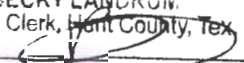


19.301

HUNT COUNTY, TEXAS
AGREEMENT TO PARTICIPATE IN
REINVESTMENT ZONE NUMBER ONE CITY OF QUINLAN

FILED FOR RECORD
at 1:00 o'clock 0 M

FEB 25 2025

BECKY LANDREAU
County Clerk, Hunt County, Tex
By 

This AGREEMENT TO PARTICIPATE IN REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS (the "Agreement") is entered into between the City of Quinlan, Texas (the "City") and Hunt County, Texas (the "County").

The City and the County hereby agree that the following statements are true and correct and constitute the basis upon which the City and the County have entered into this Agreement:

WHEREAS, on November 14, 2024, the City Council of the City (the "City Council") adopted Ordinance No. 2024-11-01 (the "TIRZ Ordinance") designating certain real property generally located in the City as *Reinvestment Zone Number One, City of Quinlan, Texas* (the "TIRZ"). The TIRZ Ordinance, with all its accompanying exhibits, is hereby incorporated for reference for all purposes and is attached hereto as **Exhibit 1**; and

WHEREAS, designation of the TIRZ will enable the development of property in and around the TIRZ to occur that would not occur otherwise in the foreseeable future. As a result of designation of the TIRZ, it is intended that public Infrastructure will be funded to support the development of the area in and around the TIRZ. This overall development will result in increased tax revenues and other benefits for both the City and the County; and

WHEREAS, pursuant to Section 311.013(f) of the Texas Tax Code, the County is not required to pay any tax increment into the tax increment fund of the TIRZ unless it enters into an agreement with the City to do so. The County wishes to enter into such an agreement with the City.

NOW, THEREFORE, for and in consideration of the conditions set forth herein. The sufficiency of which is hereby acknowledged, the City and the County do hereby contract, covenant and agree as follows:

1. **INCORPORATION OF RECITALS.** The parties hereby agree that the recitals set forth above are true and correct and form the basis upon which they have entered into this Agreement.
2. **DEFINITIONS.** In addition to any terms defined in the body of this Agreement, the following terms shall have the definitions ascribed to them as follows:

"Act" means the Tax Increment Financing Act, as amended and codified as Chapter 311 of the Texas Tax Code.

"Captured Appraised Value" in a given year means the total appraised value of all real property taxable by the County and located in the TIRZ for that year less the Tax Increment Base.

/

"County Tax Increment" in a given year means fifty percent (50%) of the ad valorem tax increment levied and collected by the County for that year on the Captured Appraised Value of real property taxable by the County and located in the TIRZ .

"Final Project Plan" means that future project and finance plan for the TIRZ , to be considered by the TIRZ Board and the City Council of the City.

"Preliminary Plan" means the preliminary project and finance plan for the development and/or redevelopment of the TIRZ , as adopted by the TIRZ Board and approved by the City Council of the City as an exhibit within the TIRZ Ordinance.

"TIRZ Board" means the governing board of directors of the TIRZ appointed in accordance with Section 311.009 of the Act and the TIRZ Ordinance. The County shall appoint and maintain one (1) member on the TIRZ Board and may appoint non-voting ex-officio members or staff members who shall also be notified of all TIRZ Board meetings and actions.

"TIRZ " means the certain real properties and boundaries as described in an exhibit attached to the Preliminary Plan.

"Tax Increment Base" means the total appraised value as of January 1, 2024, of all real property taxable by the County and located in the TIRZ .

"Tax Increment Fund" means the fund created by the City pursuant to Section 311.014 of the Act and of the TIRZ Ordinance, which will be maintained by the City, into which all revenues of the TIRZ will be deposited, including: (i) deposits of tax increment by the City and by other participating taxing units with jurisdiction over real property in the TIRZ , including the County, and (ii) all accrued interest earned on the cash balance of the fund.

"TIRZ Ordinance" means City Ordinance No. 040924-1 with all its exhibits, approved by the City Council on November 14, 2024, and attached hereto as **Exhibit 1**.

3. **DEPOSIT OF COUNTY TAX INCREMENT.** Pursuant to the Resolution adopted by the County, which Resolution is attached hereto as **Exhibit 2** and is hereby made a part of this agreement for all purposes, and specifically subject to Section 4 of this Agreement, the County hereby agrees to deposit each year during the remaining term of the TIRZ , beginning with the 2025 tax year the County Tax Increment. Such deposits shall be calculated by the County Tax Office and reported to the County and City. The County Tax Increment in a given year shall be paid to the TIRZ Fund by the County. The City will provide the County with receipt of such.

4. **LIMITATIONS ON COUNTY TAX INCREMENT DEPOSITS AND USE OF FUNDS.** This Agreement is based on the following conditions, and the City agrees and acknowledges the County's right to enforce the conditions contained herein by in junction or any other lawful means in the event one or more of such conditions are not satisfied.

a. **Amendment to TIRZ Ordinance.**

The TIRZ Ordinance designates the boundaries, the eligible real properties for the calculation of the County Tax Increment for the TIRZ, and the specific participation level by the City. All amendments to the TIRZ Ordinance regarding the participation percentage, term, or boundary shall be approved by the TIRZ Board prior to approval by the City Council. If the City Council approves an amendment to the TIRZ Ordinance regarding the participation percentage, term, or boundary different from the amendment approved by the TIRZ Board, the County shall suspend payment into the TIRZ Fund as described in Section 6 if or until the amendment is approved by the County governing body.

b. **TIRZ Expansion.**

As defined, the TIRZ shall Include real properties located within the boundaries as described in the TIRZ Ordinance. If the TIRZ is expanded, the County is not required to deposit into the Tax Increment Fund any County Tax Increment generated from properties in the expanded area unless participation in the expanded boundary area is approved by the County governing body as an amendment to this Agreement. Additionally, the County Tax Increment deposited into the Tax Increment Fund by the County may not be used for any permissible project costs in any portion of the expanded area of the TIRZ unless approved by the County governing body.

c. **Final Plan.**

It is anticipated that the TIRZ Board shall consider the Final Plan in the future. Upon the TIRZ Board and City Council's approval of the Final Plan, the County Tax Increment may be utilized for any projects identified within the Final Plan subject to the limitations identified in Section 4.4 below, pursuant to the Final Plan and the Act.

d. **Specific Uses for the County Tax Increment.**

Unless an amendment to this Agreement Is approved by the County and the City, the County Tax Increment may only be used in the following manner:

- a) To pay the administrative costs for the Zone.
- b) To pay for reimbursement and/or debt service, including principal, Interest, and capitalized interest in City TIRZ related debt issued for the construction or acquisition of infrastructure such as roads, water, wastewater, drainage (including those classified as off-site or oversizing) and/or other authorized/eligible projects that provide a benefit to the entire Zone or to the region.

- c) Future County projects, including facilities, to be identified by the TIRZ Board that provide a special conferred benefit to the Zone.

For the avoidance of doubt, the County Tax Increment cannot be used for the following:

- a) To pay for internal/on-site infrastructure such as roads, water, wastewater, or drainage necessary, and typically required by a developer, to serve individual residential development projects, with the exception of improvements or portions of improvements classified as oversizing or as benefiting the entire Zone or region.
- b) To be pledged to another taxing entity's debt, except for the City's TIRZ related debt issuance associated with b) above.
- c) To be used to reimburse developers for required development costs that are not classified as oversizing, offsite infrastructure, or authorized/eligible project costs which provide a benefit to the entire Zone or to the region.

This Agreement shall take effect on the date as of which both parties have executed it and shall expire upon expiration or termination of the TIRZ , which currently is the earlier of: (i) December 31, 2054 (with final year's tax due by January 31, 2055), or an earlier termination date designated by ordinance subsequently adopted by the City Council or (II) the date on which all project costs of the TIRZ have been paid or otherwise satisfied in full.

5. **TIRZ FUND ACCOUNTING.** No later than July 1 of each year following execution of this Agreement, the City shall provide the County with an annual accounting of the funds deposited to and disbursed from the Tax Increment Fund. After all project costs of the TIRZ have been paid or at the time of the expiration of the Agreement, any funds remaining in the Tax Increment Fund following the final annual accounting by the City shall be paid to those taxing units participating in the TIRZ in proportion to each taxing unit's share of the total amount of the County Tax Increment deposited into the Tax Increment Fund.
6. **RESPONSIBILITY FOR ACTS.** The City and the County shall each be responsible for the sole negligent acts of their officers, agents, or employees or separate contractors. In the event of joint and concurrent negligence of both the City and the County, responsibility, if any, shall be apportioned comparatively with the laws of the State of Texas, with the understanding that neither party waves any governmental powers or immunities or any other defenses available to each individually.

7. **NOTICES.** This Agreement shall be administered on behalf of the City by the City Administrator's Office of the City, or his/her designee. All written notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party may subsequently designate in writing, by certified mail, postage prepaid, or by hand delivery:

CITY:
City of Quinlan
Attn: City Administrator
Quinlan City Hall
PO Box 2740
Quinlan, Texas 75474

COUNTY
Hunt County
Attn: County Judge Bobby W. Stovall
Hunt County Courthouse
2507 Lee St, 2nd Floor
Greenville, Texas 75401

With copies to:

Jeff Moore
Brown & Hofmeister, LLP
740 E. Campbell Road
Suite 800
Richardson, Texas 75081

Daniel W. Ray
Hunt County Civil Attorney
Scott, Ray, Pemberton, & Goll, PLLC
2608 Stonewall Street
Greenville, Texas 75401

[Remainder of this page intentionally left blank.]

8. **NO WAIVER.** The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.
9. **VENUE AND JURISDICTION.** If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Hunt County, Texas or the United States Court for the Northern District of Texas - Dallas Division. This Agreement shall be construed in accordance with the laws of the State of Texas.
10. **NO THIRD-PARTY RIGHTS.** The provisions and conditions of this Agreement are solely for the benefit of the City and the County and are not intended to create any rights, contractual or otherwise, to any person or entity.
11. **FORCE MAJEURE.** The parties shall exercise every reasonable effort to meet their respective obligations as set forth in this Agreement, but shall not be held liable for any delay in or omission of performance due to force majeure or other causes beyond their reasonable control, including but not limited to, compliance with any government law, ordinance or regulation, acts of God, acts of omission, acts of terrorism, fires, strikes, lockouts, national disasters, wars, riots, material or labor restrictions, transportation problems and/or any other cause beyond reasonable control of either party.
12. **INTERPRETATIONS.** In the event of any dispute over the meaning or application of any provision of this Agreement, this Agreement shall be interpreted fairly and reasonably, and neither more strongly for or against any party, regardless of the actual drafter of this Agreement.
13. **CAPTIONS.** Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

14. **ENTIRETY OF AGREEMENT.** This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the City and the County as to matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement. Notwithstanding anything to the contrary herein, this Agreement shall not be amended unless executed in writing by both parties and approved by the City Council of the City in an open meeting held in accordance with Chapter 551 of the Texas Government Code, as amended.

15. **COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

EXECUTED as of the later date below:

CITY OF QUINLAN, TEXAS

By: _____
Jacky Goleman, Mayor

Dated: _____

APPROVED AS TO FORM/LEGALITY:

By: _____

HUNT COUNTY, TEXAS

By: _____
Bobby Stovall, County Judge

Dated: February 25, 2005

APPROVED AS TO FORM/LEGALITY:

By: _____

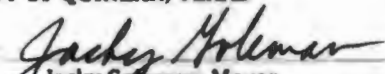
14. **ENTIRETY OF AGREEMENT.** This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the City and the County as to matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement. Notwithstanding anything to the contrary herein, this Agreement shall not be amended unless executed in writing by both parties and approved by the City Council of the City in an open meeting held in accordance with Chapter 551 of the Texas Government Code, as amended.

15. **COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

EXECUTED as of the later date below:

CITY OF QUINLAN, TEXAS

By:



Jacky Goleman, Mayor

Dated:

3/10/2005

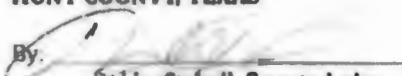
APPROVED AS TO FORM/LEGALITY:

By:


Jeff Moore, City Attorney

HUNT COUNTY, TEXAS

By:


Bobby Stovall, County Judge

Dated:

February 25, 2005

APPROVED AS TO FORM/LEGALITY:

By:



DANIEL RAY, HUNT COUNTY
CIVIL ATTORNEY

EXHIBIT 1

ORDINANCE NO. 2024-11-01 OF THE CITY OF QUINLAN
ESTABLISHING REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS,
AND ALL ASSOCIATED EXHIBITS

[Remainder of this page intentionally left blank.]

EXHIBIT 2

ATTACHED AS EXHIBIT 2 ARE THE _____, 2025 BOARD OF DIRECTORS MEETING
MINUTES OF HUNT COUNTY COMMISSIONERS COURT APPROVING THIS TIRZ #1
INTERLOCAL AGREEMENT.

[Remainder of this page intentionally left blank.]

ORDINANCE NO. 2025-03-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF QUINLAN, TEXAS, AMENDING ORDINANCE NUMBER 2024-11-01 DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY OF QUINLAN AND ITS EXTRA-TERRITORIAL JURISDICTION AS REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; BY AMENDING SECTION 3, ENTITLED "BOARD OF DIRECTORS" BY AMENDING THE APPOINTMENT OF THE BOARD OF DIRECTORS FOR SUCH ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PROPER NOTICE OF MEETING.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City adopted Ordinance 2024-11-01, designating a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment, consistent with the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, Ordinance 2024-11-01 was adopted following a hearing held on November 14, 2024, notice of which was given as required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; and

WHEREAS, the City has approved participation agreements with other taxing jurisdictions to participate in the reinvestment zone by contributing to the Tax Increment Fund from taxes levied and collected, and by providing appointments to the zone's Board of Directors, and

WHEREAS, an amendment to Section 3 of Ordinance 2024-11-01 is necessary to reflect the number of Board of Director appointments to be designated for each taxing unit participating in the reinvestment zone, consistent with the taxing units' approved participation agreements.

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

SECTION 1, THAT Section 3, entitled "Board of Directors" of Ordinance 2024-11-01 is hereby amended to read as follows:

Section 3. Board of Directors

That there is created a Board of Directors for the Zone, which shall consist of seven (7) members. Positions One through Four shall be reserved for the City of Quinlan, Position Five shall be reserved for Hunt County and Positions Six and Seven shall be reserved for Hunt Memorial Hospital District. Failure of a taxing unit to appoint a director by December 31, 2025, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position.

The Mayor is hereby authorized to nominate and appoint, subject to City Council approval, the directors to Positions One through Four of the Board of Directors, and any position unfilled on December 31, 2025, subject to the consent and approval of the City Council.

The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one-year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter, the Mayor shall annually nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

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

SECTION 2. SEVERABILITY

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

SECTION 3. OPEN MEETINGS

It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding its meeting, as required by the Open Meetings Law, Texas


Government Code, ch. 551, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED AND ADOPTED in a meeting of the City Council of the City of Quinlan, Texas, held on the 10th day of March, 2025.



Jacky Goleman, Mayor

ATTEST:



Laura Kennemer, City Secretary

RESOLUTION NO. 2025-03-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF QUINLAN, TEXAS, AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF QUINLAN AND HUNT COUNTY, FOR PARTICIPATION IN THE CITY OF QUINLAN REINVESTMENT ZONE NUMBER ONE.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City has designated a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City is participating in the zone by contributing tax increment to the Tax Increment Fund for the proposed zone from taxes levied and collected by the City at seventy percent (70%) of its tax rate; and

WHEREAS, Hunt County, at its February 25, 2025 Commissioners Court meeting, has authorized an agreement to participate in the zone by contributing to the Tax Increment Fund from taxes levied and collected, in accordance with the participation agreement attached as "Exhibit A"; and

WHEREAS, the City Council of the City of Quinlan finds it in the best interest of the City of Quinlan to authorize the Mayor to execute said agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF QUINLAN, TEXAS:

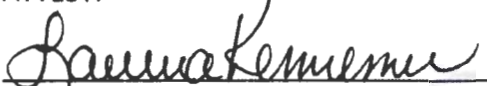
SECTION 1, THAT the City Council of the City of Quinlan, approves the agreement with Hunt County, attached as "Exhibit A", regarding their participation in the City of Quinlan Reinvestment Zone Number One; and

SECTION 2, THAT the City Council of the City of Quinlan authorizes the Mayor to execute said participation agreement with the Hunt County.

PASSED AND APPROVED in a meeting of the City Council of the City of Quinlan, Texas, held on the 10th day of March, 2025.


Jacky Goleman, Mayor

ATTEST:


Laura Kennemer, City Secretary

Resolution 2025-03-03 - "Exhibit A"
Agreement and Associated Exhibits

(Remainder of this page intentionally left blank.)

Ordinance No. 2024-11-01

AN ORDINANCE DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY OF QUINLAN AND ITS EXTRA-TERRITORIAL JURISDICTION AS REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; ESTABLISHING THE TAX INCREMENT FUND; ESTABLISHING THE TERMINATION DATE OF THE ZONE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; AUTHORIZING ACTIONS IN FURTHERANCE OF THE ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PROPER NOTICE OF MEETING.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City may designate a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary project plan and reinvestment zone financing plan for the designation of a proposed reinvestment zone within a contiguous area of the City and its ETJ ("proposed zone") which provides that City of Quinlan ad valorem taxes are to be deposited into the Tax Increment Fund; and

WHEREAS, a notice of the public hearing on the creation of the proposed zone was published on October 31, 2024 in *The Greenville Harold Banner*, a newspaper of general circulation in the City; and;

WHEREAS, at the public hearing on November 14, 2024, interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the concept of tax increment financing; and owners of property in the proposed zone were given a reasonable opportunity to protest the inclusion of their property in the proposed zone; and

WHEREAS, the City has provided information and given proper notice as required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; and

WHEREAS, the total appraised value of taxable real property in the proposed zone and all other tax increment reinvestment zones previously created by the City is approximately \$20,604,616; and

WHEREAS, the total area within the proposed zone is approximately 939 acres, including property that is publicly owned; and

WHEREAS, less than thirty percent (30%) of the property in the proposed zone is currently used for residential purposes, as that term is defined in Code Section 311.006(d); and

WHEREAS, the City intends to participate in the proposed zone by contributing tax increment to the Tax Increment Fund for the proposed zone from taxes levied and collected by the City at seventy percent (70%) of its tax rate, and

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

Section 1. Findings.

- (a) That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.
- (b) That the City Council further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.
- (c) That the City Council further finds and declares that the proposed zone is unproductive, underdeveloped and blighted and meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone contains substantial areas that are predominantly open and underdeveloped, and lack public water distribution, wastewater collection and storm drainage facilities, which conditions substantially impair and arrest the sound growth of the City, such findings are documented in Exhibit B, "Existing Conditions & Feasibility" Section.
- (d) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Quinlan and its ETJ.
- (e) That the development or redevelopment of the property in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.
- (f) That less than thirty percent (30%) of the property in the proposed zone is used for residential purposes within the meaning of Code Section 311.006(d).
- (g) That the total appraised value of real property in the proposed zone and in the City's existing reinvestment zones does not exceed fifty percent (50%) of the total appraised value of taxable real property in the City and the industrial districts created by the City.

Section 2. Designation of the Zone

That the City, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and create and designate a reinvestment zone over the area described in Exhibit "A" (attached hereto and incorporated herein) to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number One, City of Quinlan, Texas, (the "Zone"). The City Council specifically declares that the Zone is designated pursuant to Section 311.005(a) (1) and (2) of the Texas Tax Code.

Section 3. Board of Directors

That there is created a Board of Directors for the Zone, which shall consist of seven (7) members appointed by the City. Any other taxing unit that levies taxes on real property in the Zone and has approved the payment of all or part of the tax increment produced by the taxing unit into the Tax Increment Fund for the Zone may appoint one director. Any taxing unit that appoints a director shall be assigned a Board position number in the order the appointment is received by the City. Failure of a taxing unit to appoint a director by December 31, 2025, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position.

The Mayor is hereby authorized to nominate and appoint, subject to City Council approval, the directors to Positions One through Seven of the Board of Directors, and any position unfilled on December 31, 2025, subject to the consent and approval of the City Council.

The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one-year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter, the Mayor shall annually nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

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

Section 4. Duration of the Zone

That the Zone shall take effect immediately upon the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2054, or at an earlier time as provided in Sec. 311.017, Texas Tax Code.

Section 5. Tax Increment Base

That the Tax Increment Base of the City or any other taxing unit participating in the Zone is the total appraised value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone, determined as of January 1, 2024, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

Section 6 Approval of the City's Level of Participation in the Zone

That the City will participate in the Zone by contributing tax increment to the Tax Increment Fund for the Zone from taxes levied and collected by the City at the rates and in the amounts reflected in the project plan and reinvestment zone financing plan for the Zone, which rates may be amended from time to time, beginning on January 1, 2024.

Section 7. Tax Increment Fund

There is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent Ordinances. All tax increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. The annual tax increment shall equal the property taxes levied by the City and any other taxing unit participating in the Zone at its participation rate for that year on the captured appraised value, as defined by Chapter 311 of the Texas Tax Code, of real property located in Zone that is taxable by the City or any other taxing unit participating in the Zone, less any amounts that are to be allocated from the tax increment pursuant to Chapter 311 of the Texas Tax Code. All revenues from the sale of any tax increment bonds, notes or other obligations hereafter issued for the benefit of the Zone by the City, if any; revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by the Texas Tax Code, for the Zone, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b) of the Texas Tax Code.

Section 7. Authorization for Necessary Actions

The City Council authorizes the City Manager to take all such actions as are necessary to implement this Ordinance and the establishment of the Zone.

Section 8. Severability

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

or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

Section 9. Open Meetings

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

Section 10. Notices

The contents of the notice of the public hearing, which hearing was held before the City Council on November 14, 2024, and the publication of said notice, are hereby ratified, and confirmed.

PASSED AND ADOPTED in a meeting of the City Council of the City of Quinlan, Texas, held on the 14th day of November, 2024.



Jacky Goleman, Mayor

ATTEST:



Laura Kennemer, City Secretary

EXHIBIT "A"
Boundary Description

**JURISDICTIONAL BOUNDARY DESCRIPTION OF
TAX INCREMENT REINVESTMENT ZONE NUMBER ONE
CITY OF QUINLAN, HUNT COUNTY, TEXAS**

+/- 953.8 acre tract of land located within the City of Quinlan Extra Territorial Jurisdiction Limits, with point of beginning being the intersection of west right-of-way (ROW) line of State Hwy 34 and north ROW line of E First St, same being southeast corner of S2755 DAVIES ADDITION BLK 5 LOT B ACRES .4704 (WATSONS RESUB OF BLK 5 LTS 4-6 DAVIES ADDN) (516 E FIRST ST, QUINLAN, TX 75474);

THEN east by south across the ROW of State Hwy 34 to the southwest corner of S4925 SESSIONS ADDITION BLK 6 LOT 1 & PT OF 2 ACRES .56, same being east ROW of State Hwy 34 and City of Quinlan Municipal Limits;

THEN east along south boundary of said 0.56 acre lot, and City of Quinlan Municipal Limits to southeast corner of said lot, same being west boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%);

THEN north along west boundary of said 236.7704 acre tract to northwest corner of said tract, same being south boundary of A0826 PRICE EDMOND, TRACT 5, ACRES 9.83;

THEN east along north boundary of said 236.7704 acre tract to northeast corner of said tract, same being northwest corner of S4008 MEADOWCREEK ESTATES LOT 32 ACRES 2.736;

THEN generally south along east boundary of said 236.7704 acre tract, same being west boundary S4008 MEADOWCREEK ESTATES to southwest corner of S4008 MEADOWCREEK ESTATES LOT 38 ACRES 2.921, and interior corner of said 236.7704 acre tract;

THEN east along north boundary of said 236.7704 acre tract to northeast corner of said tract, same being west ROW of Country Road 3602, and southeast corner of S4008 MEADOWCREEK ESTATES LOT 49 ACRES 2.001 (9097 CR 3602, QUINLAN, TX 75474);

THEN generally south along west ROW of CR 3602 to north ROW of E Quinlan Pkwy, same being southeast corner of said 236.7704 acre tract and City of Quinlan Municipal Limits;

THEN generally east along north ROW of E Quinlan Pkwy and City of Quinlan Municipal Limits to southeast corner of A1335 BYRD D J (W B HUMPHRIES), TRACT 57-2, ACRES 1.503;

THEN north along east boundary of said 1.503 acre tract and City of Quinlan Municipal Limits to interior corner of said tract;

THEN east along south boundary of said 1.503 acre tract, and City of Quinlan Municipal Limits, and A1335 BYRD D J (W B HUMPHRIES), TRACT 3, ACRES .918, and A1335 BYRD D J (W B HUMPHRIES), TRACT 3-2, ACRES .918, and A1335 BYRD D J (W B HUMPHRIES), TRACT 4, ACRES .918 to southeast corner of said 0.918 acre Tract 4;

THEN generally south across E Quinlan Pkwy and along east ROW of FM 751 to southwest corner of A0821 POLLETT GEORGE, TRACT 29-3, ACRES 1.759 (8669 FM 751, QUINLAN, TX 75474), same being north ROW of Beverly Dr;

THEN east along north ROW of Beverly Dr to southwest corner of A0821 POLLETT GEORGE, TRACT 34, ACRES .230;

THEN north along west boundary of said 0.230 acre tract to northwest corner of said tract;

THEN east along north boundary of said 0.230 acre tract to northeast corner of said tract;

THEN south along east boundary of said 0.230 acre tract to ROW centerline of Beverly Dr;

THEN west along ROW centerline of Beverly Dr and City of Quinlan Municipal Limits, across ROW of FM 751 to east boundary of S3850 LAST FRONTIER ADDITION BLK 400 LOT 101A ACRES .733 (104 FM 751, QUINLAN, TX 75474), same being west ROW of FM 751;

THEN north along west ROW of FM 751 to east northeast corner of S3850 LAST FRONTIER ADDITION BLK 400 LOT 79 & PT OF 88 ACRES 3.6935;

THEN northwest along boundary of said 3.6935 acre lot to north corner of said lot, same being south ROW of E Quinlan Pkwy;

THEN generally west along south ROW of E Quinlan Pkwy, across ROW of Frontier Dr to northeast corner of S3850 LAST FRONTIER ADDITION BLK 400 LOT 81G ACRES 1.87 (1119 E QUINLAN PKWY, QUINLAN, TX 75474);

THEN north across ROW of E Quinlan Pkwy to south boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%), same being north ROW of Quinlan Pkwy and City of Quinlan Municipal Limits;

THEN generally west along north ROW of Quinlan Pkwy and City of Quinlan Municipal Limits to southeast corner of A0826 PRICE EDMOND, TRACT 14, ACRES .999;

THEN north along east boundary of said 0.999 acre tract to northeast corner of said tract, same being southeast corner of A0826 PRICE EDMOND, TRACT 14-1, ACRES 1.753 (790 E QUINLAN PKWY, QUINLAN, TX 75474), and City of Quinlan Municipal Limits;

THEN west along south boundary of said 1.753 acre tract to southwest corner of said tract, and City of Quinlan Municipal Limits;

THEN north along west boundary of said 1.753 acre tract and City of Quinlan Municipal Limits to northwest corner of said tract, same being south boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%), and City of Quinlan Municipal Limits;

THEN west along south boundary of said 236.7704 acre tract, City of Quinlan Municipal Limits and continuing along south boundary of A0826 PRICE EDMOND, TRACT 2, ACRES 9.5106 to southwest corner of said 9.5106 acre tract;

THEN north along west boundary of said 9.5106 acre tract to northwest corner of said tract, same being south boundary of S4626 QUINLAN WAL-MART ADDITION BLK A LOT 1 ACRES 20.0687 (8801 S HWY 34, QUINLAN, TX 75474);

THEN east along south boundary of said 20.0687 acre lot to southeast corner of said lot, same being City of Quinlan Municipal Limits;

THEN north along east boundary of said 20.0687 acre lot to northeast corner of said lot, same being City of Quinlan Municipal Limits;

THEN generally west northwest along north boundary of said 20.0687 acre lot, same being City of Quinlan Municipal Limits, and continuing along north boundary of S4626 QUINLAN WAL-MART ADDITION BLK A LOT 2 ACRES .9891 to north corner of said 0.9891 acre lot;

THEN west southwest along north boundary of said 0.9891 acre lot to northwest corner of said lot;

THEN south along west boundary of said 0.9891 acre lot, and said 20.0687 acre lot to northeast corner of S4925 SESSIONS ADDITION BLK 3 LOT 3 ACRES .3788 (8767 S HWY 34, QUINLAN, TX 75474);

THEN generally west along north boundary of said 0.3788 acre lot to northwest corner of said lot, same being east ROW of State Hwy 34;

THEN generally west across ROW of State Hwy 34 to northeast corner of A0416 HAMBY ISAAC, TRACT 35, ACRES .1886, same being south ROW of E Richmond Ave;

THEN generally west along south ROW of E Richmond Ave to northwest corner of S2873 EPPERSON RESUB OF OT QUINLAN BLK 24 LOT 4 ACRES .2147 (201 OLD HWY 34, QUINLAN, TX 75474), same being east ROW of Old Hwy 34;

THEN west by north across ROW of Old Hwy 34 to northeast corner of S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 1-6 ACRES .9068;

THEN west along north boundary of said 0.9068 acre lot, same being south ROW of Richmond Ave to northwest corner of said lot, same being east ROW of State Hwy Spur 264;

THEN north by east across ROW of Richmond Ave to southwest corner of S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 7-8 & S 1/2 OF 9 ACRES .499, same being east ROW of State Hwy Spur 264

THEN generally north northwest along west boundary of said 0.499 acre lot to west corner S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 10 ACRES .2066 (108 OLD HIGHWAY ST, QUINLAN, TX 75474);

THEN generally north along west boundary of said 0.2066 acre lot, and S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 11-13 ACRES .9234 to northwest corner of said 0.9234 acre lot (213 W MAIN ST, QUINLAN, TX 75474) same being south ROW of W Main St;

THEN generally west along south ROW of W Main St across ROW of State Hwy Spur 264 to northeast corner of S3566 HOUSTON CORNER ADDITION BLK 1 LOT 1 ACRES .412 (104 STATE HWY SPUR 264, QUINLAN, TX 75474);

THEN generally west along north boundary of said 0.412 acre lot and south ROW of W Main St to northeast corner of A0652 MCADAMS JAMES, TRACT AC, ACRES 1.738 (801 W MAIN ST, QUINLAN, TX 75474);

THEN south along east boundary of said 1.738 acre tract to southeast corner of said tract, same being City of Quinlan Municipal Limits;

THEN west along south boundary of said 1.738 acre tract and City of Quinlan Municipal Limits to southwest corner of said tract, same being northeast corner of A0652 MCADAMS JAMES, TRACT KK-7, ACRES 11.568;

THEN south, east, south, east, and south along east boundary of said 11.568 acre tract to southeast corner of said tract and City of Quinlan Municipal Limits, same being north ROW of Private Road 2203;

THEN west along north ROW of PR 2203 to a point north of northwest corner of A0652 MCADAMS JAMES, TRACT LL, ACRES 2.1712 (1923 PR 2203, QUINLAN, TX 75474);

THEN south across ROW of PR 2203 and along west boundary of said 2.1712 acre tract to southwest corner of said tract;

THEN east along south boundary of said 2.1712 acre tract to southeast corner of said tract, same being west boundary of A0652 MCADAMS JAMES, TRACT KK-9, ACRES 4.0 (135 LAKE ST, QUINLAN, TX 75474);

THEN south along west boundary of said 4.0 acre tract to southwest corner of said tract;

THEN east along south boundary of said 4.0 acre tract to southeast corner of said tract, same being interior corner of A0652 MCADAMS JAMES, TRACT KK-1, ACRES 6.8842;

THEN north along east boundary of said 4.0 acre tract to southwest corner of A0652 MCADAMS JAMES, TRACT KK-8, ACRES 4;

THEN east along south boundary of said Tract KK-8, ACRES 4 to southeast corner of said tract, same being west ROW of County Rd 2300;

THEN generally south by east along west ROW of County Rd 2300 to east corner of A0652 MCADAMS JAMES, TRACT KK-1, ACRES 6.8842, same being City of Quinlan Municipal Limits;

THEN east by south across ROW of County Road 2300 and same being City of Quinlan Municipal Limits to southwest corner of A0652 MCADAMS JAMES, TRACT AG-1, ACRES 1.3038 (9621 CR 2300, QUINLAN, TX 75474);

THEN generally north by west along west boundary of said 1.3038 tract, same being east ROW of County Road 2300 to northwest corner of said 1.3038 acre tract;

THEN east along north boundary of said 1.3038 acre tract to northeast corner of said tract, same being southeast corner of A0652 MCADAMS JAMES, TRACT AG, ACRES 5.5 (9601 CR 2300, QUINLAN, TX 75474);

THEN north along east boundary of said 5.5 acre tract, continuing along west boundary of A0416 HAMBY ISAAC, TRACT 83, ACRES 3 to northwest corner of said 3 acre tract and City of Quinlan Municipal Limits, same being south ROW of W Meyers St;

THEN east along south ROW of W Meyers St, and north boundary of said 3 acre tract to northeast corner of said tract same being City of Quinlan Municipal Limits;

THEN south along east boundary of said 3 acre tract and City of Quinlan Municipal Limits to southeast corner of said tract, same being north boundary of S4625 QUINLAN SOUTH ADDITION LOT 80 & PT OF 81 ACRES 6.9103;

THEN east along north boundary of said 6.9103 acre lot to northeast corner of said tract, same being west boundary of A0416 HAMBY ISAAC, TRACT 80, ACRES 15.8607 (125 W MEYERS ST, QUINLAN, TX 75474) and City of Quinlan Municipal Limits;

THEN north along west boundary of said 15.8607 acre tract and City of Quinlan Municipal Limits to northwest corner of said tract, same being south ROW of Meyers St;

THEN east along south ROW of Meyers St, and City of Quinlan Municipal Limits and north boundary of said 15.8607 acre tract to northwest corner of A0416 HAMBY ISAAC, TRACT 79, ACRES 2.0;

THEN generally south along west boundary of said 2.0 acre tract and City of Quinlan Municipal Limits to southwest corner of said tract;

THEN east along south boundary of said 2.0 acre tract and City of Quinlan Municipal Limits to southeast corner of said tract, same being west boundary of A0416 HAMBY ISAAC, TRACT 77, ACRES 3.8;

THEN generally south along west boundary of said 3.8 acre tract to southwest corner of said tract, same being north boundary of A0416 HAMBY ISAAC, TRACT 74, ACRES 16.5872;

THEN generally east along north boundary of said 16.5872 acre tract to corner said tract, same being northwest corner of A0416 HAMBY ISAAC, TRACT 74-1, ACRES 1.5 (9576 SPUR 264, QUINLAN, TX 75474);

THEN generally south along west boundary of said 1.5 acre tract to southwest corner of said tract;

THEN generally east along south boundary of said 1.5 acre tract to southeast corner of said tract, same being west ROW of State Hwy Spur 264, and City of Quinlan Municipal Limits;

THEN generally south along west ROW of State Hwy Spur 264 and City of Quinlan Municipal Limits to southeast corner A0416 HAMBY ISAAC, TRACT 74, ACRES 16.5872, same being north ROW of Quinlan Bypass/State Hwy 276;

THEN generally east along north ROW of Quinlan Bypass/State Hwy 276 to a point north of northeast corner of A0886 ROBERTS MARGARET, TRACT 2, ACRES 29.4284 (9136 S HWY 34 , QUINLAN, TX 75474);

THEN south across ROW of Quinlan Bypass/State Hwy 276 and along east boundary of said 29.4284 acre tract to interior corner of said 29.4284 acre tract, same being southwest corner of A0886 ROBERTS MARGARET, TRACT 2-1, ACRES 2.0 and City of Quinlan Municipal Limits;

THEN east along boundary of said 29.4284 acre tract and City of Quinlan Municipal Limits to corner of said tract, same being southeast corner of said 2.0 acre tract, and west ROW of State Hwy 34;

THEN generally south and southwest by south along west ROW of State Hwy 34 to southeast corner of A0886 ROBERTS MARGARET, TRACT 1, ACRES 38.32;

THEN west along south boundary of said 38.32 acre tract to southwest corner of said tract;

THEN generally north along west boundary of said 38.32 acre tract to southeast corner of S2355 BROOKVIEW ESTATE LOT 19 ACRES 3.1838;

THEN west along south boundary of said 3.1838 acre lot to southwest corner of said lot, same being east ROW of State Hwy Spur 264;

THEN north along east ROW of State Hwy Spur 264, and west boundary of said 3.1838 acre lot to west northwest corner of said lot;

THEN generally west across ROW of State Hwy Spur 264 to corner of S4625 QUINLAN SOUTH ADDITION LOT 17 ACRES 1.96 and City of Quinlan Municipal Limits;

THEN south by east along east boundary of said 1.96 acre lot, same being west ROW of State Hwy Spur 264 to southeast corner of said lot;

THEN west along south boundary of said 1.96 acre lot to northwest corner of S4625 QUINLAN SOUTH ADDITION LOT 19 ACRES 1.1708 (9732 CR 2304, QUINLAN, TX 75474), same being east northeast corner of S4625 QUINLAN SOUTH ADDITION LOT 20-22 ACRES 5.0374;

THEN south by east along east boundary of said 5.0374 acre lot to southeast corner of said lot, same being north ROW of County Road 2304;

THEN west along south boundary of said 5.0374 acre lot to corner of said lot, same being southeast corner of S4625 QUINLAN SOUTH ADDITION LOT 22A (PT) ACRES .34;

THEN generally north along east boundary of said 0.34 acre lot to northeast corner of said lot;

THEN west along north boundary of said 0.34 acre lot to northwest corner of said lot;

THEN generally south along west boundary of said 0.34 acre lot to southwest corner of said lot, same being corner of boundary of S4625 QUINLAN SOUTH ADDITION LOT 20-22 ACRES 5.0374, and north ROW of Private Rd 2333;

THEN west along boundary of said 5.0374 acre lot, and north ROW of Private Rd 2333 to southwest corner of said lot;

THEN generally north along east ROW of Private Rd 2333 to northwest corner of said 5.0374 acre lot, and City of Quinlan Municipal Limits;

THEN west by south across ROW of Private Rd 2333 and City of Quinlan Municipal Limits to corner of S4625 QUINLAN SOUTH ADDITION LOT 76 ACRES 2.518;

THEN generally south along east boundary of said 2.518 acre lot to southeast corner of said lot;

THEN west along south boundary of said 2.518 acre lot to southwest corner of said lot, same being east ROW of Private Rd 2333;

THEN west by north across ROW of Private Rd 2333 to east corner of S4625 QUINLAN SOUTH ADDITION LOT 42 ACRES 6.2718;

THEN generally southwest along east boundary of said 6.2718 acre lot to southeast corner of said lot;

THEN west along south boundary of said 6.2718 acre lot to southwest corner of said lot, same being east boundary of A0894 RUSH JAMES M, TRACT 5, ACRES 95.1557 (9645 CR 2300, QUINLAN, TX 75474);

THEN south approx. 1,318 feet along east boundary of said 95.1557 acre tract to City of Quinlan Extra-Territorial Jurisdiction Limit;

THEN west and west by north approx. 1,176 feet along City of Quinlan Extra-Territorial Jurisdiction Limit across said tract 95.1557 acre tract to west boundary of said tract, same being east ROW of County Rd 2300;

THEN north approx. 1,658 feet along west boundary of said 95.1557 acre tract, same being east ROW of County Rd 2300 to corner of said 95.1557 acre tract and City of Quinlan Municipal Limits;

THEN west by north across ROW of Country Rd 2300 and City of Quinlan Municipal Limits to corner of A0545 JONES JAMES A, TRACT 1, ACRES 1147.5834, (ALSO IN A0652 A0701 A0894 A1370);

THEN northwest by north and west by north along north boundary of said A0545 JONES JAMES A, TRACT 1, ACRES 1147.5834,(ALSO IN A0652 A0701 A0894 A1370), along City of Quinlan Municipal Limits to southeast corner of A0652 MCADAMS JAMES, TRACT JJ, ACRES 2.175;

THEN west along south boundary of said 2.175 acre tract, and A0652 MCADAMS JAMES, TRACT KK-11, ACRES .422, and A0652 MCADAMS JAMES, TRACT KK-10, ACRES 3.886, and A0652 MCADAMS JAMES, TRACT B-1, ACRES 5.799 to southwest corner of said 5.799 acre tract;

THEN north along west boundary of said 5.799 acre tract to northwest corner of said tract, same being south ROW of Quinlan Bypass, and City of Quinlan Municipal Limits;

THEN west northwest approx. 1,983 feet along south ROW of Quinlan Bypass/State Hwy 276, and City of Quinlan Municipal Limits to a point south southwest of west ROW of W Main St/Bus Hwy 276, same being City of Quinlan Municipal Limits;

THEN northeast by north and northeast approx. 665 feet across Quinlan Bypass/State Hwy 276 and along west ROW of W Main St/Bus Hwy 276, same being City of Quinlan Municipal Limits to south boundary of A0652 MCADAMS JAMES, TRACT 2, ACRES 254.384;

THEN generally west approx. 931 feet along south boundary of said 254.384 acre tract to southwest corner of said tract;

THEN north approx. 1,023 feet along west boundary of said 254.384 acre tract to City of Quinlan Extra-Territorial Jurisdiction limits;

THEN northeast and east northeast approx. 2,580 feet across said 254.384 acre tract along City of Quinlan Extra-Territorial Jurisdiction limits to west boundary of A0652 MCADAMS JAMES, TRACT HHHH, ACRES 200.0;

THEN south along west boundary of said 200.0 acre tract to southwest corner of said tract, same being north boundary of A0652 MCADAMS JAMES, TRACT 2, ACRES 254.384;

THEN east along north boundary of said 254.384 acre tract, to northeast corner of said 254.384 acre tract, same being City of Quinlan Municipal Limits, and west ROW of CR 2276/Mattie Rd;

THEN south, continuing east, south and east along east boundary of said 254.384 acre tract, and west ROW of CR 2276/Mattie Rd and City of Quinlan Municipal Limits to corner of said tract, same being northwest corner of A0416 HAMBY ISAAC, TRACT 102, ACRES 27.0;

THEN east along north boundary of said 27.0 acre tract to northeast corner of said tract;

THEN south along east boundary of said 27.0 acre tract to southeast corner of said tract, same being north ROW of Main St/Bus Hwy 276;

THEN generally east along north ROW of Main St/Bus Hwy 276 to southeast corner of S4420 ORIG TOWN OF QUINLAN BLK 15 LOT 1-8 ACRES .652 (104 N FIFTH ST, QUINLAN, TX 75474), same being west ROW of N Fifth St;

THEN north northwest along west ROW of N Fifth St to northeast corner of said 0.652 acre lot;

THEN east by north along across ROW of N Fifth St and along north ROW of W First St to southwest corner of S4420 ORIG TOWN OF QUINLAN BLK 7 LOT 9 ACRES .1148 (208 W FIRST ST, QUINLAN, TX 75474);

THEN generally east along north ROW of First St to west ROW of State Hwy 34, same being southeast corner of S2755 DAVIES ADDITION BLK 5 LOT B ACRES .4704 (WATSONS RESUB OF BLK 5 LTS 4-6 DAVIES ADDN), and the point of beginning of +/- **953.8 acre tract**.

