

**TOWN OF NORTHLAKE, TEXAS**

**ORDINANCE NO. 16-0114D**

**BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS,  
APPROVING A PROJECT AND FINANCING PLAN FOR TAX INCREMENT  
REINVESTMENT ZONE NUMBER ONE, TOWN OF NORTHLAKE, TEXAS;  
AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, this Town Council of the Town of Northlake, has created Tax Increment Financing Reinvestment Zone Number One, Town of Northlake, Texas (the "Zone") and has established a Board of Directors for the Zone;

**WHEREAS**, a preliminary Project and Financing Plan (the "Preliminary Financing Plan") was prepared for the Zone;

**WHEREAS**, the Board of Directors of the Zone has adopted a final Project and Financing Plan for the Zone; and

**WHEREAS**, this Town Council has reviewed the final Project and Financing Plan approved by the Board of Directors and has found and determined that the Project and Financing Plan is feasible and conforms to the master plan of the Town, and that the projects set forth in the Plans will promote the development and redevelopment of the Zone; now, therefor

**BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:**

Section 1. The Town Council finds that all matters stated in the preamble of this Ordinance are true and correct and are hereby incorporated into the body of this ordinance.

Section 2. The Project and Financing Plan (attached hereto as Exhibit A), in the form and substance attached hereto and incorporated herein, is hereby approved.

Section 3. This ordinance is effective on the date of final passage by the Town Council of the Town

**DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS on this 14th day of January, 2016.**



*Shirley Rogers*  
Shirley Rogers, Town Secretary

Town of Northlake, Texas

*Peter Dewing*  
Peter Dewing, Mayor

EXHIBIT A

Project and Financing Plan  
for  
Tax Increment Financing Reinvestment Zone Number One, Town of Northlake, Texas  
(see attached)

TAX INCREMENT REINVESTMENT ZONE NUMBER 1  
TOWN OF NORTHLAKE, TEXAS

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PROJECT AND FINANCING PLAN

*Overview*

Tax increment financing is an economic development tool available for an area designated by a Town as a reinvestment zone to pay for (i) public works within such zone; (ii) public improvements within such zone; (iii) programs to foster economic development within the zone, including programs created pursuant to Chapter 380, Texas Local Government Code, and (iv) costs and expenses related to the foregoing. Project Costs are eligible to be paid from (i) increased ad valorem taxes collected by the taxing units participating in the zone and (ii) increased local sales and use taxes collected by the participating taxing units within the zone and attributable to new development in the zone.

The Town is creating the reinvestment zone designated as "Reinvestment Zone Number One, Town of Northlake, Texas" (the "Zone") to promote economic development that, but for the creation of the Zone, would not otherwise occur through private development. The Zone encompasses approximately 513.743 acres generally located at east side of Cleveland Gibbs Road, approximately 1200 feet north of FM 1171, as more particularly described in Exhibit A. The plan for the Zone is to capture the incremental ad valorem tax revenue generated from the development of land within the Zone which has development potential but has remained undeveloped, vacant and under used. The incremental ad valorem tax revenue can then be applied to targeted projects that will enhance the development of the Zone and benefit the Town of Northlake (the "Town") and Denton County.

The Town has determined that development of the Zone will not occur solely through private investment in the foreseeable future. Additionally, the Town has determined that the Zone substantially impairs the growth of the Town because the Zone is predominately open and undeveloped and because of inadequate drainage and a creek and flood plain that bisects the property, lack of infrastructure and access from a major thoroughfare and other facilities that would enable or attract development or redevelopment of the area, and because of other development factors such as the need for essential public infrastructure to attract new business and commercial activity to the Zone for the purpose of providing long-term economic benefits including, but not limited to, increases in the real property tax base for all taxing units within the Zone, increases in sales and use tax for the Town and the State of Texas, and increased job opportunities for residents of the Town, the County, and the region.

The Canyon Falls Project will be a mixed-use master planned community including commercial, office and residential development together with landscaping, parks and open space areas. The convenient location of the Project and the proposed public improvements and amenities are expected to draw residents to the Town and other visitors to the Project and stimulate the economic development and redevelopment of the Zone.

The public improvements to be funded by the Zone described in this project and financing plan will be constructed and installed in the initial phase that will commence immediately upon the creation of the Zone. As the Zone develops, additional improvements may be funded by Zone in subsequent phases.

The Zone is created pursuant to Chapter 311, Texas Tax Code for a term of 25 years (unless terminated earlier as described herein), with boundaries conforming to the legal description in Exhibit A hereto. Tax increments dedicated to the TIF Fund will be used to facilitate development of the Zone, whether by reimbursing expenses for public improvements or paying debt service on Zone Obligations issued for public improvements.

### ***Definitions***

*"Captured Appraised Value"* means the total taxable value of all real property taxable by the Town located in the Zone for each year less the Tax Increment Base.

*"Construction Costs"* means the costs and expenses paid or incurred as approved by the Town Administrator pursuant to an approved project funding or construction agreement in connection with the design and construction of the Trail System Improvements including, but not limited to, costs for: (i) designing, planning, constructing, acquiring, and installing the Trail System Improvements, (ii) labor, materials, and payment and performance bonds for Trail System Improvements, and (iii) architectural, engineering, and insurance premiums related to the Trail System Improvements. Construction Costs do not include cost of financing, interest on loans for construction, internal management fees, capitalized interest, reserve accounts, and costs of acquisition of easements or right-of-way.

*"Interest"* means 3.75% simple interest on Qualified Construction Costs that have not been reimbursed to the Developer.

*"Project Costs"* means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the Town necessary for public works, public improvements, programs, or other projects benefiting the Zone, plus other costs incidental to those expenditures and obligations, all as described in the Act.

*"Qualified Construction Costs"* means Construction Costs for Trail System Improvements that have been dedicated to and accepted by the Town.

