

TOWN OF FAIRVIEW
ORDINANCE NO. 2015-33

AN ORDINANCE DESIGNATING A CERTAIN AREA AS TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, TOWN OF FAIRVIEW, TEXAS, ESTABLISHING A BOARD OF DIRECTORS FOR SUCH REINVESTMENT ZONE, MAKING CERTAIN FINDINGS, AND OTHER MATTERS RELATED THERETO.

WHEREAS, the Town Council of the Town of Fairview, Texas, (the "Town"), desires to promote the development of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code (the "Act"); and

WHEREAS, in compliance with the Act, the Town has called a public hearing to hear public comments on the creation of the proposed reinvestment zone and its benefits to the Town and the property in the proposed reinvestment zone; and

WHEREAS, in compliance with the Act, notice of such public hearing was published on November 19, 2015, in the Allen American, the designated paper of general circulation for Town notices, such publication date being not later than seven (7) days prior to the date of the public hearing; and

WHEREAS, such hearing was convened at the time and place mentioned in the published notice, to wit, on the 1st day of December, 2015 at 7:30 p.m. in the Town Hall of the Town of Fairview, Texas, which hearing was then closed; and

WHEREAS, the Town, at such hearing, invited any interested person, or his attorney, to appear and speak for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory which is described and attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B" should be included in such proposed reinvestment zone, the concept of tax increment financing and the appointment of a board of directors of the proposed reinvestment zone; and

WHEREAS, all owners of property located within the proposed reinvestment zone and all other taxing units and other interested persons were given a reasonable opportunity at such public hearing to protest the creation of the proposed reinvestment zone and/or the inclusion of their property in such reinvestment zone; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone, and opponents, if any, of the reinvestment zone appeared to contest creation of the zone;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FAIRVIEW, TEXAS:

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein by reference.

SECTION 2: That the Town Council, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- a) That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.
- b) That creation of the proposed reinvestment zone with boundaries as described in Exhibits "A" and "B" will result in benefits to the Town, its residents and property owners, in general, and to the property, residents and property owners in the reinvestment zone.
- c) That the reinvestment zone, as defined in Exhibits "A" and "B", meets the criteria for the creation of a reinvestment zone set forth in the Act in that:
 - 1. It is a contiguous geographic area located wholly within the corporate limits of the Town.
 - 2. The area is predominately open, undeveloped or underdeveloped, and lack of necessary public improvements impairs growth.
- d) That 30 percent or less of the property in the proposed reinvestment zone, excluding property dedicated to public use, is used for residential purposes, which is defined in the Act as any property occupied by a house which has less than five living units.
- e) That the total appraised value of all taxable real property in the proposed reinvestment zone according to the most recent appraisal rolls of the Town, together with the total appraised value of taxable real property in all other existing reinvestment zones within the Town, according to the most recent appraisal rolls of the Town, does not exceed 50 percent of the current total appraised value of taxable real property in the Town and in the industrial districts created by the Town, if any.
- f) That the proposed reinvestment zone does not contain more than 50 percent of the total appraised value of real property taxable by a county or school district.
- g) That the improvements in the reinvestment zone will significantly enhance the value of all taxable real property in the reinvestment zone.
- h) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonable foreseeable future.

SECTION 3: That the Town hereby creates a reinvestment zone over the area described in Exhibit "A" attached hereto and depicted in the map attached hereto as Exhibit "B" and such reinvestment zone shall hereafter be identified as Tax Increment Reinvestment Zone Number One, Town of Fairview, Texas (the "Zone" or "Reinvestment Zone").

SECTION 4: That there is hereby established a board of directors for the Zone that shall consist of five members. The board of directors of the Reinvestment Zone shall be appointed as follows:

- a) At least four members shall be appointed by the Town Council of the Town of Fairview and one member may be appointed by the Collin County Commissioners Court, should Collin County at some point elect to participate in the Reinvestment Zone. The initial board of directors shall be appointed by resolution within sixty (60) days of the passage of this ordinance or within a reasonable time thereafter. All members appointed to the board shall meet the eligibility requirements set forth in the Act. The governing bodies of other taxing units that levy taxes on real property in Tax Increment Financing Reinvestment Zone Number

One have chosen not to pay any of their taxes into the Tax Increment Fund and have waived their right to appoint board members.

- b) The terms of the board members shall be two-year terms. The Town Council shall designate a member of the board to serve as chairman and other officers as it sees fit.
- c) The board of directors shall make recommendations to the Town Council concerning the administration of the Zone. It shall prepare and adopt a project plan and reinvestment zone financing plan for the Zone and must submit such plans to the Town Council for its approval. The Board of directors shall possess all powers necessary to prepare, implement and monitor such project plan and financing plan for the reinvestment zone as the Town Council considers advisable, including the submission of an annual report on the status of the Zone.

SECTION 5: That the Zone shall take effect on January 1, 2015 and that the termination of the Zone shall occur on December 31, 2054, or at an earlier time designated by subsequent ordinance of the Town Council in the event the Town determines that the Zone should be terminated due to insufficient private investment, accelerated private investment or other good cause, or at such time as all project costs and tax increment bonds, if any, and the interest thereon, have been paid in full. Any statutory or equitable right to terminate the Zone at any earlier date or to extend the term is hereby reserved.

