

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY AS A TAX INCREMENT REINVESTMENT ZONE PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, TO BE KNOWN AS REINVESTMENT ZONE NUMBER THREE, CITY OF MANSFIELD, TEXAS; DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE AND APPOINTING MEMBERS OF THE BOARD; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A DATE FOR THE TERMINATION OF THE ZONE; PROVIDING THAT THE ZONE TAKE EFFECT IMMEDIATELY UPON PASSAGE OF THE ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Mansfield, 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 and as required by the Act, the City Council prepared a *Reinvestment Zone Number Three, City of Mansfield, Texas, Preliminary Project and Finance Plan* (the "Preliminary Project and Finance Plan") for a proposed tax increment reinvestment zone containing the approximately 121.459 acres described and depicted on **Exhibit A** attached hereto and incorporated herein for all purposes (the "Property"); and,

WHEREAS, notice of the public hearing on the creation of the proposed zone was published in the Fort Worth Star Telegram, a newspaper of general circulation within the City, on October 16, 2022, which date is not later than the seventh (7th) day before the public hearing held on October 24, 2022; and,

WHEREAS, at the public hearing on October 24, 2022 interested persons were allowed to speak for or against the creation of the zone, the boundaries of the zone, and 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 zone; and,

WHEREAS, evidence was received and presented at the public hearing in favor of the creation of the zone; and,

WHEREAS, the City has taken all actions required to create the zone including, but not limited to, all actions required by the Act, the Texas Open Meetings Act, and all other laws applicable to the creation of the zone; and,

WHEREAS, the City desires to appoint initial members to the board of directors of the zone; and,

WHEREAS, terms used in this Ordinance that have their initial letters capitalized shall

have the meanings given to them in this Ordinance; however, terms that are **CAPITALIZED IN BOLD** shall have the meanings given to them in the Preliminary Project and Finance Plan.

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

SECTION 1.

(a) The recitals, findings, and determinations contained in the preamble to this Ordinance are incorporated into the body of this Ordinance as if fully set forth in this Section and are hereby found and declared to be true and correct legislative findings and are adopted as part of this Ordinance for all purposes.

(b) The City Council finds that the **PUBLIC IMPROVEMENTS** will significantly enhance the value of all the taxable real property in the zone and will be of general benefit to the City.

(c) The City Council finds that the proposed zone meets the requirements of Section 311.005(a)(2) of the Act in that:

- (i) there is a need for essential public infrastructure and economic development programs to attract new business and commercial activity to the proposed zone for the purposes of increasing the real property tax base for all taxing units within the zone, increasing sales and use taxes for the City and the State of Texas, and increasing job opportunities for residents of the City and the region; and
- (ii) the reinvestment zone, as shown in **Exhibit A**, meets the criteria for the creation of a reinvestment zone set forth in Section 311.005 of the Act in that the area is predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs and arrests the sound growth of the municipality.

(d) The City Council finds that the proposed zone is a geographic area 100% within the City's corporate limits or extraterritorial jurisdiction.

(e) The City Council finds that not more than thirty percent (30%) of the property in the proposed zone, excluding property that is publicly owned, is used for residential purposes, and the total appraised value of taxable real property in the proposed zone does not exceed fifty percent (50%) of the total appraised value of taxable real property in the City and in the industrial districts created by the City.

(f) The City Council finds that the development or redevelopment of the property in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

(g) The City Council finds that the Preliminary Project and Finance Plan is feasible.

(h) The City Council finds that the implementation of the Project and Finance Plan (as defined below) will alleviate the conditions described in Section 1(c) above and will serve a public purpose.

SECTION 2.

Pursuant to the authority of, and in accordance with the requirements of the Act, the City Council hereby designates the Property as a tax increment reinvestment zone. The name assigned to the zone for identification is Reinvestment Zone Number Three, City of Mansfield, Texas (the "Zone"). The Zone is designated pursuant to Section 311.005(a)(2) of the Act.

SECTION 3.

3.1 The City Council hereby creates a board of directors for the Zone (the "Board") consisting of nine members. Seven members shall be appointed by the City Council to Places 1,2,3,4, 5,6 and 7, and additional one member per County shall be appointed by the Commissioners Court of Tarrant County and/or Johnson County, Texas (the "County" or "Counties"), if the County participates in the Zone. If the County does not participate in the Zone, the Commissioners Court shall be deemed to have waived its right to appoint such members and the Place(s) goes away.