*"Tax Increment"* for a taxing unit participating in the Zone means (i) the amount of ad valorem taxes levied and assessed by the unit for that year on the captured appraised value of real property taxable by the unit and located in the Zone or (ii) the amount of ad valorem taxes levied and collected by the unit for that year on the captured appraised value of real property taxable by the unit and located in the Zone.

*"Tax Increment Base"* for a taxing unit participating in the Zone means the total taxable value of all real property taxable by the unit and located in the Zone for the tax year 2015.

"Zone Obligations" means bonds, notes, certificates of obligation, or any other evidence of indebtedness authorized to be issued by the Town, whether or not secured by

Set forth below is the project and financing plan for the Zone incorporating, as set forth in Section 311.011, Texas Tax Code, as amended (the "Tax Increment Financing Act"), the following elements:

**1. A detailed list describing the estimated project costs of the Zone, including administrative expenses.**

\$5,350,000 in improvements and land acquisition are expected to be constructed and acquired for the Zone. A detailed list of improvements is found in Section 2.

Annual administrative expenses of the Zone are estimated at \$30,000 per year.

Operation, repair and maintenance costs of the trail system and park and recreational facilities described below.

**2. A statement listing the kind, number and location of all proposed public works or public improvements in the Zone.**

The proposed public improvements in the Zone fall into the following general categories:

- a. Trail System and Park and Recreational Facilities
- b. Street and Road Improvements.

The estimated costs of each item and a brief description of each project follow:

<u>Trail System and Park and Recreational Facilities</u>	<u>Amount/Funding Source</u>
As Described Below	\$ 4,040,245/Zone

The trail system and park and recreational facilities are expected to include pedestrian bridge crossing and trailhead parking; playgrounds, splash pads and outdoor classrooms; pet parks and workout stations and restrooms; lighting, signage and emergency phones.

The costs of the trail system and park and recreational facilities are project costs of the Zone. NASH Canyon Falls, LLC ("Developer") will construct the trail system and park and recreational facilities and will be reimbursed from tax increments as described in Section 6, below.

In consideration of the proximity of the trail system and recreational facilities to the properties within the Zone, and in consideration of funds provided by the Developer for the trail system and recreational facilities, the trail system and recreational facilities funded by the Zone will provide an equivalent benefit to the Zone.

Project costs of the Zone will include operation, repair and maintenance costs of the trail system and park and recreational facilities as needed.

Street and Road Improvements

Amount/Funding Source

Interstate 35W Off Ramp  
at Cleveland-Gibbs Road

\$1,310,255/Zone

The costs of the street and road improvements, including right-of-way acquisition, are project costs of the Zone. The improvements are expected to be constructed by the Texas Department of Transportation ("TexDOT") and the City expects to pay TexDOT for the costs of construction.

It is expected that initially the property within the Zone will be predominantly served by the street and road improvements. If development occurs that will be served by the street and road improvements, traffic flows will be analyzed and the costs of the street and road improvements will be proportioned accordingly, in which event this Project and Financing Plan will be amended to reflect the proportionate benefits and costs.

**3. A map showing existing uses and conditions of real property in the Zone and a map showing proposed improvements to and proposed uses of the property.**

The maps showing the proposed improvements proposed uses of the property are included as part of this Plan with each map showing different improvements to be carried out as part of the project. The content of the maps are as follows:

Map 1 of 4	Existing uses and conditions of real property in the Zone
Map 2 of 4	Boundaries of the Zone
Map 3 of 4	Trail System Concept Plan
Map 4 of 4	I35W Off Ramp

**4. An economic feasibility study.**

An economic feasibility analysis is attached as Exhibit B. The adoption and approval of this Project and Financing Plan by the Town Council constitutes a finding by the Town Council that this Project and Financing Plan is feasible.

**5. The estimated amount of bonded indebtedness to be incurred.**

The Town Council may determine to issue debt obligations to fund its payments to TexDOT for the street and road improvements. The total principal amount that would be issued for the street and road project construction and acquisition costs is estimated at \$1,310,000 with an additional estimated \$50,000 in issuance costs.

**6. The time when related costs or monetary obligations are to be incurred.**

Administrative costs will incur upon creation of the Zone.

Construction of the street and road improvements is expected to commence in 2018 and be completed in 2020.

Construction and installation of the trail system and park and recreational facilities is expected to commence in 2016 and be constructed in phases as the Zone develops.

Operation, repair and maintenance costs will be incurred as needed.

**7. A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from ad valorem taxes of each taxing unit on real property in the Zone.**

The project costs described above, as well as any debt service on obligations issued to fund said costs and any debt issued to refund said obligations, shall be project costs of the Zone, and will be paid from ad valorem tax increment revenues derived from the real property within the Zone.

The Town of Northlake's participation in the payment of Project Costs will be an annual amount equal to the ad valorem tax revenues actually collected in the Zone from a \$0.0909 tax rate ("TIRZ Revenue"). No other taxing units are expected to participate in the Zone.

TIRZ Revenues will be applied in the following order of priority:

A. Annual Administrative Expenses. Each year the Board of Directors of the Zone will prepare a budget for the administration of the Zone and submit the budget to the Town Council for approval.

B. Operation, Repair and Maintenance Costs of the Trail System and Park and Recreational Facilities. It is anticipated that a property owners association ("POA") will repair and maintain the trail system and park and recreational facilities. In the event that the POA does not provide for or fund such repair and maintenance, the Board of Directors of the Zone may prepare a budget for the payment of such costs and submit the budget to the Town Council for approval.

C. Debt Service on Obligations Issued to Fund the Street and Road Improvements.

D. Reimbursement to the Town for any funds, other than as provided through the issuance of debt obligations described in 3, above, provided by the Town for the payment of project costs for the trail system and park and recreational facilities and/or street and road improvements.