Save and Except Tract 1 of 3 is +/- 10.989 acre tract located at the intersection of Main St/Hwy 276 and Private Road 2279 with point of beginning being southeast corner of S2870 EPPERSON ADDITION 1 LOT 1-3 ACRES .6339 (1980 W HWY 276, QUINLAN, TX 75474);

THEN generally west along south boundary of said 0.6339 acre lot, and A0652 MCADAMS JAMES, TRACT X-1, ACRES .917, and A0652 MCADAMS JAMES, TRACT W, ACRES 3.5, same being north ROW of Main St/Hwy 276 to southwest corner of A0652 MCADAMS JAMES, TRACT W, ACRES 3.5;

THEN generally north along west boundary of said 3.5 acre tract to northwest corner of said tract;

THEN generally east along north boundary of said 3.5 acre tract, and S2870 EPPERSON ADDITION 1 LOT 8-13 ACRES 1.9229 to northeast corner of said 1.9229 acre lot;

THEN south along east boundary of said 1.9220 acre lot, and S2870 EPPERSON ADDITION 1 LOT 14,15 ACRES .2402, and S2870 EPPERSON ADDITION 1 LOT 14,15 ACRES .2402, and S2870 EPPERSON ADDITION 1 LOT 16-22 & 25 ACRES 1.2411 to southeast corner of said 1.2411 acre lot;

THEN west along south boundary of said 1.2411 acre lot, same being north ROW of Main St/State Hwy 276, across ROW of Private Road 2279 to southeast corner of S2870 EPPERSON ADDITION 1 LOT 1-3 ACRES .6339, same being point of beginning of +/- **10.988 acre Save and Except Tract 1 of 3**.

Save and Except Tract 2 of 3 is a +/- 1.04 acre tract A0652 MCADAMS JAMES, TRACT BBBB, ACRES 1.03 (Geo Id: 0652-BBBB-0000-57, Situs: 901 W MAIN ST, QUINLAN, TX 75474).

Save and Except Tract 3 of 3 is a +/- 2.49 acre tract A0886 ROBERTS MARGARET, TRACT 3, ACRES 2 (Geo Id: 0886-0030-0000-56, Situs: 9180 S HWY 34, QUINLAN, TX 75474).

Exhibit "B"
Preliminary Project Plan and Reinvestment Zone Finance Plan

Ordinance No. 2024-11-01

AN ORDINANCE DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY OF QUINLAN AND ITS EXTRA-TERRITORIAL JURISDICTION AS REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; ESTABLISHING THE TAX INCREMENT FUND; ESTABLISHING THE TERMINATION DATE OF THE ZONE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; AUTHORIZING ACTIONS IN FURTHERANCE OF THE ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PROPER NOTICE OF MEETING.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City may designate a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary project plan and reinvestment zone financing plan for the designation of a proposed reinvestment zone within a contiguous area of the City and its ETJ ("proposed zone") which provides that City of Quinlan ad valorem taxes are to be deposited into the Tax Increment Fund; and

WHEREAS, a notice of the public hearing on the creation of the proposed zone was published on October 31, 2024 in *The Greenville Harold Banner*, a newspaper of general circulation in the City; and;

WHEREAS, at the public hearing on November 14, 2024, interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the concept of tax increment financing; and owners of property in the proposed zone were given a reasonable opportunity to protest the inclusion of their property in the proposed zone; and

WHEREAS, the City has provided information and given proper notice as required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; and

WHEREAS, the total appraised value of taxable real property in the proposed zone and all other tax increment reinvestment zones previously created by the City is approximately \$20,604,616; and

WHEREAS, the total area within the proposed zone is approximately 939 acres, including property that is publicly owned; and

WHEREAS, less than thirty percent (30%) of the property in the proposed zone is currently used for residential purposes, as that term is defined in Code Section 311.006(d); and

WHEREAS, the City intends to participate in the proposed zone by contributing tax increment to the Tax Increment Fund for the proposed zone from taxes levied and collected by the City at seventy percent (70%) of its tax rate, and

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

Section 1. Findings.

- (a) That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.
- (b) That the City Council further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.
- (c) That the City Council further finds and declares that the proposed zone is unproductive, underdeveloped and blighted and meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone contains substantial areas that are predominantly open and underdeveloped, and lack public water distribution, wastewater collection and storm drainage facilities, which conditions substantially impair and arrest the sound growth of the City, such findings are documented in Exhibit B, "Existing Conditions & Feasibility" Section.
- (d) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Quinlan and its ETJ.
- (e) That the development or redevelopment of the property in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.
- (f) That less than thirty percent (30%) of the property in the proposed zone is used for residential purposes within the meaning of Code Section 311.006(d).
- (g) That the total appraised value of real property in the proposed zone and in the City's existing reinvestment zones does not exceed fifty percent (50%) of the total appraised value of taxable real property in the City and the industrial districts created by the City.

Section 2. Designation of the Zone

That the City, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and create and designate a reinvestment zone over the area described in Exhibit "A" (attached hereto and incorporated herein) to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number One, City of Quinlan, Texas, (the "Zone"). The City Council specifically declares that the Zone is designated pursuant to Section 311.005(a) (1) and (2) of the Texas Tax Code.

Section 3. Board of Directors

That there is created a Board of Directors for the Zone, which shall consist of seven (7) members appointed by the City. Any other taxing unit that levies taxes on real property in the Zone and has approved the payment of all or part of the tax increment produced by the taxing unit into the Tax Increment Fund for the Zone may appoint one director. Any taxing unit that appoints a director shall be assigned a Board position number in the order the appointment is received by the City. Failure of a taxing unit to appoint a director by December 31, 2025, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position.

The Mayor is hereby authorized to nominate and appoint, subject to City Council approval, the directors to Positions One through Seven of the Board of Directors, and any position unfilled on December 31, 2025, subject to the consent and approval of the City Council.

The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one-year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter, the Mayor shall annually nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

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

Section 4. Duration of the Zone

That the Zone shall take effect immediately upon the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2054, or at an earlier time as provided in Sec. 311.017, Texas Tax Code.

Section 5. Tax Increment Base

That the Tax Increment Base of the City or any other taxing unit participating in the Zone is the total appraised value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone, determined as of January 1, 2024, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

Section 6 Approval of the City's Level of Participation in the Zone

That the City will participate in the Zone by contributing tax increment to the Tax Increment Fund for the Zone from taxes levied and collected by the City at the rates and in the amounts reflected in the project plan and reinvestment zone financing plan for the Zone, which rates may be amended from time to time, beginning on January 1, 2024.

Section 7. Tax Increment Fund

There is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent Ordinances. All tax increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. The annual tax increment shall equal the property taxes levied by the City and any other taxing unit participating in the Zone at its participation rate for that year on the captured appraised value, as defined by Chapter 311 of the Texas Tax Code, of real property located in Zone that is taxable by the City or any other taxing unit participating in the Zone, less any amounts that are to be allocated from the tax increment pursuant to Chapter 311 of the Texas Tax Code. All revenues from the sale of any tax increment bonds, notes or other obligations hereafter issued for the benefit of the Zone by the City, if any; revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by the Texas Tax Code, for the Zone, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b) of the Texas Tax Code.

Section7. Authorization for Necessary Actions

The City Council authorizes the City Manager to take all such actions as are necessary to implement this Ordinance and the establishment of the Zone.

Section 8. Severability

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

or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

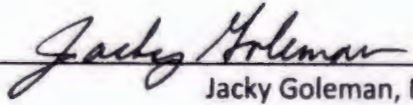
Section 9. Open Meetings

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

Section 10. Notices

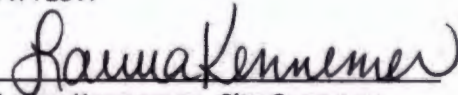
The contents of the notice of the public hearing, which hearing was held before the City Council on November 14, 2024, and the publication of said notice, are hereby ratified, and confirmed.

PASSED AND ADOPTED in a meeting of the City Council of the City of Quinlan, Texas, held on the 14th day of November, 2024.



Jacky Goleman, Mayor

ATTEST:



Laura Kennemer, City Secretary

EXHIBIT "A"
Boundary Description

**JURISDICTIONAL BOUNDARY DESCRIPTION OF
TAX INCREMENT REINVESTMENT ZONE NUMBER ONE
CITY OF QUINLAN, HUNT COUNTY, TEXAS**

+/- 953.8 acre tract of land located within the City of Quinlan Extra Territorial Jurisdiction Limits, with point of beginning being the intersection of west right-of-way (ROW) line of State Hwy 34 and north ROW line of E First St, same being southeast corner of S2755 DAVIES ADDITION BLK 5 LOT B ACRES .4704 (WATSONS RESUB OF BLK 5 LTS 4-6 DAVIES ADDN) (516 E FIRST ST, QUINLAN, TX 75474);

THEN east by south across the ROW of State Hwy 34 to the southwest corner of S4925 SESSIONS ADDITION BLK 6 LOT 1 & PT OF 2 ACRES .56, same being east ROW of State Hwy 34 and City of Quinlan Municipal Limits;

THEN east along south boundary of said 0.56 acre lot, and City of Quinlan Municipal Limits to southeast corner of said lot, same being west boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%);

THEN north along west boundary of said 236.7704 acre tract to northwest corner of said tract, same being south boundary of A0826 PRICE EDMOND, TRACT 5, ACRES 9.83;

THEN east along north boundary of said 236.7704 acre tract to northeast corner of said tract, same being northwest corner of S4008 MEADOWCREEK ESTATES LOT 32 ACRES 2.736;

THEN generally south along east boundary of said 236.7704 acre tract, same being west boundary S4008 MEADOWCREEK ESTATES to southwest corner of S4008 MEADOWCREEK ESTATES LOT 38 ACRES 2.921, and interior corner of said 236.7704 acre tract;

THEN east along north boundary of said 236.7704 acre tract to northeast corner of said tract, same being west ROW of Country Road 3602, and southeast corner of S4008 MEADOWCREEK ESTATES LOT 49 ACRES 2.001 (9097 CR 3602, QUINLAN, TX 75474);

THEN generally south along west ROW of CR 3602 to north ROW of E Quinlan Pkwy, same being southeast corner of said 236.7704 acre tract and City of Quinlan Municipal Limits;

THEN generally east along north ROW of E Quinlan Pkwy and City of Quinlan Municipal Limits to southeast corner of A1335 BYRD D J (W B HUMPHRIES), TRACT 57-2, ACRES 1.503;

THEN north along east boundary of said 1.503 acre tract and City of Quinlan Municipal Limits to interior corner of said tract;

THEN east along south boundary of said 1.503 acre tract, and City of Quinlan Municipal Limits, and A1335 BYRD D J (W B HUMPHRIES), TRACT 3, ACRES .918, and A1335 BYRD D J (W B HUMPHRIES), TRACT 3-2, ACRES .918, and A1335 BYRD D J (W B HUMPHRIES), TRACT 4, ACRES .918 to southeast corner of said 0.918 acre Tract 4;

THEN generally south across E Quinlan Pkwy and along east ROW of FM 751 to southwest corner of A0821 POLLETT GEORGE, TRACT 29-3, ACRES 1.759 (8669 FM 751, QUINLAN, TX 75474), same being north ROW of Beverly Dr;

THEN east along north ROW of Beverly Dr to southwest corner of A0821 POLLETT GEORGE, TRACT 34, ACRES .230;

THEN north along west boundary of said 0.230 acre tract to northwest corner of said tract;

THEN east along north boundary of said 0.230 acre tract to northeast corner of said tract;

THEN south along east boundary of said 0.230 acre tract to ROW centerline of Beverly Dr;

THEN west along ROW centerline of Beverly Dr and City of Quinlan Municipal Limits, across ROW of FM 751 to east boundary of S3850 LAST FRONTIER ADDITION BLK 400 LOT 101A ACRES .733 (104 FM 751, QUINLAN, TX 75474), same being west ROW of FM 751;

THEN north along west ROW of FM 751 to east northeast corner of S3850 LAST FRONTIER ADDITION BLK 400 LOT 79 & PT OF 88 ACRES 3.6935;

THEN northwest along boundary of said 3.6935 acre lot to north corner of said lot, same being south ROW of E Quinlan Pkwy;

THEN generally west along south ROW of E Quinlan Pkwy, across ROW of Frontier Dr to northeast corner of S3850 LAST FRONTIER ADDITION BLK 400 LOT 81G ACRES 1.87 (1119 E QUINLAN PKWY, QUINLAN, TX 75474);

THEN north across ROW of E Quinlan Pkwy to south boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%), same being north ROW of Quinlan Pkwy and City of Quinlan Municipal Limits;

THEN generally west along north ROW of Quinlan Pkwy and City of Quinlan Municipal Limits to southeast corner of A0826 PRICE EDMOND, TRACT 14, ACRES .999;

THEN north along east boundary of said 0.999 acre tract to northeast corner of said tract, same being southeast corner of A0826 PRICE EDMOND, TRACT 14-1, ACRES 1.753 (790 E QUINLAN PKWY, QUINLAN, TX 75474), and City of Quinlan Municipal Limits;

THEN west along south boundary of said 1.753 acre tract to southwest corner of said tract, and City of Quinlan Municipal Limits;

THEN north along west boundary of said 1.753 acre tract and City of Quinlan Municipal Limits to northwest corner of said tract, same being south boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%), and City of Quinlan Municipal Limits;

THEN west along south boundary of said 236.7704 acre tract, City of Quinlan Municipal Limits and continuing along south boundary of A0826 PRICE EDMOND, TRACT 2, ACRES 9.5106 to southwest corner of said 9.5106 acre tract;

THEN north along west boundary of said 9.5106 acre tract to northwest corner of said tract, same being south boundary of S4626 QUINLAN WAL-MART ADDITION BLK A LOT 1 ACRES 20.0687 (8801 S HWY 34, QUINLAN, TX 75474);

THEN east along south boundary of said 20.0687 acre lot to southeast corner of said lot, same being City of Quinlan Municipal Limits;

THEN north along east boundary of said 20.0687 acre lot to northeast corner of said lot, same being City of Quinlan Municipal Limits;

THEN generally west northwest along north boundary of said 20.0687 acre lot, same being City of Quinlan Municipal Limits, and continuing along north boundary of S4626 QUINLAN WAL-MART ADDITION BLK A LOT 2 ACRES .9891 to north corner of said 0.9891 acre lot;

THEN west southwest along north boundary of said 0.9891 acre lot to northwest corner of said lot;

THEN south along west boundary of said 0.9891 acre lot, and said 20.0687 acre lot to northeast corner of S4925 SESSIONS ADDITION BLK 3 LOT 3 ACRES .3788 (8767 S HWY 34, QUINLAN, TX 75474);

THEN generally west along north boundary of said 0.3788 acre lot to northwest corner of said lot, same being east ROW of State Hwy 34;

THEN generally west across ROW of State Hwy 34 to northeast corner of A0416 HAMBY ISAAC, TRACT 35, ACRES .1886, same being south ROW of E Richmond Ave;

THEN generally west along south ROW of E Richmond Ave to northwest corner of S2873 EPPERSON RESUB OF OT QUINLAN BLK 24 LOT 4 ACRES .2147 (201 OLD HWY 34, QUINLAN, TX 75474), same being east ROW of Old Hwy 34;

THEN west by north across ROW of Old Hwy 34 to northeast corner of S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 1-6 ACRES .9068;

THEN west along north boundary of said 0.9068 acre lot, same being south ROW of Richmond Ave to northwest corner of said lot, same being east ROW of State Hwy Spur 264;

THEN north by east across ROW of Richmond Ave to southwest corner of S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 7-8 & S 1/2 OF 9 ACRES .499, same being east ROW of State Hwy Spur 264

THEN generally north northwest along west boundary of said 0.499 acre lot to west corner S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 10 ACRES .2066 (108 OLD HIGHWAY ST, QUINLAN, TX 75474);

THEN generally north along west boundary of said 0.2066 acre lot, and S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 11-13 ACRES .9234 to northwest corner of said 0.9234 acre lot (213 W MAIN ST, QUINLAN, TX 75474) same being south ROW of W Main St;

THEN generally west along south ROW of W Main St across ROW of State Hwy Spur 264 to northeast corner of S3566 HOUSTON CORNER ADDITION BLK 1 LOT 1 ACRES .412 (104 STATE HWY SPUR 264, QUINLAN, TX 75474);

THEN generally west along north boundary of said 0.412 acre lot and south ROW of W Main St to northeast corner of A0652 MCADAMS JAMES, TRACT AC, ACRES 1.738 (801 W MAIN ST, QUINLAN, TX 75474);

THEN south along east boundary of said 1.738 acre tract to southeast corner of said tract, same being City of Quinlan Municipal Limits;

THEN west along south boundary of said 1.738 acre tract and City of Quinlan Municipal Limits to southwest corner of said tract, same being northeast corner of A0652 MCADAMS JAMES, TRACT KK-7, ACRES 11.568;

THEN south, east, south, east, and south along east boundary of said 11.568 acre tract to southeast corner of said tract and City of Quinlan Municipal Limits, same being north ROW of Private Road 2203;

THEN west along north ROW of PR 2203 to a point north of northwest corner of A0652 MCADAMS JAMES, TRACT LL, ACRES 2.1712 (1923 PR 2203, QUINLAN, TX 75474);

THEN south across ROW of PR 2203 and along west boundary of said 2.1712 acre tract to southwest corner of said tract;

THEN east along south boundary of said 2.1712 acre tract to southeast corner of said tract, same being west boundary of A0652 MCADAMS JAMES, TRACT KK-9, ACRES 4.0 (135 LAKE ST, QUINLAN, TX 75474);

THEN south along west boundary of said 4.0 acre tract to southwest corner of said tract;

THEN east along south boundary of said 4.0 acre tract to southeast corner of said tract, same being interior corner of A0652 MCADAMS JAMES, TRACT KK-1, ACRES 6.8842;

THEN north along east boundary of said 4.0 acre tract to southwest corner of A0652 MCADAMS JAMES, TRACT KK-8, ACRES 4;

THEN east along south boundary of said Tract KK-8, ACRES 4 to southeast corner of said tract, same being west ROW of County Rd 2300;

THEN generally south by east along west ROW of County Rd 2300 to east corner of A0652 MCADAMS JAMES, TRACT KK-1, ACRES 6.8842, same being City of Quinlan Municipal Limits;

THEN east by south across ROW of County Road 2300 and same being City of Quinlan Municipal Limits to southwest corner of A0652 MCADAMS JAMES, TRACT AG-1, ACRES 1.3038 (9621 CR 2300, QUINLAN, TX 75474);

THEN generally north by west along west boundary of said 1.3038 tract, same being east ROW of County Road 2300 to northwest corner of said 1.3038 acre tract;

THEN east along north boundary of said 1.3038 acre tract to northeast corner of said tract, same being southeast corner of A0652 MCADAMS JAMES, TRACT AG, ACRES 5.5 (9601 CR 2300, QUINLAN, TX 75474);

THEN north along east boundary of said 5.5 acre tract, continuing along west boundary of A0416 HAMBY ISAAC, TRACT 83, ACRES 3 to northwest corner of said 3 acre tract and City of Quinlan Municipal Limits, same being south ROW of W Meyers St;

THEN east along south ROW of W Meyers St, and north boundary of said 3 acre tract to northeast corner of said tract same being City of Quinlan Municipal Limits;

THEN south along east boundary of said 3 acre tract and City of Quinlan Municipal Limits to southeast corner of said tract, same being north boundary of S4625 QUINLAN SOUTH ADDITION LOT 80 & PT OF 81 ACRES 6.9103;

THEN east along north boundary of said 6.9103 acre lot to northeast corner of said tract, same being west boundary of A0416 HAMBY ISAAC, TRACT 80, ACRES 15.8607 (125 W MEYERS ST, QUINLAN, TX 75474) and City of Quinlan Municipal Limits;

THEN north along west boundary of said 15.8607 acre tract and City of Quinlan Municipal Limits to northwest corner of said tract, same being south ROW of Meyers St;

THEN east along south ROW of Meyers St, and City of Quinlan Municipal Limits and north boundary of said 15.8607 acre tract to northwest corner of A0416 HAMBY ISAAC, TRACT 79, ACRES 2.0;

THEN generally south along west boundary of said 2.0 acre tract and City of Quinlan Municipal Limits to southwest corner of said tract;

THEN east along south boundary of said 2.0 acre tract and City of Quinlan Municipal Limits to southeast corner of said tract, same being west boundary of A0416 HAMBY ISAAC, TRACT 77, ACRES 3.8;

THEN generally south along west boundary of said 3.8 acre tract to southwest corner of said tract, same being north boundary of A0416 HAMBY ISAAC, TRACT 74, ACRES 16.5872;

THEN generally east along north boundary of said 16.5872 acre tract to corner said tract, same being northwest corner of A0416 HAMBY ISAAC, TRACT 74-1, ACRES 1.5 (9576 SPUR 264, QUINLAN, TX 75474);

THEN generally south along west boundary of said 1.5 acre tract to southwest corner of said tract;

THEN generally east along south boundary of said 1.5 acre tract to southeast corner of said tract, same being west ROW of State Hwy Spur 264, and City of Quinlan Municipal Limits;

THEN generally south along west ROW of State Hwy Spur 264 and City of Quinlan Municipal Limits to southeast corner A0416 HAMBY ISAAC, TRACT 74, ACRES 16.5872, same being north ROW of Quinlan Bypass/State Hwy 276;

THEN generally east along north ROW of Quinlan Bypass/State Hwy 276 to a point north of northeast corner of A0886 ROBERTS MARGARET, TRACT 2, ACRES 29.4284 (9136 S HWY 34 , QUINLAN, TX 75474);

THEN south across ROW of Quinlan Bypass/State Hwy 276 and along east boundary of said 29.4284 acre tract to interior corner of said 29.4284 acre tract, same being southwest corner of A0886 ROBERTS MARGARET, TRACT 2-1, ACRES 2.0 and City of Quinlan Municipal Limits;

THEN east along boundary of said 29.4284 acre tract and City of Quinlan Municipal Limits to corner of said tract, same being southeast corner of said 2.0 acre tract, and west ROW of State Hwy 34;

THEN generally south and southwest by south along west ROW of State Hwy 34 to southeast corner of A0886 ROBERTS MARGARET, TRACT 1, ACRES 38.32;

THEN west along south boundary of said 38.32 acre tract to southwest corner of said tract;

THEN generally north along west boundary of said 38.32 acre tract to southeast corner of S2355 BROOKVIEW ESTATE LOT 19 ACRES 3.1838;

THEN west along south boundary of said 3.1838 acre lot to southwest corner of said lot, same being east ROW of State Hwy Spur 264;

THEN north along east ROW of State Hwy Spur 264, and west boundary of said 3.1838 acre lot to west northwest corner of said lot;

THEN generally west across ROW of State Hwy Spur 264 to corner of S4625 QUINLAN SOUTH ADDITION LOT 17 ACRES 1.96 and City of Quinlan Municipal Limits;

THEN south by east along east boundary of said 1.96 acre lot, same being west ROW of State Hwy Spur 264 to southeast corner of said lot;

THEN west along south boundary of said 1.96 acre lot to northwest corner of S4625 QUINLAN SOUTH ADDITION LOT 19 ACRES 1.1708 (9732 CR 2304, QUINLAN, TX 75474), same being east northeast corner of S4625 QUINLAN SOUTH ADDITION LOT 20-22 ACRES 5.0374;

THEN south by east along east boundary of said 5.0374 acre lot to southeast corner of said lot, same being north ROW of County Road 2304;

THEN west along south boundary of said 5.0374 acre lot to corner of said lot, same being southeast corner of S4625 QUINLAN SOUTH ADDITION LOT 22A (PT) ACRES .34;

THEN generally north along east boundary of said 0.34 acre lot to northeast corner of said lot;

THEN west along north boundary of said 0.34 acre lot to northwest corner of said lot;

THEN generally south along west boundary of said 0.34 acre lot to southwest corner of said lot, same being corner of boundary of S4625 QUINLAN SOUTH ADDITION LOT 20-22 ACRES 5.0374, and north ROW of Private Rd 2333;

THEN west along boundary of said 5.0374 acre lot, and north ROW of Private Rd 2333 to southwest corner of said lot;

THEN generally north along east ROW of Private Rd 2333 to northwest corner of said 5.0374 acre lot, and City of Quinlan Municipal Limits;

THEN west by south across ROW of Private Rd 2333 and City of Quinlan Municipal Limits to corner of S4625 QUINLAN SOUTH ADDITION LOT 76 ACRES 2.518;

THEN generally south along east boundary of said 2.518 acre lot to southeast corner of said lot;

THEN west along south boundary of said 2.518 acre lot to southwest corner of said lot, same being east ROW of Private Rd 2333;

THEN west by north across ROW of Private Rd 2333 to east corner of S4625 QUINLAN SOUTH ADDITION LOT 42 ACRES 6.2718;

THEN generally southwest along east boundary of said 6.2718 acre lot to southeast corner of said lot;

THEN west along south boundary of said 6.2718 acre lot to southwest corner of said lot, same being east boundary of A0894 RUSH JAMES M, TRACT 5, ACRES 95.1557 (9645 CR 2300, QUINLAN, TX 75474);

THEN south approx. 1,318 feet along east boundary of said 95.1557 acre tract to City of Quinlan Extra-Territorial Jurisdiction Limit;

THEN west and west by north approx. 1,176 feet along City of Quinlan Extra-Territorial Jurisdiction Limit across said tract 95.1557 acre tract to west boundary of said tract, same being east ROW of County Rd 2300;

THEN north approx. 1,658 feet along west boundary of said 95.1557 acre tract, same being east ROW of County Rd 2300 to corner of said 95.1557 acre tract and City of Quinlan Municipal Limits;

THEN west by north across ROW of Country Rd 2300 and City of Quinlan Municipal Limits to corner of A0545 JONES JAMES A, TRACT 1, ACRES 1147.5834, (ALSO IN A0652 A0701 A0894 A1370);

THEN northwest by north and west by north along north boundary of said A0545 JONES JAMES A, TRACT 1, ACRES 1147.5834, (ALSO IN A0652 A0701 A0894 A1370), along City of Quinlan Municipal Limits to southeast corner of A0652 MCADAMS JAMES, TRACT JJ, ACRES 2.175;

THEN west along south boundary of said 2.175 acre tract, and A0652 MCADAMS JAMES, TRACT KK-11, ACRES .422, and A0652 MCADAMS JAMES, TRACT KK-10, ACRES 3.886, and A0652 MCADAMS JAMES, TRACT B-1, ACRES 5.799 to southwest corner of said 5.799 acre tract;

THEN north along west boundary of said 5.799 acre tract to northwest corner of said tract, same being south ROW of Quinlan Bypass, and City of Quinlan Municipal Limits;

THEN west northwest approx. 1,983 feet along south ROW of Quinlan Bypass/State Hwy 276, and City of Quinlan Municipal Limits to a point south southwest of west ROW of W Main St/Bus Hwy 276, same being City of Quinlan Municipal Limits;

THEN northeast by north and northeast approx. 665 feet across Quinlan Bypass/State Hwy 276 and along west ROW of W Main St/Bus Hwy 276, same being City of Quinlan Municipal Limits to south boundary of A0652 MCADAMS JAMES, TRACT 2, ACRES 254.384;

THEN generally west approx. 931 feet along south boundary of said 254.384 acre tract to southwest corner of said tract;

THEN north approx. 1,023 feet along west boundary of said 254.384 acre tract to City of Quinlan Extra-Territorial Jurisdiction limits;

THEN northeast and east northeast approx. 2,580 feet across said 254.384 acre tract along City of Quinlan Extra-Territorial Jurisdiction limits to west boundary of A0652 MCADAMS JAMES, TRACT HHHH, ACRES 200.0;

THEN south along west boundary of said 200.0 acre tract to southwest corner of said tract, same being north boundary of A0652 MCADAMS JAMES, TRACT 2, ACRES 254.384;

THEN east along north boundary of said 254.384 acre tract, to northeast corner of said 254.384 acre tract, same being City of Quinlan Municipal Limits, and west ROW of CR 2276/Mattie Rd;

THEN south, continuing east, south and east along east boundary of said 254.384 acre tract, and west ROW of CR 2276/Mattie Rd and City of Quinlan Municipal Limits to corner of said tract, same being northwest corner of A0416 HAMBY ISAAC, TRACT 102, ACRES 27.0;

THEN east along north boundary of said 27.0 acre tract to northeast corner of said tract;

THEN south along east boundary of said 27.0 acre tract to southeast corner of said tract, same being north ROW of Main St/Bus Hwy 276;

THEN generally east along north ROW of Main St/Bus Hwy 276 to southeast corner of S4420 ORIG TOWN OF QUINLAN BLK 15 LOT 1-8 ACRES .652 (104 N FIFTH ST, QUINLAN, TX 75474), same being west ROW of N Fifth St;

THEN north northwest along west ROW of N Fifth St to northeast corner of said 0.652 acre lot;

THEN east by north along across ROW of N Fifth St and along north ROW of W First St to southwest corner of S4420 ORIG TOWN OF QUINLAN BLK 7 LOT 9 ACRES .1148 (208 W FIRST ST, QUINLAN, TX 75474);

THEN generally east along north ROW of First St to west ROW of State Hwy 34, same being southeast corner of S2755 DAVIES ADDITION BLK 5 LOT B ACRES .4704 (WATSONS RESUB OF BLK 5 LTS 4-6 DAVIES ADDN), and the point of beginning of +/- 953.8 acre tract.

Save and Except Tract 1 of 3 is +/- 10.989 acre tract located at the intersection of Main St/Hwy 276 and Private Road 2279 with point of beginning being southeast corner of S2870 EPPERSON ADDITION 1 LOT 1-3 ACRES .6339 (1980 W HWY 276, QUINLAN, TX 75474);

THEN generally west along south boundary of said 0.6339 acre lot, and A0652 MCADAMS JAMES, TRACT X-1, ACRES .917, and A0652 MCADAMS JAMES, TRACT W, ACRES 3.5, same being north ROW of Main St/Hwy 276 to southwest corner of A0652 MCADAMS JAMES, TRACT W, ACRES 3.5;

THEN generally north along west boundary of said 3.5 acre tract to northwest corner of said tract;

THEN generally east along north boundary of said 3.5 acre tract, and S2870 EPPERSON ADDITION 1 LOT 8-13 ACRES 1.9229 to northeast corner of said 1.9229 acre lot;

THEN south along east boundary of said 1.9220 acre lot, and S2870 EPPERSON ADDITION 1 LOT 14,15 ACRES .2402, and S2870 EPPERSON ADDITION 1 LOT 14,15 ACRES .2402, and S2870 EPPERSON ADDITION 1 LOT 16-22 & 25 ACRES 1.2411 to southeast corner of said 1.2411 acre lot;

THEN west along south boundary of said 1.2411 acre lot, same being north ROW of Main St/State Hwy 276, across ROW of Private Road 2279 to southeast corner of S2870 EPPERSON ADDITION 1 LOT 1-3 ACRES .6339, same being point of beginning of +/- 10.988 acre **Save and Except Tract 1 of 3**.

Save and Except Tract 2 of 3 is a +/- 1.04 acre tract A0652 MCADAMS JAMES, TRACT BBBB, ACRES 1.03 (Geo Id: 0652-BBBB-0000-57, Situs: 901 W MAIN ST, QUINLAN, TX 75474).

Save and Except Tract 3 of 3 is a +/- 2.49 acre tract A0886 ROBERTS MARGARET, TRACT 3, ACRES 2 (Geo Id: 0886-0030-0000-56, Situs: 9180 S HWY 34, QUINLAN, TX 75474).

Exhibit "B"
Preliminary Project Plan and Reinvestment Zone Finance Plan

PRELIMINARY PROJECT PLAN AND FINANCE PLAN

OCTOBER 2024

QUINLAN, TEXAS
TAX INCREMENT REINVESTMENT ZONE NO. 1



Prepared by Hawes Hill & Associates

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TIRZ CONCEPT

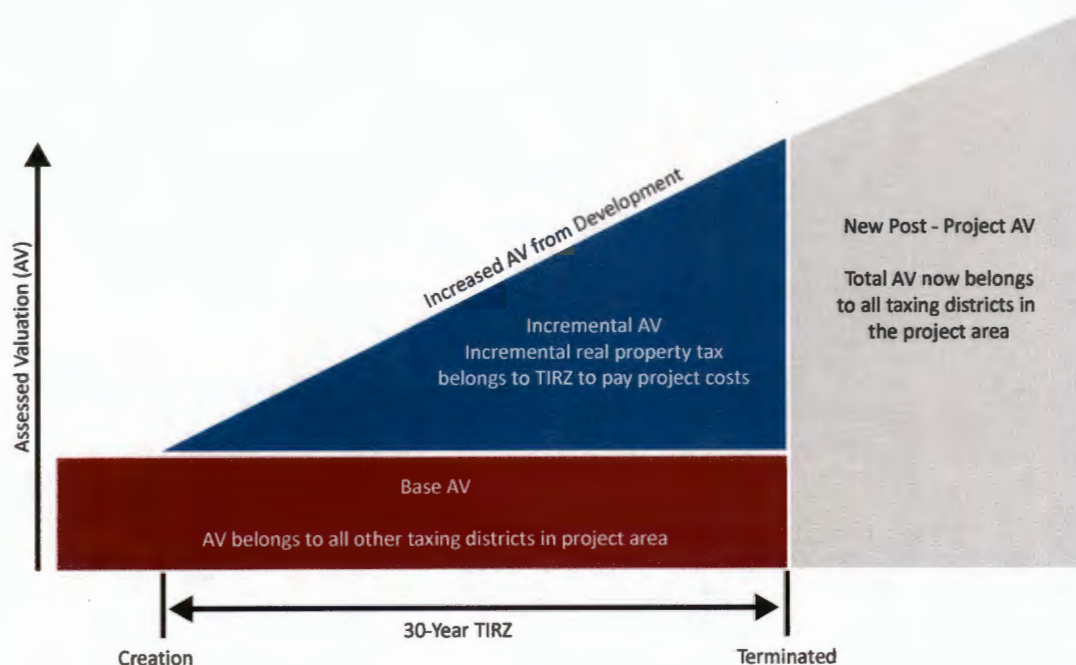
A tax increment reinvestment zone ("TIRZ" or "Zone") is a financing tool enabled by the Texas Legislature with the adoption of Chapter 311 of the Texas Tax Code. A TIRZ is a tool that can be used to pay for public improvements to encourage development and/or redevelopment of an area and attract private investment.

Cities and counties may create a TIRZ where conditions exist that substantially impair an area's sound growth and where development or redevelopment is not likely to occur but for public infrastructure enhancements financed by a TIRZ.

Upon creation of the Zone, the total appraised value of real property located within its boundaries is established for the year in which it was created. This is known as the base value. As development occurs in the Zone due to the provision of new infrastructure, the value of real property increases.

This additional value above the base is known as the increment. It is set aside to finance infrastructure improvements within the Zone. Once all projects are completed, or after a defined period of time, the TIRZ is dissolved.

During the life of the Zone, the city and other participating taxing jurisdictions collect tax revenue on the base value of the Zone. When the Zone is dissolved, the city and other participating taxing jurisdictions receive the benefit of the full increment value created by new development.