SECTION 6: That the Tax Increment Base for the Zone, which is the total taxable value of all real property located in the Zone, is to be determined as of January 1, 2015, the year in which the Zone was designated a reinvestment zone.

SECTION 7: That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into such subaccounts as may be authorized by subsequent resolution or ordinance, into which all Tax Increments, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. The Tax Increment Fund and any subaccounts are to be maintained in an account at the Town Treasurer's affiliated depository bank of the Town and shall be secured in the manner prescribed by law for funds of Texas cities. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the Town, 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 monies 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. The first priority for the expenditure of Tax Increments shall be to pay for administrative costs incurred in the creation and operation of the zone, including but not limited to reimbursement to the Town and/or its development corporations for eligible expenditures.

SECTION 8: That 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.

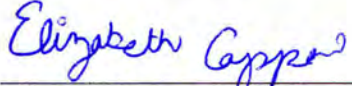
SECTION 9: This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provide.

SECTION 10: That it is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law, and that public notice of the time, place, and purpose of said meeting was given all as required by Section 551.041, Texas Government Code.

AND IT IS SO ORDERED.


DARION CULBERTSON, MAYOR

ATTEST:


Elizabeth Cappon, Town Secretary

APPROVED AS TO FORM:

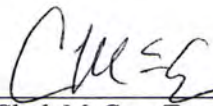

Clark McCoy, Town Attorney

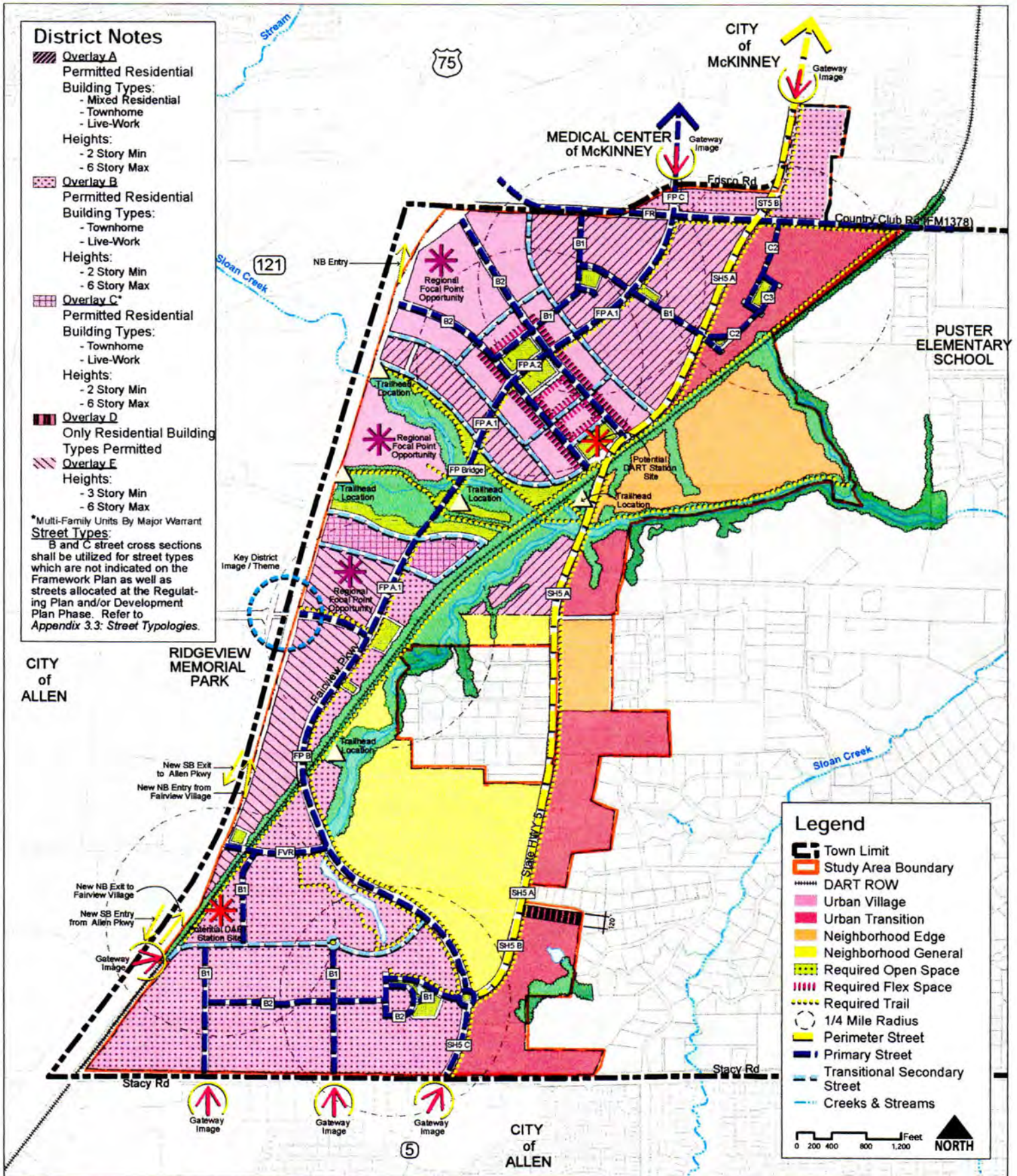
Exhibit A

Zone Boundary Map and Existing Zoning Uses

FAIRVIEW TAX INCREMENT FINANCING DISTRICT



Framework Plan



September 2014



FAIRVIEW | COMMERCIAL DISTRICT MASTER PLAN

Exhibit B
Boundary Description

**LEGAL DESCRIPTION
TAX INCREMENT REINVESTMENT ZONE BOUNDARY**

BEGINNING at the Northern Town Limits line on the East side of State Hwy 5:

BEGINNING at a point at the Northwest corner of A0068 BUTLER, JOAB, TRACT 15, ACRES 1.2920;

THENCE East along the North property line of A0068 BUTLER, JOAB, TRACT 15, ACRES 1.2920 to a point at the Northwest corner of A0068 BUTLER, JOAB, TRACT 12, ACRES 5.009;

THENCE East along the North property line of A0068 BUTLER, JOAB, TRACT 12, ACRES 5.009 to a point at the Northeast corner of A0068 BUTLER, JOAB, TRACT 12, ACRES 5.009;

THENCE South along the East property line of A0068 BUTLER, JOAB, TRACT 12, ACRES 5.009 to a point at the Southeast corner of A0068 BUTLER, JOAB, TRACT 12, ACRES 5.009;

THENCE West along the South property line of A0068 BUTLER, JOAB, TRACT 12, ACRES 5.009 to a point at the Northeast corner of A0068 BUTLER, JOAB, TRACT 21, ACRES 0.846;

THENCE South along the East property line of A0068 BUTLER, JOAB, TRACT 21, ACRES 0.846 to a point at the Southeast corner of A0068 BUTLER, JOAB, TRACT 21, ACRES 0.846;

THENCE South along the East property line of A0068 BUTLER, JOAB, TRACT 33, ACRES 1.0 to a point at the Southeast corner of A0068 BUTLER, JOAB, TRACT 33, ACRES 1.0;

THENCE South along the East property line of A0068 BUTLER, JOAB, TRACT 25, ACRES 0.25 to a point at the Southeast corner of A0068 BUTLER, JOAB, TRACT 25, ACRES 0.25;

THENCE South along the East property line of A0068 BUTLER, JOAB, TRACT 29, ACRES 2.718 to a point in the middle of F.M. 1378;

THENCE 1,286 feet East and down the middle of F.M. 1378 to the Extension of the East Right-of-way line of Stoddard Road;

THENCE South to Northeast corner of the Stoddard Road Right-of-Way;

THENCE West to the Northeast corner of Block A, Lot 1A, ACRES 2.049 of the Ward Subdivision;

THENCE West to the Northwest corner of Block A, Lot 1A, ACRES 2.049 of the Ward Subdivision;

THENCE Southwest along the East DART Right-of-way approximately 4,218 feet to the East Right-of-way line of State Hwy 5;

THENCE South along the East Right-of-way line of State Hwy 5 to the Northwest corner of A0275 JOSEPH DIXON SURVEY. TRACT 8, ACRES 5.9677;

THENCE East along the North property line of A0275 JOSEPH DIXON SURVEY. TRACT 8, ACRES 5.9677 to a point at the Northeast corner of A0275 JOSEPH DIXON SURVEY. TRACT 8, ACRES 5.9677;

THENCE South along the East property line of A0275 JOSEPH DIXON SURVEY. TRACT 8, ACRES 5.9677 to the Northeast corner of A0275 JOSEPH DIXON SURVEY. TRACT 15, ACRES 11.3969;

THENCE South along the East property line of A0275 JOSEPH DIXON SURVEY. TRACT 15, ACRES 11.3969 to a point at the South Right-of-way line of Meandering Way;

THENCE West along the South Right-of-way line of Meandering Way to the East Right-of-way line of State Hwy 5;

THENCE South along the East Right-of-way line of State Hwy 5 to the Northwest corner of COTTON, BLOCK 1, LOT 1;

THENCE East along the North property line of COTTON, BLOCK 1, LOT 1 to the Northeast corner of COTTON, BLOCK 1, LOT 1;

THENCE East along the North property line of A0909 TAYLOR, JOHN A SURVEY, TRACT 60, ACRES 10.3 to the Northeast corner of A0909 TAYLOR, JOHN A SURVEY, TRACT 60, ACRES 10.3;

THENCE South along the East property line of A0909 TAYLOR, JOHN A SURVEY, TRACT 60, ACRES 10.3 to the Southeast corner of A0909 TAYLOR, JOHN A SURVEY, TRACT 60, ACRES 10.3;

THENCE West along the South property line of A0909 TAYLOR, JOHN A SURVEY, TRACT 60, ACRES 10.3 a distance of 742 feet;

THENCE South across Lakeridge Drive to a point at the Northeast corner of A0909 TAYLOR, JOHN A, TRACT 1, ACRES 3.366;

THENCE South along the East property line of A0909 TAYLOR, JOHN A, TRACT 1, ACRES 3.366 to a point at the Southeast corner of A0909 TAYLOR, JOHN A, TRACT 1, ACRES 3.366;

THENCE East along the North property line of A0909 TAYLOR, JOHN A, TRACT 41, ACRES 3.19 to a point at the Northeast corner of A0909 TAYLOR, JOHN A, TRACT 41, ACRES 3.19;

THENCE South along the East property line of A0909 TAYLOR, JOHN A, TRACT 41, ACRES 3.19 to a point at the Southeast corner of A0909 TAYLOR, JOHN A, TRACT 41, ACRES 3.19;