E. Reimbursement to the Developer for Qualified Construction Costs.

The Town may establish one or more public improvement districts within the Zone to fund certain public improvements in the Zone and related maintenance costs, as determined by the Board and the Town. Assessments levied against owners of property within the public improvements district will be used as the source of funding for such expenses. The assessment

revenues will not be used as a source of funding for the construction and installation of the Zone projects.

The Board of Directors of the Zone, subject to the approval of the Town Council, may establish and provide for the administration of one or more Chapter 380 programs that the Board of Directors determines are necessary or convenient to implement and achieve the purposes of this Project and Financing Plan, which programs are for the public purposes of developing and diversifying the economy of the Zone and developing business and commercial activity within the Zone.

The purposes of a program may include: (i) to acquire, construct, install and equip infrastructure and other improvements that will encourage and promote the development of the Zone; (ii) to provide land, buildings and other improvements for lease, sale or other means authorized by law to public and private entities in connection with the development of the Zone; (iii) to accept contributions, gifts or other resources pursuant to Section 380.001 of the Local Government Code, for the purpose of developing and administering the Program; (iv) to make grants or loans of public money under Section 380.002 of the Local Government Code, provided that each such grant promotes (a) development and diversification of the economy of the State; (b) elimination of unemployment or underemployment in the state; or (c) development or expansion of commerce in the state; (v) to provide matching funds under Section 380.003 of the Local Government Code for a federal program that requires local matching funds from a state agency to the extent state agencies that are eligible decline to participate or do not fully participate in the Program; (v) to generate funds to fund the purposes of the Program through the establishment of public-private partnerships, contracts with private or public entities or obtaining grants, or other sources of funds available for development within the Zone.

A program may be funded through (i) the Town's annual budget process utilizing any legally available source of funds, (ii) funds described in the preceding paragraph, and (iii) any legal indebtedness as authorized by State law and the Town Charter.

**8. The current total appraised value of the taxable real property in the Zone.**

The total appraised value of the taxable real property in the Zone as of January 1, 2015, was \$4,168,456 and is currently estimated to be \$15,000,000.

**9. The estimated captured appraised value of the Zone during each year of its existence.**

The estimated value of the Zone assumes a conservative annual growth in the appraised value of 1.5% through estimated build-out of the Zone. No annual growth is assumed after build-out.

A conservative approach was taken in estimating the captured appraised value of real property in the Zone. The captured appraised value in the Zone is based on the construction cost of the initial private development projects. As additional development occurs in the Zone, the tax increment revenue from the increased captured appraised value will be available to fund additional projects in the Zone. Set forth in Exhibit C are the estimates of the captured appraised value for the duration of the Zone.

10. **The duration of the Zone.**

The Zone was created on December 10, 2015. The termination of the Zone is established as either December 31, 2040, or the date when all project costs are paid and all debt is retired, whichever comes first.

11. **Proposed changes of zoning ordinances, the master plan of the municipality, building codes and other municipal ordinances.**

At this time, the Town does not foresee any changes to zoning ordinances, the master plan, building codes or other municipal ordinances as a result of the creation of the Zone.

12. **A list of estimated non-project costs.**

Non-project costs within the Zone are those development costs not paid by the Zone.

Non-Project Related Costs

Developer –

Streets	\$22,672,000
Wastewater Infrastructure	\$7,285,000
Water Infrastructure	\$9,332,000
Drainage	\$10,284,000
Trail System	\$649,616

13. **A statement of a method of relocating persons to be displaced as a result of implementing the Zone.**

There are no persons that are expected to be displaced as a result of implementing this project and financing plan.

EXHIBIT A

Town of Northlake, Texas

Proposed Tax Increment Reinvestment Zone No. 1  
Property Description and Acreage

(See attached)

Total Acreage in TIRZ: Approximately 513.743 acres

## EXHIBIT 'A'

### Property Legal Description

#### PARCEL 1

BEING a tract of land situated in the M.E.P. & P.R.R. SURVEY, Abstract No. 913, F. THORNTON SURVEY, Abstract No. 1244, J. WILBURN SURVEY, Abstract No. 1416 and the W, LOVE SURVEY, Abstract No 728 and being a portion of a tract of land described in a deed to WS-DCF, LLC as recorded in Clerk's File No. 2012-82463 of the Real Property Records of Denton County, Texas and being more particularly described as follows:

BEGINNING at a capped 1/2 inch iron rod found at the most northwesterly corner of a tract of land conveyed to Mark Wayne Judge, and wife Mary Abb Judge as recorded in Volume 4144, Page 2082 of the Deed Records of Denton County, Texas, said iron rod being in the easterly line of a tract of land described in a deed to Frances McLendon Ewing as recorded in Volume 1552, Page 949 of the Deed Records of Denton County, Texas;

THENCE departing the northerly line of said Judge tract and along the easterly line of said Ewing tract North 00 degrees 11 minutes 50 seconds West along a barb wire fence a distance of 1952.92 feet to a point for corner, said point being the most southeasterly corner of a tract of land described in a deed to D.W. Coin, and wife Christine Coin as recorded in Volume 543, Page 552 of the Deed Records of Denton County, Texas;

THENCE along a barb wire fence South 89 degrees 47 minutes 00 seconds West a distance of 1915.00 feet to a point for corner, said point being the most southwesterly corner of a tract of land described in a deed to D.W. Coin, and wife Christine Coin as recorded in Volume 543, Page 552 of the Deed Records of Denton County, Texas;

THENCE South 00 degrees 10 minutes 41 seconds East a distance of 309.79 feet to a point for corner, said point being the most southeasterly corner of a tract of land described in a deed to Earl Bates, and wife Linda Bates as recorded in Volume 4511, Page 1091 of the Deed Records of Denton County, Texas;