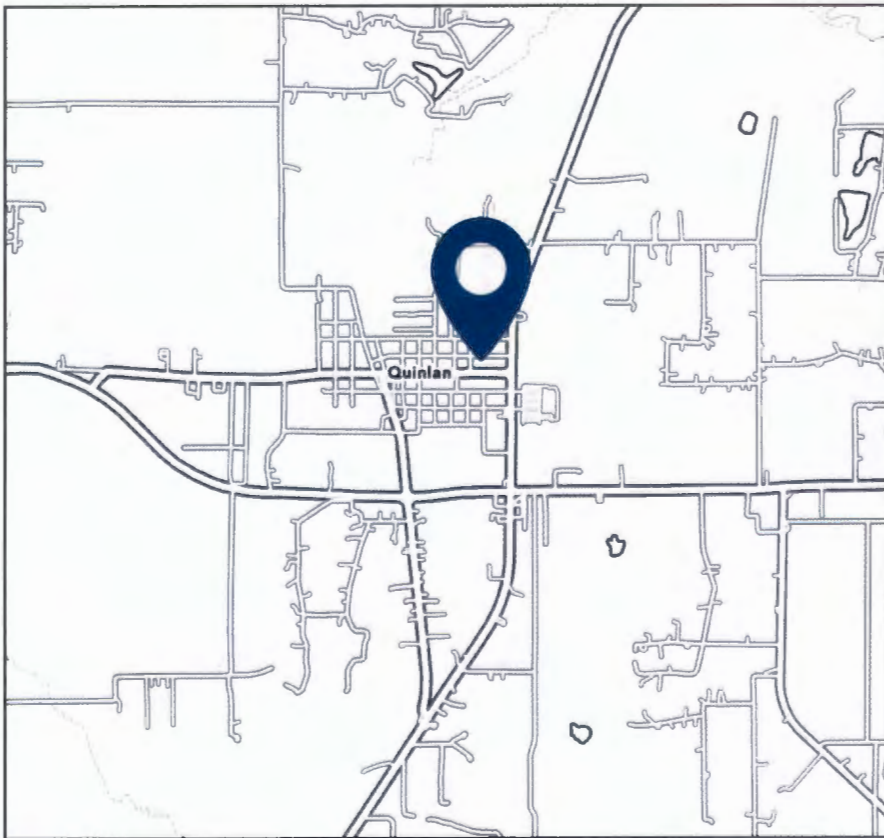
PURPOSE

This document constitutes the Preliminary Project Plan and Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone Number One, Quinlan, Texas as required by Chapter 311, Texas Tax Code. This document details the specific projects proposed to address existing conditions in the area as well as the method and means to finance them.

The purpose of the tax increment reinvestment zone is to finance construction of public facilities and infrastructure necessary to catalyze residential and commercial development and redevelopment, thereby increasing property values and revenues within the Zone boundaries. Expenditures associated with the design and construction of public facilities and infrastructure, as well as other specific project related costs, will be funded by tax increment revenues derived from increases

in property values following new development/redevelopment. Zone activities may include, but are not limited to, public infrastructure improvements including water, wastewater and drainage, stormwater detention, mobility improvements, land acquisition, creation of public spaces and facilities, streetscape/corridor improvements, trails and pedestrian amenities, and support for initiatives and projects that further the economic goals and priorities of the city.

The Zone boundary primarily includes incorporated properties within the City of Quinlan (the "city"), as well as property within the city's extraterritorial jurisdiction ("ETJ"). The intent of the Zone is to facilitate future residential and commercial development and redevelopment in a historically underdeveloped and underserved area.



LOCATION

The proposed Zone encompasses approximately 939 acres and is generally bounded by the northern property line of A0652 McAdams James, Tract 2, 1st Street, and the northern property line of A0826 Price Edmond, Tract 2-1 to the north, FM 3602 and FM 751 to the east, and Quinlan's Extraterritorial Jurisdiction and State Highway 276 bypass to the south and west.

GOALS

The following goals outline priorities and projects for the Zone and are based on needs identified in the Existing Conditions & Feasibility report and other Quinlan plans and studies. The intent of the goals is to identify public projects that would support the city's vision for the area, catalyze desired private investment, and otherwise further economic development objectives.

Infrastructure & Drainage

Provide adequate infrastructure including public water and wastewater service, as well as flood risk reduction enhancements, as needed, to enhance public health and spur local reinvestment.

Existing water and wastewater infrastructure within Quinlan are nearing their capacity; improvement in costly regional facilities will be critical to accommodate any substantive development or redevelopment efforts within the Zone. Two tributaries, which serve as the outfall for the city as a whole, bifurcate the raw land tracts within Zone boundaries. The adjacent 100-year floodplain decreases overall developable land, potentially impeding private investment.

A TIRZ can assist with improvements to ensure that development occurs in a manner that is in the long-term interest of potential residents and commercial owners. The reinvestment zone can facilitate proper growth by directly funding public infrastructure and/or developer reimbursement agreements or incentives. Proposed infrastructure improvements include improvements to existing water and wastewater facilities, acquisition and/or construction of new facilities, and extension of service lines. Drainage improvements and localized flood risk reduction may include improvements to ditches and culverts, the addition of storm drains and underground stormwater conveyance, and possible improvements to Jones Creek (Tributary 2) and the unnamed tributary.



Mobility & Connectivity

Enhance the ability to travel in a safe, efficient, and appealing manner using one of several mode choices needed to meet both need and market demand.

The mobility network within the Zone is comprised largely of aged asphalt roadways accompanied by roadside ditches; these are insufficient to handle significantly increased traffic flows associated with new development and/or redevelopment to higher intensity uses. Additionally, with the exception of two blocks in Downtown Quinlan, the Zone's roadways, both arterials and local streets, provide only for vehicular access. Strengthening the vitality of existing corridors and adjacent areas for commercial

use, such as the intersection of Main Street and State Highway 34, whether through safety and intersection improvements or streetscape / median enhancements, will enhance the economic marketability of the area.

TIRZ improvements may include roadway capacity expansion, enhanced intersections, access management, sidewalks, trails, bike improvements, crosswalks, ADA access, parking, safety improvements, right-of-way landscaping, pedestrian amenities, lightning, signage / wayfinding, gateway treatments, and public art.



Housing & Neighborhoods

Expand and diversify local housing options and enhance area neighborhoods.

Residential development in the Zone is currently limited, comprised primarily of older traditional construction in the blocks immediately adjacent to downtown Main Street. Developer interest in Quinlan, both single family and multifamily, as well as regional growth in nearby communities such as Terrell, prove that the market exists for new residential development in the area. Needed improvements include not only the expansion of current housing opportunities to satisfy regional growth pressures associated with proximity to the DFW metroplex, but also opportunities for quality of life enhancement for existing residents of Quinlan. TIRZ projects can assist in ensuring that there are affordable housing options for existing households, who currently earn less on average than those in Hunt County as a whole.

Parks & Public Facilities

Expand the system of recreation opportunities and public facilities necessary to improve local quality of life and public health, welfare, and safety.

The rural development pattern results in a very limited amount of parkland, with the only existing park in the area, Quinlan Community Park, located outside of Zone boundaries. Parks, open space and public facilities provide not only for recreation and cultural growth, but enhance quality of life and make the Zone inviting to residents and visitors. Public spaces and facilities, when appropriately designed and programmed, also serve as a catalyst for commercial and residential development and redevelopment. The TIRZ can provide for these amenities, enhancing the area's economic development potential through improvement to existing spaces / facilities, land acquisition, and development of amenities or facilities as capital improvements or through agreement with public or private agents. Potential projects include parks, trails, open spaces / natural areas, plazas, playgrounds, activity / community centers, libraries, cultural centers, improvements or expansion of existing fire and police stations, and other public facilities.

Economic Development

Incentivize projects that promote development and/or redevelopment within Zone boundaries and enhance economic development opportunities consistent with the city's goals and priorities.

In order to stimulate and accelerate both development and redevelopment within its boundaries, the TIRZ desires to establish an economic development program that would directly incentivize private enterprises that affect the TIRZ and serve as a catalyst for other business developments, such as the redevelopment of many of Downtown's deteriorated commercial structures. Examples of how the program would be used include funding for business development and retention, business loss mitigation, economic development grants to catalyze investments, such as Agreements under Chapter 380 of the Texas Local Government Code, and matching grants to provide leverage for other economic development funds. In cases such as those described in this section, an appropriate economic development program would be proposed by the city and/or the TIRZ and approved by both the TIRZ and the City of Quinlan's City Council. Payments made pursuant to this program shall be pursuant to economic development agreements entered into on behalf of the Zone and are considered Project Costs. No grant or loan shall be authorized by the Zone without prior consent of the city.



AUTHORIZED PROJECT COSTS

The estimated project costs for the Preliminary Project Plan and Financing Plan are detailed in Table 1. Projects include infrastructure improvements, including detention/drainage, water and wastewater, mobility improvements, affordable housing, parks, recreation and public facilities, and economic development. The project categories reflect the types of projects supported by the TIRZ; however, actual projects that will be undertaken by the TIRZ will be based on factors including community development priorities, the ability to leverage funds, and available increment. The dollar amounts for each category are approximate and may be amended from time to time by the Board of Directors of the Zone with approval of the city.

Non-project costs are those infrastructure costs that will not be funded or reimbursed by the TIRZ but will be funded by other parties, such as the City of Quinlan, the Texas Department of Transportation, non-profit organizations, or private sources, including developers. Funding identified in Table 1 will be leveraged with other sources to secure Non-Project funding when appropriate and available.

TABLE 1: ESTIMATED PROJECT COSTS

Infrastructure & Drainage	\$25,000,000
Mobility & Connectivity	\$25,000,000
Housing & Neighborhoods	\$1,000,000
Parks & Public Facilities	\$6,000,000
Economic Development	\$2,500,000
Administrative Costs	\$1,500,000
Total Project Costs	\$61,000,000

PROJECT PLAN

This document constitutes the Preliminary Project Plan for Tax Increment Reinvestment Zone Number One, City of Quinlan (the “Plan”) as required by Chapter 311 of the Texas Tax Code. The purpose of the TIRZ is to finance improvements that support new development and redevelopment of properties within the Zone.



Existing and Proposed Uses of Land

.....

Texas Tax Code
- 311.011 (B)(1)



Proposed Changes of Zoning
Ordinances, Master Plan of
Municipality, Building Codes, and
Other Municipal Ordinances and
Subdivision Rules and Regulations, if
any, of the City

.....

Texas Tax Code
- 311.011 (B)(2)



Estimated Non-Project Costs

.....

Texas Tax Code
- 311.011 (B)(3)



Method of Relocating Persons to
be Displaced, if Any, as a Result of
Implementing the Plan

.....

Texas Tax Code
- 311.011 (B)(4)

PROJECT PLAN

Existing and Proposed Uses of Land

(TEXAS TAX CODE - 311.011 (B)(1))

Existing Land Use - Current land uses within the Zone consist primarily of agricultural / undeveloped uses, 91%, as shown in Exhibit A - Map 3 (page A-4). Other uses include commercial, residential, and multifamily. In terms of taxable value, commercial comprises the largest value, 53%, followed by residential at 21%. Given the existing uses, the taxable value within the majority of the proposed Zone boundary is relatively low. Existing conditions are further described in Exhibit C.

Surrounding Land Use - Land surrounding the proposed Zone includes agricultural, residential, commercial, and public/institutional uses.

Proposed Uses - Proposed uses in the Zone will include enhanced residential, commercial/retail, light industrial, and public uses, with decreasing undeveloped land over time. Exhibit A - Map 4 (page A-5) details future land uses as set out by Quinlan's 2020 Comprehensive Plan.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances

(TEXAS TAX CODE - 311.011 (B)(2))

All construction will be performed in conformance with the City of Quinlan's existing rules and regulations. There are no proposed changes to any ordinance, master plan, or building code.

Estimated Non-Project Costs

(TEXAS TAX CODE - 311.011 (B)(3))

Non-Project costs are those infrastructure costs that will not be funded or reimbursed by the TIRZ but will be funded by other parties. Funding identified in Table 1 (page 8) will be leveraged with other sources to secure non-project funding when appropriate and available.

PROJECT PLAN

Method of Relocating Persons to be Displaced, If Any, as a Result of Implementing the Plan








(TEXAS TAX CODE - 311.011 (B)(2))

It is not anticipated that any residents will be displaced or relocated as a result of this Plan.

REINVESTMENT ZONE FINANCE PLAN

This document constitutes the Preliminary Financing Plan for Tax Increment Reinvestment Zone Number One, City of Quinlan as required by Chapter 311 of the Texas Tax Code. The purpose of the Zone is to finance public improvements to support development and redevelopment efforts and encourage new development in the Zone. Improvements include, but are not limited to, roadways, infrastructure improvements including water, wastewater and drainage, pedestrian amenities, trails, streetscape enhancements, building rehabilitation, and parks and open space improvements.

Funding of projects will occur through available tax increment funds, leveraged with local, state and federal dollars and/or through reimbursement of eligible project costs advanced by private entities / developers.

	Estimated Project Costs	Texas Tax Code - 311.011(C)(1)
	Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed by the Zone	Texas Tax Code - 311.011(C)(2)
	Economic Feasibility Study	Texas Tax Code - 311.011 (C)(3)
	Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Are Incurred	Texas Tax Code - 311.011(C)(4), - 311.011(C)(5)
	Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone	Texas Tax Code - 311.011(C)(6)
	Current Total Appraised Value of Taxable Real Property	Texas Tax Code - 311.011(C)(7)
	Estimated Captured Appraised Value of Zone During Each Year of Existence	Texas Tax Code - 311.011(C)(8)
	Zone Duration	Texas Tax Code - 311.011(C)(9)

REINVESTMENT ZONE FINANCE PLAN

Estimated Project Costs

(TEXAS TAX CODE - 311.011 (C)(1))

Table 1 (page 8) details proposed public improvements to be funded utilizing resources from the Zone. As set forth in the Plan, the dollar amounts are approximate and may be amended from time to time by the Board with the approval by the city. Any financing costs are a function of project financing needs and will vary with market conditions. Proposed public projects would be located throughout the Zone and within public spaces and rights-of-way as shown on Map 1 (page A-2).

Proposed Kind, Number, and Location of All Proposed Public Works or Public Improvements to be Financed by the Zone

(TEXAS TAX CODE - 311.011 (C)(2))

These details are described throughout the Plan and include roadway, drainage, water, wastewater, streetscape, pedestrian and bike, affordable housing, trails, and parks and recreation facilities improvements. The economic scope of proposed improvements is contained in Table 1 (page 8) and will be located within the boundary shown on Map 1 (page A-2). Page C-26 Exhibit C identifies proposed capital projects within the Zone boundary.

Economic Feasibility Study

(TEXAS TAX CODE - 311.011 (C)(3))

An economic feasibility study is included in Exhibit C - Existing Conditions & Feasibility.

The study found that Infrastructure improvements funded / implemented by the TIRZ would stimulate development within the Zone and allow development to occur at an earlier time through resource leveraging and advance funding by developers than would otherwise be possible. Infrastructure improvements supported by the TIRZ, the city, and private investment will enhance the area within the Zone and increase property values. Values are expected to grow from \$20.6 million in 2024 to \$548.7 million by the year 2054. Increase in values and investment will also result in increased sales tax and job growth within the community.

The planned infrastructure improvements depicted in Table 1 (page 8) will contribute significantly to the area's ability to support redevelopment efforts and attract new development to the area.

Exhibit B constitutes incremental revenue estimates for this Plan. The future anticipated revenue of the Zone is exceeded by the cost of proposed improvements and therefore projects will be implemented based on available funding. Development within the proposed Zone boundaries would not be feasible within the foreseeable future without the assistance of a tool like the TIRZ. The City of Quinlan determines that this Plan is feasible.

REINVESTMENT ZONE FINANCE PLAN

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Are Incurred

(TEXAS TAX CODE - 311.011 (C)(4), - 11.011 (C)(5)):

Issuance of notes and bonds by the Zone may occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as derived from the projects and revenue schedules included in Table 1 (page 8) and Exhibit B, as well as actual market conditions for the issue and sale of such notes and bonds.

The time when related costs or monetary obligations are to be incurred is a function of the availability of TIRZ revenues as shown in Exhibit B.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone

(TEXAS TAX CODE - 311.011 (C)(6))

Methods and sources of financing include the issuance of notes and bonds, as well as agreements with developers and other entities for grant funding and partnerships. Leveraging of funds with other entities and grants will be instrumental in realizing projects sooner, participating in larger cost projects, and in adding value to projects.

Projects will be implemented through the use of the following strategies:

- Developers could advance funds for qualified projects and be reimbursed through the TIRZ as revenues are realized through additional increment generated by the development.
- Pay-as-you-go projects are implemented on a pay-as-you-go basis, whereby projects are only implemented once enough revenues have been generated to fund design and construction of a project.
- Leveraging of resources with other entities and/or pledging the TIRZ revenue source to another taxing entity with the intent of expediting proposed projects.

Tax increment associated with this Plan will consist of contributions from the city at 70% of its tax rate, from Hunt County at 50% of its tax rate, and from the Memorial Hospital District at 50% of its tax rate.

REINVESTMENT ZONE FINANCE PLAN

Current Total Appraised Value of Taxable Real Property

(TEXAS TAX CODE - 311.011 (C)(7))

The 2024 value of taxable real property in the Zone is estimated at \$20,604,616.

Estimated Captured Appraised Value of Zone During Each Year of Existence

(TEXAS TAX CODE - 311.011 (C)(8))

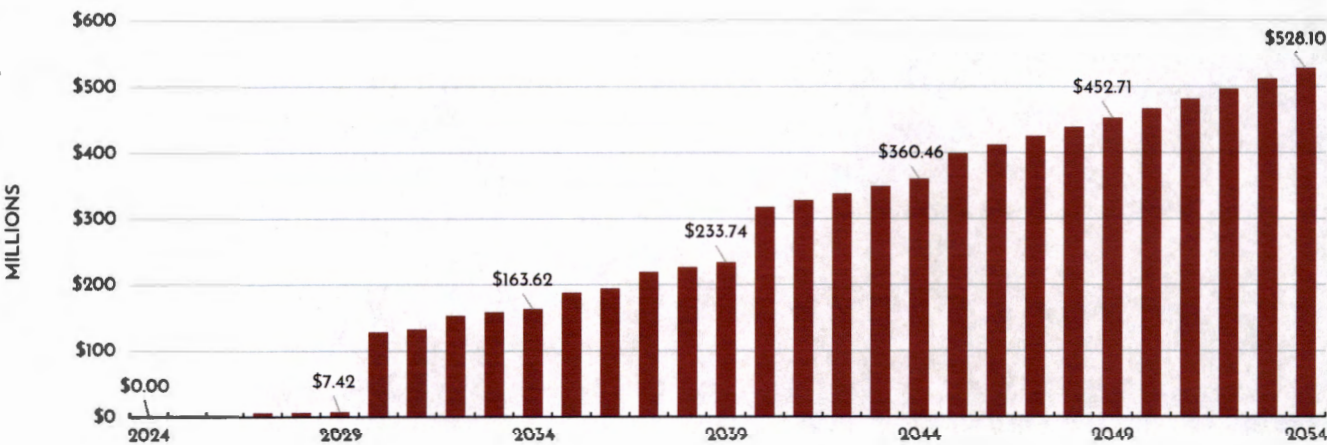
The estimated captured appraised value of the Zone during each remaining year of its existence is contained in Exhibit B. It is estimated that by 2054, the taxable value within the Zone will increase to nearly \$549 million with a captured value of \$528 million.

TOTAL APPRAISED VALUE - PROJECTION



REINVESTMENT ZONE FINANCE PLAN

TOTAL CAPTURED VALUE - PROJECTION



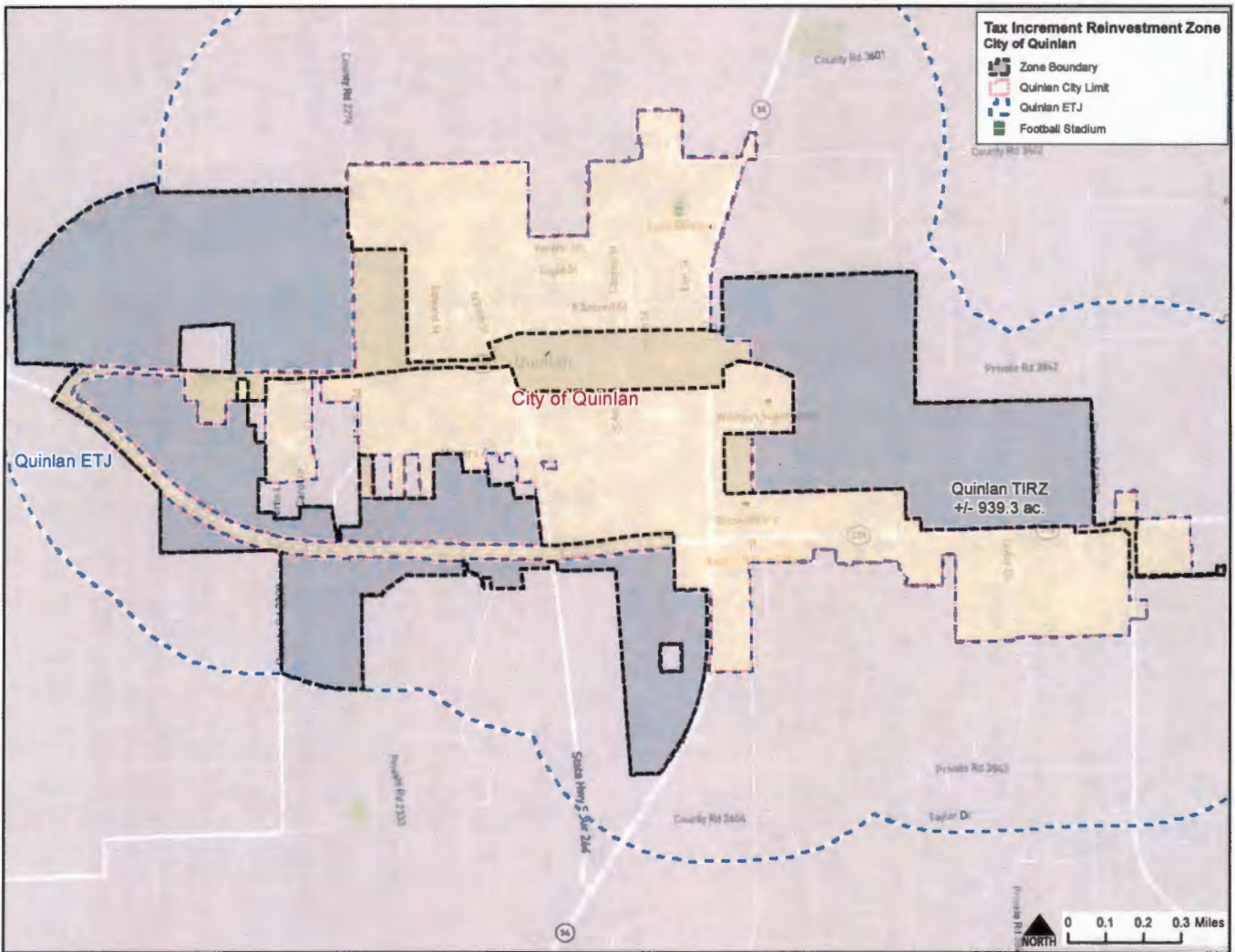
Zone Duration

(TEXAS TAX CODE - 311.011 (C)(9))

The Zone will terminate on December 31, 2054. Final TIRZ payments will be received in 2055. The Zone may terminate at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of proposed revenue bonds, notes or other obligations, if any, that all project costs, bonds, and interest on bonds have been paid in full.

