public hearing on the creation of the proposed zone was published on November 29, 2006, in the Wylie News, a newspaper of general circulation in the City; and

WHEREAS, Notice, pursuant to Section 311.003, Texas Tax Code was couriered to Collin County on October 30, 2006, and on November 15, 2006, the County waived the requirement in Section 311.003 that it receive sixty (60) days notice of the public hearing on the creation of the proposed zone; and

WHEREAS, Notice, pursuant to Section 311.003, Texas Tax Code was couriered to Community Independent School District on October 30, 2006, and on November 1, 2006, the school district waived the requirement in Section 311.003 that it receive sixty (60) days notice of the public hearing on the creation of the proposed zone; and

WHEREAS, Notice, pursuant to Section 311.003, Texas Tax Code was mailed to Collin County Community College District on October 30, 2006, and on November 28, 2006, the district waived the requirement in Section 311.003 that it receive sixty (60) days notice of the public hearing on the creation of the proposed zone; and

WHEREAS, at the public hearing on December 12, 2006, interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the concept

of tax increment financing; and owners of property in the proposed zone were given a reasonable opportunity to protest the inclusion of their property in the proposed zone; and

WHEREAS, evidence was received and presented at the public hearing in favor of the creation of the proposed zone under the provisions of Chapter 311, Texas Tax Code, and no one appeared or presented evidence in opposition to the creation of the proposed zone; and

WHEREAS, no owner of real property in the proposed zone protested the inclusion of their property in the proposed zone; and

WHEREAS, the City has provided all information, and made all presentations, given all notices and done all other things required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; NOW, THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS:

Section 1. Findings.

(a) That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.

(b) That the City Council further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.

(c) That the City Council further finds and declares that the proposed zone meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone is found to be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality and constitutes an economic and social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use.

(d) That the City Council, pursuant to the requirements of Chapter 311, Texas Tax Code, further finds and declares:

(1) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Lavon;

(2) That the total appraised value of taxable real property in the proposed zone, and in the City's existing reinvestment zones, does not exceed fifteen percent of the total appraised value of taxable real property in the City and in the industrial districts created by the City;

(3) That the proposed zone does not contain more than fifteen percent of the total appraised value of real property taxable by Collin County or the Community Independent School District; and

(4) That the development or redevelopment of the property in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

Section 2. Designation of the Zone.

That the City, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and create and designate a reinvestment zone over, the area described in Exhibit "A" and depicted in the map attached hereto as Exhibit "B" to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number One, City of Lavon, Texas (the "Zone"). The City Council specifically declares that the Zone is designated pursuant to Section 311.005(a) of the Texas Tax Code.

Section 3. Board of Directors.

That there is hereby created a Board of Directors for the Zone, which shall consist of five (5) members. Positions One through Three on the Board of Directors shall be reserved for the City. Positions Four and Five shall be reserved for other taxing units levying taxes within the Zone, each of whom may appoint one director. Any taxing unit that appoints a director shall be assigned a Board position number in the order the appointment is received by the City. Failure of a taxing unit to appoint a director by February 1, 2006, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position, which shall be filled as provided below. If more than two taxing units levying taxes within the Zone appoint a director, the number of directors on the Board of Directors shall be increased by one for each taxing unit above two that appoints a director to the board; provided, if more than three taxing units levying taxes within the Zone appoint a director, the number of directors on the Board of Directors shall be increased by two for each taxing unit above three that appoints a director to the board, provided, further, that the maximum number of directors shall not exceed fifteen (15). The City shall be entitled to appoint a person to one position of each of the two positions created as a result of more than three taxing units appointing directors, which position shall be filled as provided below.

The Mayor is hereby authorized to nominate and appoint the directors to Positions One through Three of the Board of Directors, any position unfilled on February 1, 2006, and any City position created by the appointment of a director by more than two taxing units levying taxes within the Zone, subject to the consent and approval of the City Council.