THENCE South 89 degrees 41 minutes 51 seconds West a distance of 1014.76 feet to a point being the approximate centerline of CLEVELAND-GIBBS ROAD, said point being the most southwesterly corner of a tract of land described in a deed to Earl Bates, and wife Linda Bates as recorded in Volume 4511, Page 1091 of the Deed Records of Denton County, Texas

THENCE along the approximate centerline of as CLEVELAND-GIBBS ROAD as follows:

North 00 degrees 50 minutes 38 seconds West a distance of 2661.41 feet to a 1/2 inch iron rod found with a red plastic cap stamped "W.A.L." for corner;

North 13 degrees 52 minutes 34 seconds West a distance of 622.96 feet to a Pk. Nail set in asphalt pavement for corner, said point being set in the southeasterly right of way of INTERSTATE 35W (variable width right of way);

THENCE departing the approximate centerline of said CLEVELAND-GIBBS ROAD and along the southeasterly right of way line of said INTERSTATE 35W as follows:

North 76 degrees 38 minutes 20 seconds East a distance of 17.12 feet to a TXDOT Concrete Monument found for corner;

North 07 degrees 07 minutes 32 seconds East a distance of 75.37 feet to a 1/2 inch iron rod found with a red plastic cap stamped "W.A.I." for corner;

North 14 degrees 35 minutes 00 seconds West a distance of 160.00 feet to a TXDOT Concrete Monument found for corner;

North 21 degrees 16 minutes 22 seconds West a distance of 217.85 feet to a point for corner in a tree;

South 89 degrees 50 minutes 59 seconds West a distance of 16.77 feet to a 1/2 inch iron rod found for corner;

North 19 degrees 53 minutes 02 seconds West a distance of 6.25 feet to a TXDOT Concrete Monument found for corner;

North 89 degrees 18 minutes 04 seconds West a distance of 57.52 feet to a TXDOT Concrete Monument found for corner;

North 65 degrees 41 minutes 08 seconds West a distance of 136.61 feet to a TXDOT Concrete Monument found for corner;

North 21 degrees 50 minutes 31 seconds West passing through a TXDOT Concrete Monument at a distance of 248.70 feet continuing in all a distance of 528.90 feet to a TXDOT Concrete Monument found for corner;

North 23 degrees 23 minutes 04 seconds East a distance of 743.70 feet to a broken TXDOT Concrete Monument found for corner;

THENCE departing the southeasterly Right of way line of said INTERSTATE 35W and the boundary of said WS-DCF tract, South 65 degrees 00 minutes 44 seconds East a distance of 53.75 feet to a point;

THENCE South 79 degrees 52 minutes 55 seconds East a distance of 79.02 feet to a point;

THENCE South 36 degrees 04 minutes 13 seconds East a distance of 57.79 feet to a point;  
THENCE South 49 degrees 13 minutes 18 seconds East a distance of 75.64 feet to a point;  
THENCE South 33 degrees 16 minutes 34 seconds East a distance of 129.42 feet to a point;  
THENCE South 47 degrees 32 minutes 46 seconds East a distance of 148.50 feet to a point;  
THENCE North 52 degrees 22 minutes 49 seconds East a distance of 122.04 feet to a point;  
THENCE South 57 degrees 39 minutes 05 seconds East a distance of 175.61 feet to a point;  
THENCE South 65 degrees 17 minutes 02 seconds East a distance of 102.00 feet to a point;  
THENCE South 65 degrees 52 minutes 50 seconds East a distance of 137.84 feet to a point;  
THENCE South 25 degrees 30 minutes 44 seconds East a distance of 21.57 feet to a point;  
THENCE South 75 degrees 56 minutes 40 seconds East a distance of 190.64 feet to a point;  
THENCE South 06 degrees 00 minutes 35 seconds East a distance of 106.22 feet to a point;  
THENCE South 51 degrees 55 minutes 01 seconds East a distance of 86.44 feet to a point;  
THENCE South 38 degrees 09 minutes 57 seconds West a distance of 70.06 feet to a point;  
THENCE South 48 degrees 39 minutes 12 seconds East a distance of 223.88 feet to a point;  
THENCE South 50 degrees 06 minutes 11 seconds West a distance of 120.96 feet to a point;  
THENCE South 43 degrees 24 minutes 51 seconds East a distance of 105.51 feet to a point;  
THENCE North 70 degrees 23 minutes 39 seconds East a distance of 85.98 feet to a point;  
THENCE South 72 degrees 26 minutes 07 seconds East a distance of 194.40 feet to a point;  
THENCE South 26 degrees 04 minutes 56 seconds East a distance of 66.32 feet to a point;  
THENCE North 76 degrees 45 minutes 20 seconds East a distance of 95.93 feet to a point;  
THENCE South 21 degrees 01 minutes 34 seconds East a distance of 76.45 feet to a point;  
THENCE North 74 degrees 58 minutes 21 seconds East a distance of 72.63 feet to a point;  
THENCE South 15 degrees 09 minutes 21 seconds West a distance of 40.94 feet to a point;  
THENCE South 69 degrees 04 minutes 56 seconds East a distance of 56.47 feet to a point;

THENCE South 0 degrees 18 minutes 54 seconds East a distance of 10.99 feet to a point;

THENCE North 89 degrees 41 minutes 06 seconds East a distance of 3557.42 feet to a point;

THENCE South 00 degrees 11 minutes 32 seconds East a distance of 3470.57 feet to a fence post found for a corner of said WS-DCF tract, being the northwest corner of a tract of land described in deed to La Estancia Investments LP LLC as recorded in Clerk's File No. 2008-137045 of the Real Property Records of Denton County, Texas;

THENCE along the west line of said La Estancia tract South 00 degrees 09 minutes 38 seconds East a distance of 1233.16 feet to a point;

THENCE departing the west line of said La Estancia Investments LP tract South 89 degrees 56 minutes 55 seconds West 1195.75 feet to a point;