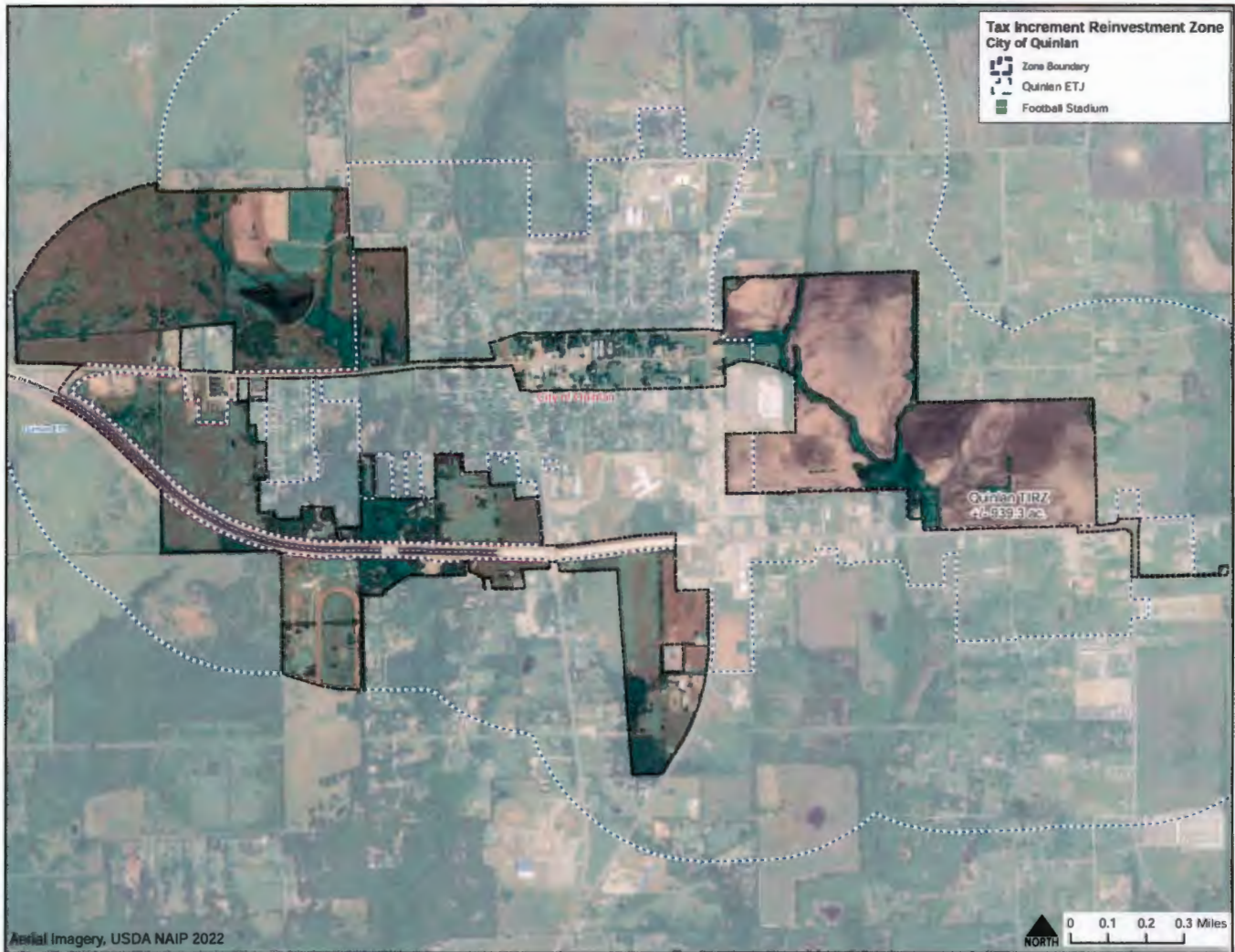
EXHIBIT A

MAPS

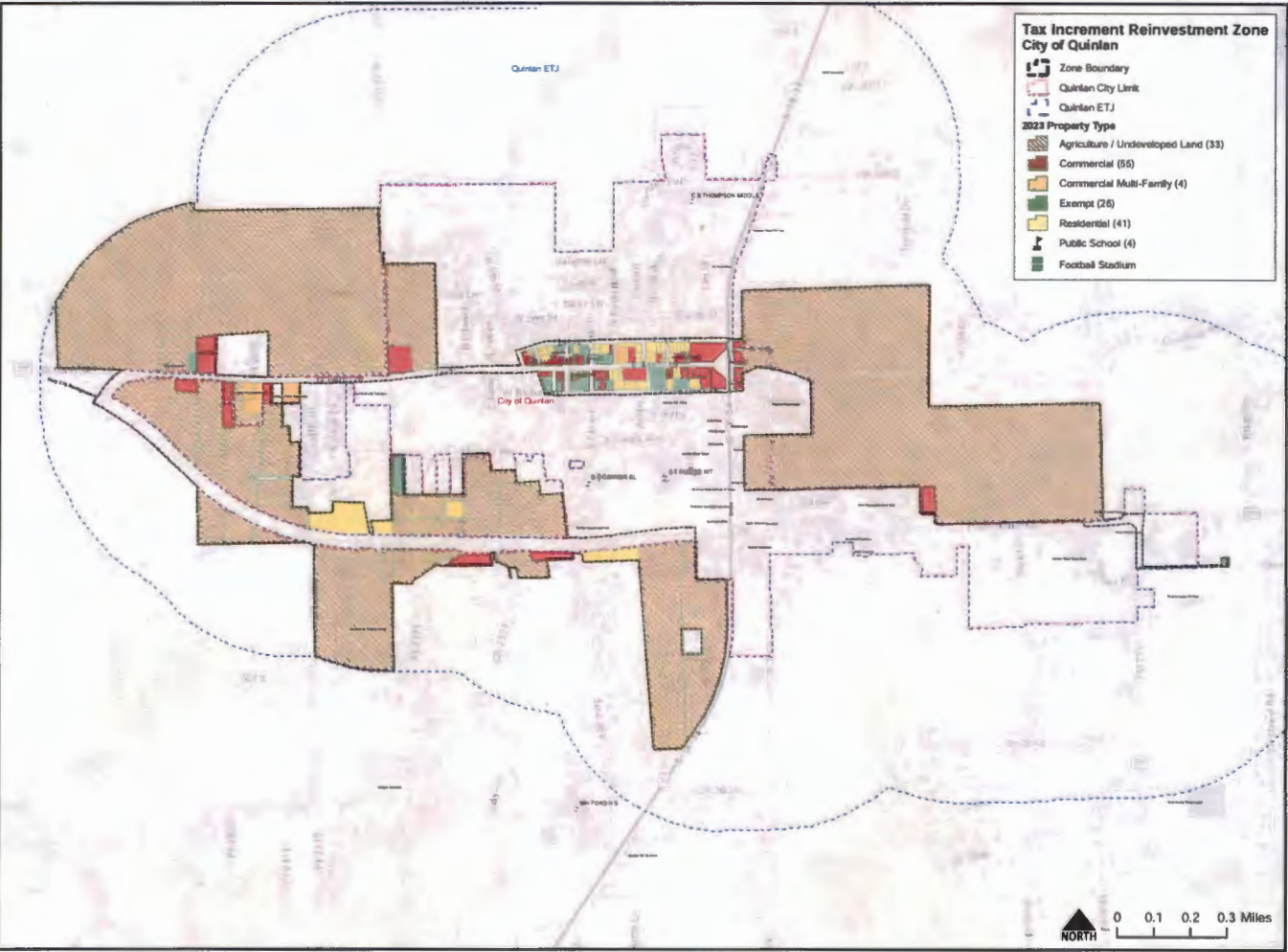


MAP 2

PROPOSED ZONE BOUNDARY - AERIAL

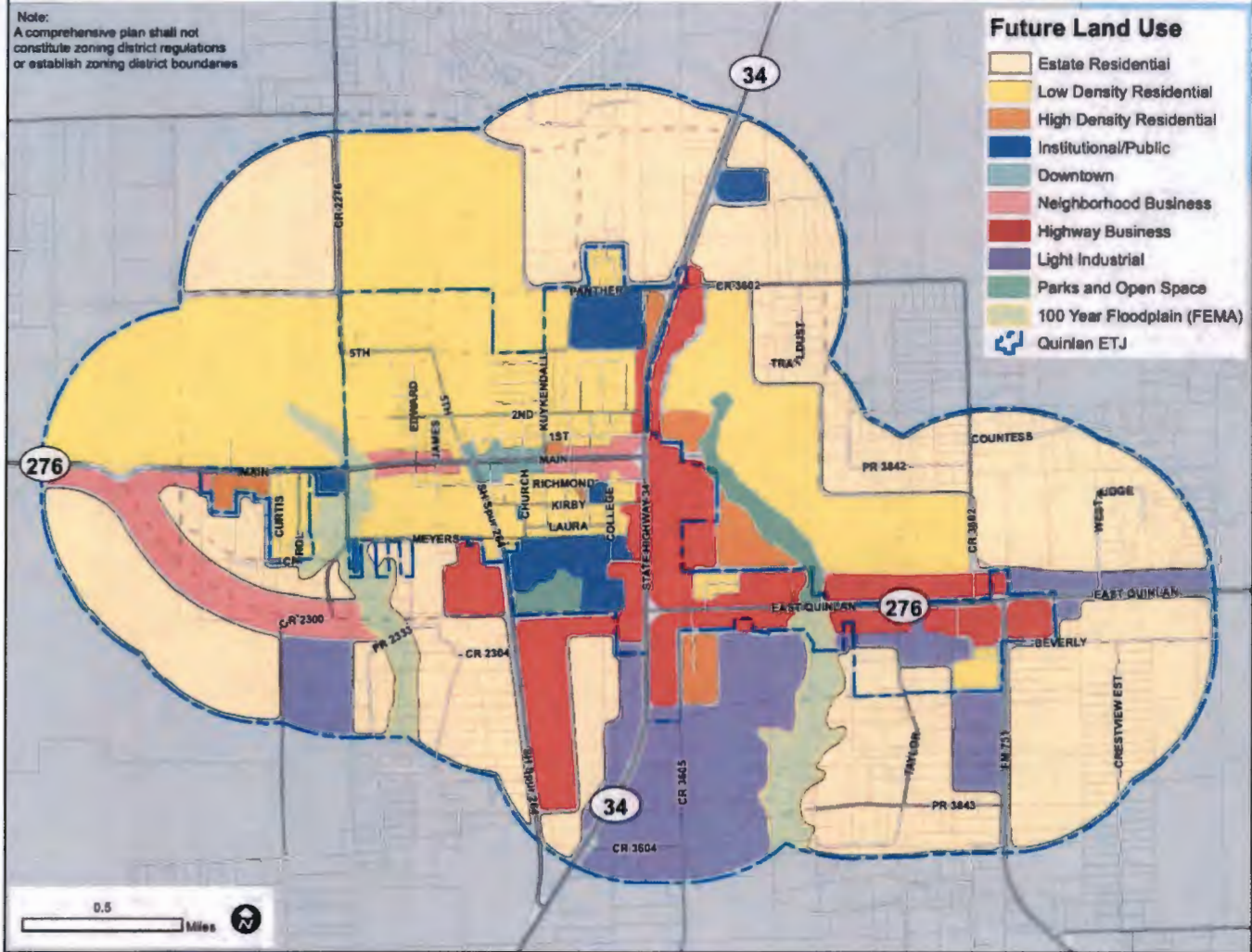


MAP 3 EXISTING PROPERTY CLASSIFICATION



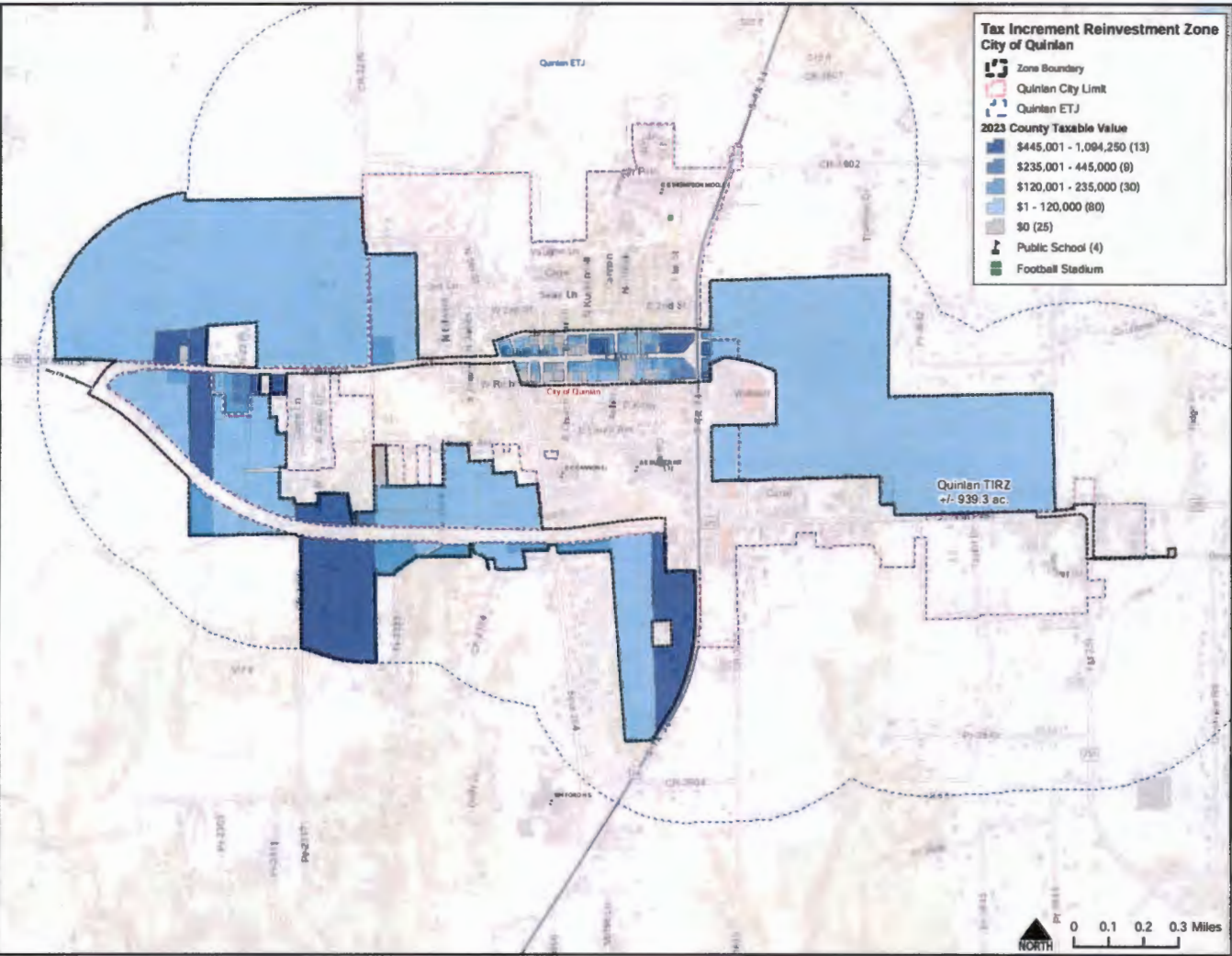
MAP 4 FUTURE LAND USES

Figure 10. Future Land Use Map

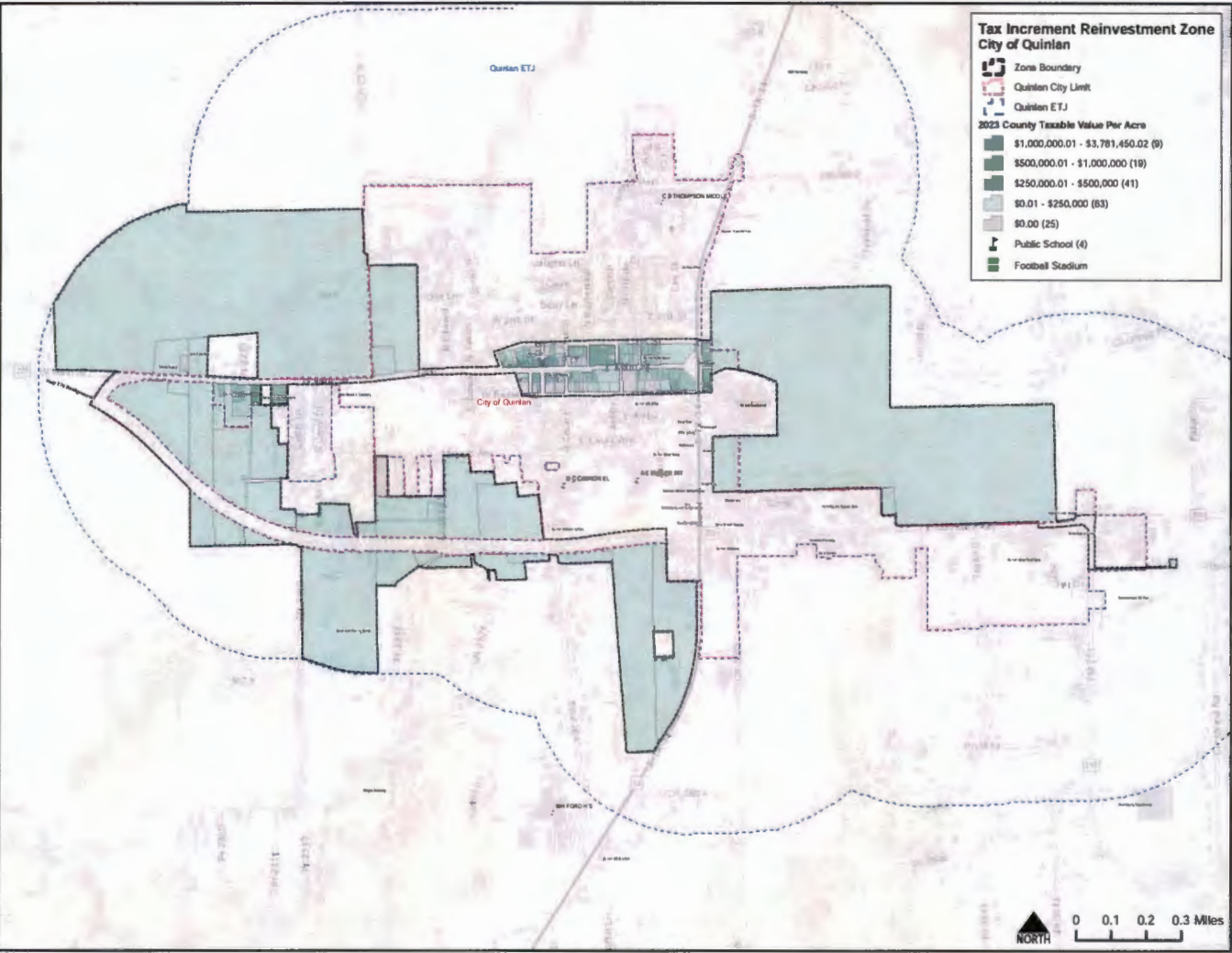


Source: 2020 Comprehensive Plan, City of Quinlan

MAP 5 TAXABLE VALUE



MAP 6 TAXABLE VALUE PER ACRE



MAP 7 FLOOD HAZARD AREAS

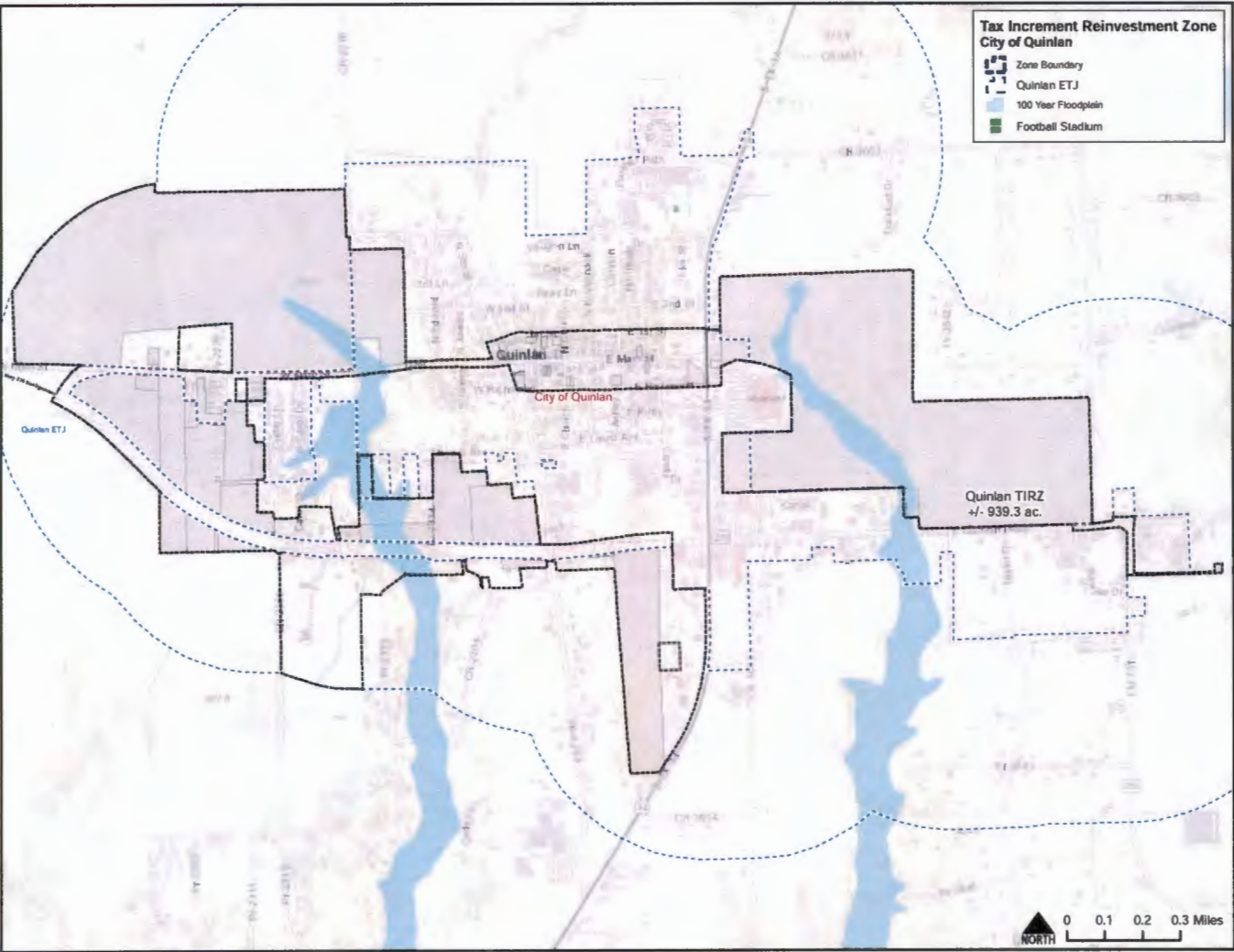


EXHIBIT B

REVENUE ANALYSIS

Projected Value & Revenue

Value & Revenue - Quinlan TIRZ

Projected Assessed Valuation				Projected Revenue												
Tax Year	Base Year Valuation	Projected Valuation	Captured Value (Increment)	Tax Year	Coll Year	City Revenues	Cumulative	City TIRZ Participation (70%)	County Revenues	Cumulative	County TIRZ Participation (50%)	Hospital District Revenues	Cumulative	Hospital District TIRZ Participation (50%)	Total TIRZ Revenues	Cumulative TIRZ Revenues
2024	\$ 20,604,616	\$ 20,604,616	\$ -	2024	2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	\$ 20,604,616	\$ 21,222,754	\$ 618,138	2025	2026	\$ 2,690	\$ 2,690	\$ 1,883	\$ 2,035	\$ 2,035	\$ 1,018	\$ 1,198	\$ 1,198	\$ 599	\$ 3,500	\$ 3,500
2026	\$ 20,604,616	\$ 21,859,437	\$ 1,254,821	2026	2027	\$ 5,460	\$ 8,150	\$ 3,822	\$ 4,132	\$ 6,167	\$ 2,066	\$ 2,432	\$ 3,630	\$ 1,216	\$ 7,104	\$ 10,604
2027	\$ 20,604,616	\$ 26,415,220	\$ 5,810,604	2027	2028	\$ 25,283	\$ 33,433	\$ 17,698	\$ 19,133	\$ 25,300	\$ 9,567	\$ 11,263	\$ 14,894	\$ 5,632	\$ 32,896	\$ 43,500
2028	\$ 20,604,616	\$ 27,207,677	\$ 6,603,061	2028	2029	\$ 28,731	\$ 62,164	\$ 20,112	\$ 21,743	\$ 47,043	\$ 10,871	\$ 12,799	\$ 27,693	\$ 6,400	\$ 37,383	\$ 80,883
2029	\$ 20,604,616	\$ 28,023,907	\$ 7,419,291	2029	2030	\$ 32,283	\$ 94,447	\$ 22,598	\$ 24,430	\$ 71,473	\$ 12,215	\$ 14,381	\$ 42,074	\$ 7,191	\$ 42,004	\$ 122,886
2030	\$ 20,604,616	\$ 148,599,624	\$ 127,995,008	2030	2031	\$ 556,932	\$ 651,379	\$ 389,852	\$ 421,462	\$ 492,935	\$ 210,731	\$ 248,101	\$ 290,175	\$ 124,050	\$ 724,634	\$ 847,520
2031	\$ 20,604,616	\$ 153,057,613	\$ 132,452,997	2031	2032	\$ 576,329	\$ 1,227,708	\$ 403,431	\$ 436,141	\$ 929,076	\$ 218,071	\$ 256,742	\$ 546,916	\$ 128,371	\$ 749,872	\$ 1,597,392
2032	\$ 20,604,616	\$ 173,649,341	\$ 153,044,725	2032	2033	\$ 665,928	\$ 1,893,636	\$ 466,150	\$ 503,946	\$ 1,433,022	\$ 251,973	\$ 296,656	\$ 843,572	\$ 148,328	\$ 866,451	\$ 2,463,843
2033	\$ 20,604,616	\$ 178,858,822	\$ 158,254,206	2033	2034	\$ 688,596	\$ 2,582,232	\$ 482,017	\$ 521,099	\$ 1,954,122	\$ 260,550	\$ 306,754	\$ 1,150,326	\$ 153,377	\$ 895,944	\$ 3,359,786
2034	\$ 20,604,616	\$ 184,224,586	\$ 163,619,970	2034	2035	\$ 711,943	\$ 3,294,175	\$ 498,360	\$ 538,768	\$ 2,492,889	\$ 269,384	\$ 317,155	\$ 1,467,481	\$ 158,577	\$ 926,322	\$ 4,286,108
2035	\$ 20,604,616	\$ 208,401,324	\$ 187,796,708	2035	2036	\$ 817,141	\$ 4,111,316	\$ 571,999	\$ 618,377	\$ 3,111,266	\$ 309,188	\$ 364,018	\$ 1,831,499	\$ 182,009	\$ 1,063,196	\$ 5,349,304
2036	\$ 20,604,616	\$ 214,653,364	\$ 194,048,748	2036	2037	\$ 844,345	\$ 4,955,661	\$ 591,041	\$ 638,964	\$ 3,750,230	\$ 319,482	\$ 376,137	\$ 2,207,635	\$ 188,068	\$ 1,098,592	\$ 6,447,896
2037	\$ 20,604,616	\$ 239,742,965	\$ 219,138,349	2037	2038	\$ 953,515	\$ 5,909,176	\$ 667,460	\$ 721,579	\$ 4,471,809	\$ 360,789	\$ 424,769	\$ 2,632,405	\$ 212,385	\$ 1,240,634	\$ 7,688,530
2038	\$ 20,604,616	\$ 246,935,254	\$ 226,330,638	2038	2039	\$ 984,810	\$ 6,893,986	\$ 689,367	\$ 745,262	\$ 5,217,070	\$ 372,631	\$ 438,711	\$ 3,071,115	\$ 219,355	\$ 1,281,353	\$ 8,969,883
2039	\$ 20,604,616	\$ 254,343,311	\$ 233,738,695	2039	2040	\$ 1,017,044	\$ 7,911,030	\$ 711,931	\$ 769,655	\$ 5,986,725	\$ 384,827	\$ 453,070	\$ 3,524,186	\$ 226,535	\$ 1,323,293	\$ 10,293,176
2040	\$ 20,604,616	\$ 338,573,610	\$ 317,968,994	2040	2041	\$ 1,383,547	\$ 9,294,576	\$ 968,483	\$ 1,047,008	\$ 7,033,733	\$ 523,504	\$ 616,339	\$ 4,140,524	\$ 308,169	\$ 1,800,156	\$ 12,093,332
2041	\$ 20,604,616	\$ 348,730,819	\$ 328,126,203	2041	2042	\$ 1,427,743	\$ 10,722,319	\$ 999,420	\$ 1,080,454	\$ 8,114,187	\$ 540,227	\$ 636,027	\$ 4,776,552	\$ 318,014	\$ 1,857,661	\$ 13,950,993
2042	\$ 20,604,616	\$ 359,192,743	\$ 338,588,127	2042	2043	\$ 1,473,265	\$ 12,195,584	\$ 1,031,285	\$ 1,114,903	\$ 9,229,090	\$ 557,451	\$ 656,306	\$ 5,432,858	\$ 328,153	\$ 1,916,890	\$ 15,867,883
2043	\$ 20,604,616	\$ 369,968,526	\$ 349,363,910	2043	2044	\$ 1,520,152	\$ 13,715,736	\$ 1,064,107	\$ 1,150,385	\$ 10,379,476	\$ 575,193	\$ 677,194	\$ 6,110,051	\$ 338,597	\$ 1,977,896	\$ 17,845,779
2044	\$ 20,604,616	\$ 381,067,581	\$ 360,462,965	2044	2045	\$ 1,568,446	\$ 15,284,182	\$ 1,097,913	\$ 1,186,932	\$ 11,566,408	\$ 593,466	\$ 698,708	\$ 6,808,759	\$ 349,354	\$ 2,040,733	\$ 19,886,511
2045	\$ 20,604,616	\$ 420,537,109	\$ 399,932,493	2045	2046	\$ 1,740,186	\$ 17,024,369	\$ 1,218,130	\$ 1,316,898	\$ 12,883,306	\$ 658,449	\$ 775,214	\$ 7,583,973	\$ 387,607	\$ 2,264,186	\$ 22,150,698
2046	\$ 20,604,616	\$ 433,153,222	\$ 412,548,606	2046	2047	\$ 1,795,081	\$ 18,819,450	\$ 1,256,557	\$ 1,358,440	\$ 14,241,746	\$ 679,220	\$ 799,668	\$ 8,383,641	\$ 399,834	\$ 2,335,611	\$ 24,486,309
2047	\$ 20,604,616	\$ 446,147,819	\$ 425,543,203	2047	2048	\$ 1,851,624	\$ 20,671,074	\$ 1,296,137	\$ 1,401,229	\$ 15,642,975	\$ 700,614	\$ 824,857	\$ 9,208,498	\$ 412,428	\$ 2,409,179	\$ 26,895,488
2048	\$ 20,604,616	\$ 459,532,253	\$ 438,927,637	2048	2049	\$ 1,909,862	\$ 22,580,936	\$ 1,336,903	\$ 1,445,301	\$ 17,088,276	\$ 722,650	\$ 850,800	\$ 10,059,298	\$ 425,400	\$ 2,484,954	\$ 29,380,442
2049	\$ 20,604,616	\$ 473,318,221	\$ 452,713,605	2049	2050	\$ 1,969,847	\$ 24,550,783	\$ 1,378,893	\$ 1,490,695	\$ 18,578,971	\$ 745,348	\$ 877,523	\$ 10,936,821	\$ 438,761	\$ 2,563,002	\$ 31,943,444
2050	\$ 20,604,616	\$ 487,517,768	\$ 466,913,152	2050	2051	\$ 2,031,633	\$ 26,582,416	\$ 1,422,143	\$ 1,537,452	\$ 20,116,423	\$ 768,726	\$ 905,047	\$ 11,841,867	\$ 452,523	\$ 2,643,392	\$ 34,586,836
2051	\$ 20,604,616	\$ 502,143,301	\$ 481,538,685	2051	2052	\$ 2,095,271	\$ 28,677,687	\$ 1,466,690	\$ 1,585,611	\$ 21,702,033	\$ 792,805	\$ 933,396	\$ 12,775,264	\$ 466,698	\$ 2,726,193	\$ 37,313,029
2052	\$ 20,604,616	\$ 517,207,600	\$ 496,602,984	2052	2053	\$ 2,160,819	\$ 30,838,506	\$ 1,512,573	\$ 1,635,214	\$ 23,337,248	\$ 817,607	\$ 962,596	\$ 13,737,860	\$ 481,298	\$ 2,811,478	\$ 40,124,508
2053	\$ 20,604,616	\$ 532,723,828	\$ 512,119,212	2053	2054	\$ 2,228,333	\$ 33,066,839	\$ 1,559,833	\$ 1,686,306	\$ 25,023,554	\$ 843,153	\$ 992,672	\$ 14,730,532	\$ 496,336	\$ 2,899,322	\$ 43,023,830
2054	\$ 20,604,616	\$ 548,705,542	\$ 528,100,926	2054	2055	\$ 2,297,873	\$ 35,364,712	\$ 1,608,511	\$ 1,738,931	\$ 26,762,484	\$ 869,465	\$ 1,023,651	\$ 15,754,183	\$ 511,825	\$ 2,989,802	\$ 46,013,632
						\$ 35,364,712		\$ 24,755,298	\$ 26,762,484		\$ 13,381,242	\$ 15,754,183		\$ 7,877,091	\$ 46,013,632	

Notes / Assumptions:

- 2024 Base Year Valuation is estimated based on 2023 Taxable Value. Actual 2024 Base Year Valuation will be determined once certified by the Appraisal District
- Revenues are based on most recent certified tax rate (2023)
- Based on Developer's Proforma v. 25 07-18-24. No value / credit given for developed lots; select commercial tracts removed (Tract 2(A), Tract 7, Tract 8, Tract 11); Quinlan Ranch Residential & Multifamily reduced by 50%
- 3% annual value growth assumed
- 98% tax collection rate assumed
- Quinlan is participating at 70%; Hunt County at Memorial Hospital District are participating at 50%

EXHIBIT C

EXISTING CONDITIONS & FEASIBILITY

INTRODUCTION

Tax Increment Reinvestment Zones are governed by Chapter 311 of the Texas Tax Code and are created by cities and counties to support development and/or redevelopment of areas that would not otherwise occur in the foreseeable future. There are a number of conditions under which a reinvestment zone can be created, including conditions that impair the growth of the city, retard the provision of housing, or constitute an economic or social liability as a result of inadequate sidewalk or street layout, faulty lot layout, deterioration of site or other improvements, or being predominately open or undeveloped land with limited infrastructure.

This document outlines the existing conditions of the proposed Zone and assesses the feasibility and appropriateness of using a tool like tax increment reinvestment zone financing to meet Quinlan's objectives as they relate to catalyzing investment and new development within the city.



PROCESS

Evaluating whether a Tax Increment Reinvestment Zone is a viable financing tool for Quinlan in spurring new development and investment will involve understanding the community's needs and looking at the opportunities for investment as a result of public improvements.

01. COMMUNITY OVERVIEW



A snapshot of the current demographic, socioeconomic, and market conditions in the community.

02. EXISTING CONDITIONS



An understanding of the community's existing physical conditions.

03. PROPOSED TIRZ BOUNDARIES



Identification of proposed TIRZ boundaries to address all identified community needs and opportunities.

04. PROJECTS



Identification of potential capital improvement projects eligible by statute within the proposed Zone.

05. REVENUE SCENARIOS



Analysis of various revenue scenarios and resulting impacts on Tax Increment Reinvestment Zone revenue.

06. TIRZ FEASIBILITY



Determination of feasibility of a TIRZ based on projected revenues and the ability of the Zone to fund infrastructure projects.

COMMUNITY OVERVIEW

Hawes Hill & Associates conducted an analysis of the demographic and socioeconomic makeup of the City of Quinlan to fully understand its current patterns, trends, and needs. For comparison, data was also pulled for Hunt County in its entirety.¹

Note 1: All references to “county” within this document refer to Hunt County.

Population & Households

Quinlan has an estimated population of 1,414 residents, up just over 4% since 2010. The area’s Daytime Population is nearly 181% that of its overall population versus roughly 94% seen by the county, indicating a significant inflow of workers during business hours.

Average household and family size within the city are 2.65 and 3.21, both marginally smaller than those within the county. Its households primarily include married couples either with no children or no children remaining at home.

2023 REGIONAL POPULATION CHARACTERISTICS

	Quinlan	Hunt County
Population	1,414	105,202
Daytime Population	2,555	99,027
Workers	1,848	42,707
Residents	707	56,320
Households	533	38,120
Avg. Household Size	2.65	2.68
Families	348	26,129
Avg. Family Size	3.21	3.25

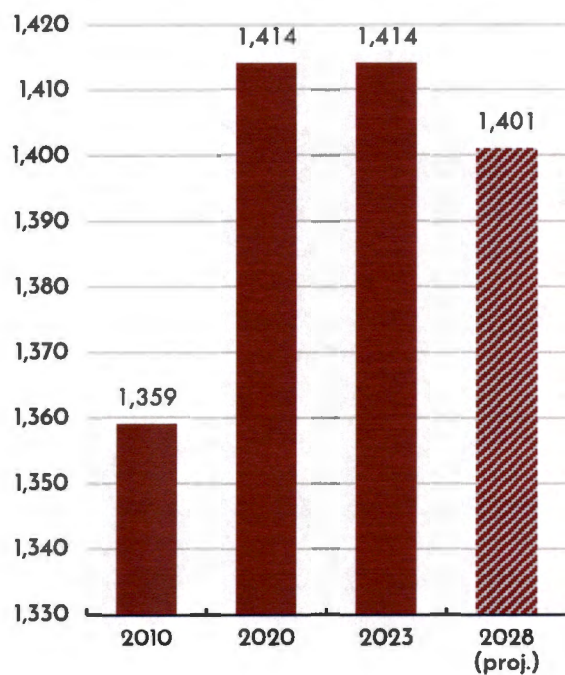
Source: Esri, 2024

COMMUNITY OVERVIEW

Area Growth

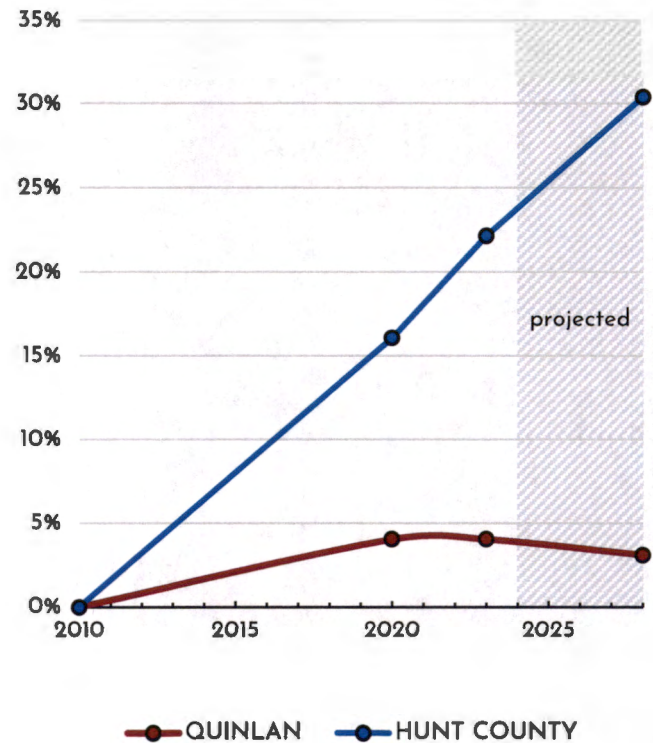
Without the aid of an economic development vehicle such as a TIRZ, Quinlan's growth is expected to stagnate in the years to come, with a marginal decrease in population of nearly 1% by 2028. During the same period, Hunt County's population is projected to grow by roughly 6.7%.

QUINLAN POPULATION OVER TIME



Source: Esri, 2024

REGIONAL POPULATION OVER TIME - INDEXED TO 2010



COMMUNITY OVERVIEW

Age & Race

With a median age of 41.2 years and 21% of residents under the age of 18, Quinlan has a slightly older population than Hunt County as a whole, which has a median age of 39.1 years and 22% of residents younger than 18. The child dependency ratio ("CDR") within the city, calculated as the ratio of the population under 18 years of age to the working age population aged 18 to 64, was 36.9% in 2023, coming in just below the county's CDR of 37%.

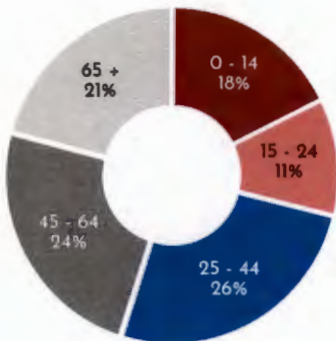
Quinlan has a majority White population, at 79% of all residents. Persons of Hispanic origin, who may be of any race, accounted for just over 18% of the city's population, 2% more than the relative number within the county, 20%.

Esri's Diversity Index, which measures the likelihood of two persons chosen at random from the same area belonging to different races or ethnic groups (wherein 0 indicates no diversity and 100 indicates complete diversity), measured 55.1 for the Study Area, indicating a lack of significant diversity within the community. The county, at 65.9, is marginally more racially and ethnically diverse.

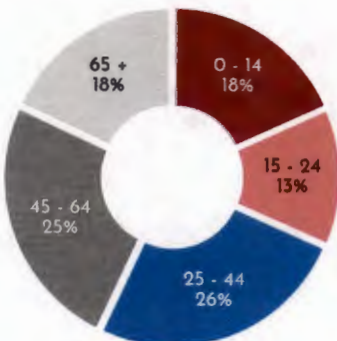
Source: Esri, 2024

Note: The "Other" race category includes American Indian or Alaskan Native, Native Hawaiian or other Pacific Islander, and any other race for persons who do not identify with one of the specified groups.

2023 POPULATION BY AGE

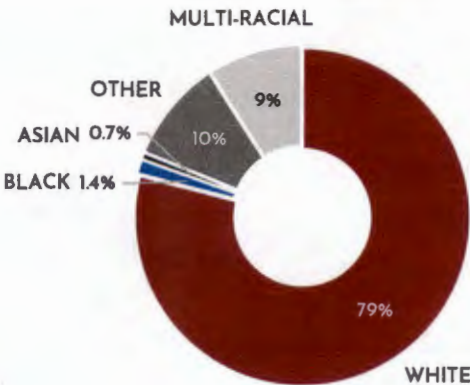


CITY OF QUINLAN

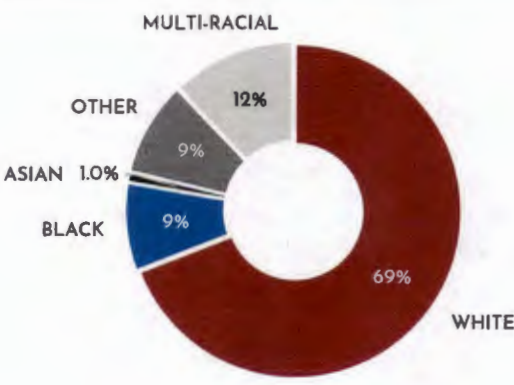


HUNT COUNTY

2023 POPULATION BY RACE



CITY OF QUINLAN

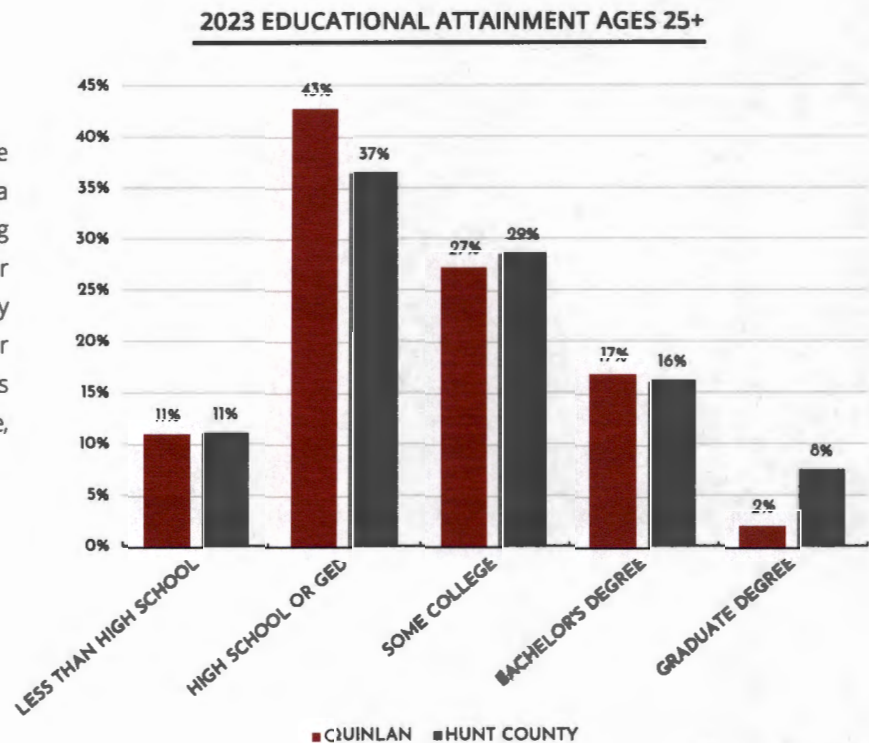


HUNT COUNTY

COMMUNITY OVERVIEW

Education

Within the City of Quinlan, 89.1% of the population aged 25 years or older has a high school degree or higher, just edging out the county's 88.8% capture rate for these education segments. Hunt County outperforms Quinlan in terms of higher education, with 24% of county residents holding at least a four-year college degree, versus 19% within the city.



Source: Esri, 2024

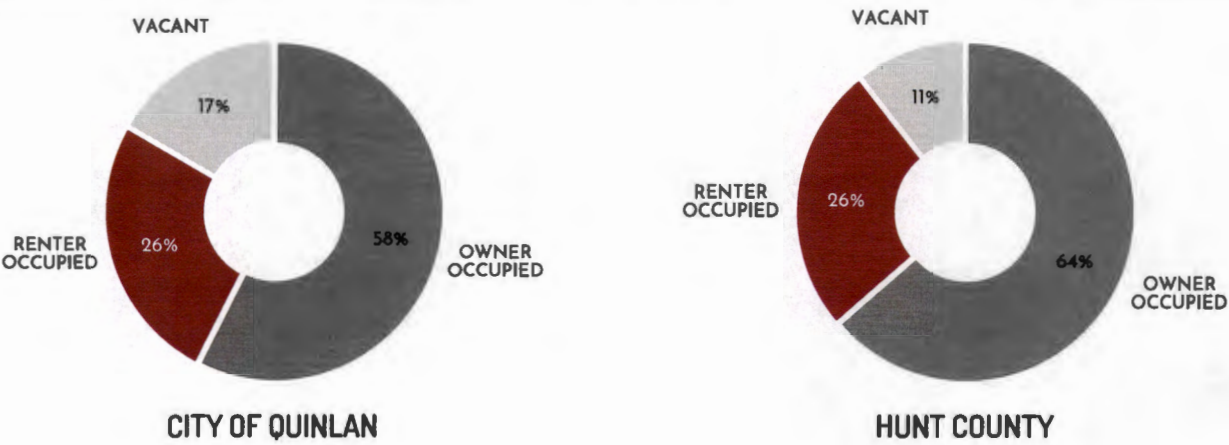
Housing

Housing within Quinlan predominately consists of single family residential units interspersed with mobile homes. The existing housing stock is 58% owner-occupied, less than the 64% owner-occupancy rate experienced by Hunt County.

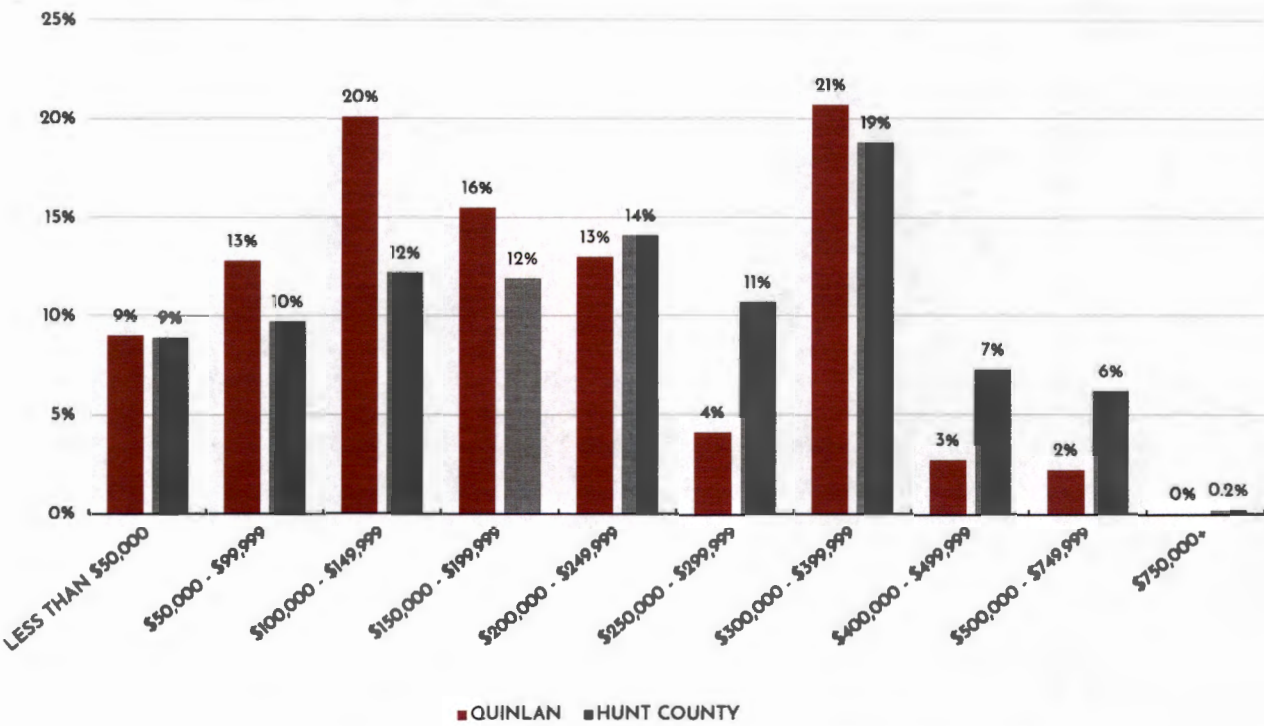
The median home value within the city is \$176,316, approximately 22% less than that of the Hunt County, at \$226,101. Similarly, median household income within Quinlan, at \$46,041, is 21% less than that seen within the county. Despite residents within the City of Quinlan earning less than those within the county as a whole, the lower homes prices make the city equally affordable to the local population. Households spend roughly 23% of their income on mortgage payments versus 23.4% within the overall county. Esri's Housing Affordability Index ranks Quinlan at 95, indicating that median household income is 5% lower than what is necessary to afford a home at the median value without being cost-burdened. Hunt County's index just edges out the city's, at 96.

COMMUNITY OVERVIEW

2023 HOUSING OCCUPANCY STATUS



2023 OWNER-OCCUPIED HOUSING BY VALUE



	Quinlan	Hunt County
Avg. Owner-Occupied Home Value	\$202,717	\$246,193

Source: Esri, 2024

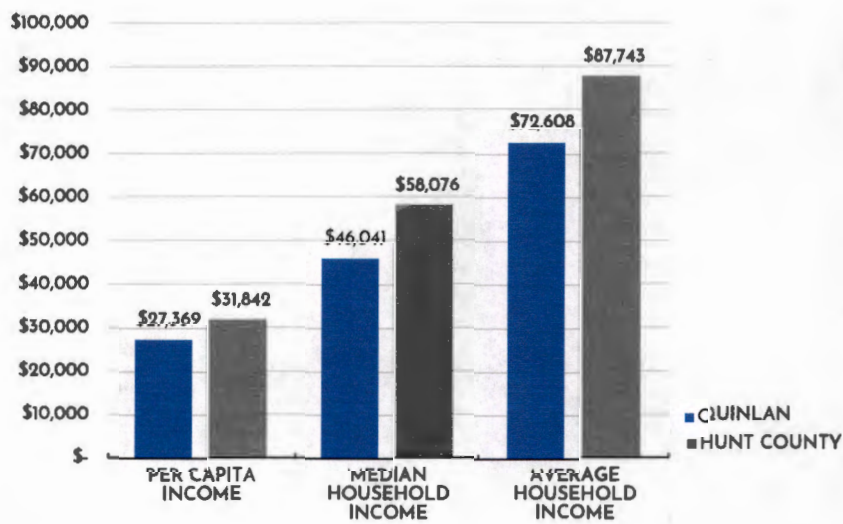
COMMUNITY OVERVIEW

Income

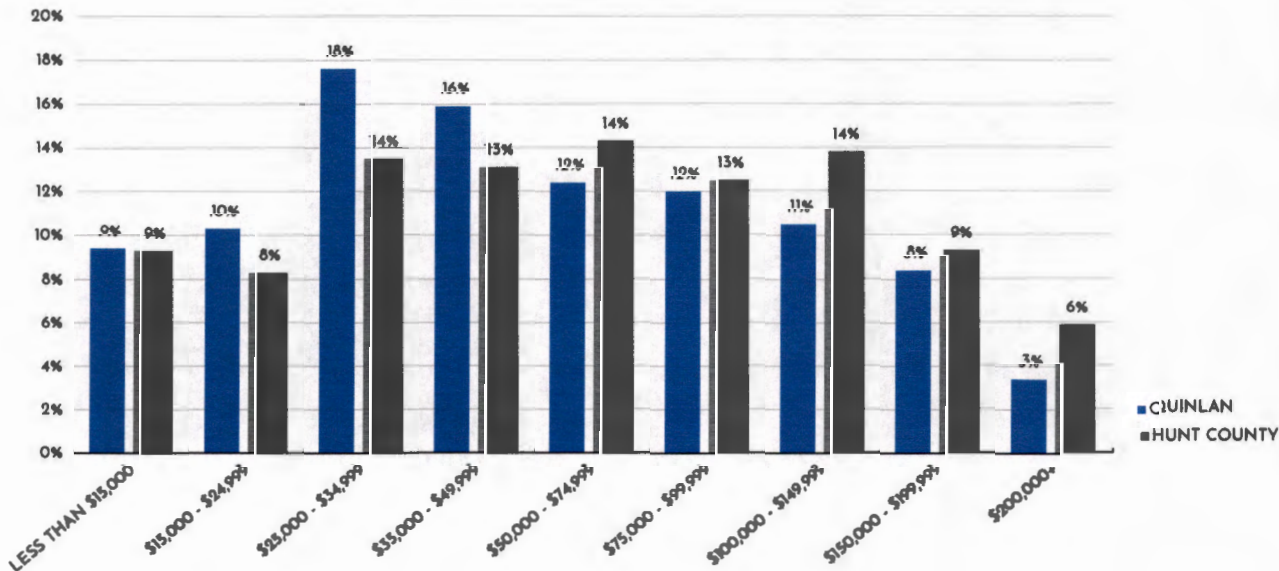
The City of Quinlan's per capita income is \$27,369, 14% less than that of Hunt County, while its average household income, \$72,608, is 17% less than the county's. The relatively lower household income can be attributed to fewer wage earners within Quinlan households.