The directors appointed to odd-numbered positions shall be appointed for two year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position Three is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter the Mayor shall annually nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this

Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice chairman and such other officers as the Board of Directors sees fit.

The Board of Directors shall make recommendations to the City Council concerning the administration of the Zone. The Board of Directors shall prepare or cause to be prepared and adopt a project plan and a reinvestment zone financing plan for the Zone as described in Section 311.011, Texas Tax Code, and shall submit such plans to the City Council for its approval. The City hereby delegates to the Board of Directors all powers necessary to prepare and implement the project plan and reinvestment zone financing plan, subject to approval by the City Council, including the power to employ any consultants or enter into any reimbursement agreements payable solely from the Tax Increment Fund established pursuant to Section 7 of this Ordinance, subject to the approval of the City Administrator, that may be reasonably necessary or convenient to assist the Board of Directors in the preparation of the project plan and reinvestment zone financing plan and in the issuance of tax increment obligations.

Section 4. Duration of the Zone.

That the Zone shall take effect on January 1, 2007, for the deposit of tax increments into the Tax Increment Fund established pursuant to Section 7 of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2037, or at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, notes and other obligations of the Zone, and the interest thereon, have been paid in full.

Section 5. Tax Increment Base.

That the Tax Increment Base of the City or any other taxing unit participating in the Zone for the Zone is the total appraised value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone, determined as of January 1, 2006, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

Section 6. Tax Increment Fund.

That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent ordinances. All Tax Increments to be contributed by the participating taxing units shall be deposited in the Tax increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. The total amount of the City's contributions to the Tax Increment Fund shall be as determined in that TIF Reimbursement Agreement between the City, the Board of the Reinvestment Zone and the Developer (as therein defined). The amount of the contribution of each taxing unit will be determined according to a Participation Agreement between the City and the taxing unit. All revenues from the sale of any tax increment bonds, notes or other obligations hereafter issued for the benefit of the Zone by the City, if any; revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by

the Texas Tax Code, for the Zone, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b) of the Texas Tax Code.

Section 7. Severability.

If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person to set circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining provisions of this Ordinance or their application to other persons or set of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or regulations connected herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

Section 8. Open Meetings.

It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the Time required by law preceding its meeting, as required by the Open Meetings Law, Texas Government Code, ch. 551, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

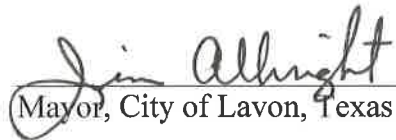
Section 9. Notices.

The contents of the notice of the public hearing, which hearing was held before the City Council on December 12, 2006, and the publication of said notice, are hereby ratified, approved and confirmed.

Section 10. Effective Date


This Ordinance shall take effect and in force from and after its passage and approval.

PASSED AND ADOPTED this 12th day of December, 2006.




Mayor, City of Lavon, Texas

ATTEST:



City Secretary, City of Lavon, Texas

APPROVED AS TO FORM:



City Attorney, City of Lavon, Texas

Signature Page for Ordinance

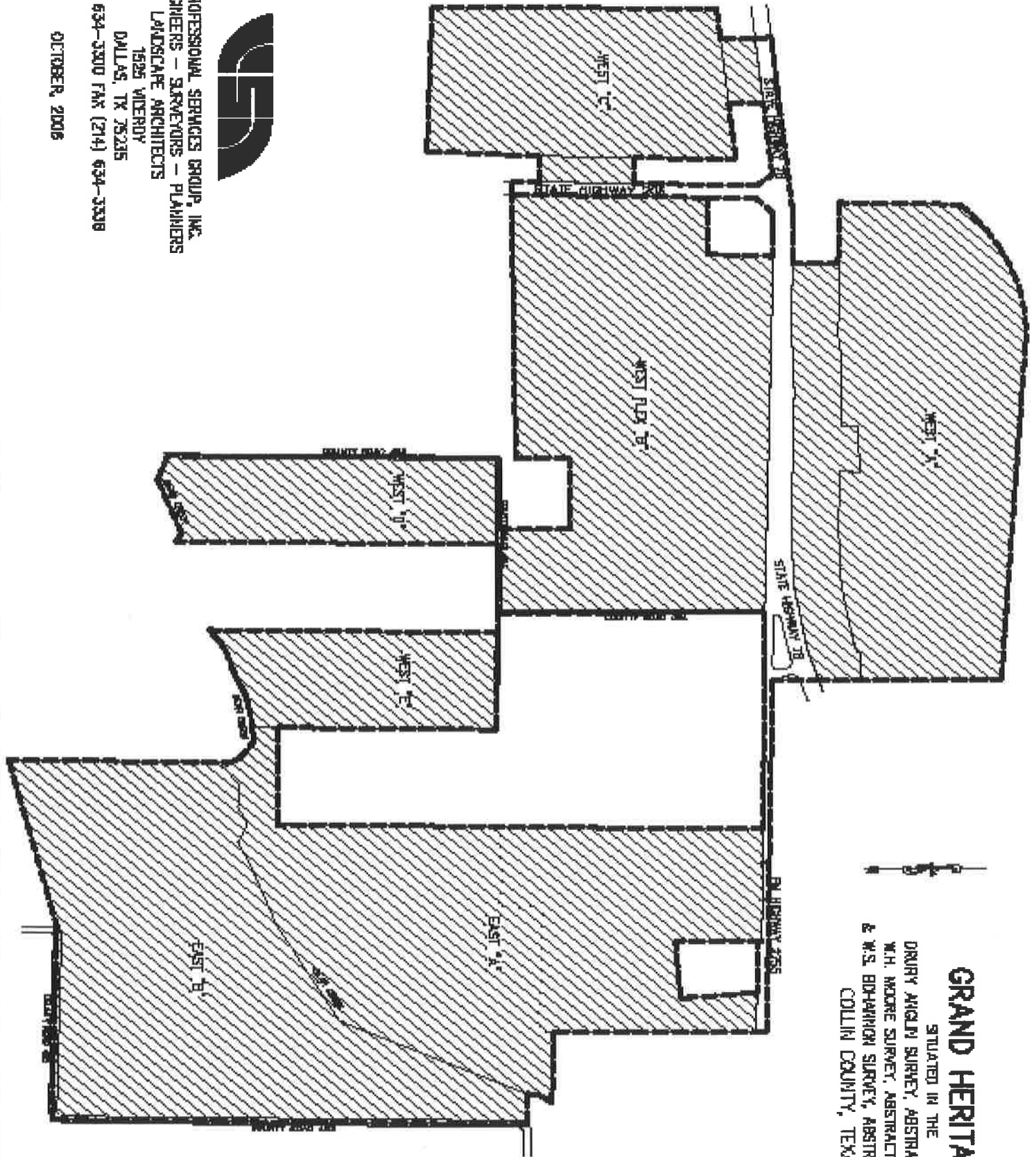
Exhibit A: Reinvestment Zone Description

There are approximately 574 acres in the proposed zone, excluding existing rights-of-way. The zone lies north and south of State Highway 78 and east and west of State Highway 205, as mapped in Exhibit B. Zone boundaries that follow public streets and highways shall be construed to include the full width of such rights-of-way. Boundaries that approximate property lines shall be construed to follow such property lines.

The total value of real property liable for taxation by Lavon within the proposed zone boundaries, according to the 2006 certified roll of the Collin Central Appraisal District, is \$5,298,535. Real property accounts known to lie within the zone are identified in the *Preliminary Financing Plan for Tax Increment Financing* for the proposed zone, dated October 27, 2006 and duly circulated to local government units that levy tax within the proposed zone.