THENCE South 09 degrees 22 minutes 38 seconds West a distance of 1186.29 feet to a point lying in the northerly right-of-way of F .M. 1171;

THENCE South 85 degrees 42 minutes 31 seconds West a distance of 4.69 feet to a point lying in the northerly right-of-way of F .M. 1171;

North 70 degrees 03 minutes 52 seconds West a distance of 300.55 feet to a 1/2 inch iron rod set for corner in the easterly line of said Judge tract;

THENCE along the easterly line of said Judge tract as follows:

North 01 degrees 36 minutes 39 seconds West a distance of 193.42 feet to a capped 1/2 inch iron rod found for corner;

North 06 degrees 39 minutes 53 seconds West a distance of 225.22 feet to a capped 1/2 inch iron rod found for the most northeasterly corner of said Judge tract;

THENCE along the northerly line of said Judge tract North 89 degrees 53 minutes 09 seconds West a distance of 313.03 feet to the POINT OF BEGINNING;

CONTAINING within these metes and bounds 504.01 acres or (21,954,637 square feet) of land more or less.

PARCEL 2

BEING a tract of land situated in the W. LOVE SURVEY, Abstract No. 728 and being a portion of a tract of land conveyed as to WS-DCF, LLC as recorded in Clerk's File No. 2012-82463 of the Real Property Records of Denton County, Texas and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found at the intersection of the common line of a tract of land conveyed as Frances McLendon Ewing as recorded in Volume 1552, Page 949 (DRDCT) and the said WS-DCF, LLC tract and the southerly Right-of-Way line of F.M. 1171 ( a variable width Right-of-Way);

THENCE along the southerly Right-of-Way line of said F.M. 1171 as follows;

South 70 degrees 26 minutes 57 seconds East a distance of 566.97 feet to a wood TXDOT monument found for corner;

South 30 degrees 14 minutes 30 seconds East a distance of 104.77 feet to a wood TXDOT monument found for corner;

South 72 degrees 20 minutes 40 seconds East passing through a wood TXDOT monument found at a distance of 145.00 feet and passing through a wood TXDOT monument found at a distance of 253.46 feet continuing in all a distance of 481.12 feet to a wood TXDOT monument found for corner;

North 76 degrees 49 minutes 52 seconds East a distance of 137.79 feet to a wood TXDOT monument found for corner;

South 72 degrees 30 minutes 25 seconds East a distance of 593.69 feet to a 1/2 inch iron rod found for corner, said point being found in the northerly line of said Ewing tract;

THENCE along the northerly line of said Ewing tract and along a barb wire fence as follows;

North 89 deg 52 min 19 sec West a distance of 1739.14 feet to a wood fence post found for corner;

North 00 deg 40 min 21 sec West a distance of 577.16 feet to the POINT OF BEGINNING;

CONTAINING within these metes and bounds 10.287 acres or 448,116 square feet of land more or less.

EXHIBIT B

Town of Northlake, Texas

Proposed Tax Increment Reinvestment Zone No. 1  
Economic Feasibility Analysis

EXHIBIT B  
Economic Feasibility Analysis

A	B	C	D	E	F	G	H
Category	Qty	Estimated Paper Lot UNIT Value	Estimated Finished Lot UNIT Value	Estimated Completed Home/Comm. UNIT Value	Estimated TOTAL Paper Lots Value	Estimated TOTAL Finished Lots Value	Estimated TOTAL Completed Homes/Comm. Value
50' Value Developed Lots	257	\$27,300	\$54,600	\$273,000	\$ 7,016,100	\$ 14,032,200	\$ 70,161,000
50' Value Paper Lots	220	\$27,300	\$54,600	\$273,000	6,006,000	12,012,000	60,060,000
50' Amenity	99	\$27,300	\$54,600	\$273,000	2,702,700	5,405,400	27,027,000
60' Value Developed Lots	140	\$33,000	\$66,000	\$330,000	4,620,000	9,240,000	46,200,000
60' Value Paper Lots	145	\$33,000	\$66,000	\$330,000	4,785,000	9,570,000	47,850,000
60' Amenity	22	\$33,000	\$66,000	\$330,000	726,000	1,452,000	7,260,000
70' Value Developed Lots	48	\$40,000	\$80,000	\$400,000	1,920,000	3,840,000	19,200,000
70' Value Paper Lots	16	\$40,000	\$80,000	\$400,000	640,000	1,280,000	6,400,000
70' Amenity	44	\$40,000	\$80,000	\$400,000	1,760,000	3,520,000	17,600,000
80' Value Developed Lots	14	\$48,800	\$97,600	\$488,000	683,200	1,366,400	6,832,000
80' Value Paper Lots	30	\$48,800	\$97,600	\$488,000	1,464,000	2,928,000	14,640,000
	<u>1,035</u>				<u>\$ 32,323,000</u>	<u>\$ 64,646,000</u>	<u>\$ 323,230,000</u>
North Lake MU 2	136,866 sq ft	\$10.45	\$20.91	\$104.53	\$ 1,430,620	\$ 2,861,241	\$ 14,306,204
North Lake MU 1	89,646 sq ft	\$10.45	\$20.91	\$104.53	937,052	1,874,104	9,370,518
North Lake MU 9	232,698 sq ft	\$10.45	\$20.91	\$104.53	2,432,328	4,864,656	24,323,278
	<u>459,210 sq ft</u>				<u>\$ 4,800,000</u>	<u>\$ 9,600,000</u>	<u>\$ 48,000,000</u>
North Lake MF 1	499 units	\$6,613	\$13,226	\$66,132	\$ 3,300,000	\$ 6,600,000	\$ 33,000,000

SINGLE FAMILY (50' / 60' / 70' / 80' Lots)

Weighted Average Projected Paper Lot Value.....

Weighted Average Projected Lot Taxable Value.....

Weighted Average Projected Home Taxable Value.....