Esri's Wealth Index measures the wealth of an area relative to the national level, where values exceeding 100 represent above-average wealth. The city has a Wealth Index of 58, or wealth 42% below the national average, while Hunt County rates considerably higher at 80.

2023 INCOME



2023 HOUSEHOLD INCOME BRACKETS



Source: Esri, 2024

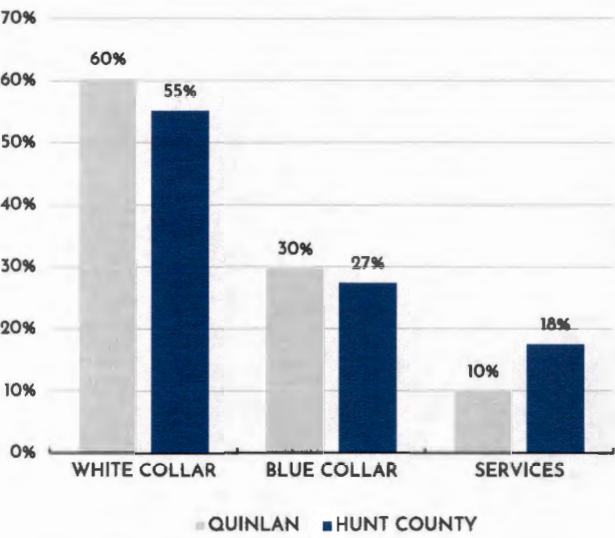
COMMUNITY OVERVIEW

Employment

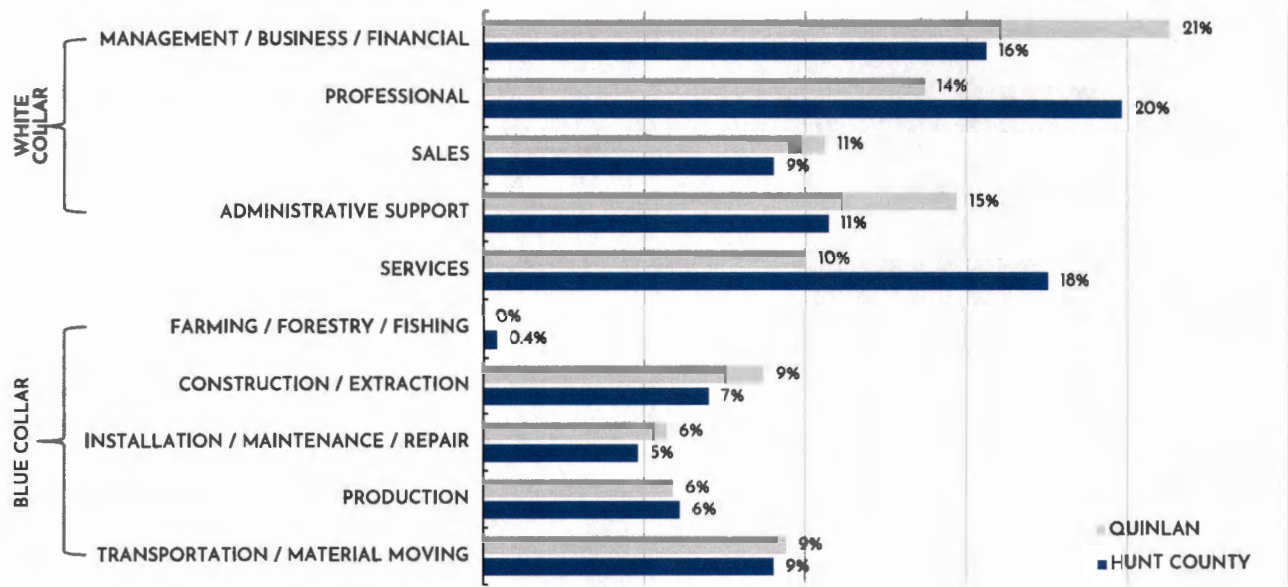
Quinlan currently has 680 residents aged 16+ engaged in the labor force, or 97.7% of the total population actively seeking employment. Hunt County's employment rate falls short of the city's, at a 95.7%

The workforce within Quinlan is relatively skilled, with more than 60% of its residents employed as White Collar workers. Hunt County's employment profile consists of less White Collar workers, at 55% of the workforce.

2023 EMPLOYED POPULATION 16+ BY CATEGORY



2023 EMPLOYED POPULATION 16+ BY CATEGORY - DETAILED



Source: Esri, 2024

Note: The Services employment category includes healthcare support, protective services, food preparation & serving, building & grounds cleaning & maintenance, and personal care & service occupations.

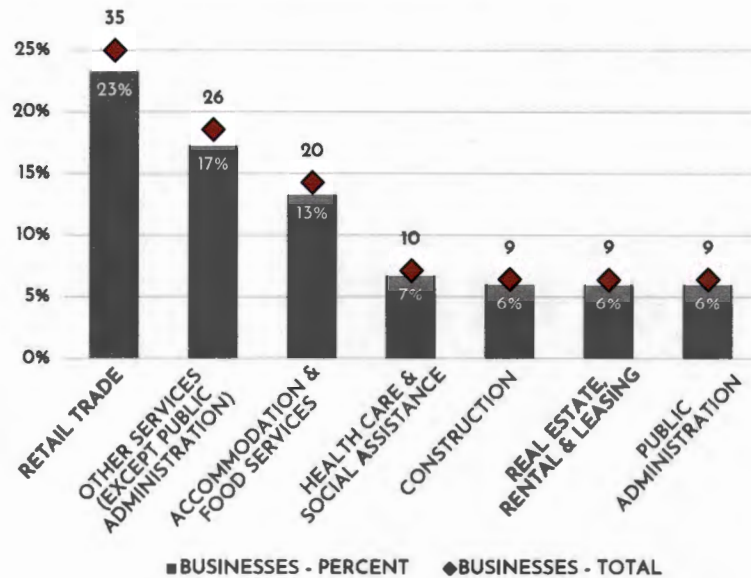
COMMUNITY OVERVIEW

Industry

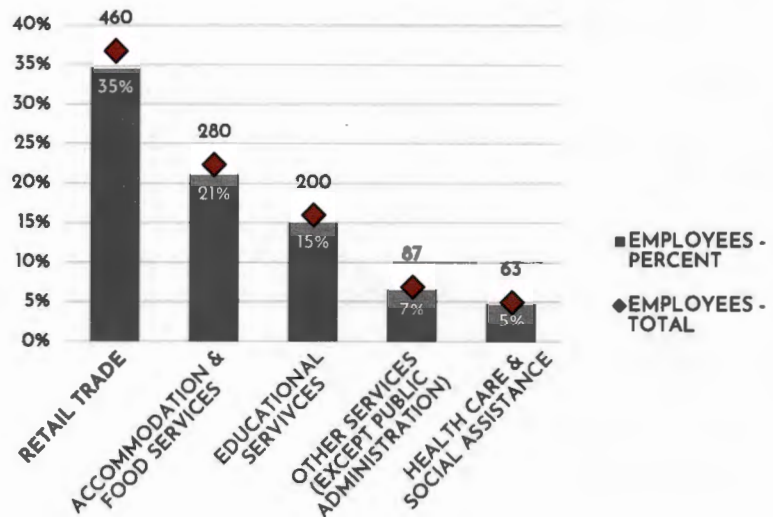
There are approximately 150 businesses in the City of Quinlan employing roughly 1,330 individuals. When looking at the overall number of businesses, Retail Trade, Other Services (except Public Administration), Accommodation & Food Services, Health Care & Social Assistance, Construction, Real Estate Rental & Leasing, and Public Administration make up the top 8 industry sectors; together, they account for nearly 79% of all city businesses.

Nearly 82% of Quinlan's employees, or roughly 1,090 individuals, work for establishments within the Retail Trade, Accommodation & Food Services, Educational Services, Other Services (except Public Administration), and Health Care & Social Assistance sectors.

2023 QUINLAN BUSINESSES BY INDUSTRY SECTOR - TOP 8



2023 QUINLAN EMPLOYEES BY INDUSTRY SECTOR - TOP 5

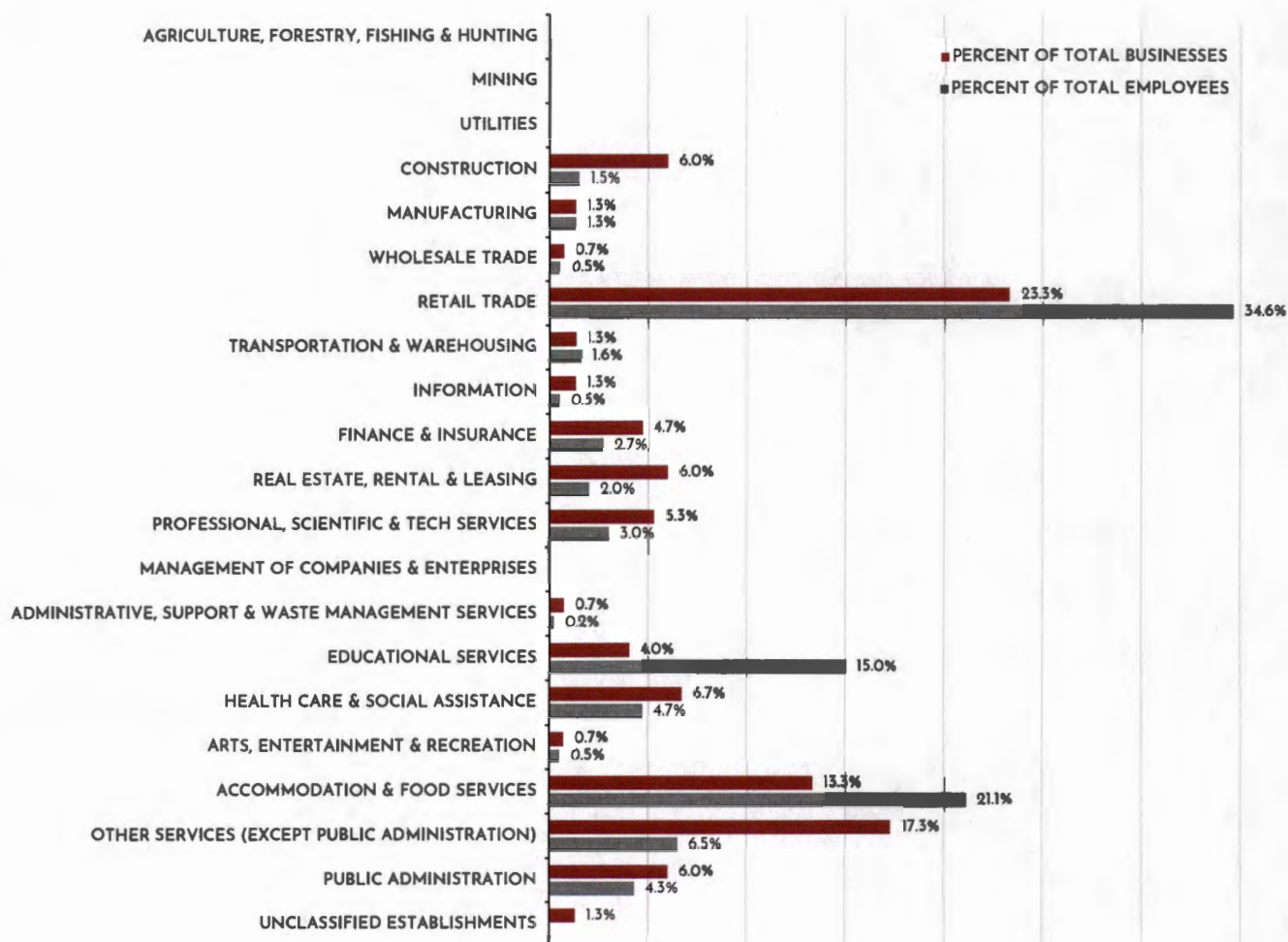


Source: Esri, 2024

Note: The U.S. Census Bureau's North American Industry Classification System ("NAICS") is the standard used by Federal statistical agencies in classifying business establishments. It is comprised of 20 broad industry sectors. Unclassified Establishments Include those businesses that did not report an NAICS code. These are mostly newer establishments and is a temporary assignment until such time as a specific type of business can be determined.

COMMUNITY OVERVIEW

2023 QUINLAN INDUSTRY SECTORS - BY BUSINESSES & EMPLOYEES



Source: Esri, 2024

COMMUNITY OVERVIEW

Tapestry Segmentation

Esri's Tapestry Segmentation provides a detailed description of America's neighborhoods – U.S. residential areas are divided into 67 distinctive segments based on their socioeconomic and demographic composition. This information provides a snapshot of the different households that dominate a neighborhood or community and allows for a better understanding of a household's behavioral traits and characteristics including information on lifestyle, habits, interests, spending patterns, and skill sets. The following table details the 3 segments that comprise 100% of Quinlan's households:

	Overview	Neighborhood Traits	Socioeconomic Traits
Southern Satellites (10A) 53.3%	Characterized as rural settlements near metropolitan areas, this market segment is typically slightly older, settled married-couple families who own their homes. Residents enjoy country living, preferring outdoor activities and DIY home projects.	<ul style="list-style-type: none"> • Married couples with no children at home are the dominant household type • Housing stock is 2/3 single family homes and 1/3 mobile homes, most built after 1970 • 78% of households are owned • Owning three vehicles or more is common 	<ul style="list-style-type: none"> • 45% have a college education • Labor force participation is 59.1%, slightly lower than the US • These consumers are more concerned with cost than quality / brand loyalty • A disproportionate amount of information is obtained from TV; they tend to be late in adapting to technology
	Median Age: 40.3 Diversity Index: 40.1	Average HH Size: 2.67	Median HH Income: \$47,800
Rooted Rural (10B) 44.3%	These residents live in many of the heavily forested regions of the country and enjoy time spent outdoors hunting, fishing, or gardening. These communities are heavily influenced by religious faith and family history.	<ul style="list-style-type: none"> • Market is dominated by married couples, few with children at home • Housing stock is 3/4 single family homes and 1/4 mobile homes • 80% of homes are owner occupied, with 20% vacant - many for seasonal use • Over 1/2 of homes are valued < \$100,000 	<ul style="list-style-type: none"> • Residents look for American-made and generic products, using coupons often • The do-it-yourself mentality prevails, from growing produce to working on autos • Computers and cell phones are often found to be confusing, and bills are often paid in person
	Median Age: 45.2 Diversity Index: 29.2	Average HH Size: 2.48	Median HH Income: \$42,300
Rural Bypasses (10E) 2.4%	These families live in small towns along country back roads and enjoy a country lifestyle focused on the outdoors, gardening, hunting, and fishing. Those who are not yet retired often work in blue-collar jobs in the agricultural or manufacturing industries.	<ul style="list-style-type: none"> • This is an older market, with more married couples without children and single households • Most residents own single-family homes or mobile homes, most built from 1970 to 1989 • Vacancy is high due to seasonal housing 	<ul style="list-style-type: none"> • Almost 25% have not finished high school; 11% have a bachelor's degree or higher • Labor force participation is low at 47% • Income is often supplemented with Social Security • Religion and faith are central • TV, not internet, keeps people informed
	Median Age: 40.4 Diversity Index: 60.5	Average HH Size: 2.55	Median HH Income: \$33,000

Source: Esri, 2024

Note: These segments make up 31% of Hunt County households.

EXISTING CONDITIONS

Hawes Hill & Associates conducted a review of existing conditions in the area through windshield surveys, review of previous plans and studies, and data analysis to identify specific conditions that would benefit from a TIRZ. Results of the existing conditions review show that there are conditions present within the proposed Zone that impede the sound growth of the area, as well as its ability to reach its full economic potential and support new development and redevelopment. These conditions include the following:

Water & Wastewater

Quinlan currently purchases wholesale water from Cash SUD, whose CCN is located to the northwest of the city, and is in negotiations to acquire additional needed capacity from Combined Consumers SUD, located to the south and east. In addition to addressing capacity issues, new development within the proposed Zone will require improvement and/or extension of distribution lines along State Highway 276 bypass and other nearby roadways, and the addition of a storage tank to satisfy water volume and pressure needs.

The City owns and operates a wastewater treatment plant permitted for 300,000 gallons per day. Contemplated development within the TIRZ would exceed existing capacity, requiring either an expansion of the existing plant, if feasible, or the construction of a new, larger plant. Improvements to existing appurtenant infrastructure, including but not limited to existing sewer mains and lift stations, may also be required to accommodate increased demand.

Given that much of the land within the Zone is currently undeveloped, significant investment into new water and wastewater facilities will be required in addition to the improvement of the existing trunk infrastructure noted above.



EXISTING CONDITIONS

Mobility & Connectivity

The Zone is served by three principal arterial roadways. Main Street bisects the Zone from east to west, the recently completed State Highway 276 bypass abuts the southern edge of the Zone, and State Highway 34, a north-south thoroughfare, bisects the heart of the Zone. Apart from these arteries, the Zone contains a street grid comprised of asphalt, open-ditch county roads and local streets of insufficient quantity and design to support future development / redevelopment patterns.

Since 2017, the Quinlan Economic Development Corporation ("QEDC"), in conjunction with other organizations and grant programs, has funded sidewalk improvements including beautification, lighting, and ADA accommodation on Main Street in Downtown Quinlan. These improvements currently extend from Epperson St. to Kuykendall St. Funding has been identified to extend the curbs, sidewalks, and ADA ramps from Kuykendall St. to State Highway 34.

Apart from these initiatives, neither pedestrian access nor multi-modal transportation is supported on any roadways within the Zone. Given that the area is predominately rural, as new commercial and residential development occur, roadways and other mobility connections such as pedestrian improvements, including trails, will be needed.



EXISTING CONDITIONS

Downtown Quinlan

Many of the historic downtown buildings within the Zone are badly deteriorated, creating unsafe and potentially unsanitary conditions. The QEDC administers a Facade Improvement Grant Program designed to promote a positive city image; however, this program only is limited to exterior improvements only and does not exceed \$10,000 per application. Significantly more investment may be required for structural repairs of deteriorated historic structures, where possible, or for new commercial construction.

The deteriorating and vacant commercial structures along Main Street negatively impact the perceived quality of life within the Zone, substantially impairing the area's ability to attract and expand investment.

In addition to aging buildings, aging infrastructure is impeding economic growth downtown. Mobility and safety improvements, including enhanced connections, are needed in and around the area in order to strengthen Downtown Quinlan as a destination and accommodate higher densities.



EXISTING CONDITIONS

Drainage & Floodway

Two major watercourses run roughly north-south through the Zone, Jones Creek (Tributary 2) to the west and an unnamed tributary to the east, providing discharge points for the network of existing roadside drainage swales and ditches that make up the city's stormwater system. Many of these drainage structures require maintenance; ditches are overgrown and often clogged with sediment, debris and refuse which could disrupt stormwater runoff.

Regulatory Floodway and 100 Year Floodplain are isolated to these two tributaries. Though relatively limited within the proposed Zone as a whole, they do impact developable acreage within its raw land tracts, particularly on the east side.

Onsite detention will be required for new development within the Zone, and modifications to existing downstream structures may be required.



EXISTING CONDITIONS

Underutilized & Vacant Land

Nearly all of the Zone, 777 acres or approximately 91% of its total acreage (excluding rights-of-way), is currently either undeveloped or being used for agricultural purposes. Such uses include farm / crop land, hay meadow, pasture, and wildlife management. Much of this is either proximal or directly adjacent to existing commercial development and the three principal arterial roadways in and around the Zone, Main Street, State Highway 276 bypass, and State Highway 34. While primary access afforded by these thoroughfares is generally advantageous for conversion to higher uses, the lack of consistent lot layout, ownership, or utility service present a barrier to potential redevelopment and/or development.

Development will be dependent upon public infrastructure improvements including water, wastewater, and drainage improvements, as well as additional local mobility improvements.



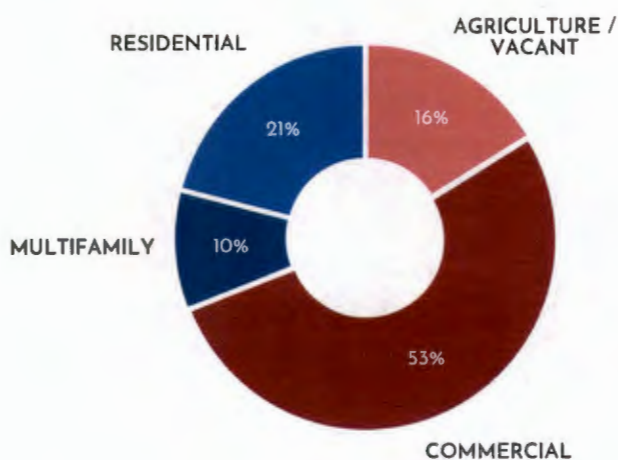
PROPOSED TIRZ BOUNDARIES

The proposed Zone is generally bounded by the northern property line of A0652 McAdams James, Tract 2, 1st Street, and the northern property line of A0826 Price Edmond, Tract 2-1 to the north, FM 3602 and FM 751 to the east, and Quinlan's Extraterritorial Jurisdiction and State Highway 276 bypass to the south and west.

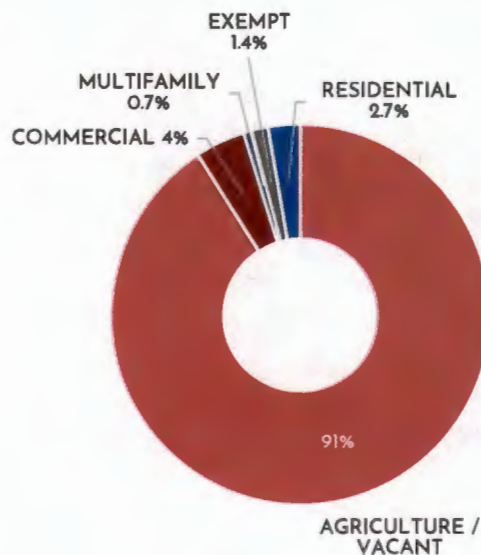
In identifying areas appropriate for tax increment financing and drafting the Zone boundary, the following were considered:

- Nearby corporate boundaries, as well as any special districts and service areas.
- 30% residential limit allowed by State Statute. No more than 30% of the taxable value of the proposed Zone may be classified as residential use at the time of creation.
- Areas that would generate significant increment through public improvements, such as underdeveloped properties and vacant areas needing infrastructure & mobility improvements, existing properties with low value per acre that could be converted to a higher use, and aging building / structures offering opportunities for redevelopment.
- Areas seeing development pressure that currently lack the necessary infrastructure to accommodate such pressure.
- Public facilities and spaces where improvements would enhance the economic viability of the area.

PROPERTY CLASSIFICATION BY 2023 TAXABLE VALUE

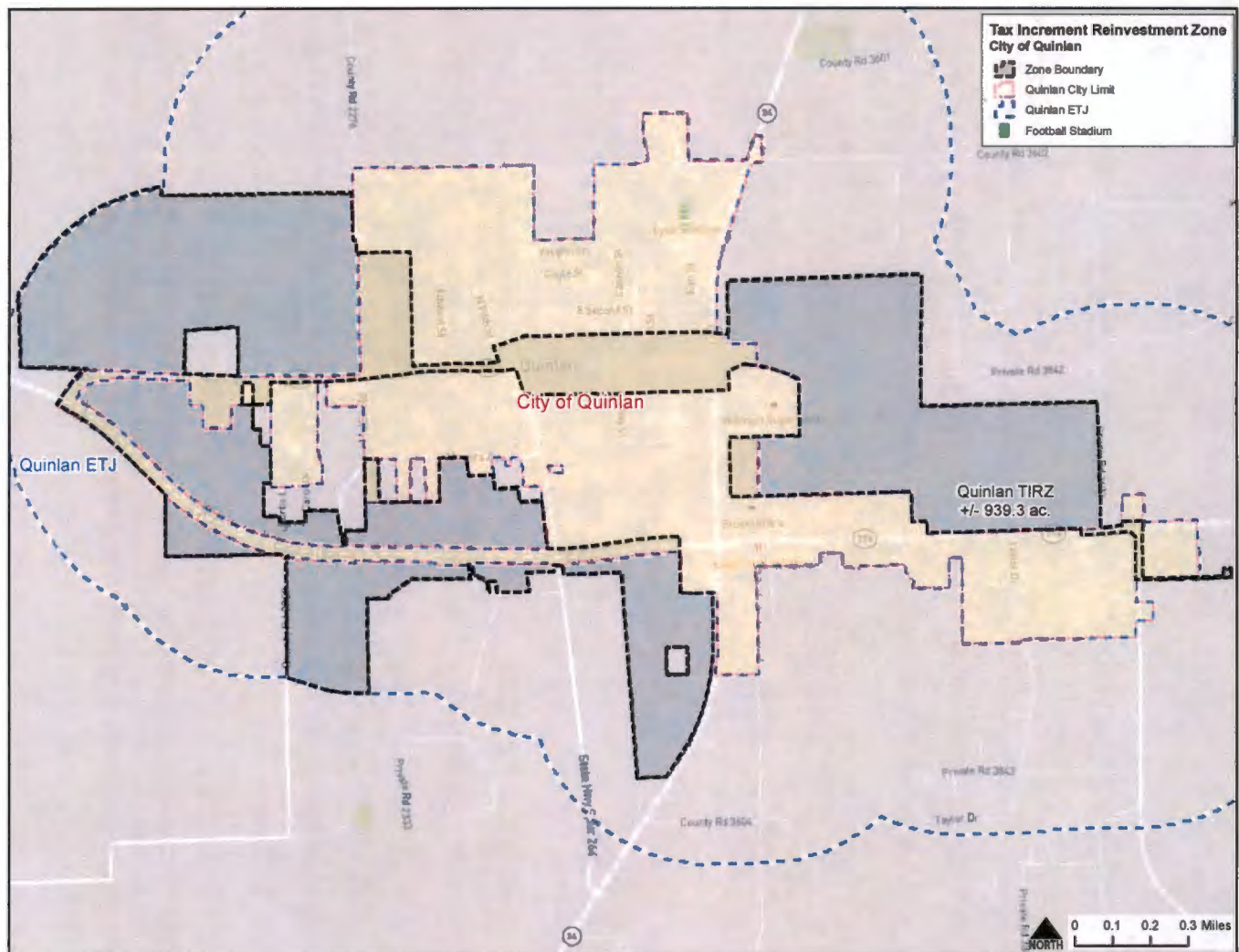


PROPERTY CLASSIFICATION BY 2023 ACREAGE



Source: Hunt County Appraisal District, 2023

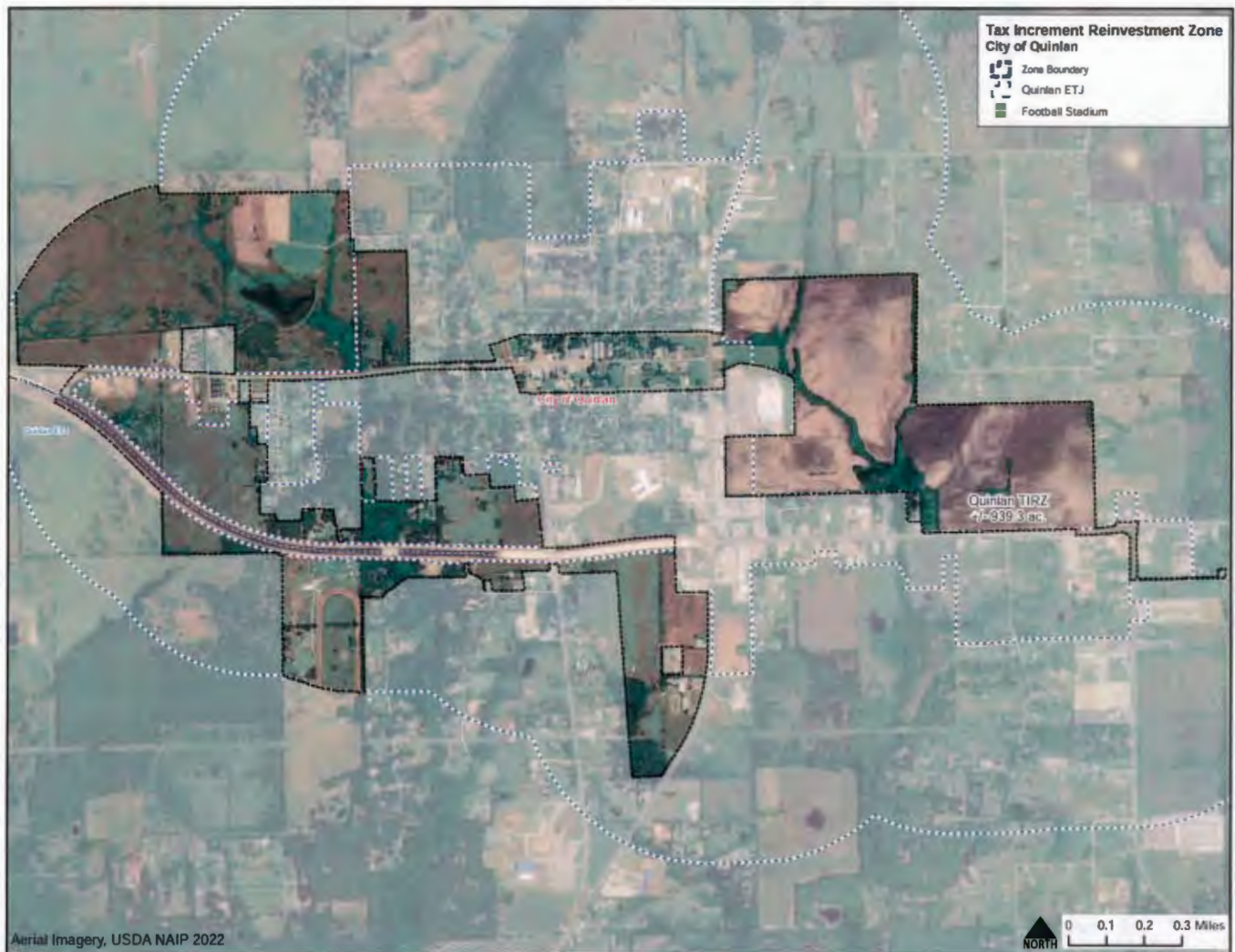
PROPOSED ZONE BOUNDARY



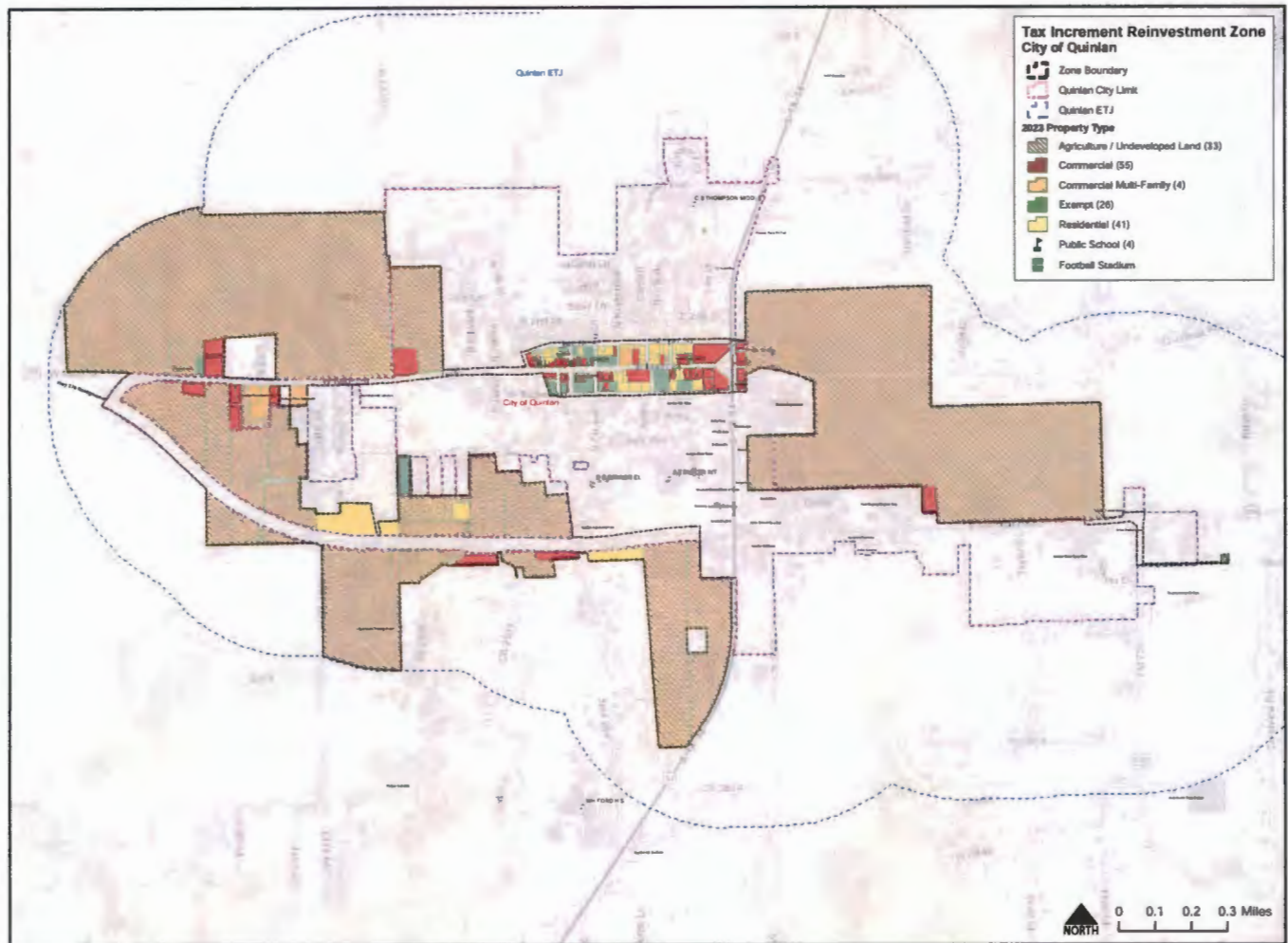
Approximate Acreage	Total	Percent
TIRZ area within City Limits	171	18%
TIRZ area within ETJ	768	82%
	939	100%

Source: Hunt County Appraisal District, 2023

PROPOSED ZONE BOUNDARY - AERIAL



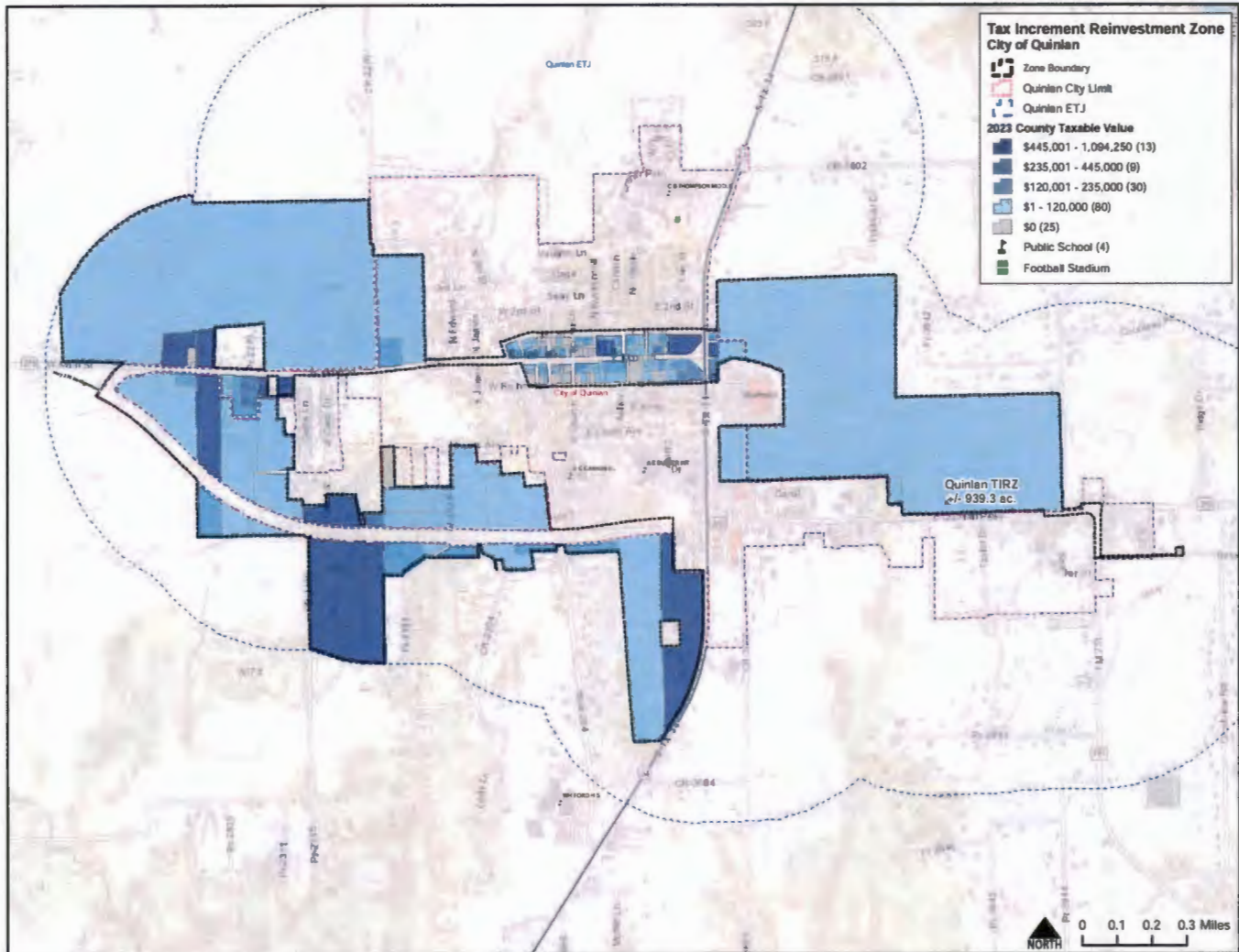
PROPERTY CLASSIFICATION



Property Classification	Acreage		2023 Taxable Value	
	Total	Percent	Total	Percent
Agricultural / Undeveloped Land	777.00	90.93%	\$3,348,279	16.25%
Commercial	36.37	4.26%	\$10,870,105	52.76%
Commercial Multi-Family	6.00	0.70%	\$2,071,350	10.05%
Exempt	11.87	1.39%	\$-	0.00%
Residential	23.28	2.72%	\$4,314,882	20.94%
	854.51	100.00%	\$20,604,616	100.00%

Source: Hunt County Appraisal District, 2023
Note: Right-of-way acreage excluded from table.

