

ORDINANCE \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRISCO, DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY AS TAX INCREMENT REINVESTMENT ZONE NUMBER FIVE; DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A TERMINATION DATE FOR THE ZONE; PROVIDING FOR IMMEDIATE EFFECTIVENESS OF THE ZONE.

WHEREAS, the City of Frisco, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, pursuant to the Act, the City Council of the City (the "City Council") prepared a Preliminary Project Plan and Preliminary Financing Plan for Reinvestment Zone Number Five, City of Frisco, Texas (the "Zone") which were approved by the City Council on July 1, 2014; and

WHEREAS, notice of a public hearing on the creation of the Zone was published in the Frisco Enterprise, a newspaper of general circulation in the City, not later than the seventh (7th) day before the public hearing held on August 5, 2014; and

WHEREAS, a public hearing was held on August 5, 2014 on the designation and creation of the Zone and its benefits to the City and to property in the Zone, and interested persons were allowed to speak for or against the designation and creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and owners of property in the Zone were given a reasonable opportunity to protest the inclusion of their property in the Zone; and

WHEREAS, at such hearing, the City Council invited and allowed to speak any interested person, or his representative, to appear and contend for or against the proposed Project Plan attached hereto as Exhibit "A", the Financing Plan attached hereto as Exhibit "B", and the establishment of the Zone, whether all or part of the territory which is described by the metes and bounds description attached hereto as Exhibit "C" and depicted in map attached as Exhibit "D" should be included in such proposed Project Plan, the Financing Plan, and the creation of the Zone; and

WHEREAS, all owners of property located within the proposed boundaries of the Zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the proposed Project Plan, Financing Plan, and creation of the boundaries of the Zone and/or the inclusion of their property in such Zone.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FRISCO, TEXAS:

Section 1. The City Council of the City finds that the facts and recitations contained in the preamble of this Ordinance are true and correct.

Section 2. The City Council hereby designates the Zone as a tax increment reinvestment

zone. The name assigned to the zone for identification is Reinvestment Zone Number Five, City of Frisco, Texas. The Zone is designated pursuant to Section 311.005(a)(2) of the Act.

Section 3. The City Council, after conducting such hearing and having heard such evidence and testimony, makes the following findings and determinations based on the evidence and testimony presented to it:

(a) The public hearing on the proposed Project Plan, Financing Plan, and creation of the boundaries of the Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.

(b) Adoption of the Project Plan, Financing Plan, and establishing the boundaries of the Zone as described in Exhibit "A" through Exhibit "D" will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the Zone.

(c) In compliance with Section 311.006 of the Act, the proposed boundaries of the Zone as depicted in Exhibits "C" and "D", meet the criteria for designating the boundaries of the Zone in that:

(i) Not more than thirty percent (30%) of the property in the Zone, excluding property that is publicly owned, is used for residential purposes.

(ii) The total appraised value of taxable real property in the Zone does not exceed twenty-five percent (25%) of the total appraised value of taxable real property in the City and in the industrial districts created by the City.

(d) The property to be included in the Zone is contiguous and is located wholly in the corporate limits of the City.

(e) It is found that the area to be included in the Zone is predominantly open and because of obsolete platting, deterioration of structures or site improvements, inadequate drainage and lack of infrastructure or other facilities that would enable or attract development or redevelopment of the area, substantially impairs or arrests the sound growth of the City.

(f) It is found that the improvements to the property to be included in the Zone as described in the attached Project Plan and Financing Plan will significantly enhance the value of all taxable real property in the Zone and will be of general benefit to the City by providing facilities for the exhibition of and participation sporting events that will attract visitors and consumers to the area encompassed by the Zone and existing improvements, facilities and commercial and retail enterprises within the Zone.