Commercial Tracts (MU 2, MU 1, MU 9)

Weighted Average Projected Paper Tract Value.....

Weighted Average Projected Finished Tract Taxable Value.....

Weighted Average Projected Completed Taxable Value.....

NOTES:

Input Data as provided by the Developer as of August 10, 2015. Avg. Lot and Home Prices calculated at the projected project life values.

Home Prices projected to start at \$273,000 - \$488,000.

1 acre = 43,560 sq. ft.

Commercial Tracts assume an average of 20% floor to area.

Developer believes the estimated value for MF 1 to \$5 mm .

The acreage might be used for a multi-family development or it might be converted into lots for homes.

											TIRZ Cash Flow Reimbursement Scenario				
A	B	C	D	E	F	G	H	I	J	K	L	M			
Tax Year	TIRZ Year	Property Taxes Due 31-Jan	Estimated TOTAL Taxable Value	Town's Ad Valorem Tax Revenue at \$0.2950 Current Tax Rate	Town's Tax Rate TIRZ Participation \$0.0909	Cumulative Town's Tax Rate TIRZ Participation	Present Value of TIRZ Rev at 3.75% Discount Rate <sup>(1)</sup>	TIRZ Admin Expenses	Project Funds Required <sup>(2)</sup>	TOTAL Reimbursement Gross Payments <sup>(3)</sup>	Cumulative Reimbursement Gross Payments <sup>(3)</sup>	Year Ending TIRZ Fund Liability <sup>(4)</sup>			
2016	1	2017	\$ 70,747,283	\$ 208,704	\$ 64,328	\$ 64,328	\$ 62,003	\$ 30,000	\$ 557,287	\$ 34,328	\$ 34,328	\$ (522,958)			
2017	2	2018	112,065,462	330,593	101,898	166,226	94,665	30,000	1,039,981	71,898	106,226	(1,510,653)			
2018	3	2019	154,735,963	456,471	140,697	306,923	125,985	30,000	1,060,780	110,697	216,923	(2,517,386)			
2019	4	2020	211,831,175	624,902	192,611	499,534	166,238	30,000	548,178	162,611	379,534	(2,997,355)			
2020	5	2021	309,275,825	912,364	281,215	780,749	233,936	30,000	834,019	251,215	630,749	(3,692,559)			
2021	6	2022	363,170,573	1,071,353	330,220	1,110,969	264,773	30,000	-	300,220	930,969	(3,530,811)			
2022	7	2023	397,666,963	1,173,118	361,586	1,472,555	279,444	30,000	-	331,586	1,262,555	(3,331,630)			
2023	8	2024	429,219,540	1,266,198	390,276	1,862,831	290,715	30,000	-	360,276	1,622,831	(3,096,290)			
2024	9	2025	445,184,469	1,313,294	404,792	2,267,623	290,629	30,000	-	374,792	1,997,623	(2,837,609)			
2025	10	2026	456,837,946	1,347,672	415,388	2,683,012	287,457	30,000	-	385,388	2,383,012	(2,558,630)			
2026	11	2027	456,837,946	1,347,672	415,388	3,098,400	277,067	30,000	-	385,388	2,768,400	(2,269,191)			
2027	12	2028	456,837,946	1,347,672	415,388	3,513,789	267,053	30,000	-	385,388	3,153,789	(1,968,897)			
2028	13	2029	456,837,946	1,347,672	415,388	3,929,177	257,400	30,000	-	385,388	3,539,177	(1,657,342)			
2029	14	2030	456,837,946	1,347,672	415,388	4,344,566	248,097	30,000	-	385,388	3,924,566	(1,334,104)			
2030	15	2031	456,837,946	1,347,672	415,388	4,759,954	239,129	30,000	-	385,388	4,309,954	(998,744)			
2031	16	2032	456,837,946	1,347,672	415,388	5,175,343	230,486	30,000	-	385,388	4,695,343	(650,808)			
2032	17	2033	456,837,946	1,347,672	415,388	5,590,731	222,155	30,000	-	385,388	5,080,731	(289,825)			
2033	18	2034	456,837,946	1,347,672	415,388	6,006,119	214,126	30,000	-	300,694	5,381,425	-			
2034	19	2035	456,837,946	1,347,672	415,388	6,421,508	206,386	30,000	-	-	-	-			
2035	20	2036	456,837,946	1,347,672	415,388	6,836,896	198,926	30,000	-	-	-	-			
2036	21	2037	456,837,946	1,347,672	415,388	7,252,285	191,736	30,000	-	-	-	-			
2037	22	2038	456,837,946	1,347,672	415,388	7,667,673	184,806	30,000	-	-	-	-			
2038	23	2039	456,837,946	1,347,672	415,388	8,083,062	178,126	30,000	-	-	-	-			
2039	24	2040	456,837,946	1,347,672	415,388	8,498,450	171,688	30,000	-	-	-	-			
2040	25	2041	456,837,946	1,347,672	415,388	8,913,839	165,482	30,000	-	-	-	-			
				\$ 28,919,748	\$ 8,913,839		\$ 5,348,511	\$ 750,000	\$ 4,040,245	\$ 5,381,425					

(1) 3.75% present value discount rate represents the estimated cost of funds for the Town of Northlake. Calculation is used to derive the Town's tax rate participation.

(2) The Project Funds Required are as provided by the developer.

(3) NOT DISCOUNTED.

(4) TIRZ Fund liabilities (funds advanced by the developer) accrue simple interest at the 3.75% Town's discount rate. Year end liabilities are calculated as follows; prior year liability (funds advanced by the developer) plus 3.75% interest, plus new project funds required, less net TIRZ cash flow first applied to the payment of interest and then to the outstanding balance of funds advanced by the developer.