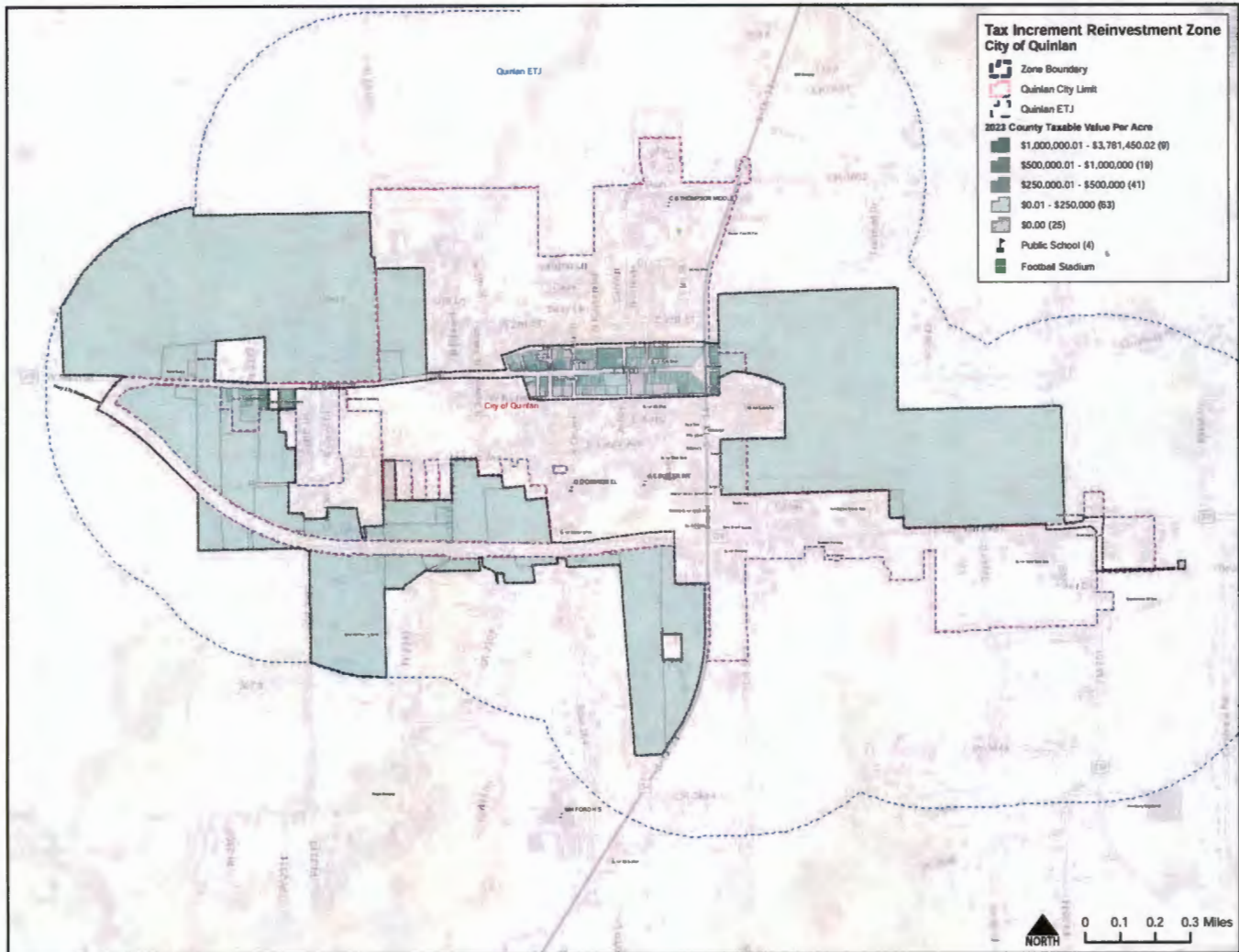
TAXABLE VALUE



Taxable Value Range per Property	Property Count	Total Taxable Value
\$445,001 - \$1,094,250	13	\$8,279,542
\$235,001 - \$445,000	9	\$2,881,704
\$120,001 - \$235,000	30	\$4,983,239
\$1 - \$120,000	80	\$4,460,131
\$0	25	-
	157	\$20,604,616

Source: Hunt County Appraisal District, 2023

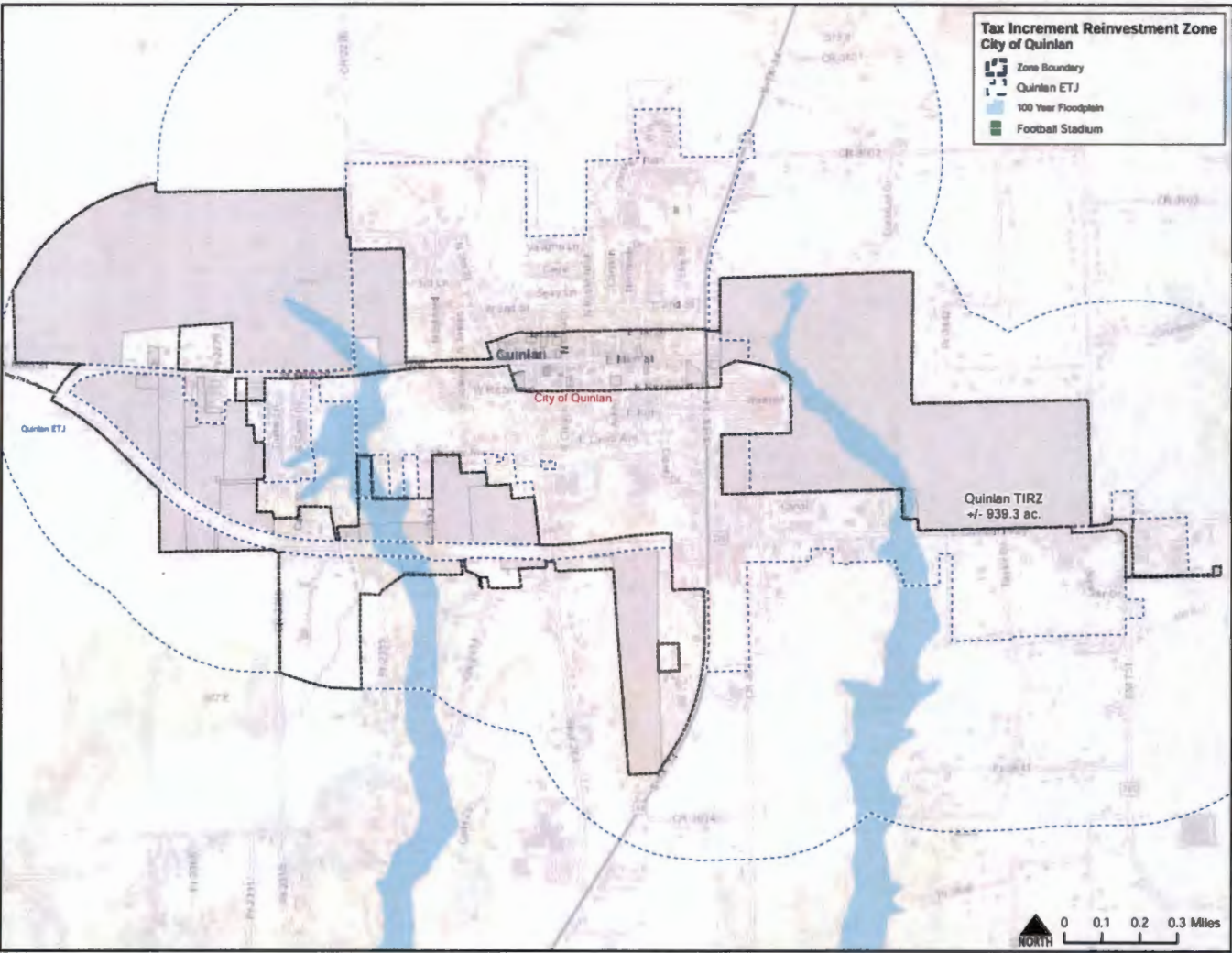
TAXABLE VALUE PER ACRE



Taxable Value Range per Acre	Property Count	Total Taxable Value
\$1,000,000.01 - \$3,781,450.02	9	\$2,806,570
\$500,000.01 - \$1,000,000.00	19	\$4,940,862
\$250,000.01 - \$500,000.00	41	\$5,047,995
\$0.01 - \$250,000.00	63	\$7,809,189
\$0.00	25	-
	157	\$20,604,616

Source: Hunt County Appraisal District, 2023

FLOOD HAZARD AREAS



Source: FEMA

PROJECTS

Projects that could be potentially funded by a TIRZ:

- Water and wastewater service improvements and expansions
- Stormwater management including regional detention and drainage projects
- Mobility improvements and roadway extensions, including bridges
- Streetscape improvements and enhancements including sidewalks, intersection improvements, lighting, signage, gateways / monuments
- Bike lanes / paths
- Land acquisition
- Parks, trails, open space, recreational / community facilities
- Plazas, gathering spaces, public art
- Public facilities, including those for emergency services
- Underground and overhead utilities
- Pedestrian accessibility and improvements

Initial Infrastructure identified to support City of Quinlan:

- Acquisition and rehabilitation of Crestview Pump Station
- Wastewater Treatment Plant Expansion
- Acquisition, rehabilitation, and tie-in of Cash SUD Water Tower / Tank
- Downtown beautification and connectivity improvements

Initial Infrastructure identified to support proposed commercial and residential development:

- Cash SUD CCN transfer costs
- Offsite utilities (water, sewer, drainage) to tie new communities to city facilities
- Acquisition of state-owned parcel between Main Street and State Highway 276 bypass
- Roadway and utility improvements along N. Fifth Street to accommodate connection to new residential development

REVENUE SCENARIOS

As part of the feasibility analysis, revenue scenarios were developed that reflect different assumptions related to infrastructure improvements, growth rates, and development impacts. The purpose of these scenarios is to illustrate how infrastructure improvements influence the timing, type, and value of development, as well as to demonstrate the financial feasibility of the proposed tax increment reinvestment zone.

Land Use Assumptions

Scenario 1:

- Land uses / product types, their associated values, and timing of delivery determined by developer proforma, dated 07-18-24
- Assumes \$1.05 billion in added taxable value over the next 30 years
- Assumes annual value appreciation of 3.0% and a tax collection rate of 98%
- Assumes City participation at 70%, County participation at 50%, and Hospital District participation at 50%

Scenario 2:

- Developer proforma dated 07-18-24 used as a base; Commercial Tracts 2(A), 7, 8, and 11 removed, as well as 50% of Residential and Multifamily development within Quinlan Ranch
- Assumes \$512 million in added taxable value over the next 30 years
- Assumes annual value appreciation of 3.0% and a tax collection rate of 98%
- Assumes City participation at 70%, County participation at 50%, and Hospital District participation at 50%

Scenario 3:

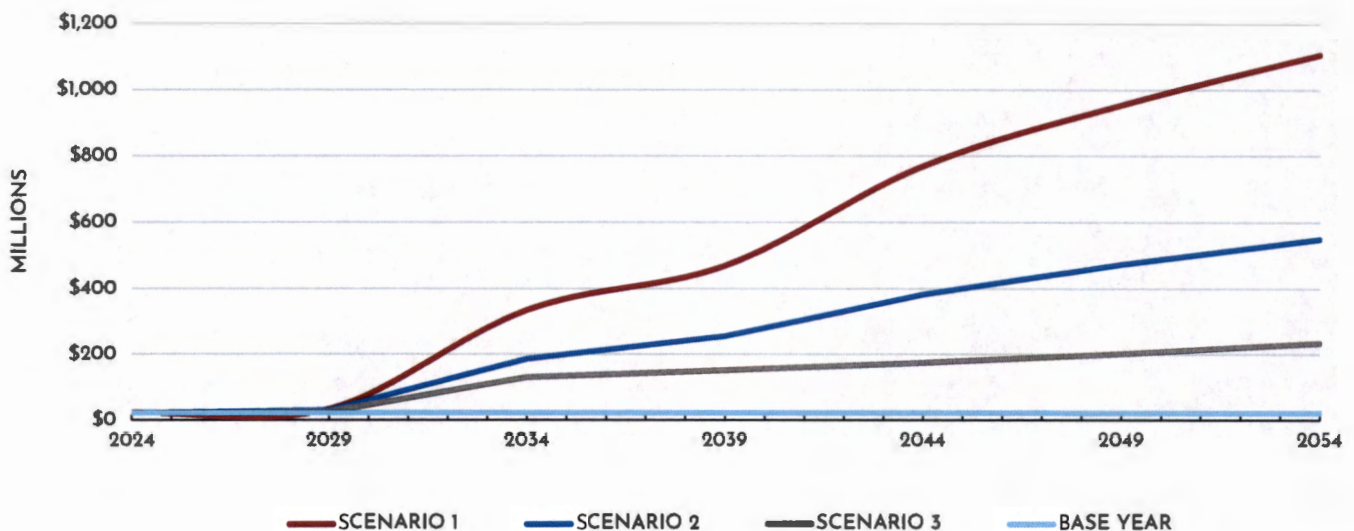
- Includes only The Fountains Multifamily and Commercial development, as well as an additional 200,000 SF of Commercial space
- Assumes \$206 million in added taxable value over the next 30 years
- Assumes annual value appreciation of 3.0% and a tax collection rate of 98%
- Assumes City participation at 70%, County participation at 50%, and Hospital District participation at 50%

REVENUE SCENARIOS

TIRZ REVENUE SUMMARY - 5 YEAR INTERVALS

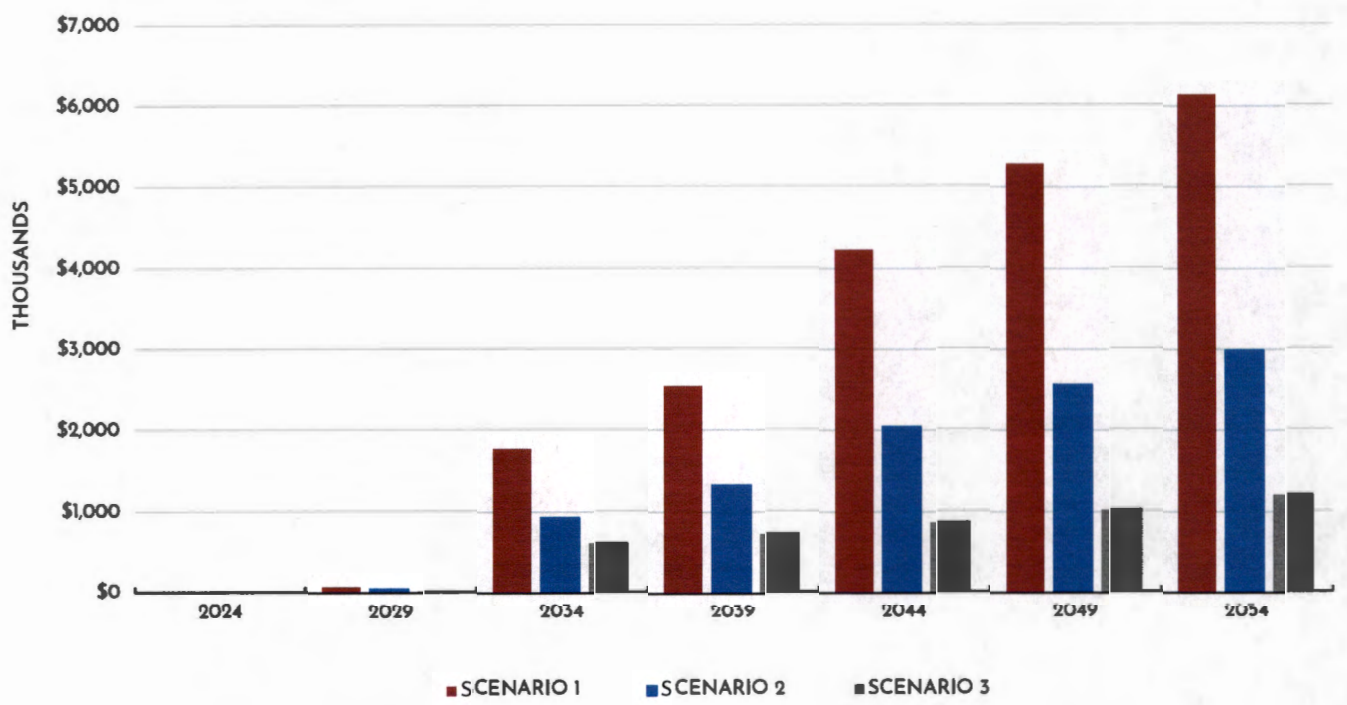
Tax Year	Scenario 1		Scenario 2		Scenario 3	
	Taxable Value	Annual TIRZ Revenue	Taxable Value	Annual TIRZ Revenue	Taxable Value	Annual TIRZ Revenue
2024	\$20,604,616	\$-	\$20,604,616	\$-	\$20,604,616	\$-
2029	\$32,161,417	\$65,428	\$28,023,907	\$42,004	\$23,886,397	\$18,580
2034	\$334,416,050	\$1,776,619	\$184,224,586	\$926,322	\$129,251,168	\$615,094
2039	\$469,232,905	\$2,539,874	\$254,343,311	\$1,323,293	\$149,837,529	\$731,642
2044	\$768,170,897	\$4,232,287	\$381,067,581	\$2,040,733	\$173,702,762	\$866,753
2049	\$953,633,512	\$5,282,269	\$473,318,221	\$2,563,002	\$201,369,109	\$1,023,384
2054	\$1,105,522,606	\$6,142,177	\$548,705,542	\$2,989,802	\$233,441,987	\$1,204,962
Total Revenues (2024 - 2054)		\$93,491,076			\$46,013,632	\$20,842,207

TAXABLE VALUE - 5 YEAR INTERVALS



REVENUE SCENARIOS

ANNUAL TIRZ REVENUE - 5 YEAR INTERVALS



TIRZ FEASIBILITY

Key Findings

- Situated on the edge of the Dallas-Fort Worth metroplex, the fourth largest in the country, Quinlan is positioned to experience growth pressures as a result of regional market conditions, resulting in development / redevelopment opportunities.
- Developer interest in acreage in and around Quinlan demonstrates that a market exists for new residential and commercial development in the area.
- Currently, there exists a predominance of developable, raw land within the Zone; however, existing water, wastewater, roadway and drainage infrastructure within the city is aged and nearing its capacity. Significant improvement to this trunk infrastructure is needed to accommodate both new development and redevelopment of existing facilities for higher uses.
- Many of the aged downtown structures within the Zone are significantly deteriorated, not only harming the perception of the area and potentially impeding growth opportunities, but also potentially posing a health and safety concern.
- With the exception of two blocks situated on downtown Main Street, there are no sidewalks, nor are there dedicated areas for any other non-vehicular modes of transportation within the Zone.
- Public improvements funded/implemented by the city and other partners would help stimulate development within the Zone. Provision of water and wastewater infrastructure, as well as internal mobility improvements would support the viability and quality of new development and redevelopment.
- Timing and availability of infrastructure will influence the density and quality of development.
- A TIRZ would allow for the implementation of capital improvements in advance of the City of Quinlan being able to solely fund them on its own through the use of developer reimbursement agreements and the ability to leverage resources with other taxing entities.
- Based on values and revenue projections for the scenarios as outlined in this report, revenues generated as a result of capital improvements made by the TIRZ would fund certain public infrastructure improvements within the proposed Zone.

Conclusion

The extent and quality of development in the proposed Zone is dependent on the timing and implementation of improvement and expansion of public infrastructure and other projects including water, wastewater, roadway, and drainage improvements. A tool like tax increment reinvestment zone financing can facilitate and expedite new development and investment in the targeted areas within the city. Development to its fullest economic potential would not occur solely through private investment in the reasonably foreseeable future without the use of a tool like tax increment financing.

RESOLUTION NO. 2025-03-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF QUINLAN, TEXAS, AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF QUINLAN AND HUNT COUNTY, FOR PARTICIPATION IN THE CITY OF QUINLAN REINVESTMENT ZONE NUMBER ONE.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City has designated a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City is participating in the zone by contributing tax increment to the Tax Increment Fund for the proposed zone from taxes levied and collected by the City at seventy percent (70%) of its tax rate; and

WHEREAS, Hunt County, at its February 25, 2025 Commissioners Court meeting, has authorized an agreement to participate in the zone by contributing to the Tax Increment Fund from taxes levied and collected, in accordance with the participation agreement attached as "Exhibit A"; and

WHEREAS, the City Council of the City of Quinlan finds it in the best interest of the City of Quinlan to authorize the Mayor to execute said agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF QUINLAN, TEXAS:

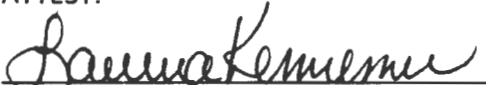
SECTION 1, THAT the City Council of the City of Quinlan, approves the agreement with Hunt County, attached as "Exhibit A", regarding their participation in the City of Quinlan Reinvestment Zone Number One; and

SECTION 2, THAT the City Council of the City of Quinlan authorizes the Mayor to execute said participation agreement with the Hunt County.

PASSED AND APPROVED in a meeting of the City Council of the City of Quinlan, Texas, held on the 10th day of March, 2025.


Jacky Goleman, Mayor

ATTEST:


Laura Kenemer, City Secretary

Resolution 2025-03-03 - "Exhibit A"
Agreement and Associated Exhibits

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19.321

HUNT COUNTY, TEXAS
AGREEMENT TO PARTICIPATE IN
REINVESTMENT ZONE NUMBER ONE CITY OF QUINLAN

This AGREEMENT TO PARTICIPATE IN REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS (the "Agreement") is entered into between the City of Quinlan, Texas (the "City") and Hunt County, Texas (the "County").

The City and the County hereby agree that the following statements are true and correct and constitute the basis upon which the City and the County have entered into this Agreement:

WHEREAS, on November 14, 2024, the City Council of the City (the "City Council") adopted Ordinance No. 2024-11-01 (the "TIRZ Ordinance") designating certain real property generally located in the City as *Reinvestment Zone Number One, City of Quinlan, Texas* (the "TIRZ"). The TIRZ Ordinance, with all its accompanying exhibits, is hereby incorporated for reference for all purposes and is attached hereto as **Exhibit 1**; and

WHEREAS, designation of the TIRZ will enable the development of property in and around the TIRZ to occur that would not occur otherwise in the foreseeable future. As a result of designation of the TIRZ, it is intended that public infrastructure will be funded to support the development of the area in and around the TIRZ. This overall development will result in increased tax revenues and other benefits for both the City and the County; and

WHEREAS, pursuant to Section 311.013(f) of the Texas Tax Code, the County is not required to pay any tax increment into the tax increment fund of the TIRZ unless it enters into an agreement with the City to do so. The County wishes to enter into such an agreement with the City.

NOW, THEREFORE, for and in consideration of the conditions set forth herein. The sufficiency of which is hereby acknowledged, the City and the County do hereby contract, covenant and agree as follows:

1. **INCORPORATION OF RECITALS**. The parties hereby agree that the recitals set forth above are true and correct and form the basis upon which they have entered into this Agreement.

2. **DEFINITIONS**. In addition to any terms defined in the body of this Agreement, the following terms shall have the definitions ascribed to them as follows:

"Act" means the Tax Increment Financing Act, as amended and codified as Chapter 311 of the Texas Tax Code.

"Captured Appraised Value" in a given year means the total appraised value of all real property taxable by the County and located in the TIRZ for that year less the Tax Increment Base.

"County Tax Increment" in a given year means fifty percent (50%) of the ad valorem tax increment levied and collected by the County for that year on the Captured Appraised Value of real property taxable by the County and located in the TIRZ .

"Final Project Plan" means that future project and finance plan for the TIRZ , to be considered by the TIRZ Board and the City Council of the City.

"Preliminary Plan" means the preliminary project and finance plan for the development and/or redevelopment of the TIRZ , as adopted by the TIRZ Board and approved by the City Council of the City as an exhibit within the TIRZ Ordinance.

"TIRZ Board" means the governing board of directors of the TIRZ appointed in accordance with Section 311.009 of the Act and the TIRZ Ordinance. The County shall appoint and maintain one (1) member on the TIRZ Board and may appoint non-voting ex-officio members or staff members who shall also be notified of all TIRZ Board meetings and actions.

"TIRZ " means the certain real properties and boundaries as described in an exhibit attached to the Preliminary Plan.

"Tax Increment Base" means the total appraised value as of January 1, 2024, of all real property taxable by the County and located in the TIRZ .

"Tax Increment Fund" means the fund created by the City pursuant to Section 311.014 of the Act and of the TIRZ Ordinance, which will be maintained by the City, into which all revenues of the TIRZ will be deposited, including: (i) deposits of tax increment by the City and by other participating taxing units with jurisdiction over real property in the TIRZ , including the County, and (ii) all accrued interest earned on the cash balance of the fund.

"TIRZ Ordinance" means City Ordinance No. 040924-1 with all its exhibits, approved by the City Council on November 14, 2024, and attached hereto as **Exhibit 1**.

3. **DEPOSIT OF COUNTY TAX INCREMENT.** Pursuant to the Resolution adopted by the County, which Resolution is attached hereto as **Exhibit 2** and is hereby made a part of this agreement for all purposes, and specifically subject to Section 4 of this Agreement, the County hereby agrees to deposit each year during the remaining term of the TIRZ , beginning with the 2025 tax year the County Tax Increment. Such deposits shall be calculated by the County Tax Office and reported to the County and City. The County Tax Increment in a given year shall be paid to the TIRZ Fund by the County. The City will provide the County with receipt of such.

4. **LIMITATIONS ON COUNTY TAX INCREMENT DEPOSITS AND USE OF FUNDS.** This Agreement is based on the following conditions, and the City agrees and acknowledges the County's right to enforce the conditions contained herein by injunction or any other lawful means in the event one or more of such conditions are not satisfied.

a. **Amendment to TIRZ Ordinance.**

The TIRZ Ordinance designates the boundaries, the eligible real properties for the calculation of the County Tax Increment for the TIRZ, and the specific participation level by the City. All amendments to the TIRZ Ordinance regarding the participation percentage, term, or boundary shall be approved by the TIRZ Board prior to approval by the City Council. If the City Council approves an amendment to the TIRZ Ordinance regarding the participation percentage, term, or boundary different from the amendment approved by the TIRZ Board, the County shall suspend payment into the TIRZ Fund as described in Section 6 if or until the amendment is approved by the County governing body.

b. **TIRZ Expansion.**

As defined, the TIRZ shall include real properties located within the boundaries as described in the TIRZ Ordinance. If the TIRZ is expanded, the County is not required to deposit into the Tax Increment Fund any County Tax Increment generated from properties in the expanded area unless participation in the expanded boundary area is approved by the County governing body as an amendment to this Agreement. Additionally, the County Tax Increment deposited into the Tax Increment Fund by the County may not be used for any permissible project costs in any portion of the expanded area of the TIRZ unless approved by the County governing body.

c. **Final Plan.**

It is anticipated that the TIRZ Board shall consider the Final Plan in the future. Upon the TIRZ Board and City Council's approval of the Final Plan, the County Tax Increment may be utilized for any projects identified within the Final Plan subject to the limitations identified in Section 4.4 below, pursuant to the Final Plan and the Act.

d. **Specific Uses for the County Tax Increment.**

Unless an amendment to this Agreement is approved by the County and the City, the County Tax Increment may only be used in the following manner:

- a) To pay the administrative costs for the Zone.
- b) To pay for reimbursement and/or debt service, including principal, interest, and capitalized interest in City TIRZ related debt issued for the construction or acquisition of infrastructure such as roads, water, wastewater, drainage (including those classified as off-site or oversizing) and/or other authorized/eligible projects that provide a benefit to the entire Zone or to the region.

- c) Future County projects, including facilities, to be identified by the TIRZ Board that provide a special conferred benefit to the Zone.

For the avoidance of doubt, the County Tax Increment cannot be used for the following:

- a) To pay for internal/on-site infrastructure such as roads, water, wastewater, or drainage necessary, and typically required by a developer, to serve individual residential development projects, with the exception of improvements or portions of improvements classified as oversizing or as benefiting the entire Zone or region.
- b) To be pledged to another taxing entity's debt, except for the City's TIRZ related debt issuance associated with b) above.
- c) To be used to reimburse developers for required development costs that are not classified as oversizing, offsite infrastructure, or authorized/eligible project costs which provide a benefit to the entire Zone or to the region.

This Agreement shall take effect on the date as of which both parties have executed it and shall expire upon expiration or termination of the TIRZ , which currently is the earlier of: (i) December 31, 2054 (with final year's tax due by January 31, 2055), or an earlier termination date designated by ordinance subsequently adopted by the City Council or (II) the date on which all project costs of the TIRZ have been paid or otherwise satisfied in full.

- 5. **TIRZ FUND ACCOUNTING.** No later than July 1 of each year following execution of this Agreement, the City shall provide the County with an annual accounting of the funds deposited to and disbursed from the Tax Increment Fund. After all project costs of the TIRZ have been paid or at the time of the expiration of the Agreement, any funds remaining in the Tax Increment Fund following the final annual accounting by the City shall be paid to those taxing units participating in the TIRZ in proportion to each taxing unit's share of the total amount of the County Tax Increment deposited into the Tax Increment Fund.
- 6. **RESPONSIBILITY FOR ACTS.** The City and the County shall each be responsible for the sole negligent acts of their officers, agents, or employees or separate contractors. In the event of joint and concurrent negligence of both the City and the County, responsibility, if any, shall be apportioned comparatively with the laws of the State of Texas, with the understanding that neither party waves any governmental powers or immunities or any other defenses available to each individually.

7. **NOTICES.** This Agreement shall be administered on behalf of the City by the City Administrator's Office of the City, or his/her designee. All written notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party may subsequently designate in writing, by certified mail, postage prepaid, or by hand delivery:

CITY:
City of Quinlan
Attn: City Administrator
Quinlan City Hall
PO Box 2740
Quinlan, Texas 75474

COUNTY
Hunt County
Attn: County Judge Bobby W. Stovall
Hunt County Courthouse
2507 Lee St., 2nd Floor
Greenville, Texas 75401

With copies to:

Jeff Moore
Brown & Hofmeister, LLP
740 E. Campbell Road
Suite 800
Richardson, Texas 75081

Daniel W. Ray
Hunt County Civil Attorney
Scott, Ray, Pemberton, & Goll, PLLC
2608 Stonewall Street
Greenville, Texas 75401

[Remainder of this page intentionally left blank.]

8. **NO WAIVER.** The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.
9. **VENUE AND JURISDICTION.** If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Hunt County, Texas or the United States Court for the Northern District of Texas - Dallas Division. This Agreement shall be construed in accordance with the laws of the State of Texas.
10. **NO THIRD-PARTY RIGHTS.** The provisions and conditions of this Agreement are solely for the benefit of the City and the County and are not intended to create any rights, contractual or otherwise, to any person or entity.
11. **FORCE MAJEURE.** The parties shall exercise every reasonable effort to meet their respective obligations as set forth in this Agreement, but shall not be held liable for any delay in or omission of performance due to force majeure or other causes beyond their reasonable control, including but not limited to, compliance with any government law, ordinance or regulation, acts of God, acts of omission, acts of terrorism, fires, strikes, lockouts, national disasters, wars, riots, material or labor restrictions, transportation problems and/or any other cause beyond reasonable control of either party.
12. **INTERPRETATIONS.** In the event of any dispute over the meaning or application of any provision of this Agreement, this Agreement shall be interpreted fairly and reasonably, and neither more strongly for or against any party, regardless of the actual drafter of this Agreement.
13. **CAPTIONS.** Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

14. ENTIRETY OF AGREEMENT. This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the City and the County as to matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement. Notwithstanding anything to the contrary herein, this Agreement shall not be amended unless executed in writing by both parties and approved by the City Council of the City in an open meeting held in accordance with Chapter 551 of the Texas Government Code, as amended.

15. COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

EXECUTED as of the later date below:

CITY OF QUINLAN, TEXAS

By:

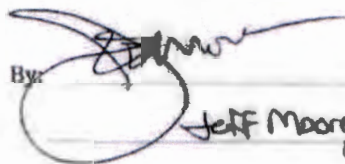

Jacky Goleman, Mayor

Dated:

3/10/2005

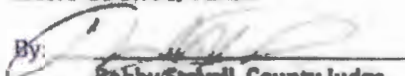
APPROVED AS TO FORM/LEGALITY:

By:


Jeff Moore, City Attorney

HUNT COUNTY, TEXAS

By:


Bobby Stovall, County Judge

Dated:

February 25, 2005

APPROVED AS TO FORM/LEGALITY:

By:



DANIEL RAY, HUNT COUNTY
CIVIL ATTORNEY

EXHIBIT 1

**ORDINANCE NO. 2024-11-01 OF THE CITY OF QUINLAN
ESTABLISHING REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS,
AND ALL ASSOCIATED EXHIBITS**

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Ordinance No. 2024-11-01

AN ORDINANCE DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY OF QUINLAN AND ITS EXTRA-TERRITORIAL JURISDICTION AS REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; ESTABLISHING THE TAX INCREMENT FUND; ESTABLISHING THE TERMINATION DATE OF THE ZONE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; AUTHORIZING ACTIONS IN FURTHERANCE OF THE ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PROPER NOTICE OF MEETING.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City may designate a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary project plan and reinvestment zone financing plan for the designation of a proposed reinvestment zone within a contiguous area of the City and its ETJ ("proposed zone") which provides that City of Quinlan ad valorem taxes are to be deposited into the Tax Increment Fund; and

WHEREAS, a notice of the public hearing on the creation of the proposed zone was published on October 31, 2024 in *The Greenville Harold Banner*, a newspaper of general circulation in the City; and;

WHEREAS, at the public hearing on November 14, 2024, interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the concept of tax increment financing; and owners of property in the proposed zone were given a reasonable opportunity to protest the inclusion of their property in the proposed zone; and

WHEREAS, the City has provided information and given proper notice as required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; and

WHEREAS, the total appraised value of taxable real property in the proposed zone and all other tax increment reinvestment zones previously created by the City is approximately \$20,604,616; and

WHEREAS, the total area within the proposed zone is approximately 939 acres, including property that is publicly owned; and

WHEREAS, less than thirty percent (30%) of the property in the proposed zone is currently used for residential purposes, as that term is defined in Code Section 311.006(d); and

WHEREAS, the City intends to participate in the proposed zone by contributing tax increment to the Tax Increment Fund for the proposed zone from taxes levied and collected by the City at seventy percent (70%) of its tax rate, and

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

Section 1. Findings.

- (a) That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.
- (b) That the City Council further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.
- (c) That the City Council further finds and declares that the proposed zone is unproductive, underdeveloped and blighted and meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone contains substantial areas that are predominantly open and underdeveloped, and lack public water distribution, wastewater collection and storm drainage facilities, which conditions substantially impair and arrest the sound growth of the City, such findings are documented in Exhibit B, "Existing Conditions & Feasibility" Section.
- (d) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Quinlan and its ETJ.
- (e) That the development or redevelopment of the property in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.
- (f) That less than thirty percent (30%) of the property in the proposed zone is used for residential purposes within the meaning of Code Section 311.006(d).
- (g) That the total appraised value of real property in the proposed zone and in the City's existing reinvestment zones does not exceed fifty percent (50%) of the total appraised value of taxable real property in the City and the industrial districts created by the City.

Section 2. Designation of the Zone

That the City, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and create and designate a reinvestment zone over the area described in Exhibit "A" (attached hereto and incorporated herein) to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number One, City of Quinlan, Texas, (the "Zone"). The City Council specifically declares that the Zone is designated pursuant to Section 311.005(a) (1) and (2) of the Texas Tax Code.

Section 3. Board of Directors

That there is created a Board of Directors for the Zone, which shall consist of seven (7) members appointed by the City. Any other taxing unit that levies taxes on real property in the Zone and has approved the payment of all or part of the tax increment produced by the taxing unit into the Tax Increment Fund for the Zone may appoint one director. Any taxing unit that appoints a director shall be assigned a Board position number in the order the appointment is received by the City. Failure of a taxing unit to appoint a director by December 31, 2025, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position.

The Mayor is hereby authorized to nominate and appoint, subject to City Council approval, the directors to Positions One through Seven of the Board of Directors, and any position unfilled on December 31, 2025, subject to the consent and approval of the City Council.

The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one-year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter, the Mayor shall annually nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

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

Section 4. Duration of the Zone

That the Zone shall take effect immediately upon the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2054, or at an earlier time as provided in Sec. 311.017, Texas Tax Code.

Section 5. Tax Increment Base

That the Tax Increment Base of the City or any other taxing unit participating in the Zone is the total appraised value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone, determined as of January 1, 2024, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

Section 6 Approval of the City's Level of Participation in the Zone

That the City will participate in the Zone by contributing tax increment to the Tax Increment Fund for the Zone from taxes levied and collected by the City at the rates and in the amounts reflected in the project plan and reinvestment zone financing plan for the Zone, which rates may be amended from time to time, beginning on January 1, 2024.

Section 7. Tax Increment Fund

There is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent Ordinances. All tax increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. The annual tax increment shall equal the property taxes levied by the City and any other taxing unit participating in the Zone at its participation rate for that year on the captured appraised value, as defined by Chapter 311 of the Texas Tax Code, of real property located in Zone that is taxable by the City or any other taxing unit participating in the Zone, less any amounts that are to be allocated from the tax increment pursuant to Chapter 311 of the Texas Tax Code. All revenues from the sale of any tax increment bonds, notes or other obligations hereafter issued for the benefit of the Zone by the City, if any; revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by the Texas Tax Code, for the Zone, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b) of the Texas Tax Code.

Section 7. Authorization for Necessary Actions

The City Council authorizes the City Manager to take all such actions as are necessary to implement this Ordinance and the establishment of the Zone.

Section 8. Severability

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

or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

Section 9. Open Meetings

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

Section 10. Notices

The contents of the notice of the public hearing, which hearing was held before the City Council on November 14, 2024, and the publication of said notice, are hereby ratified, and confirmed.

PASSED AND ADOPTED in a meeting of the City Council of the City of Quinlan, Texas, held on the 14th day of November, 2024.