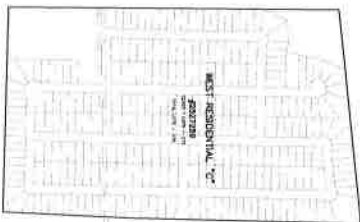
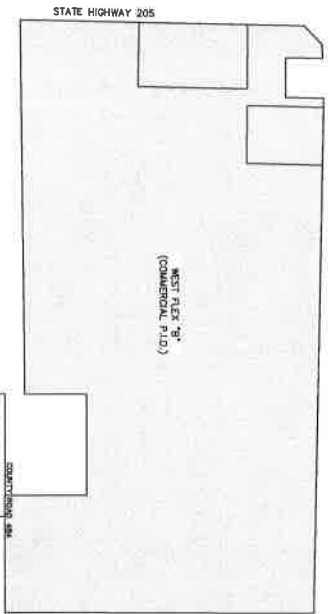
Most land within the proposed zone is currently used for agriculture. There were no improvements in the zone according to the 2006 tax roll, except for an amenity center under construction for the Grand Heritage development and some homes under construction on land comprising less than 10% of the total area of the zone. There were no completed dwellings in the proposed zone in the 2006 roll.

GRAND HERITAGE
 SITUATED IN THE
 DRURY ANGLIN SURVEY, ABSTRACT NO. 2
 W.H. MOORE SURVEY, ABSTRACT NO. 638
 & W.S. BIRNIMON SURVEY, ABSTRACT NO. 121
 COLLIN COUNTY, TEXAS



USA PROFESSIONAL SERVICES GROUP, INC.
 CIVIL ENGINEERS - SURVEYORS - PLANNERS
 LANDSCAPE ARCHITECTS
 1525 WIDENBY
 DALLAS, TX 75235
 (214) 634-3300 FAX (214) 634-3318

OCTOBER, 2006



REFERENCE NOTES

1. THE PARCELS SHOWN ON THIS MAP ARE THE SUBJECTS AS SHOWN, OWNED BY THE PERSONS LISTED THEREON, AND ARE NOT TO BE CONSIDERED AS A GUARANTEE OF THE ACCURACY OF THE INFORMATION CONTAINED HEREON.
2. THE PARCELS SHOWN ON THIS MAP HAVE BEEN CLASSIFIED FOR THE PURPOSES OF THE PROPERTY TAX ASSESSMENT BY THE COUNTY CLERK OF COLLIN COUNTY, TEXAS.
3. THE PARCELS SHOWN ON THIS MAP HAVE BEEN CLASSIFIED FOR THE PURPOSES OF THE PROPERTY TAX ASSESSMENT BY THE COUNTY CLERK OF COLLIN COUNTY, TEXAS.

HERITAGE PUBLIC IMPROVEMENT DISTRICT NO. 1 "RESIDENTIAL" COLLIN COUNTY TAX PARCEL MAP

OWNER: HERITAGE PUBLIC IMPROVEMENT DISTRICT NO. 1
 COUNTY CLERK OF COLLIN COUNTY, TEXAS
 1000 W. STATE ST. SUITE 100
 DALLAS, TEXAS 75201
 (214) 742-1234

DATE: 12/15/2017

UT CLASSIFICATION

CLASS 1 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 2 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 3 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 4 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 5 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 6 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 7 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 8 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 9 - ALL OTHERS WITH NO CLASSIFICATION