EXHIBIT C

Town of Northlake, Texas

Proposed Tax Increment Reinvestment Zone No. 1  
Captured Appraised Value

EXHIBIT \_\_\_  
 Captured Appraised Value

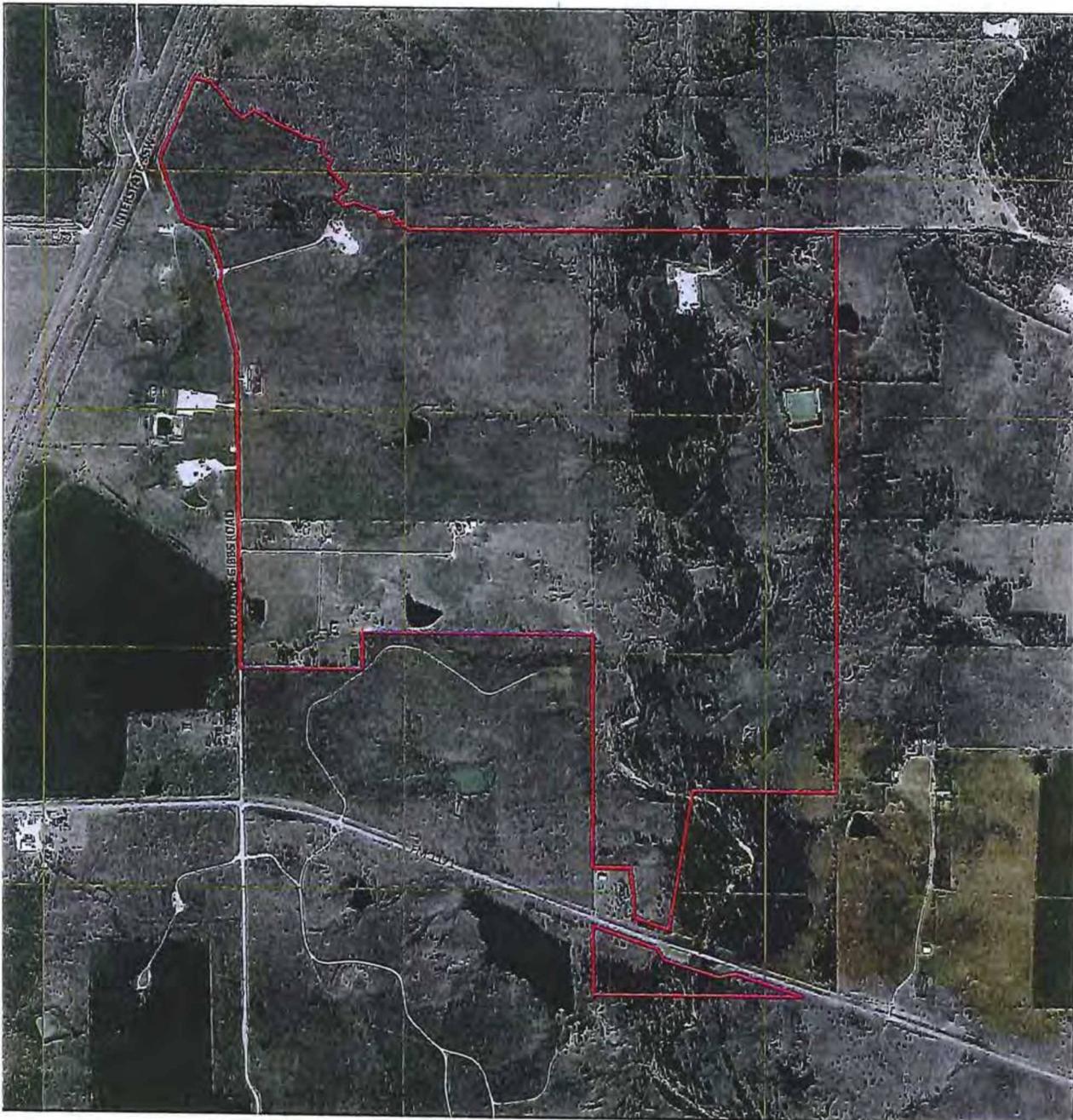
A	B	C	D	E	F	G	H	I	J	K
Tax Year	TIRZ Year	Property Taxes Due 31-Jan	SINGLE FAMILY			MULTI-FAMILY		COMMERCIAL		Estimated TOTAL Taxable Incremental Value
			Land Value	Lot Value	Completed Home Value	Land Value	Completed Value	Land Value	Completed Value	
2016	.	2017	\$ 22,610,485	\$ 14,272,088	\$ 25,764,710	\$ 3,300,000	\$ -	\$ 4,800,000	\$ -	\$ 70,747,283
2017	2	2018	18,321,676	14,834,852	70,687,434	3,349,500	-	4,872,000	-	112,065,462
2018	3	2019	11,582,596	20,591,281	114,217,263	3,399,743	-	4,945,080	-	154,735,963
2019	4	2020	7,804,900	19,463,265	162,629,296	3,450,739	-	3,523,287	14,959,688	211,831,175
2020	5	2021	7,921,973	9,877,607	214,456,771	-	35,024,997	994,553	40,999,924	309,275,825
2021	6	2022	2,994,274	11,337,869	261,578,426	-	35,550,372	-	51,709,632	363,170,572
2022	7	2023	-	10,756,677	299,650,282	-	35,550,372	-	51,709,632	397,666,963
2023	8	2024	-	4,193,909	337,765,627	-	35,550,372	-	51,709,632	429,219,540
2024	9	2025	-	1,547,934	356,376,531	-	35,550,372	-	51,709,632	445,184,468
2025	10	2026	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2026	11	2027	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2027	12	2028	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2028	13	2029	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2029	14	2030	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2030	15	2031	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2031	16	2032	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2032	17	2033	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2033	18	2034	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2034	19	2035	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2035	20	2036	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2036	21	2037	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2037	22	2038	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2038	23	2039	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2039	24	2040	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946
2040	25	2041	-	-	369,577,942	-	35,550,372	-	51,709,632	456,837,946

NOTES:

Taxable Values assume 1.5% annual inflation through buildout per project component, subject to change. Projection is as provided by the Canyon Falls WCID developer. For illustration purposes only.