Jacky Goleman, Mayor

ATTEST:



Laura Kennemer, City Secretary

EXHIBIT "A"
Boundary Description

**JURISDICTIONAL BOUNDARY DESCRIPTION OF
TAX INCREMENT REINVESTMENT ZONE NUMBER ONE
CITY OF QUINLAN, HUNT COUNTY, TEXAS**

+/- 953.8 acre tract of land located within the City of Quinlan Extra Territorial Jurisdiction Limits, with point of beginning being the intersection of west right-of-way (ROW) line of State Hwy 34 and north ROW line of E First St, same being southeast corner of S2755 DAVIES ADDITION BLK 5 LOT B ACRES .4704 (WATSONS RESUB OF BLK 5 LTS 4-6 DAVIES ADDN) (516 E FIRST ST, QUINLAN, TX 75474);

THEN east by south across the ROW of State Hwy 34 to the southwest corner of S4925 SESSIONS ADDITION BLK 6 LOT 1 & PT OF 2 ACRES .56, same being east ROW of State Hwy 34 and City of Quinlan Municipal Limits;

THEN east along south boundary of said 0.56 acre lot, and City of Quinlan Municipal Limits to southeast corner of said lot, same being west boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%);

THEN north along west boundary of said 236.7704 acre tract to northwest corner of said tract, same being south boundary of A0826 PRICE EDMOND, TRACT 5, ACRES 9.83;

THEN east along north boundary of said 236.7704 acre tract to northeast corner of said tract, same being northwest corner of S4008 MEADOWCREEK ESTATES LOT 32 ACRES 2.736;

THEN generally south along east boundary of said 236.7704 acre tract, same being west boundary S4008 MEADOWCREEK ESTATES to southwest corner of S4008 MEADOWCREEK ESTATES LOT 38 ACRES 2.921, and interior corner of said 236.7704 acre tract;

THEN east along north boundary of said 236.7704 acre tract to northeast corner of said tract, same being west ROW of Country Road 3602, and southeast corner of S4008 MEADOWCREEK ESTATES LOT 49 ACRES 2.001 (9097 CR 3602, QUINLAN, TX 75474);

THEN generally south along west ROW of CR 3602 to north ROW of E Quinlan Pkwy, same being southeast corner of said 236.7704 acre tract and City of Quinlan Municipal Limits;

THEN generally east along north ROW of E Quinlan Pkwy and City of Quinlan Municipal Limits to southeast corner of A1335 BYRD D J (W B HUMPHRIES), TRACT 57-2, ACRES 1.503;

THEN north along east boundary of said 1.503 acre tract and City of Quinlan Municipal Limits to interior corner of said tract;

THEN east along south boundary of said 1.503 acre tract, and City of Quinlan Municipal Limits, and A1335 BYRD D J (W B HUMPHRIES), TRACT 3, ACRES .918, and A1335 BYRD D J (W B HUMPHRIES), TRACT 3-2, ACRES .918, and A1335 BYRD D J (W B HUMPHRIES), TRACT 4, ACRES .918 to southeast corner of said 0.918 acre Tract 4;

THEN generally south across E Quinlan Pkwy and along east ROW of FM 751 to southwest corner of A0821 POLLETT GEORGE, TRACT 29-3, ACRES 1.759 (8669 FM 751, QUINLAN, TX 75474), same being north ROW of Beverly Dr;

THEN east along north ROW of Beverly Dr to southwest corner of A0821 POLLETT GEORGE, TRACT 34, ACRES .230;

THEN north along west boundary of said 0.230 acre tract to northwest corner of said tract;

THEN east along north boundary of said 0.230 acre tract to northeast corner of said tract;

THEN south along east boundary of said 0.230 acre tract to ROW centerline of Beverly Dr;

THEN west along ROW centerline of Beverly Dr and City of Quinlan Municipal Limits, across ROW of FM 751 to east boundary of S3850 LAST FRONTIER ADDITION BLK 400 LOT 101A ACRES .733 (104 FM 751, QUINLAN, TX 75474), same being west ROW of FM 751;

THEN north along west ROW of FM 751 to east northeast corner of S3850 LAST FRONTIER ADDITION BLK 400 LOT 79 & PT OF 88 ACRES 3.6935;

THEN northwest along boundary of said 3.6935 acre lot to north corner of said lot, same being south ROW of E Quinlan Pkwy;

THEN generally west along south ROW of E Quinlan Pkwy, across ROW of Frontier Dr to northeast corner of S3850 LAST FRONTIER ADDITION BLK 400 LOT 81G ACRES 1.87 (1119 E QUINLAN PKWY, QUINLAN, TX 75474);

THEN north across ROW of E Quinlan Pkwy to south boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%), same being north ROW of Quinlan Pkwy and City of Quinlan Municipal Limits;

THEN generally west along north ROW of Quinlan Pkwy and City of Quinlan Municipal Limits to southeast corner of A0826 PRICE EDMOND, TRACT 14, ACRES .999;

THEN north along east boundary of said 0.999 acre tract to northeast corner of said tract, same being southeast corner of A0826 PRICE EDMOND, TRACT 14-1, ACRES 1.753 (790 E QUINLAN PKWY, QUINLAN, TX 75474), and City of Quinlan Municipal Limits;

THEN west along south boundary of said 1.753 acre tract to southwest corner of said tract, and City of Quinlan Municipal Limits;

THEN north along west boundary of said 1.753 acre tract and City of Quinlan Municipal Limits to northwest corner of said tract, same being south boundary of A0826 PRICE EDMOND, TRACT 2-1, ACRES 236.7704, (BILLY 75%, KAREN 25%), and City of Quinlan Municipal Limits;

THEN west along south boundary of said 236.7704 acre tract, City of Quinlan Municipal Limits and continuing along south boundary of A0826 PRICE EDMOND, TRACT 2, ACRES 9.5106 to southwest corner of said 9.5106 acre tract;

THEN north along west boundary of said 9.5106 acre tract to northwest corner of said tract, same being south boundary of S4626 QUINLAN WAL-MART ADDITION BLK A LOT 1 ACRES 20.0687 (8801 S HWY 34, QUINLAN, TX 75474);

THEN east along south boundary of said 20.0687 acre lot to southeast corner of said lot, same being City of Quinlan Municipal Limits;

THEN north along east boundary of said 20.0687 acre lot to northeast corner of said lot, same being City of Quinlan Municipal Limits;

THEN generally west northwest along north boundary of said 20.0687 acre lot, same being City of Quinlan Municipal Limits, and continuing along north boundary of S4626 QUINLAN WAL-MART ADDITION BLK A LOT 2 ACRES .9891 to north corner of said 0.9891 acre lot;

THEN west southwest along north boundary of said 0.9891 acre lot to northwest corner of said lot;

THEN south along west boundary of said 0.9891 acre lot, and said 20.0687 acre lot to northeast corner of S4925 SESSIONS ADDITION BLK 3 LOT 3 ACRES .3788 (8767 S HWY 34, QUINLAN, TX 75474);

THEN generally west along north boundary of said 0.3788 acre lot to northwest corner of said lot, same being east ROW of State Hwy 34;

THEN generally west across ROW of State Hwy 34 to northeast corner of A0416 HAMBY ISAAC, TRACT 35, ACRES .1886, same being south ROW of E Richmond Ave;

THEN generally west along south ROW of E Richmond Ave to northwest corner of S2873 EPPERSON RESUB OF OT QUINLAN BLK 24 LOT 4 ACRES .2147 (201 OLD HWY 34, QUINLAN, TX 75474), same being east ROW of Old Hwy 34;

THEN west by north across ROW of Old Hwy 34 to northeast corner of S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 1-6 ACRES .9068;

THEN west along north boundary of said 0.9068 acre lot, same being south ROW of Richmond Ave to northwest corner of said lot, same being east ROW of State Hwy Spur 264;

THEN north by east across ROW of Richmond Ave to southwest corner of S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 7-8 & S 1/2 OF 9 ACRES .499, same being east ROW of State Hwy Spur 264

THEN generally north northwest along west boundary of said 0.499 acre lot to west corner S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 10 ACRES .2066 (108 OLD HIGHWAY ST, QUINLAN, TX 75474);

THEN generally north along west boundary of said 0.2066 acre lot, and S4420 ORIG TOWN OF QUINLAN BLK 29 LOT 11-13 ACRES .9234 to northwest corner of said 0.9234 acre lot (213 W MAIN ST, QUINLAN, TX 75474) same being south ROW of W Main St;

THEN generally west along south ROW of W Main St across ROW of State Hwy Spur 264 to northeast corner of S3566 HOUSTON CORNER ADDITION BLK 1 LOT 1 ACRES .412 (104 STATE HWY SPUR 264, QUINLAN, TX 75474);

THEN generally west along north boundary of said 0.412 acre lot and south ROW of W Main St to northeast corner of A0652 MCADAMS JAMES, TRACT AC, ACRES 1.738 (801 W MAIN ST, QUINLAN, TX 75474);

THEN south along east boundary of said 1.738 acre tract to southeast corner of said tract, same being City of Quinlan Municipal Limits;

THEN west along south boundary of said 1.738 acre tract and City of Quinlan Municipal Limits to southwest corner of said tract, same being northeast corner of A0652 MCADAMS JAMES, TRACT KK-7, ACRES 11.568;

THEN south, east, south, east, and south along east boundary of said 11.568 acre tract to southeast corner of said tract and City of Quinlan Municipal Limits, same being north ROW of Private Road 2203;

THEN west along north ROW of PR 2203 to a point north of northwest corner of A0652 MCADAMS JAMES, TRACT LL, ACRES 2.1712 (1923 PR 2203, QUINLAN, TX 75474);

THEN south across ROW of PR 2203 and along west boundary of said 2.1712 acre tract to southwest corner of said tract;

THEN east along south boundary of said 2.1712 acre tract to southeast corner of said tract, same being west boundary of A0652 MCADAMS JAMES, TRACT KK-9, ACRES 4.0 (135 LAKE ST, QUINLAN, TX 75474);

THEN south along west boundary of said 4.0 acre tract to southwest corner of said tract;

THEN east along south boundary of said 4.0 acre tract to southeast corner of said tract, same being interior corner of A0652 MCADAMS JAMES, TRACT KK-1, ACRES 6.8842;

THEN north along east boundary of said 4.0 acre tract to southwest corner of A0652 MCADAMS JAMES, TRACT KK-8, ACRES 4;

THEN east along south boundary of said Tract KK-8, ACRES 4 to southeast corner of said tract, same being west ROW of County Rd 2300;

THEN generally south by east along west ROW of County Rd 2300 to east corner of A0652 MCADAMS JAMES, TRACT KK-1, ACRES 6.8842, same being City of Quinlan Municipal Limits;

THEN east by south across ROW of County Road 2300 and same being City of Quinlan Municipal Limits to southwest corner of A0652 MCADAMS JAMES, TRACT AG-1, ACRES 1.3038 (9621 CR 2300, QUINLAN, TX 75474);

THEN generally north by west along west boundary of said 1.3038 tract, same being east ROW of County Road 2300 to northwest corner of said 1.3038 acre tract;

THEN east along north boundary of said 1.3038 acre tract to northeast corner of said tract, same being southeast corner of A0652 MCADAMS JAMES, TRACT AG, ACRES 5.5 (9601 CR 2300, QUINLAN, TX 75474);

THEN north along east boundary of said 5.5 acre tract, continuing along west boundary of A0416 HAMBY ISAAC, TRACT 83, ACRES 3 to northwest corner of said 3 acre tract and City of Quinlan Municipal Limits, same being south ROW of W Meyers St;

THEN east along south ROW of W Meyers St, and north boundary of said 3 acre tract to northeast corner of said tract same being City of Quinlan Municipal Limits;

THEN south along east boundary of said 3 acre tract and City of Quinlan Municipal Limits to southeast corner of said tract, same being north boundary of S4625 QUINLAN SOUTH ADDITION LOT 80 & PT OF 81 ACRES 6.9103;

THEN east along north boundary of said 6.9103 acre lot to northeast corner of said tract, same being west boundary of A0416 HAMBY ISAAC, TRACT 80, ACRES 15.8607 (125 W MEYERS ST, QUINLAN, TX 75474) and City of Quinlan Municipal Limits;

THEN north along west boundary of said 15.8607 acre tract and City of Quinlan Municipal Limits to northwest corner of said tract, same being south ROW of Meyers St;

THEN east along south ROW of Meyers St, and City of Quinlan Municipal Limits and north boundary of said 15.8607 acre tract to northwest corner of A0416 HAMBY ISAAC, TRACT 79, ACRES 2.0;

THEN generally south along west boundary of said 2.0 acre tract and City of Quinlan Municipal Limits to southwest corner of said tract;

THEN east along south boundary of said 2.0 acre tract and City of Quinlan Municipal Limits to southeast corner of said tract, same being west boundary of A0416 HAMBY ISAAC, TRACT 77, ACRES 3.8;

THEN generally south along west boundary of said 3.8 acre tract to southwest corner of said tract, same being north boundary of A0416 HAMBY ISAAC, TRACT 74, ACRES 16.5872;

THEN generally east along north boundary of said 16.5872 acre tract to corner said tract, same being northwest corner of A0416 HAMBY ISAAC, TRACT 74-1, ACRES 1.5 (9576 SPUR 264, QUINLAN, TX 75474);

THEN generally south along west boundary of said 1.5 acre tract to southwest corner of said tract;

THEN generally east along south boundary of said 1.5 acre tract to southeast corner of said tract, same being west ROW of State Hwy Spur 264, and City of Quinlan Municipal Limits;

THEN generally south along west ROW of State Hwy Spur 264 and City of Quinlan Municipal Limits to southeast corner A0416 HAMBY ISAAC, TRACT 74, ACRES 16.5872, same being north ROW of Quinlan Bypass/State Hwy 276;

THEN generally east along north ROW of Quinlan Bypass/State Hwy 276 to a point north of northeast corner of A0886 ROBERTS MARGARET, TRACT 2, ACRES 29.4284 (9136 S HWY 34 , QUINLAN, TX 75474);

THEN south across ROW of Quinlan Bypass/State Hwy 276 and along east boundary of said 29.4284 acre tract to interior corner of said 29.4284 acre tract, same being southwest corner of A0886 ROBERTS MARGARET, TRACT 2-1, ACRES 2.0 and City of Quinlan Municipal Limits;

THEN east along boundary of said 29.4284 acre tract and City of Quinlan Municipal Limits to corner of said tract, same being southeast corner of said 2.0 acre tract, and west ROW of State Hwy 34;

THEN generally south and southwest by south along west ROW of State Hwy 34 to southeast corner of A0886 ROBERTS MARGARET, TRACT 1, ACRES 38.32;

THEN west along south boundary of said 38.32 acre tract to southwest corner of said tract;

THEN generally north along west boundary of said 38.32 acre tract to southeast corner of S2355 BROOKVIEW ESTATE LOT 19 ACRES 3.1838;

THEN west along south boundary of said 3.1838 acre lot to southwest corner of said lot, same being east ROW of State Hwy Spur 264;

THEN north along east ROW of State Hwy Spur 264, and west boundary of said 3.1838 acre lot to west northwest corner of said lot;

THEN generally west across ROW of State Hwy Spur 264 to corner of S4625 QUINLAN SOUTH ADDITION LOT 17 ACRES 1.96 and City of Quinlan Municipal Limits;

THEN south by east along east boundary of said 1.96 acre lot, same being west ROW of State Hwy Spur 264 to southeast corner of said lot;

THEN west along south boundary of said 1.96 acre lot to northwest corner of S4625 QUINLAN SOUTH ADDITION LOT 19 ACRES 1.1708 (9732 CR 2304, QUINLAN, TX 75474), same being east northeast corner of S4625 QUINLAN SOUTH ADDITION LOT 20-22 ACRES 5.0374;

THEN south by east along east boundary of said 5.0374 acre lot to southeast corner of said lot, same being north ROW of County Road 2304;

THEN west along south boundary of said 5.0374 acre lot to corner of said lot, same being southeast corner of S4625 QUINLAN SOUTH ADDITION LOT 22A (PT) ACRES .34;

THEN generally north along east boundary of said 0.34 acre lot to northeast corner of said lot;

THEN west along north boundary of said 0.34 acre lot to northwest corner of said lot;

THEN generally south along west boundary of said 0.34 acre lot to southwest corner of said lot, same being corner of boundary of S4625 QUINLAN SOUTH ADDITION LOT 20-22 ACRES 5.0374, and north ROW of Private Rd 2333;

THEN west along boundary of said 5.0374 acre lot, and north ROW of Private Rd 2333 to southwest corner of said lot;

THEN generally north along east ROW of Private Rd 2333 to northwest corner of said 5.0374 acre lot, and City of Quinlan Municipal Limits;

THEN west by south across ROW of Private Rd 2333 and City of Quinlan Municipal Limits to corner of S4625 QUINLAN SOUTH ADDITION LOT 76 ACRES 2.518;

THEN generally south along east boundary of said 2.518 acre lot to southeast corner of said lot;

THEN west along south boundary of said 2.518 acre lot to southwest corner of said lot, same being east ROW of Private Rd 2333;

THEN west by north across ROW of Private Rd 2333 to east corner of S4625 QUINLAN SOUTH ADDITION LOT 42 ACRES 6.2718;

THEN generally southwest along east boundary of said 6.2718 acre lot to southeast corner of said lot;

THEN west along south boundary of said 6.2718 acre lot to southwest corner of said lot, same being east boundary of A0894 RUSH JAMES M, TRACT 5, ACRES 95.1557 (9645 CR 2300, QUINLAN, TX 75474);

THEN south approx. 1,318 feet along east boundary of said 95.1557 acre tract to City of Quinlan Extra-Territorial Jurisdiction Limit;

THEN west and west by north approx. 1,176 feet along City of Quinlan Extra-Territorial Jurisdiction Limit across said tract 95.1557 acre tract to west boundary of said tract, same being east ROW of County Rd 2300;

THEN north approx. 1,658 feet along west boundary of said 95.1557 acre tract, same being east ROW of County Rd 2300 to corner of said 95.1557 acre tract and City of Quinlan Municipal Limits;

THEN west by north across ROW of Country Rd 2300 and City of Quinlan Municipal Limits to corner of A0545 JONES JAMES A, TRACT 1, ACRES 1147.5834, (ALSO IN A0652 A0701 A0894 A1370);

THEN northwest by north and west by north along north boundary of said A0545 JONES JAMES A, TRACT 1, ACRES 1147.5834,(ALSO IN A0652 A0701 A0894 A1370), along City of Quinlan Municipal Limits to southeast corner of A0652 MCADAMS JAMES, TRACT JJ, ACRES 2.175;

THEN west along south boundary of said 2.175 acre tract, and A0652 MCADAMS JAMES, TRACT KK-11, ACRES .422, and A0652 MCADAMS JAMES, TRACT KK-10, ACRES 3.886, and A0652 MCADAMS JAMES, TRACT B-1, ACRES 5.799 to southwest corner of said 5.799 acre tract;

THEN north along west boundary of said 5.799 acre tract to northwest corner of said tract, same being south ROW of Quinlan Bypass, and City of Quinlan Municipal Limits;

THEN west northwest approx. 1,983 feet along south ROW of Quinlan Bypass/State Hwy 276, and City of Quinlan Municipal Limits to a point south southwest of west ROW of W Main St/Bus Hwy 276, same being City of Quinlan Municipal Limits;

THEN northeast by north and northeast approx. 665 feet across Quinlan Bypass/State Hwy 276 and along west ROW of W Main St/Bus Hwy 276, same being City of Quinlan Municipal Limits to south boundary of A0652 MCADAMS JAMES, TRACT 2, ACRES 254.384;

THEN generally west approx. 931 feet along south boundary of said 254.384 acre tract to southwest corner of said tract;

THEN north approx. 1,023 feet along west boundary of said 254.384 acre tract to City of Quinlan Extra-Territorial Jurisdiction limits;

THEN northeast and east northeast approx. 2,580 feet across said 254.384 acre tract along City of Quinlan Extra-Territorial Jurisdiction limits to west boundary of A0652 MCADAMS JAMES, TRACT HHHH, ACRES 200.0;

THEN south along west boundary of said 200.0 acre tract to southwest corner of said tract, same being north boundary of A0652 MCADAMS JAMES, TRACT 2, ACRES 254.384;

THEN east along north boundary of said 254.384 acre tract, to northeast corner of said 254.384 acre tract, same being City of Quinlan Municipal Limits, and west ROW of CR 2276/Mattie Rd;

THEN south, continuing east, south and east along east boundary of said 254.384 acre tract, and west ROW of CR 2276/Mattie Rd and City of Quinlan Municipal Limits to corner of said tract, same being northwest corner of A0416 HAMBY ISAAC, TRACT 102, ACRES 27.0;

THEN east along north boundary of said 27.0 acre tract to northeast corner of said tract;

THEN south along east boundary of said 27.0 acre tract to southeast corner of said tract, same being north ROW of Main St/Bus Hwy 276;

THEN generally east along north ROW of Main St/Bus Hwy 276 to southeast corner of S4420 ORIG TOWN OF QUINLAN BLK 15 LOT 1-8 ACRES .652 (104 N FIFTH ST, QUINLAN, TX 75474), same being west ROW of N Fifth St;

THEN north northwest along west ROW of N Fifth St to northeast corner of said 0.652 acre lot;

THEN east by north along across ROW of N Fifth St and along north ROW of W First St to southwest corner of S4420 ORIG TOWN OF QUINLAN BLK 7 LOT 9 ACRES .1148 (208 W FIRST ST, QUINLAN, TX 75474);

THEN generally east along north ROW of First St to west ROW of State Hwy 34, same being southeast corner of S2755 DAVIES ADDITION BLK 5 LOT B ACRES .4704 (WATSONS RESUB OF BLK 5 LTS 4-6 DAVIES ADDN), and the point of beginning of +/- 953.8 acre tract.

Save and Except Tract 1 of 3 is +/- 10.989 acre tract located at the intersection of Main St/Hwy 276 and Private Road 2279 with point of beginning being southeast corner of S2870 EPPERSON ADDITION 1 LOT 1-3 ACRES .6339 (1980 W HWY 276, QUINLAN, TX 75474);

THEN generally west along south boundary of said 0.6339 acre lot, and A0652 MCADAMS JAMES, TRACT X-1, ACRES .917, and A0652 MCADAMS JAMES, TRACT W, ACRES 3.5, same being north ROW of Main St/Hwy 276 to southwest corner of A0652 MCADAMS JAMES, TRACT W, ACRES 3.5;

THEN generally north along west boundary of said 3.5 acre tract to northwest corner of said tract;

THEN generally east along north boundary of said 3.5 acre tract, and S2870 EPPERSON ADDITION 1 LOT 8-13 ACRES 1.9229 to northeast corner of said 1.9229 acre lot;

THEN south along east boundary of said 1.9220 acre lot, and S2870 EPPERSON ADDITION 1 LOT 14,15 ACRES .2402, and S2870 EPPERSON ADDITION 1 LOT 14,15 ACRES .2402, and S2870 EPPERSON ADDITION 1 LOT 16-22 & 25 ACRES 1.2411 to southeast corner of said 1.2411 acre lot;

THEN west along south boundary of said 1.2411 acre lot, same being north ROW of Main St/State Hwy 276, across ROW of Private Road 2279 to southeast corner of S2870 EPPERSON ADDITION 1 LOT 1-3 ACRES .6339, same being point of beginning of +/- 10.988 acre **Save and Except Tract 1 of 3**.

Save and Except Tract 2 of 3 is a +/- 1.04 acre tract A0652 MCADAMS JAMES, TRACT BBBB, ACRES 1.03 (Geo Id: 0652-BBBB-0000-57, Situs: 901 W MAIN ST, QUINLAN, TX 75474).

Save and Except Tract 3 of 3 is a +/- 2.49 acre tract A0886 ROBERTS MARGARET, TRACT 3, ACRES 2 (Geo Id: 0886-0030-0000-56, Situs: 9180 S HWY 34, QUINLAN, TX 75474).

Exhibit "B"
Preliminary Project Plan and Reinvestment Zone Finance Plan

PRELIMINARY PROJECT PLAN AND FINANCE PLAN

OCTOBER 2024

QUINLAN, TEXAS
TAX INCREMENT REINVESTMENT ZONE NO. 1



Prepared by Hawes Hill & Associates

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TIRZ CONCEPT

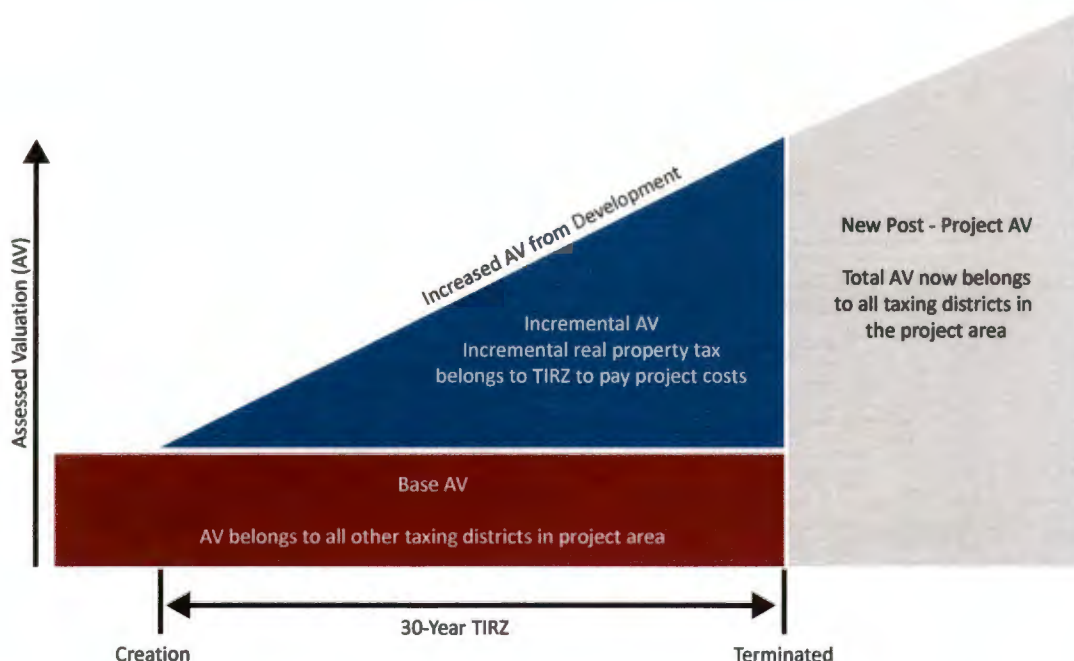
A tax increment reinvestment zone ("TIRZ" or "Zone") is a financing tool enabled by the Texas Legislature with the adoption of Chapter 311 of the Texas Tax Code. A TIRZ is a tool that can be used to pay for public improvements to encourage development and/or redevelopment of an area and attract private investment.

Cities and counties may create a TIRZ where conditions exist that substantially impair an area's sound growth and where development or redevelopment is not likely to occur but for public infrastructure enhancements financed by a TIRZ.

Upon creation of the Zone, the total appraised value of real property located within its boundaries is established for the year in which it was created. This is known as the base value. As development occurs in the Zone due to the provision of new infrastructure, the value of real property increases.

This additional value above the base is known as the increment. It is set aside to finance infrastructure improvements within the Zone. Once all projects are completed, or after a defined period of time, the TIRZ is dissolved.

During the life of the Zone, the city and other participating taxing jurisdictions collect tax revenue on the base value of the Zone. When the Zone is dissolved, the city and other participating taxing jurisdictions receive the benefit of the full increment value created by new development.



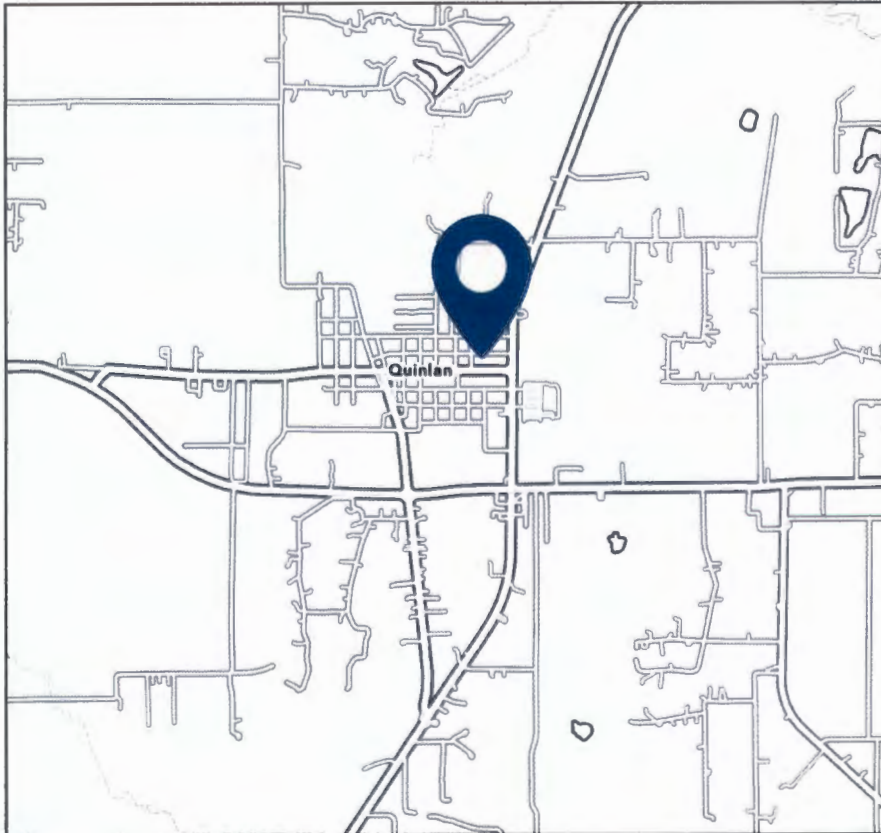
PURPOSE

This document constitutes the Preliminary Project Plan and Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone Number One, Quinlan, Texas as required by Chapter 311, Texas Tax Code. This document details the specific projects proposed to address existing conditions in the area as well as the method and means to finance them.

The purpose of the tax increment reinvestment zone is to finance construction of public facilities and infrastructure necessary to catalyze residential and commercial development and redevelopment, thereby increasing property values and revenues within the Zone boundaries. Expenditures associated with the design and construction of public facilities and infrastructure, as well as other specific project related costs, will be funded by tax increment revenues derived from increases

in property values following new development/redevelopment. Zone activities may include, but are not limited to, public infrastructure improvements including water, wastewater and drainage, stormwater detention, mobility improvements, land acquisition, creation of public spaces and facilities, streetscape/corridor improvements, trails and pedestrian amenities, and support for initiatives and projects that further the economic goals and priorities of the city.

The Zone boundary primarily includes incorporated properties within the City of Quinlan (the "city"), as well as property within the city's extraterritorial jurisdiction ("ETJ"). The intent of the Zone is to facilitate future residential and commercial development and redevelopment in a historically underdeveloped and underserved area.



LOCATION

The proposed Zone encompasses approximately 939 acres and is generally bounded by the northern property line of A0652 McAdams James, Tract 2, 1st Street, and the northern property line of A0826 Price Edmond, Tract 2-1 to the north, FM 3602 and FM 751 to the east, and Quinlan's Extraterritorial Jurisdiction and State Highway 276 bypass to the south and west.

GOALS

The following goals outline priorities and projects for the Zone and are based on needs identified in the Existing Conditions & Feasibility report and other Quinlan plans and studies. The intent of the goals is to identify public projects that would support the city's vision for the area, catalyze desired private investment, and otherwise further economic development objectives.

Infrastructure & Drainage

Provide adequate infrastructure including public water and wastewater service, as well as flood risk reduction enhancements, as needed, to enhance public health and spur local reinvestment.

Existing water and wastewater infrastructure within Quinlan are nearing their capacity; improvement in costly regional facilities will be critical to accommodate any substantive development or redevelopment efforts within the Zone. Two tributaries, which serve as the outfall for the city as a whole, bifurcate the raw land tracts within Zone boundaries. The adjacent 100-year floodplain decreases overall developable land, potentially impeding private investment.

A TIRZ can assist with improvements to ensure that development occurs in a manner that is in the long-term interest of potential residents and commercial owners. The reinvestment zone can facilitate proper growth by directly funding public infrastructure and/or developer reimbursement agreements or incentives. Proposed infrastructure improvements include improvements to existing water and wastewater facilities, acquisition and/or construction of new facilities, and extension of service lines. Drainage improvements and localized flood risk reduction may include improvements to ditches and culverts, the addition of storm drains and underground stormwater conveyance, and possible improvements to Jones Creek (Tributary 2) and the unnamed tributary.



Mobility & Connectivity

Enhance the ability to travel in a safe, efficient, and appealing manner using one of several mode choices needed to meet both need and market demand.

The mobility network within the Zone is comprised largely of aged asphalt roadways accompanied by roadside ditches; these are insufficient to handle significantly increased traffic flows associated with new development and/or redevelopment to higher intensity uses. Additionally, with the exception of two blocks in Downtown Quinlan, the Zone's roadways, both arterials and local streets, provide only for vehicular access. Strengthening the vitality of existing corridors and adjacent areas for commercial

use, such as the intersection of Main Street and State Highway 34, whether through safety and intersection improvements or streetscape / median enhancements, will enhance the economic marketability of the area.

TIRZ improvements may include roadway capacity expansion, enhanced intersections, access management, sidewalks, trails, bike improvements, crosswalks, ADA access, parking, safety improvements, right-of-way landscaping, pedestrian amenities, lightning, signage / wayfinding, gateway treatments, and public art.



Housing & Neighborhoods

Expand and diversify local housing options and enhance area neighborhoods.

Residential development in the Zone is currently limited, comprised primarily of older traditional construction in the blocks immediately adjacent to downtown Main Street. Developer interest in Quinlan, both single family and multifamily, as well as regional growth in nearby communities such as Terrell, prove that the market exists for new residential development in the area. Needed improvements include not only the expansion of current housing opportunities to satisfy regional growth pressures associated with proximity to the DFW metroplex, but also opportunities for quality of life enhancement for existing residents of Quinlan. TIRZ projects can assist in ensuring that there are affordable housing options for existing households, who currently earn less on average than those in Hunt County as a whole.

Parks & Public Facilities

Expand the system of recreation opportunities and public facilities necessary to improve local quality of life and public health, welfare, and safety.

The rural development pattern results in a very limited amount of parkland, with the only existing park in the area, Quinlan Community Park, located outside of Zone boundaries. Parks, open space and public facilities provide not only for recreation and cultural growth, but enhance quality of life and make the Zone inviting to residents and visitors. Public spaces and facilities, when appropriately designed and programmed, also serve as a catalyst for commercial and residential development and redevelopment. The TIRZ can provide for these amenities, enhancing the area's economic development potential through improvement to existing spaces / facilities, land acquisition, and development of amenities or facilities as capital improvements or through agreement with public or private agents. Potential projects include parks, trails, open spaces / natural areas, plazas, playgrounds, activity / community centers, libraries, cultural centers, improvements or expansion of existing fire and police stations, and other public facilities.

Economic Development

Incentivize projects that promote development and/or redevelopment within Zone boundaries and enhance economic development opportunities consistent with the city's goals and priorities.

In order to stimulate and accelerate both development and redevelopment within its boundaries, the TIRZ desires to establish an economic development program that would directly incentivize private enterprises that affect the TIRZ and serve as a catalyst for other business developments, such as the redevelopment of many of Downtown's deteriorated commercial structures. Examples of how the program would be used include funding for business development and retention, business loss mitigation, economic development grants to catalyze investments, such as Agreements under Chapter 380 of the Texas Local Government Code, and matching grants to provide leverage for other economic development funds. In cases such as those described in this section, an appropriate economic development program would be proposed by the city and/or the TIRZ and approved by both the TIRZ and the City of Quinlan's City Council. Payments made pursuant to this program shall be pursuant to economic development agreements entered into on behalf of the Zone and are considered Project Costs. No grant or loan shall be authorized by the Zone without prior consent of the city.



AUTHORIZED PROJECT COSTS

The estimated project costs for the Preliminary Project Plan and Financing Plan are detailed in Table 1. Projects include infrastructure improvements, including detention/drainage, water and wastewater, mobility improvements, affordable housing, parks, recreation and public facilities, and economic development. The project categories reflect the types of projects supported by the TIRZ; however, actual projects that will be undertaken by the TIRZ will be based on factors including community development priorities, the ability to leverage funds, and available increment. The dollar amounts for each category are approximate and may be amended from time to time by the Board of Directors of the Zone with approval of the city.





Non-project costs are those infrastructure costs that will not be funded or reimbursed by the TIRZ but will be funded by other parties, such as the City of Quinlan, the Texas Department of Transportation, non-profit organizations, or private sources, including developers. Funding identified in Table 1 will be leveraged with other sources to secure Non-Project funding when appropriate and available.

TABLE 1: ESTIMATED PROJECT COSTS

Infrastructure & Drainage	\$25,000,000
Mobility & Connectivity	\$25,000,000
Housing & Neighborhoods	\$1,000,000
Parks & Public Facilities	\$6,000,000
Economic Development	\$2,500,000
Administrative Costs	\$1,500,000
Total Project Costs	\$61,000,000

PROJECT PLAN

This document constitutes the Preliminary Project Plan for Tax Increment Reinvestment Zone Number One, City of Quinlan (the “Plan”) as required by Chapter 311 of the Texas Tax Code. The purpose of the TIRZ is to finance improvements that support new development and redevelopment of properties within the Zone.

	Existing and Proposed Uses of Land	Texas Tax Code - 311.011 (B)(1)
	Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances and Subdivision Rules and Regulations, if any, of the City	Texas Tax Code - 311.011 (B)(2)
	Estimated Non-Project Costs	Texas Tax Code - 311.011 (B)(3)
	Method of Relocating Persons to be Displaced, if Any, as a Result of Implementing the Plan	Texas Tax Code - 311.011 (B)(4)

PROJECT PLAN

Existing and Proposed Uses of Land

(TEXAS TAX CODE - 311.011 (B)(1))

Existing Land Use - Current land uses within the Zone consist primarily of agricultural / undeveloped uses, 91%, as shown in Exhibit A - Map 3 (page A-4). Other uses include commercial, residential, and multifamily. In terms of taxable value, commercial comprises the largest value, 53%, followed by residential at 21%. Given the existing uses, the taxable value within the majority of the proposed Zone boundary is relatively low. Existing conditions are further described in Exhibit C.

Surrounding Land Use - Land surrounding the proposed Zone includes agricultural, residential, commercial, and public/institutional uses.

Proposed Uses - Proposed uses in the Zone will include enhanced residential, commercial/retail, light industrial, and public uses, with decreasing undeveloped land over time. Exhibit A - Map 4 (page A-5) details future land uses as set out by Quinlan's 2020 Comprehensive Plan.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances

(TEXAS TAX CODE - 311.011 (B)(2))

All construction will be performed in conformance with the City of Quinlan's existing rules and regulations. There are no proposed changes to any ordinance, master plan, or building code.

Estimated Non-Project Costs

(TEXAS TAX CODE - 311.011 (B)(3))

Non-Project costs are those infrastructure costs that will not be funded or reimbursed by the TIRZ but will be funded by other parties. Funding identified in Table 1 (page 8) will be leveraged with other sources to secure non-project funding when appropriate and available.

PROJECT PLAN

Method of Relocating Persons to be Displaced, If Any, as a Result of Implementing the Plan









(TEXAS TAX CODE - 311.011 (B)(2))

It is not anticipated that any residents will be displaced or relocated as a result of this Plan.

REINVESTMENT ZONE FINANCE PLAN

This document constitutes the Preliminary Financing Plan for Tax Increment Reinvestment Zone Number One, City of Quinlan as required by Chapter 311 of the Texas Tax Code. The purpose of the Zone is to finance public improvements to support development and redevelopment efforts and encourage new development in the Zone. Improvements include, but are not limited to, roadways, infrastructure improvements including water, wastewater and drainage, pedestrian amenities, trails, streetscape enhancements, building rehabilitation, and parks and open space improvements.

Funding of projects will occur through available tax increment funds, leveraged with local, state and federal dollars and/or through reimbursement of eligible project costs advanced by private entities / developers.

	Estimated Project Costs	Texas Tax Code - 311.011(C)(1)
	Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed by the Zone	Texas Tax Code - 311.011(C)(2)
	Economic Feasibility Study	Texas Tax Code - 311.011 (C)(3)
	Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Are Incurred	Texas Tax Code - 311.011(C)(4), - 311.011(C)(5)
	Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone	Texas Tax Code - 311.011(C)(6)
	Current Total Appraised Value of Taxable Real Property	Texas Tax Code - 311.011(C)(7)
	Estimated Captured Appraised Value of Zone During Each Year of Existence	Texas Tax Code - 311.011(C)(8)
	Zone Duration	Texas Tax Code - 311.011(C)(9)

REINVESTMENT ZONE FINANCE PLAN

Estimated Project Costs

(TEXAS TAX CODE - 311.011 (C)(1))

Table 1 (page 8) details proposed public improvements to be funded utilizing resources from the Zone. As set forth in the Plan, the dollar amounts are approximate and may be amended from time to time by the Board with the approval by the city. Any financing costs are a function of project financing needs and will vary with market conditions. Proposed public projects would be located throughout the Zone and within public spaces and rights-of-way as shown on Map 1 (page A-2).