3.2 The City Council hereby appoints the following individuals to serve as the initial members of the Board for the terms indicated:

Place 1	Mayor	(term expires December 31, 2024)
Place 2	Council Place 1	(term expires December 31, 2023)
Place 3	Council Place 2	(term expires December 31, 2024)
Place 4	Council Place 3	(term expires December 31, 2023)
Place 5	Council Place 4	(term expires December 31, 2024)
Place 6	Council Place 5	(term expires December 31, 2023)
Place 7	Council Place 6	(term expires December 31, 2024)

Place 8 and 9 shall be appointed by the County for a term that expires December 31, 2023.

Upon expiration of the indicated terms or upon City Council action to reconstitute the initial Board by appointing replacement members, subsequent appointments to fill vacancies shall be for terms of two years. The member appointed to Place 1 shall serve as the chairman of the Board. The Board is authorized to elect a vice-chairman and other officers as determined by the Board.

3.3 The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone (the "Project and Finance Plan") as required by the Act, and shall submit the Project and Finance Plan to the City Council for approval. The City Council hereby delegates to the Board all powers necessary to implement any Project and Finance Plan 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 and Finance Plan and to administer, operate, and manage the

Zone including, but not limited to, the power to enter into reimbursement agreements and other obligations secured by the **TIRZ FUND** established pursuant to Section 7 of this Ordinance.

3.4 Directors shall not receive any salary or other compensation for their services as directors.

3.5 Pursuant to Section 311.010(h) of the Act and Article III, Section 52-a of the Texas Constitution, the City Council hereby authorizes the Board, as necessary or convenient to implement the Project and Finance Plan and achieve its purposes, to establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone, including programs to make grants of land and buildings and make grants from the TIRZ Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone. In addition, the City Council hereby authorizes the Board to exercise all of the powers of the City under Chapter 380, Texas Local Government Code, as amended.

SECTION 4.

The Zone shall take effect immediately upon the passage and approval of this Ordinance. The Zone shall terminate on December 31, 2062 (with final year's tax to be collected by September 30, 2063), unless otherwise terminated in accordance with this section. The City shall have the right to terminate the Zone prior to the expiration of its stated term if all of the **PROJECT COSTS** have been paid in full. If upon expiration of the stated term of the Zone, **PROJECT COSTS** have not been paid, the City and the County, shall have no obligation to pay the shortfall.

SECTION 5.

The "tax increment base" for purposes of calculating the **CITY TAX INCREMENT**, and if the County participates in the Zone the **COUNTY TAX INCREMENT**, means the total appraised value of all real property in the Zone that is taxable by the City and the County, respectively, as of January 1, 2022.

SECTION 6.

The "captured appraised value" for purposes of calculating the annual **CITY TAX INCREMENT**, and if the County participates in the Zone the **COUNTY TAX INCREMENT**, means the total real property value taxable (including increase tax values attributable to changes in use) by a taxing unit for a year and located in the Zone for that year less the tax increment base of the unit.

SECTION 7.

There is hereby created and established a **TIRZ FUND** for the Zone. Within the **TIRZ FUND**, there may be maintained subaccounts as necessary and convenient to carry out the

purposes of the Act. The **CITY TAX INCREMENT** and **COUNTY TAX INCREMENT** shall be deposited into the **TIRZ FUND** as of the effective date of the Zone. The **TIRZ 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 cities. Prior to termination of the Zone, funds shall be disbursed from the **TIRZ FUND** only to pay **PROJECT COSTS**.

SECTION 8.

If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances, is for any reason held to be invalid, the validity of the remaining provisions of this Ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no provision of this Ordinance shall become inoperative because of the invalidity of another provision; and, therefore, all provisions of this Ordinance are declared severable for that purpose.

SECTION 9.

It is hereby found, determined, and declared that 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 Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended, 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 10.

This ordinance shall be in full force and effect from and after its passage and publication as required by law and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THIS THE 24TH DAY OF OCTOBER, 2022.

Michael Evans, Mayor

ATTEST:

Susana Marin, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Drew Larkin, City Attorney