## MAPS

Map	1 of 4	Existing uses and conditions of real property in the Zone
Map	2 of 4	Boundaries of the Zone
Map	3 of 4	Trail System Concept Plan
Map	4 of 4	I35W Off Ramp



TIRZ BOUNDARY MAP  
**CANYON FALLS**  
TOWN OF NORTHLAKE  
DENTON COUNTY, TEXAS

08 December 2015



**J. VOLK**  
consulting  
830 Central Parkway East, Suite 300  
Plano, Texas 75074  
972.201.3100 Texas Registration No. P-11982



100 200 0 400 600

SCALE 1" = 400'

--- TOWN LIMIT LINE



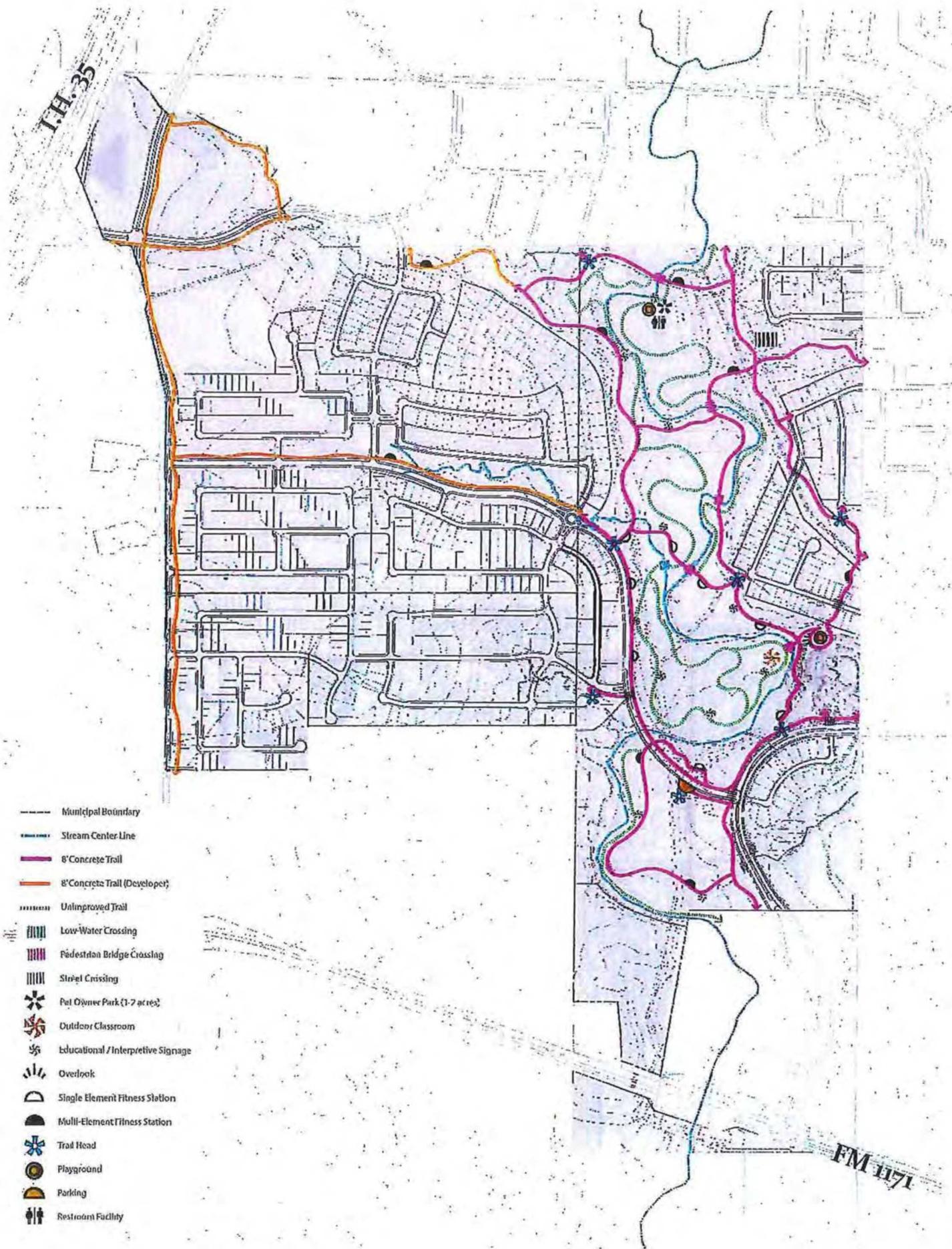
SINGLE FAMILY VILLAGE MAP  
**CANYON FALLS**  
TOWN OF NORTHLAKE  
DENTON COUNTY, TEXAS

07 October 2015



**J. VOLK**  
consulting

830 Central Parkway East, Suite 300  
Plano, TX 75074  
972.201.3100 Texas Registration No. F-11962



- Municipal Boundary
- Stream Center Line
- 8' Concrete Trail
- 8' Concrete Trail (Developer)
- ..... Unimproved Trail
- ▤ Low-Water Crossing
- ▤ Pedestrian Bridge Crossing
- ▤ Street Crossing
- ✱ Pet Dogue Park (1-7 acres)
- ✱ Outdoor Classroom
- ✱ Educational / Interpretive Signage
- ⌒ Overlook
- ⌒ Single Element Fitness Station
- ⌒ Multi-Element Fitness Station
- ✱ Trail Head
- ⊙ Playground
- ⊙ Parking
- ⊙ Restroom Facility

**NORTHLAKE**  
TEXAS



0 100 200 300 400  
SCALE: 1"=400'



**CLEVELAND-GIBBS  
EXIT RAMP**