CLASS 10 - ALL OTHERS WITH NO CLASSIFICATION

Schedule 1: 2006 Appraised Values of Grand Heritage

(a) Owner	(b) Short Account Number	(c) Long Account Number	(d) Acres 2005	(e)		(f) Market Improvements	(g) Total	(h)		(i) Assessment
				Land	Land			Land, Adjusted for Agr. Value	Value for	
78 Commercial East, L.P.	2592849	R-6638-002-0190-1	8.6360	\$752,368		\$0	\$752,368		\$752,368	
78 Commercial West, L.P.	2592850	R-6638-002-0210-1	6.3690	\$554,867		\$0	\$554,867		\$554,867	
78 Commercial West, L.P.	2592851	R-6638-002-0230-1	1.5590	\$135,820		\$0	\$135,820		\$135,820	
Bear Creek 35, L.P.	2583535	R-6002-003-0770-1	5.7570	\$63,327		\$0	\$63,327		\$63,327	
Bear Creek Commercial Properties, L.P.	2120222	R-6002-003-0900-1	42.2400	\$633,600		\$0	\$633,600	\$7,176	\$7,176	
Bear Creek Commercial Properties, L.P.	2528973	R-6121-003-0100-1	7.8070	\$117,105		\$0	\$117,105	\$1,358	\$1,358	
Bear Creek Commercial Properties, L.P.	2528974	R-6121-003-0700-1	63.3280	\$949,920		\$0	\$949,920	\$11,019	\$11,019	
Bear Creek Residential, L.P.	2603754	R-6638-002-0160-1	56.6707	\$850,061	\$1,345,515	\$0	\$2,195,576	\$2,195,576	\$2,195,576	
Bear Creek Residential, L.P.	2603756	R-6638-002-0260-1	2.8100	\$42,150		\$0	\$42,150	\$489	\$489	
Bear Creek Residential, L.P.	2603755	R-6638-002-1260-1	3.1560	\$47,340		\$0	\$47,340	\$47,340	\$47,340	
Bear Creek Windmill, L.P.	1250103	R-6002-003-0850-1	32.1300	\$128,520		\$0	\$128,520	\$5,591	\$5,591	
Bear Creek Windmill, L.P.	2132290	R-6002-003-1190-1	28.6500	\$114,600		\$0	\$114,600	\$4,985	\$4,985	
Bear Creek Windmill, L.P.	2587259	R-6121-003-0720-1	49.8950	\$748,425		\$0	\$748,425	\$8,682	\$8,682	
Bear Creek, L.P.	2587258	R-6121-003-0760-1	2.5210	\$274,537		\$0	\$274,537	\$439	\$439	
Bear Creek, L.P.	2587260	R-6121-003-0770-1	2.7550	\$300,020		\$0	\$300,020	\$479	\$479	
Bowen Family Homes of Texas	2589659	R-6121-002-0180-1	16.9290	\$253,935		\$0	\$253,935	\$253,935	\$253,935	
Lavon Holdings, L.P.*	2545107	R-6638-002-0040-1	1.1322	\$16,983		\$0	\$16,983	\$197	\$197	
Lavon Realty Partners, L.P.	2592425	R-6002-003-0530-1	159.4960	\$1,275,968		\$0	\$1,275,968	\$16,802	\$16,802	
Lavon Realty Partners, L.P.	2055804	R-6002-003-1090-1	0.7412	\$11,118		\$0	\$11,118	\$11,118	\$11,118	
Lennar Homes	2583778	R-6002-003-1290-1	16.0110	\$240,165		\$0	\$240,165	\$240,165	\$240,165	
Lennar Homes	2583564	R-6638-002-0170-1	17.3600	\$260,400		\$0	\$260,400	\$260,400	\$260,400	
World Land Developers, L.P.	2583774	R-6002-003-0750-1	1.7668	\$26,502		\$0	\$26,502	\$26,502	\$26,502	
World Land Developers, L.P.	1738793	R-6002-003-0920-1	1.3300	\$19,950		\$0	\$19,950	\$19,950	\$19,950	
World Land Developers, L.P.	1804710	R-6002-003-0940-1	15.2230	\$228,345		\$0	\$228,345	\$228,345	\$228,345	
World Land Developers, L.P.	1860926	R-6002-003-0950-1	1.4170	\$21,255		\$0	\$21,255	\$21,255	\$21,255	
World Land Developers, L.P.	2583536	R-6002-003-1300-1	26.0360	\$390,540		\$0	\$390,540	\$390,540	\$390,540	
World Land Developers, L.P.	2592426	R-6002-003-1310-1	2.6540	\$39,810		\$0	\$39,810	\$39,810	\$39,810	
	574.3799		\$8,497,631	\$1,345,515		\$0	\$9,843,146	\$57,217	\$5,298,535	

2006 base value

*This is the northern part of the property account. Appraised value has been prorated (based on acreage) by Stein.