THENCE South along the East property line of A0909 TAYLOR, JOHN A, TRACT 37, ACRES 6.013;

THENCE West along the South property line of A0909 TAYLOR, JOHN A, TRACT 37, ACRES 6.013 to a point at the Northwest corner of HAWKSWOOD, BLOCK A, LOT 4;

THENCE South along the West property line of HAWKSWOOD, BLOCK A, LOT 4 to a point at the Southwest corner of HAWKSWOOD, BLOCK A, LOT 4;

THENCE South along the West property line of HAWKSWOOD, BLOCK A, LOT 5 to a point at the Southwest corner of HAWKSWOOD, BLOCK A, LOT 5;

THENCE West along the South property line of A0909 TAYLOR, JOHN A, TRACT 35, ACRES 3.54 to the East Right-of-way line of State Hwy 5;

THENCE South along the Right-of-way line of State Hwy 5 to the North Road Easement line of Bluebird Ln;

THENCE East along the North Road Easement line of Bluebird Ln a distance of 670 feet;

THENCE South across Bluebird Ln to a point at the Northeast corner of A0909 TAYLOR, JOHN A, TRACT 45, ACRES 13.27;

THENCE South along the East property line of A0909 TAYLOR, JOHN A, TRACT 45, ACRES 13.27 to a point at the Southeast corner of A0909 TAYLOR, JOHN A, TRACT 45, ACRES 13.27;

THENCE West along the South property line of A0909 TAYLOR, JOHN A, TRACT 45, ACRES 13.27 to a point at the Northwest corner of A0909 TAYLOR, JOHN A, TRACT 47, ACRES 21.4816;

THENCE South along the West property line of A0909 TAYLOR, JOHN A, TRACT 47, ACRES 21.4816 to a point at the Southeast corner of A0909 TAYLOR, JOHN A, TRACT 89, ACRES 0.104;

THENCE East parallel to the centerline of FM2786 to the West property line of HAWKSWOOD, BLOCK D, LOT 5R;

THENCE South along the West property line of HAWKSWOOD, BLOCK D, LOT 5R to the Southwest corner of HAWKSWOOD, BLOCK D, LOT 5R;

THENCE South to the center of the Right-of-way of FM2786;

THENCE West down the center of the Right-of-way of FM2786 to the center of the Right-of-way of U.S. Hwy 75;

THENCE North along the center of the Right-of-way of U.S. Hwy 75 to a point located at the Northwest corner of the Town Limits of the Town of Fairview;

THENCE East along the North Town Limits of the Town of Fairview to the East side of the Right-of-way of State Hwy 5;

THENCE North along the East Right-of-way line of State Hwy 5 to the Point of Beginning.

THE TRACTS AND SUBDIVISIONS BELOW ARE HEREBY REMOVED FROM THE TIRZ AND ARE THE FOLLOWING:

SUBDIVISIONS:

RANCHETTE ESTATES SUBDIVISION, FAIRVIEW DOWNS SUBDIVISION, VILLAGE
OF FAIRVIEW PHASES 1 AND 2, VILLAS IN THE PARK PHASES 1 AND 2

TRACTS:

A0701 GEORGE PHILLIPS SURVEY, TRACT 7, ACRES 0.3
A0909 TAYLOR, JOHN A, TRACT 7, ACRES 2.3
A0909 TAYLOR, JOHN A, TRACT 8, ACRES 0.3
A0909 TAYLOR, JOHN A, TRACT 9, ACRES 1.49
A0909 TAYLOR, JOHN A, TRACT 12, ACRES 2.6205
A0909 TAYLOR, JOHN A, TRACT 85, ACRES 1.361
A0909 TAYLOR, JOHN A, TRACT 69, ACRES 1.361
A0909 TAYLOR, JOHN A, TRACT 16, ACRES 1.0
A0909 TAYLOR, JOHN A, TRACT 13, ACRES 1.0
A0909 TAYLOR, JOHN A, TRACT 11, ACRES 2.996
A0909 TAYLOR, JOHN A, TRACT 13, ACRES 1.0
A0909 TAYLOR, JOHN A, TRACT 15, ACRES 0.27
A0909 TAYLOR, JOHN A, TRACT 17, ACRES 1.588