(g) The improvements to facilities within the Zone as described in the attached Project Plan and Financing Plan will significantly enhance the value of all taxable real property in the Zone and will be of general benefit to the City by improving the facilities consistent with their intended purpose in order to meet greater demand for the use of such facilities and greater attendance than was expected at the time of their construction,

providing additional features and use of the facilities as a sports and performance venue, expanding capacity of and adding features to the facilities in order to maintain the viability and public use of the facilities, and to provide funding for such improvements.

(h) The development or redevelopment of the property to be included in the Zone will not occur solely through private investment in the reasonable foreseeable future.

(i) The total appraised value of taxable real property in the Zone is \$ \_\_\_\_\_, based upon the certified appraisal roll provided to the City for the 2014 tax year.

Section 4. The City Council establishes the boundaries of the Zone over the area described by the metes and bounds descriptions in Exhibit "C" attached hereto and depicted in the map attached hereto as Exhibit "D", and adopts the Project Plan and Financing Plan of the Zone as described in Exhibits "A" and "B" attached hereto.

Section 5. (a) There is hereby established a board of directors for the Zone (the "Board") consisting of seven members. All members shall be appointed by the City Council. The terms of the board members shall be for two year terms. The City Council shall meet to appoint seven individuals to serve as the initial members of the Board. Each year, the City Council shall appoint a member to serve as the chairman of the Board for a one-year term that begins on January 1 of the following year. The Board is authorized to elect a vice-chairman to preside in the absence of the chairman or when there is a vacancy in the office of chairman. The Board may elect other officers as determined by the Board. A vacancy on the Board shall be filled for the unexpired term by appointment of the governing body of the City.

(b) To be eligible for appointment to the Board, an individual must meet the requirements specified in the Act, as it may be amended from time to time.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The City Council hereby delegates to the Board all powers necessary to implement the Project Plan and Finance Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project Plan and Finance Plan and to administer, operate, and manage the Zone.

Section 6. The Zone shall take effect immediately upon the passage and approval of this Ordinance. The Zone shall terminate on December 31, 2039.

Section 7. The Tax Increment Base for purposes of calculating the tax increment of the City means the total appraised value of all real property in the Zone that is taxable by the City as of January 1, 2014. The Sales Tax Base for purposes of calculating the City sales tax increment means the amount generated from the City's municipal sales and use tax attributable to the Zone as of January 1, 2014.

Section 8. (a) There is hereby created and established a Tax Increment Fund for the Zone. Funds in the Tax Increment Fund shall be used to pay any project costs that benefit the Zone, in accordance with the Act. Within the Tax Increment Fund, there may be maintained subaccounts as

necessary and convenient to carry out the purposes of the Act. The tax increment of the City and the City sales tax increment shall be deposited into the Tax Increment Fund, as of the effective date of the Zone.

(b) The Tax Increment Fund and all subaccounts shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas municipalities. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the City, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be dedicated to and used in the Zone shall be deposited into such fund or subaccount from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

Section 9. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 10. The creation of the boundaries and adoption the Project Plan and Financing plan of the Zone shall take effect immediately upon the passage of this Ordinance.

*Execution page follows.*

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FRISCO,  
TEXAS on this 5th day of August, 2014.

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MAHER MASO, Mayor  
City of Frisco, Texas

ATTESTED TO:

\_\_\_\_\_  
JENNY PAGE, City Secretary  
City of Frisco, Texas

Ordinance No. \_\_\_\_\_

**EXHIBIT A**

Project Plan  
For Reinvestment Zone Number Five, City of Frisco, Texas  
(Tax Increment Reinvestment Zone)

(see attached)

**EXHIBIT B**

Financing Plan  
For Reinvestment Zone Number Five, City of Frisco, Texas  
(Tax Increment Reinvestment Zone)

(see attached)

**EXHIBIT C**

Metes and Bounds  
For Reinvestment Zone Number Five, City of Frisco, Texas  
(Tax Increment Reinvestment Zone)

(see attached)

**EXHIBIT D**

Map Portraying Boundary Change  
For Reinvestment Zone Number Five, City of Frisco, Texas  
(Tax Increment Reinvestment Zone)

(see attached)