Exhibit C
Feasibility Analysis

**REINVESTMENT ZONE NUMBER 1
TOWN OF FAIRVIEW, TEXAS
PRELIMINARY PROJECT AND FINANCING PLAN
(The "Preliminary Plan")**

November 2015

1. INTRODUCTION

- 1.1 Authority and Purpose.** The Town of Fairview, Texas, a Texas home-rule municipality (the Town), has the authority under Chapter 311, Texas Tax Code, as amended (the "Act") to designate a contiguous or noncontiguous geographic area within the corporate limits or extraterritorial jurisdiction ("ETJ") of the Town as a tax increment reinvestment zone to promote development or redevelopment of the area if the governing body of the Town (the "Town Council") determines that development or redevelopment would not occur solely through private investment in the reasonable foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the Town and the property in the zone. The purpose of the zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.
- 1.2 Eligibility Requirements.** An area is eligible under the Act to be designated as a tax increment reinvestment zone if it is predominately open or undeveloped because of a lack of site improvements (roadways, water, sewer, sidewalks, etc.) which impairs or arrests the sound growth of the commercial area of the Town. The Town cannot, however, designate a zone if more than 30 percent of the property in the proposed zone, excluding property that is publicly owned, is "used for residential purposes" (defined by the Act as follows: "...property is used for residential purposes if it is occupied by a house having fewer than five living units...") or if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds 50 percent of the total appraised value of taxable real property in the Town and in industrial districts created by the Town.
- 1.3 The Proposed Zone.** The Town is considering the creation of a tax increment reinvestment zone to be known as "Reinvestment Zone Number One, Town of Fairview, Texas" (the "Zone") that will include approximately 894 acres generally between the south and north Town limits and between U.S. 75 on the west and along SH 5 on the east, all within the Town's corporate limits. The property meets the eligibility requirements of the Act. The property substantially impairs or arrests the sound growth of the commercial area of the Town because of its challenges to development and redevelopment with the lack of major public infrastructure (roadways, water, sewer, etc.). There is a need for economic incentives to attract development and redevelopment in the Zone for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base for all taxing units in the Zone, increased sales and use tax, and increased job opportunities for residents of the Town. If the Zone is created and the public works, public improvements, programs and other projects are financed as contemplated by this Preliminary Plan, the Town envisions that the property will be developed and redeveloped to take full advantage of the opportunity to bring to the Town a substantially increased tax base and job opportunities for its citizens.

- 1.4 Preliminary Plan; Hearing.** Before the Town may adopt an ordinance designating the Zone, the Town Council must prepare a preliminary reinvestment zone financing plan in accordance with the Act and hold a public hearing on the creation of the proposed zone and its benefits to the Town and to the Property, at which public hearing interested persons may speak for or against the creation of the proposed Zone, the boundaries of the proposed zone, or the concept of tax increment financing.
- 1.5 Creation of the Zone.** Upon the closing of the above-referenced public hearing, the Town Council may adopt an ordinance in accordance with the Act creating the Zone if the Town Council finds that development or redevelopment of the Property would not occur solely through private investment in the reasonable foreseeable future, that the Zone is feasible, and that creation of the Zone is in the best interest of the Town. Among other provisions required by the Act, the ordinance creating the Zone will provide for the appointment of a Board of Directors for the Zone consisting of five members, four from the Town and one from the County (the "Board").
- 1.6 Board Recommendations.** After creation of the Zone, the Board will review this Preliminary Plan and approve and recommend to the Town Council a final *Reinvestment Zone Number One, Town of Fairview, Texas, Project and Financing Plan* (the "Final Plan"), pursuant to which the Town will contribute 75 percent of its M & O ad valorem tax increment and the County will contribute 50 percent of its general fund ad valorem tax increment attributable to increased taxable value of existing and new development in the Zone into a tax increment fund created by the Town and segregated from all other funds of the Town (the "TIF Fund") to pay the costs of public works, public improvements, programs, and other projects benefiting the Zone. The Board will also make recommendations to the Town Council concerning any development and reimbursement agreement ("TIF Reimbursement Agreement").
- 1.7 Council Action.** The Town Council, taking into consideration the recommendations of the Board, will consider approval of the Final Plan and any TIF Reimbursement Agreement. If a TIF Reimbursement Agreement is approved, the Town Council will authorize and direct its execution.

2.0 DESCRIPTIONS AND MAPS.

2.1 Existing Uses and Conditions. The Property is currently located in the Town's corporate limits. Uses allowed within the Zone include Residential, Industrial, Institutional and Public and Commercial. The area includes The Village of Fairview, a high-end retail development on the southern end but the remainder of the Zone remains essentially undeveloped. A boundary map of the Zone and existing zoning uses is shown as **Exhibit A.**

2.2 Proposed Uses. The proposed uses will be established by existing zoning in most cases, but there may be areas where revised zoning will be requested. If so, any revisions will be made through the standard process and procedures of the Town.

2.3 Boundary Description. A boundary description of the TIF area is provided on **Exhibit B.**

3. PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS. Any changes in ordinances, plans, codes, rules and regulations which are required or requested will be made through the standard process and procedures of the Town.
4. RELOCATION OF DISPLACED PERSONS. Although not anticipated, in the process of development and redevelopment in the Zone, any relocation will be made through the standard process and procedures of the Town.
5. ESTIMATED NON-PROJECT COSTS. Non-project costs are private funds that will be spent to develop and redevelop in the Zone but will not be financed by the Zone. Based on the Feasibility Analysis, a copy of which is attached as **Exhibit C,** the total non-project costs are estimated to be approximately \$791.3 million.

6. PROPOSED PUBLIC IMPROVEMENTS.

6.1 List of Public Improvements. The list of public works and public improvements that are proposed to be financed pursuant to this Preliminary Plan are as follows:

- Fairview Parkway
- Frisco Road
- Primary Roads in North CPDD
- 16"/12" Water Main Loops
- 16" Force Main & Other Sewer Lines
- Ridgeview Overpass (1/2)

These projects and their associated costs are shown in **Exhibit D.**

6.2 Locations of Public Improvements. The locations of the proposed public works and public improvements all lie within the Zone and are generally located as shown in **Exhibit D.**

7. PROJECT COSTS. The total maximum "Project Costs," including Administrative Costs are \$39.8 million. Administrative Costs shall be paid each year from the TIF Fund before any other Project Costs are paid. Project Costs for administration of the Zone shall be the actual direct costs paid or incurred by the Town to establish and administer the Zone.
8. ESTIMATED TIME WHEN COSTS ARE TO BE INCURRED. Some Administrative Costs have been incurred and additional costs will most likely be incurred annually. It is assumed that the remainder of the Project Costs will be incurred during the life of the Zone.

- 9. ECONOMIC FEASIBILITY.** For purposes of this Preliminary Plan, economic feasibility has been evaluated by Larry Cline Consulting, LLC, a copy of which is attached as **Exhibit C.** This evaluation focuses only on “direct” financial benefits (i.e., tax revenues only from new development in the Zone, no value increases from existing development nor value increases from new development after its completion) and does not take into consideration the “multiplier effect” that will result from new development that occurs outside the Zone. The new development assumptions are based on a 2014 study done by consultants retained by the Town (Kimley-Horn, Jacobs, Ricker/Cunningham and Strategic Community Solutions). This study projected potential development at buildout (in addition to The Village at Fairview) within the Zone as follows:

Scenario 1 from Ricker-Cunningham Analysis

Single-Family Attached—127 units

Rental Apartments—2,234 units

Retail—441,753 square feet

Office/Employment—4,224,606 square feet

During the term of the Zone, the increase in value of new development that occurs in the Zone (which would not have occurred but for the Zone) will generate approximately \$66.6 million for the Town (\$31.3 million to the TIF Fund and \$35.3 million to the Town) and \$41.6 million for the County (\$15.7 million to the TIF Fund and \$25.9 million to the County) in new ad valorem tax revenue. Based on the foregoing, the feasibility of the Zone has been demonstrated. In addition to the above income during the life of the TIF, the Town will receive an estimated \$28 million of sales tax income and \$13 million of BPP&I ad valorem tax and the County will receive an estimated \$8 million of BPP&I ad valorem tax.

- 10. ESTIMATED BONDED INDEBTEDNESS.** If initial Project Costs are not advanced by a Developer or property owner, the Town of Fairview or the Fairview EDC may consider direct payment of Project Costs or issuing bonds and utilize tax increment funds for either direct repayment or to cover debt service as those funds are available.
- 11. TOTAL TAXABLE VALUE.** The current total appraised value of taxable real property in the Zone as of January 1, 2015 is approximately \$182.6 million. It is estimated that upon expiration of the term of the Zone, the total appraised value of taxable real property in the Zone will be approximately \$973.9 million.
- 12. ESTIMATED CAPTURED APPRAISED VALUE TAXABLE BY THE TOWN AND COUNTY.** The captured taxable value of the Zone—taxable by the Town and County for a year is the total taxable value of the Zone for that year less the tax increment base of the Zone. The tax increment base of the Zone is the total taxable value of the Zone for the year in which the Zone was designated.

13. METHOD OF FINANCING. Project Costs will be financed through loans advanced by Developers, property owners, the Town of Fairview, or the Fairview EDC and CDC or by bonds which may be issued and utilize tax increment funds for either direct reimbursement or to support bond 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 percent of revenues used to fund Project and Administrative Costs or bond debt service. For the TIF Fund, the Town of Fairview will contribute 75 percent of its M & O tax rate and Collin County will contribute 50 percent of its M & O tax rate on incremental taxable value as shown in **Exhibit C.**

14. DURATION OF THE ZONE. The term of the Zone shall commence January 1, 2015 and continue until the earlier to occur of: (1) December 31, 2054 or (2) the date on which all Project Costs, bonds, and other obligations have been paid in full.

15. LIST OF EXHIBITS. Unless otherwise stated, all references to “Exhibits” contained in this Preliminary Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Preliminary Plan for all purposes.

Exhibit A	Zone Boundary Map and Existing Zoning Uses
Exhibit B	Boundary Description
Exhibit C	Feasibility Analysis
Exhibit D	Proposed Public Improvements

Exhibit D
Proposed Public Improvements

TOWN OF FAIRVIEW
TAX INCREMENT REINVESTMENT ZONE NO. 1

PROJECT PLAN

<u>PROJECT</u>	<u>EST. COST, \$M</u>
Fairview Parkway	18.2
Frisco Road	2.9
Primary Roads in North CPDD	6.0
16"/12" Water Main Loops	5.3
16" Force Main & Other Sewer Lines	6.1
Ridgeview Overpass (1/2)	1.1*
Administration	0.2
TOTAL	39.8

*Local share of a future TxDOT project, probably 10 percent of a \$22 million bridge, half in Fairview.

TOWN OF FAIRVIEW
TAX INCREMENT REINVESTMENT ZONE NO. 1

EARLY TIF PROJECTS

<u>PROJECT</u>	<u>YEAR COMPLETE</u>	<u>EST. VALUE, \$M</u>
Davis Development (267 un. MF)	2016	29.6
Grenadier Homes (68 un.TH and SF)	2017	18.0
Sloan Creek Courts (36 units TH)	2017	9.8
Overture Fairview (200 Sr. Un. MF)	2017	35.0
Marriot Residence Inn (116 rms.)	2017	12.0
Home 2 (109 rms.)	2017	12.0
TOTAL		116.4

TOWN OF FAIRVIEW
TAX INCREMENT REINVESTMENT ZONE NO. 1

PRIVATE DEVELOPMENT ASSUMPTIONS
COMMERCIAL DISTRICT MASTER PLAN SCENARIO I

- **Single Family Attached – 127 units**

Assume: 3 projects, 1 @ 47 units, 2 @ 40 units each
47 units in 2025, 40 units in 2030, 40 units in 2035
Based on \$225,000 per unit
47 units = \$10.6 M, 40 units = \$9.0 M

- **Multi-Family – 2,234 units**

Assume: 8 projects @ 250 units each, 1 project @ 234 units
250 unit projects every 3 years, beginning in 2020
234 unit project in 2044
Based on \$75,000 per unit
250 units = \$18.8 M, 234 units = \$17.6 M

- **Retail – 441,753 square feet**

Assume: 12 projects @ 35,000 SF each, 1 project @ 21,753 SF
35K SF projects every 3 years, beginning in 2022
Based on \$150 per square foot
35K SF project = \$5.3 M

- **Office / Employment – 4,224,606 square feet**

Assume: 400K SF project every 5 years beginning in 2020
Based on \$150 per square foot
400K SF project = \$60.0 M

**TOWN OF FAIRVIEW
TAX INCREMENT REINVESTMENT ZONE NO. 1**

PRIVATE DEVELOPMENT VALUES, \$M

<u>YEAR</u>	<u>SF</u>	<u>MF</u>	<u>RETAIL</u>	<u>OFF/EMP</u>	<u>TOTAL</u>	<u>CUM TOTAL</u>
2015	-	-	-	-	-	-
2016	-	29.6	-	-	29.6	29.6
2017	27.8	35.0	-	24.0	86.8	116.4
2018	-	-	-	-	-	116.4
2019	-	-	-	-	-	116.4
2020	-	18.8	-	60.0	78.8	195.2
2021	-	-	-	-	-	195.2
2022	-	-	5.3	-	5.3	200.5
2023	-	18.8	-	-	18.8	219.3
2024	-	-	-	-	-	219.3
2025	10.6	-	5.3	60.0	75.9	295.2
2026	-	18.8	-	-	18.8	314.0
2027	-	-	-	-	-	314.0
2028	-	-	5.3	-	5.3	319.3
2029	-	18.8	-	-	18.8	338.1
2030	9.0	-	-	60.0	69.0	407.1
2031	-	-	5.3	-	5.3	412.4
2032	-	18.8	-	-	18.8	431.2
2033	-	-	-	-	-	431.2
2034	-	-	5.3	-	5.3	436.5
2035	9.0	18.8	-	60.0	87.8	524.3
2036	-	-	-	-	-	524.3
2037	-	-	5.3	-	5.3	529.6
2038	-	18.8	-	-	18.8	548.4
2039	-	-	-	-	-	548.4
2040	-	-	5.3	60.0	65.3	613.7
2041	-	18.8	-	-	18.8	632.5
2042	-	-	-	-	-	632.5
2043	-	-	5.3	-	5.3	637.8
2044	-	17.6	-	-	17.6	655.4
2045	-	-	-	60.0	60.0	715.4
2046	-	-	5.3	-	5.3	720.7
2047	-	-	-	-	-	720.7
2048	-	-	-	-	-	720.7
2049	-	-	5.3	-	5.3	726.0
2050	-	-	-	60.0	60.0	786.0
2051	-	-	-	-	-	786.0
2052	-	-	5.3	-	5.3	791.3
2053	-	-	-	-	-	791.3
2054	-	-	-	-	-	791.3
TOTAL	28.6	222.7	58.3	444.0	791.3	791.3

**TOWN OF FAIRVIEW
TAX INCREMENT REINVESTMENT ZONE NO. 1**

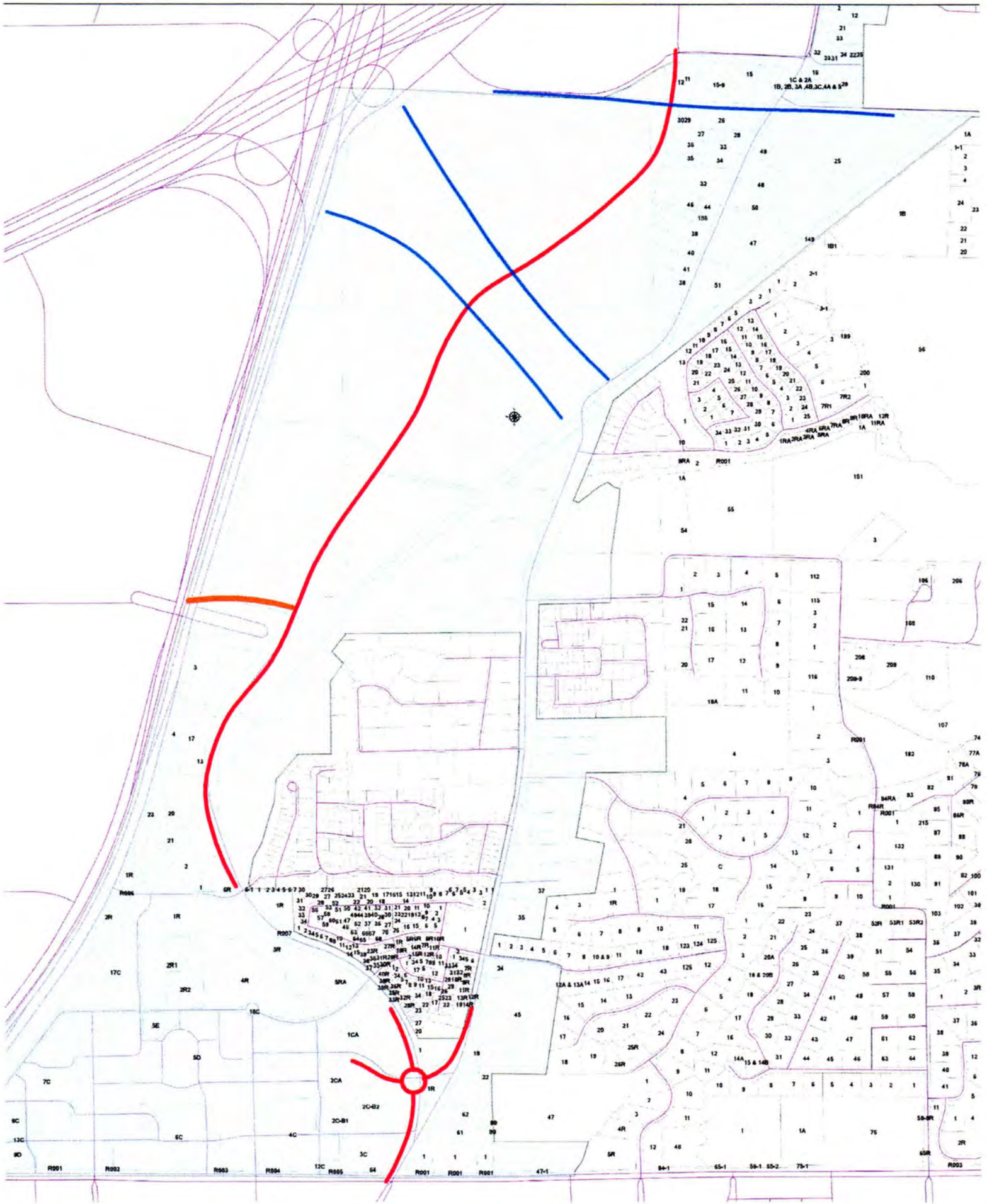
TIF FUND

YEAR	CUM TOTAL,\$M	TIF FUND CONTRIBUTION, \$K		CUM. TIF FUND CONTRIBUTION, \$K	
		TOWN*	COUNTY**	TOWN	COUNTY
2015	-	-	-	-	-
2016	29.6	-	-	-	-
2017	116.4	50.1	25.1	50.1	25.1
2018	116.4	197.2	98.8	247.3	123.9
2019	116.4	197.2	98.8	444.5	222.7
2020	195.2	197.2	98.8	641.7	321.5
2021	195.2	330.7	165.7	972.4	487.2
2022	200.5	330.7	165.7	1,303.1	652.9
2023	219.3	339.6	170.2	1,642.7	823.1
2024	219.3	371.5	186.2	2,014.2	1,009.3
2025	295.2	371.5	186.2	2,385.7	1,195.5
2026	314.0	500.0	250.6	2,885.7	1,446.1
2027	314.0	531.9	266.6	3,417.6	1,712.7
2028	319.3	531.9	266.6	3,949.5	1,979.3
2029	338.1	540.9	271.1	4,490.4	2,250.4
2030	407.1	572.7	287.0	5,063.1	2,537.4
2031	412.4	689.6	345.6	5,752.7	2,883.0
2032	431.2	698.6	350.1	6,451.3	3,233.1
2033	431.2	730.4	366.1	7,181.7	3,599.2
2034	436.5	730.4	366.1	7,912.1	3,965.3
2035	524.3	739.4	370.6	8,651.5	4,335.9
2036	524.3	888.1	445.1	9,539.6	4,781.0
2037	529.6	888.1	445.1	10,427.7	5,226.1
2038	548.4	897.1	449.6	11,324.8	5,675.7
2039	548.4	929.0	465.6	12,253.8	6,141.3
2040	613.7	929.0	465.6	13,182.8	6,606.9
2041	632.5	1,039.6	521.0	14,222.4	7,127.9
2042	632.5	1,071.4	537.0	15,293.8	7,664.9
2043	637.8	1,071.4	537.0	16,365.2	8,201.9
2044	655.4	1,080.4	541.5	17,445.6	8,743.4
2045	715.4	1,102.2	556.4	18,555.8	9,299.8
2046	720.7	1,211.8	607.4	19,767.6	9,907.2
2047	720.7	1,220.8	611.9	20,988.4	10,519.1
2048	720.7	1,220.8	611.9	22,209.2	11,131.0
2049	726.0	1,220.8	611.9	23,430.0	11,742.9
2050	786.0	1,229.8	616.4	24,659.8	12,359.3
2051	786.0	1,331.4	667.3	25,991.2	13,026.6
2052	791.3	1,331.4	667.3	27,322.6	13,693.9
2053	791.3	1,340.4	671.8	28,663.0	14,365.7
2054	791.3	1,340.4	671.8	30,003.4	15,031.5
2055	-	1,340.4	671.8	31,343.8	15,709.3
TOTAL	791.3	31,343.8	15,709.3	31,343.8	15,709.3

TOWN OF FAIRVIEW
TAX INCREMENT REINVESTMENT ZONE NO. 1

* Based on 75 percent of Town 2015 M&O tax rate, **50 percent of County 2015 M & O tax rate

FAIRVIEW TAX INCREMENT FINANCING DISTRICT ROADS INCLUDED



FAIRVIEW TAX INCREMENT FINANCING DISTRICT WATER AND SEWER LINES