Proposed Kind, Number, and Location of All Proposed Public Works or Public Improvements to be Financed by the Zone

(TEXAS TAX CODE - 311.011 (C)(2))

These details are described throughout the Plan and include roadway, drainage, water, wastewater, streetscape, pedestrian and bike, affordable housing, trails, and parks and recreation facilities improvements. The economic scope of proposed improvements is contained in Table 1 (page 8) and will be located within the boundary shown on Map 1 (page A-2). Page C-26 Exhibit C identifies proposed capital projects within the Zone boundary.

Economic Feasibility Study

(TEXAS TAX CODE - 311.011 (C)(3))

An economic feasibility study is included in Exhibit C - Existing Conditions & Feasibility.

The study found that Infrastructure improvements funded / implemented by the TIRZ would stimulate development within the Zone and allow development to occur at an earlier time through resource leveraging and advance funding by developers than would otherwise be possible. Infrastructure improvements supported by the TIRZ, the city, and private investment will enhance the area within the Zone and increase property values. Values are expected to grow from \$20.6 million in 2024 to \$548.7 million by the year 2054. Increase in values and investment will also result in increased sales tax and job growth within the community.

The planned infrastructure improvements depicted in Table 1 (page 8) will contribute significantly to the area's ability to support redevelopment efforts and attract new development to the area.

Exhibit B constitutes incremental revenue estimates for this Plan. The future anticipated revenue of the Zone is exceeded by the cost of proposed improvements and therefore projects will be implemented based on available funding. Development within the proposed Zone boundaries would not be feasible within the foreseeable future without the assistance of a tool like the TIRZ. The City of Quinlan determines that this Plan is feasible.

REINVESTMENT ZONE FINANCE PLAN

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Are Incurred

(TEXAS TAX CODE - 311.011 (C)(4), - 11.011 (C)(5)):

Issuance of notes and bonds by the Zone may occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as derived from the projects and revenue schedules included in Table 1 (page 8) and Exhibit B, as well as actual market conditions for the issue and sale of such notes and bonds.

The time when related costs or monetary obligations are to be incurred is a function of the availability of TIRZ revenues as shown in Exhibit B.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone

(TEXAS TAX CODE - 311.011 (C)(6))

Methods and sources of financing include the issuance of notes and bonds, as well as agreements with developers and other entities for grant funding and partnerships. Leveraging of funds with other entities and grants will be instrumental in realizing projects sooner, participating in larger cost projects, and in adding value to projects.

Projects will be implemented through the use of the following strategies:

- Developers could advance funds for qualified projects and be reimbursed through the TIRZ as revenues are realized through additional increment generated by the development.
- Pay-as-you-go projects are implemented on a pay-as-you-go basis, whereby projects are only implemented once enough revenues have been generated to fund design and construction of a project.
- Leveraging of resources with other entities and/or pledging the TIRZ revenue source to another taxing entity with the intent of expediting proposed projects.

Tax increment associated with this Plan will consist of contributions from the city at 70% of its tax rate, from Hunt County at 50% of its tax rate, and from the Memorial Hospital District at 50% of its tax rate.

REINVESTMENT ZONE FINANCE PLAN

Current Total Appraised Value of Taxable Real Property

(TEXAS TAX CODE - 311.011 (C)(7))

The 2024 value of taxable real property in the Zone is estimated at \$20,604,616.

Estimated Captured Appraised Value of Zone During Each Year of Existence

(TEXAS TAX CODE - 311.011 (C)(8))

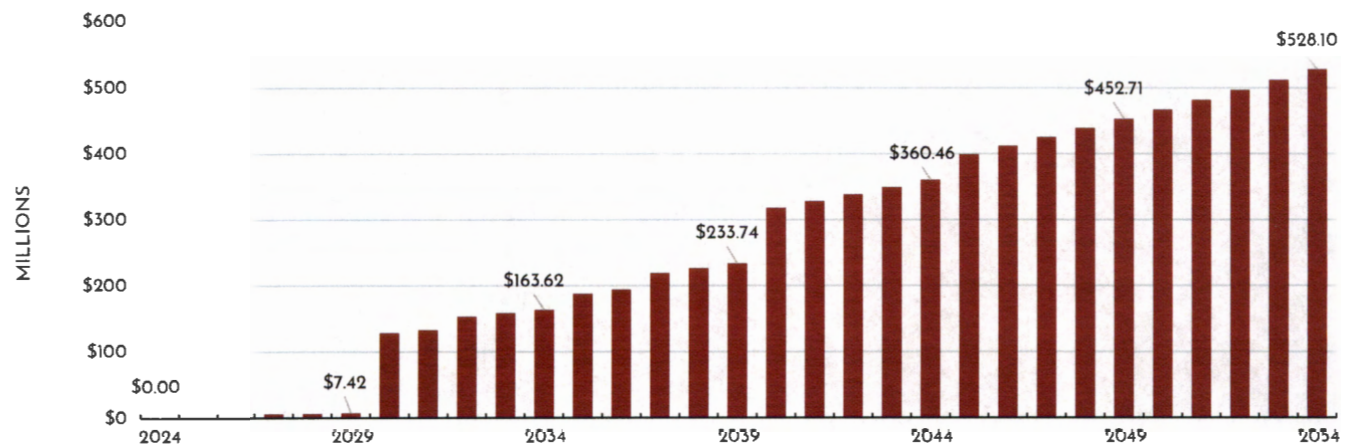
The estimated captured appraised value of the Zone during each remaining year of its existence is contained in Exhibit B. It is estimated that by 2054, the taxable value within the Zone will increase to nearly \$549 million with a captured value of \$528 million.

TOTAL APPRAISED VALUE - PROJECTION



REINVESTMENT ZONE FINANCE PLAN

TOTAL CAPTURED VALUE - PROJECTION



Zone Duration

(TEXAS TAX CODE - 311.011 (C)(9))

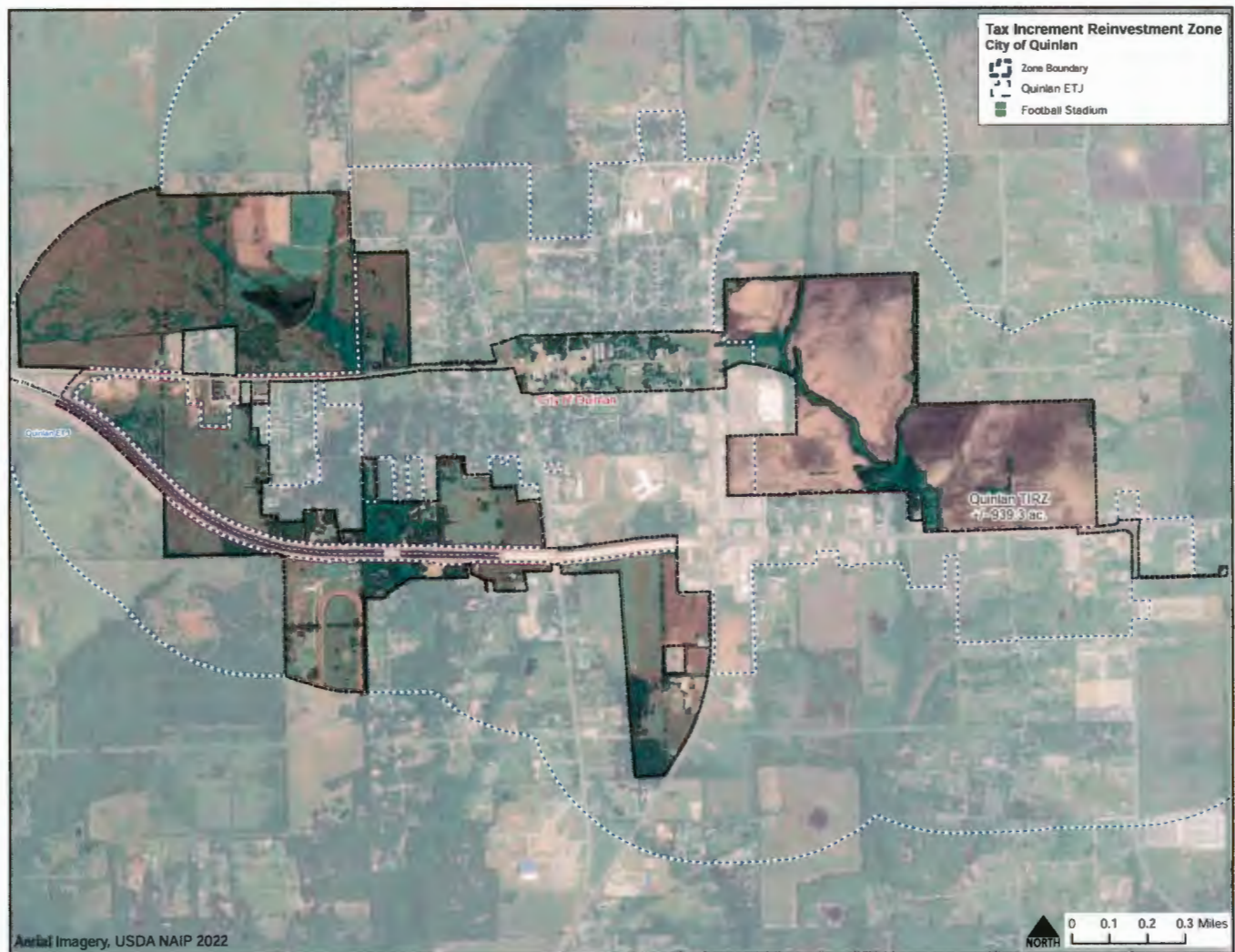
The Zone will terminate on December 31, 2054. Final TIRZ payments will be received in 2055. The Zone may terminate at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of proposed revenue bonds, notes or other obligations, if any, that all project costs, bonds, and interest on bonds have been paid in full.

EXHIBIT A MAPS

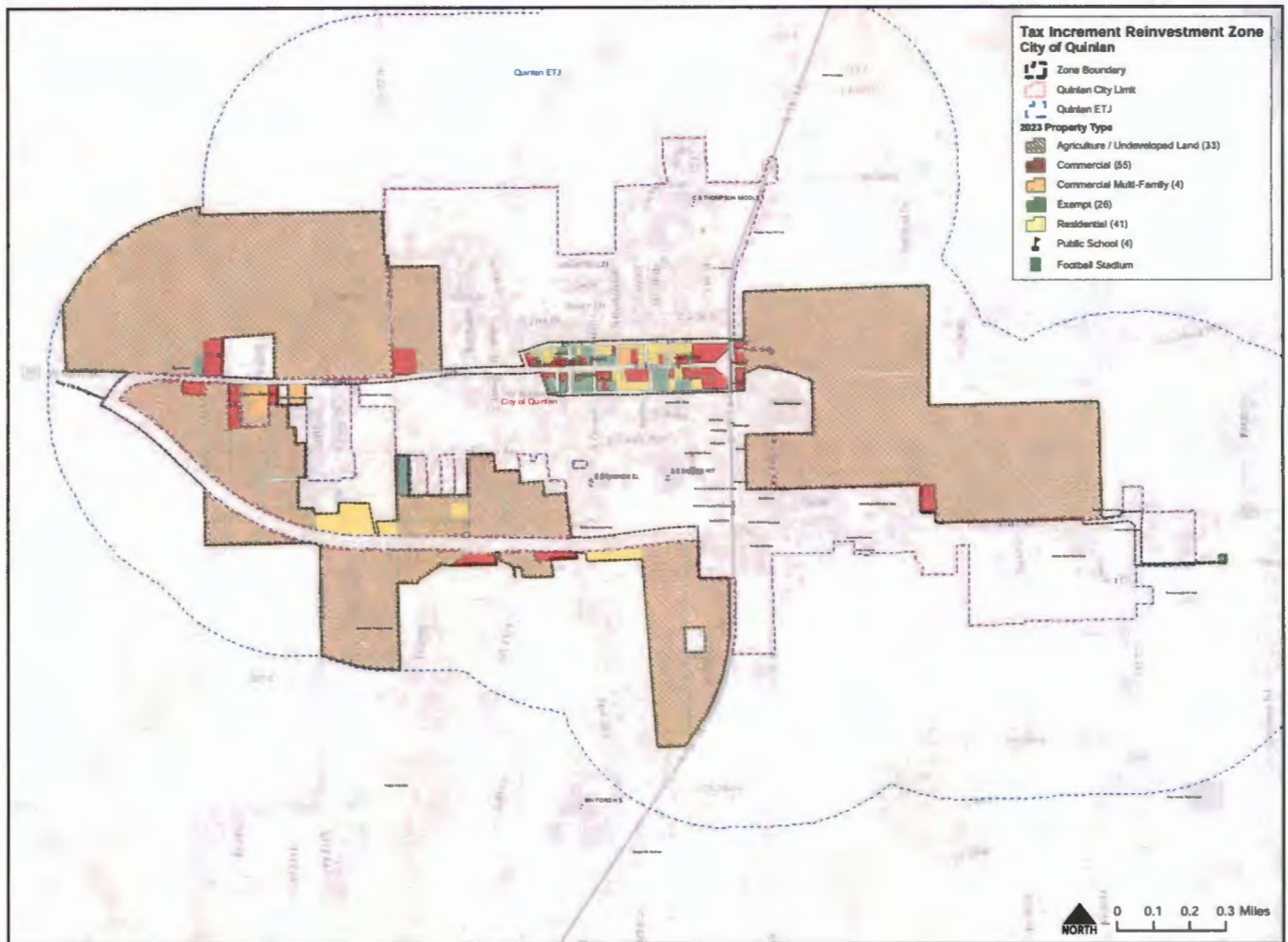
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MAP 2

PROPOSED ZONE BOUNDARY - AERIAL

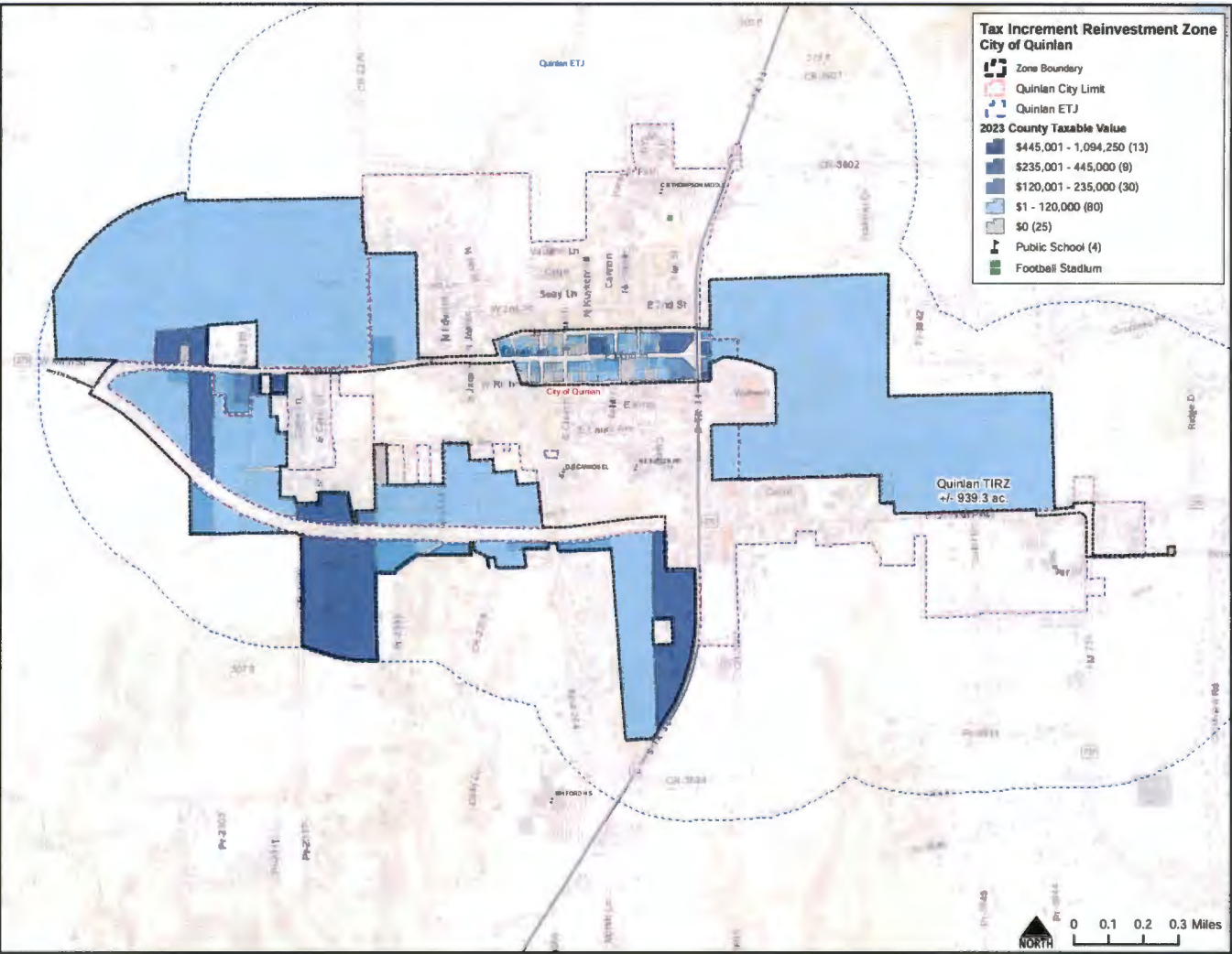


MAP 3 EXISTING PROPERTY CLASSIFICATION





MAP 5 TAXABLE VALUE





MAP 7 FLOOD HAZARD AREAS

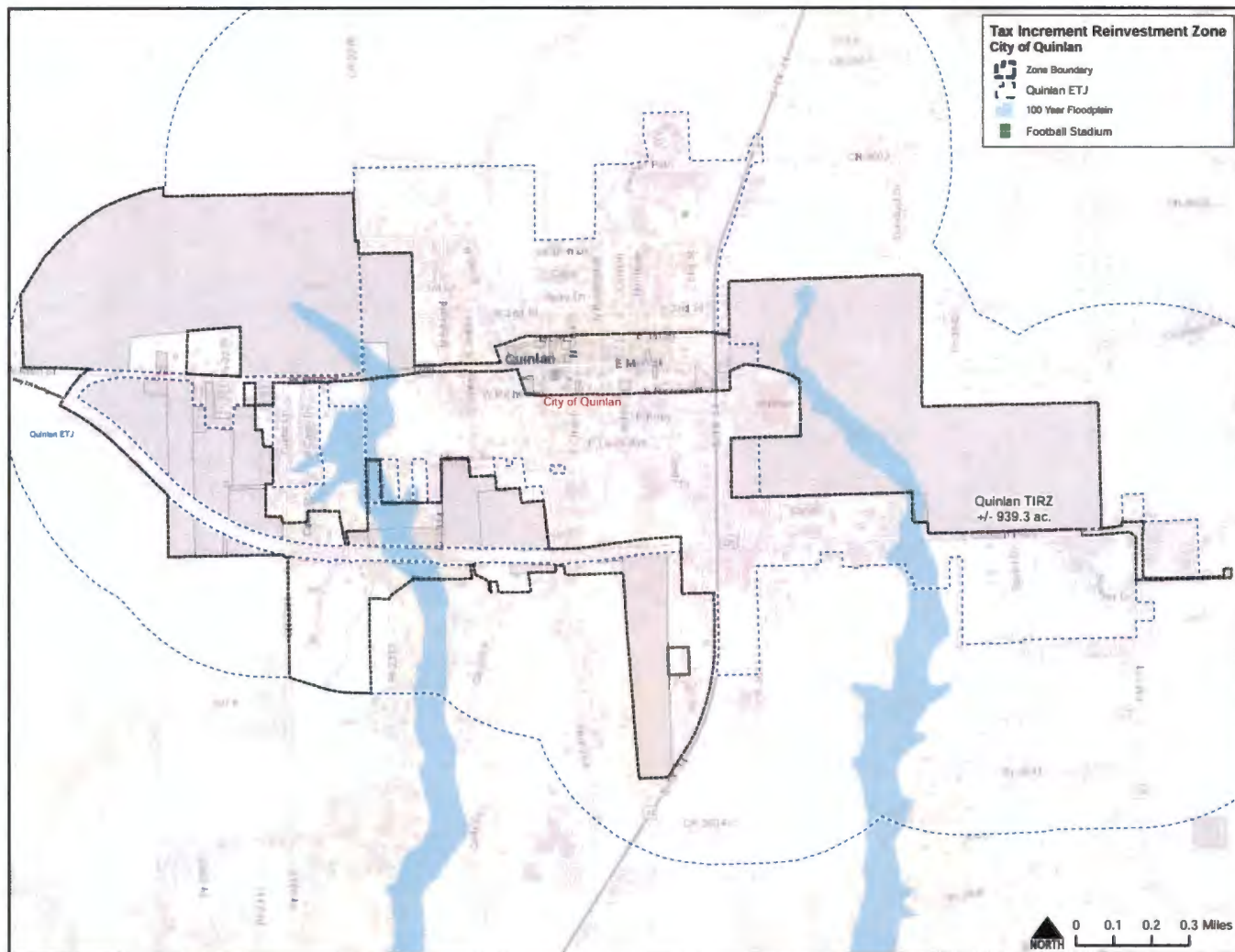


EXHIBIT B

REVENUE ANALYSIS

Projected Value & Revenue

Value & Revenue - Quinlan TIRZ

Projected Assessed Valuation				Projected Revenue												
Tax Year	Base Year Valuation	Projected Valuation	Captured Value (Increment)	Tax Year	Coll Year	City Revenues	Cumulative	City TIRZ Participation (70%)	County Revenues	Cumulative	County TIRZ Participation (50%)	Hospital District Revenues	Cumulative	Hospital District TIRZ Participation (50%)	Total TIRZ Revenues	Cumulative TIRZ Revenues
2024	\$ 20,604,616	\$ 20,604,616	\$ -	2024	2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	\$ 20,604,616	\$ 21,222,754	\$ 618,138	2025	2026	\$ 2,690	\$ 2,690	\$ 1,883	\$ 2,035	\$ 2,035	\$ 1,018	\$ 1,198	\$ 1,198	\$ 599	\$ 3,500	\$ 3,500
2026	\$ 20,604,616	\$ 21,859,437	\$ 1,254,821	2026	2027	\$ 5,460	\$ 8,150	\$ 3,822	\$ 4,132	\$ 6,167	\$ 2,066	\$ 2,432	\$ 3,630	\$ 1,216	\$ 7,104	\$ 10,604
2027	\$ 20,604,616	\$ 26,415,220	\$ 5,810,604	2027	2028	\$ 25,283	\$ 33,433	\$ 17,698	\$ 19,133	\$ 25,300	\$ 9,567	\$ 11,263	\$ 14,894	\$ 5,632	\$ 32,896	\$ 43,500
2028	\$ 20,604,616	\$ 27,207,677	\$ 6,603,061	2028	2029	\$ 28,731	\$ 62,164	\$ 20,112	\$ 21,743	\$ 47,043	\$ 10,871	\$ 12,799	\$ 27,693	\$ 6,400	\$ 37,383	\$ 80,883
2029	\$ 20,604,616	\$ 28,023,907	\$ 7,419,291	2029	2030	\$ 32,283	\$ 94,447	\$ 22,598	\$ 24,430	\$ 71,473	\$ 12,215	\$ 14,381	\$ 42,074	\$ 7,191	\$ 42,004	\$ 122,886
2030	\$ 20,604,616	\$ 148,599,624	\$ 127,995,008	2030	2031	\$ 556,932	\$ 651,379	\$ 389,852	\$ 421,462	\$ 492,935	\$ 210,731	\$ 248,101	\$ 290,175	\$ 124,050	\$ 724,634	\$ 847,520
2031	\$ 20,604,616	\$ 153,057,613	\$ 132,452,997	2031	2032	\$ 576,329	\$ 1,227,708	\$ 403,431	\$ 436,141	\$ 929,076	\$ 218,071	\$ 256,742	\$ 546,916	\$ 128,371	\$ 749,872	\$ 1,597,392
2032	\$ 20,604,616	\$ 173,649,341	\$ 153,044,725	2032	2033	\$ 665,928	\$ 1,893,636	\$ 466,150	\$ 503,946	\$ 1,433,022	\$ 251,973	\$ 296,656	\$ 843,572	\$ 148,328	\$ 866,451	\$ 2,463,843
2033	\$ 20,604,616	\$ 178,858,822	\$ 158,254,206	2033	2034	\$ 688,596	\$ 2,582,232	\$ 482,017	\$ 521,099	\$ 1,954,122	\$ 260,550	\$ 306,754	\$ 1,150,326	\$ 153,377	\$ 895,944	\$ 3,359,786
2034	\$ 20,604,616	\$ 184,224,586	\$ 163,619,970	2034	2035	\$ 711,943	\$ 3,294,175	\$ 498,360	\$ 538,768	\$ 2,492,889	\$ 269,384	\$ 317,155	\$ 1,467,481	\$ 158,577	\$ 926,322	\$ 4,286,168
2035	\$ 20,604,616	\$ 208,401,324	\$ 187,796,708	2035	2036	\$ 817,141	\$ 4,111,316	\$ 571,999	\$ 618,377	\$ 3,111,266	\$ 309,188	\$ 364,018	\$ 1,831,499	\$ 182,009	\$ 1,063,196	\$ 5,349,364
2036	\$ 20,604,616	\$ 214,653,364	\$ 194,048,748	2036	2037	\$ 844,345	\$ 4,955,661	\$ 591,041	\$ 638,964	\$ 3,750,230	\$ 319,482	\$ 376,137	\$ 2,207,635	\$ 188,068	\$ 1,098,592	\$ 6,447,856
2037	\$ 20,604,616	\$ 239,742,965	\$ 219,138,349	2037	2038	\$ 953,515	\$ 5,909,176	\$ 667,460	\$ 721,579	\$ 4,471,809	\$ 360,789	\$ 424,769	\$ 2,632,405	\$ 212,385	\$ 1,240,634	\$ 7,688,530
2038	\$ 20,604,616	\$ 246,935,254	\$ 226,330,638	2038	2039	\$ 984,810	\$ 6,893,986	\$ 689,367	\$ 745,262	\$ 5,217,070	\$ 372,631	\$ 438,711	\$ 3,071,115	\$ 219,355	\$ 1,281,353	\$ 8,969,883
2039	\$ 20,604,616	\$ 254,343,311	\$ 233,738,695	2039	2040	\$ 1,017,044	\$ 7,911,030	\$ 711,931	\$ 769,655	\$ 5,986,725	\$ 384,827	\$ 453,070	\$ 3,524,186	\$ 226,535	\$ 1,323,293	\$ 10,293,176
2040	\$ 20,604,616	\$ 338,573,610	\$ 317,968,994	2040	2041	\$ 1,383,547	\$ 9,294,576	\$ 968,483	\$ 1,047,008	\$ 7,033,733	\$ 523,504	\$ 616,339	\$ 4,140,524	\$ 308,169	\$ 1,800,156	\$ 12,093,332
2041	\$ 20,604,616	\$ 348,730,819	\$ 328,126,203	2041	2042	\$ 1,427,743	\$ 10,722,319	\$ 999,420	\$ 1,080,454	\$ 8,114,187	\$ 540,227	\$ 636,027	\$ 4,776,552	\$ 318,014	\$ 1,857,661	\$ 13,950,993
2042	\$ 20,604,616	\$ 359,192,743	\$ 338,588,127	2042	2043	\$ 1,473,265	\$ 12,195,584	\$ 1,031,285	\$ 1,114,903	\$ 9,229,090	\$ 557,451	\$ 656,306	\$ 5,432,858	\$ 328,153	\$ 1,916,890	\$ 15,867,883
2043	\$ 20,604,616	\$ 369,968,526	\$ 349,363,910	2043	2044	\$ 1,520,152	\$ 13,715,736	\$ 1,064,107	\$ 1,150,385	\$ 10,379,476	\$ 575,193	\$ 677,194	\$ 6,110,051	\$ 338,597	\$ 1,977,896	\$ 17,845,779
2044	\$ 20,604,616	\$ 381,067,581	\$ 360,462,965	2044	2045	\$ 1,568,446	\$ 15,284,182	\$ 1,097,913	\$ 1,186,932	\$ 11,566,408	\$ 593,466	\$ 698,708	\$ 6,808,759	\$ 349,354	\$ 2,040,733	\$ 19,886,511
2045	\$ 20,604,616	\$ 420,537,109	\$ 399,932,493	2045	2046	\$ 1,740,186	\$ 17,024,369	\$ 1,218,130	\$ 1,316,898	\$ 12,883,306	\$ 658,449	\$ 775,214	\$ 7,583,973	\$ 387,607	\$ 2,264,186	\$ 22,150,658
2046	\$ 20,604,616	\$ 433,153,222	\$ 412,548,606	2046	2047	\$ 1,795,081	\$ 18,819,450	\$ 1,256,557	\$ 1,358,440	\$ 14,241,746	\$ 679,220	\$ 799,668	\$ 8,383,641	\$ 399,834	\$ 2,335,611	\$ 24,486,309
2047	\$ 20,604,616	\$ 446,147,819	\$ 425,543,203	2047	2048	\$ 1,851,624	\$ 20,671,074	\$ 1,296,137	\$ 1,401,229	\$ 15,642,975	\$ 700,614	\$ 824,857	\$ 9,208,498	\$ 412,428	\$ 2,409,179	\$ 26,895,488
2048	\$ 20,604,616	\$ 459,532,253	\$ 438,927,637	2048	2049	\$ 1,909,862	\$ 22,580,936	\$ 1,336,903	\$ 1,445,301	\$ 17,088,276	\$ 722,650	\$ 850,800	\$ 10,059,298	\$ 425,400	\$ 2,484,954	\$ 29,380,442
2049	\$ 20,604,616	\$ 473,318,221	\$ 452,713,605	2049	2050	\$ 1,969,847	\$ 24,550,783	\$ 1,378,893	\$ 1,490,695	\$ 18,578,971	\$ 745,348	\$ 877,523	\$ 10,936,821	\$ 438,761	\$ 2,563,002	\$ 31,943,444
2050	\$ 20,604,616	\$ 487,517,768	\$ 466,913,152	2050	2051	\$ 2,031,633	\$ 26,582,416	\$ 1,422,143	\$ 1,537,452	\$ 20,116,423	\$ 768,726	\$ 905,047	\$ 11,841,867	\$ 452,523	\$ 2,643,392	\$ 34,586,836
2051	\$ 20,604,616	\$ 502,143,301	\$ 481,538,685	2051	2052	\$ 2,095,271	\$ 28,677,687	\$ 1,466,690	\$ 1,585,611	\$ 21,702,033	\$ 792,805	\$ 933,396	\$ 12,775,264	\$ 466,698	\$ 2,726,193	\$ 37,313,039
2052	\$ 20,604,616	\$ 517,207,600	\$ 496,602,984	2052	2053	\$ 2,160,819	\$ 30,838,506	\$ 1,512,573	\$ 1,635,214	\$ 23,337,248	\$ 817,607	\$ 962,596	\$ 13,737,860	\$ 481,298	\$ 2,811,478	\$ 40,124,568
2053	\$ 20,604,616	\$ 532,723,828	\$ 512,119,212	2053	2054	\$ 2,228,333	\$ 33,066,839	\$ 1,559,833	\$ 1,686,306	\$ 25,023,554	\$ 843,153	\$ 992,672	\$ 14,730,532	\$ 496,336	\$ 2,899,322	\$ 43,023,800
2054	\$ 20,604,616	\$ 548,705,542	\$ 528,100,926	2054	2055	\$ 2,297,873	\$ 35,364,712	\$ 1,608,511	\$ 1,738,931	\$ 26,762,484	\$ 869,465	\$ 1,023,651	\$ 15,754,183	\$ 511,825	\$ 2,989,802	\$ 46,013,632
						\$ 35,364,712		\$ 24,755,298	\$ 26,762,484		\$ 13,381,242	\$ 15,754,183		\$ 7,877,091	\$ 46,013,632	

Notes / Assumptions:

- 2024 Base Year Valuation is estimated based on 2023 Taxable Value. Actual 2024 Base Year Valuation will be determined once certified by the Appraisal District
- Revenues are based on most recent certified tax rate (2023)
- Based on Developer's Proforma v. 25 07-18-24. No value / credit given for developed lots ; select commercial tracts removed (Tract 2[A], Tract 7, Tract 8, Tract 11) ; Quinlan Ranch Residential & Multifamily reduced by 50%
- 3% annual value growth assumed
- 98% tax collection rate assumed
- Quinlan is participating at 70%; Hunt County at Memorial Hospital District are participating at 50%

EXHIBIT C

EXISTING CONDITIONS & FEASIBILITY

INTRODUCTION

Tax Increment Reinvestment Zones are governed by Chapter 311 of the Texas Tax Code and are created by cities and counties to support development and/or redevelopment of areas that would not otherwise occur in the foreseeable future. There are a number of conditions under which a reinvestment zone can be created, including conditions that impair the growth of the city, retard the provision of housing, or constitute an economic or social liability as a result of inadequate sidewalk or street layout, faulty lot layout, deterioration of site or other improvements, or being predominately open or undeveloped land with limited infrastructure.

This document outlines the existing conditions of the proposed Zone and assesses the feasibility and appropriateness of using a tool like tax increment reinvestment zone financing to meet Quinlan's objectives as they relate to catalyzing investment and new development within the city.



PROCESS

Evaluating whether a Tax Increment Reinvestment Zone is a viable financing tool for Quinlan in spurring new development and investment will involve understanding the community's needs and looking at the opportunities for investment as a result of public improvements.

01. COMMUNITY OVERVIEW



A snapshot of the current demographic, socioeconomic, and market conditions in the community.

02. EXISTING CONDITIONS



An understanding of the community's existing physical conditions.

03. PROPOSED TIRZ BOUNDARIES



Identification of proposed TIRZ boundaries to address all identified community needs and opportunities.

04. PROJECTS



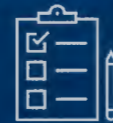
Identification of potential capital improvement projects eligible by statute within the proposed Zone.

05. REVENUE SCENARIOS



Analysis of various revenue scenarios and resulting impacts on Tax Increment Reinvestment Zone revenue.

06. TIRZ FEASIBILITY



Determination of feasibility of a TIRZ based on projected revenues and the ability of the Zone to fund infrastructure projects.

COMMUNITY OVERVIEW

Hawes Hill & Associates conducted an analysis of the demographic and socioeconomic makeup of the City of Quinlan to fully understand its current patterns, trends, and needs. For comparison, data was also pulled for Hunt County in its entirety.¹

Note 1: All references to “county” within this document refer to Hunt County.

Population & Households

Quinlan has an estimated population of 1,414 residents, up just over 4% since 2010. The area’s Daytime Population is nearly 181% that of its overall population versus roughly 94% seen by the county, indicating a significant inflow of workers during business hours.

Average household and family size within the city are 2.65 and 3.21, both marginally smaller than those within the county. Its households primarily include married couples either with no children or no children remaining at home.

2023 REGIONAL POPULATION CHARACTERISTICS

	Quinlan	Hunt County
Population	1,414	105,202
Daytime Population	2,555	99,027
Workers	1,848	42,707
Residents	707	56,320
Households	533	38,120
Avg. Household Size	2.65	2.68
Families	348	26,129
Avg. Family Size	3.21	3.25

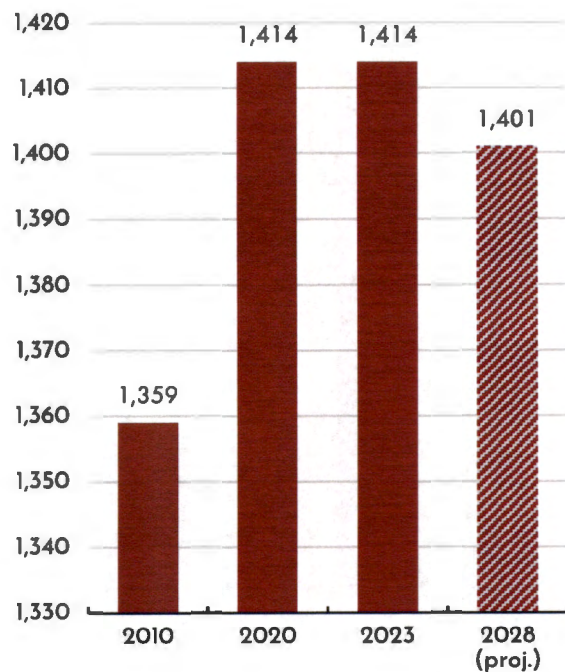
Source: Esri, 2024

COMMUNITY OVERVIEW

Area Growth

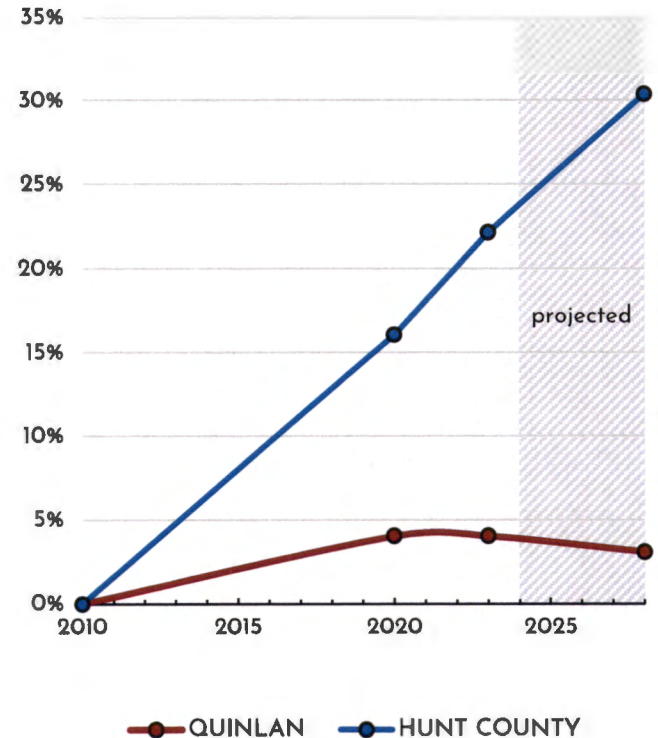
Without the aid of an economic development vehicle such as a TIRZ, Quinlan's growth is expected to stagnate in the years to come, with a marginal decrease in population of nearly 1% by 2028. During the same period, Hunt County's population is projected to grow by roughly 6.7%.

QUINLAN POPULATION OVER TIME



Source: Esri, 2024

REGIONAL POPULATION OVER TIME - INDEXED TO 2010



COMMUNITY OVERVIEW

Age & Race

With a median age of 41.2 years and 21% of residents under the age of 18, Quinlan has a slightly older population than Hunt County as a whole, which has a median age of 39.1 years and 22% of residents younger than 18. The child dependency ratio ("CDR") within the city, calculated as the ratio of the population under 18 years of age to the working age population aged 18 to 64, was 36.9% in 2023, coming in just below the county's CDR of 37%.

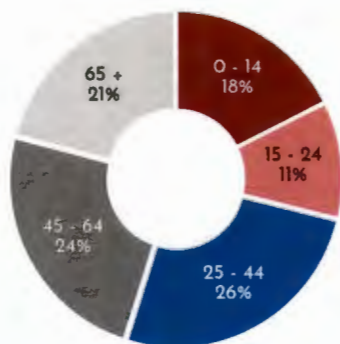
Quinlan has a majority White population, at 79% of all residents. Persons of Hispanic origin, who may be of any race, accounted for just over 18% of the city's population, 2% more than the relative number within the county, 20%.

Esri's Diversity Index, which measures the likelihood of two persons chosen at random from the same area belonging to different races or ethnic groups (wherein 0 indicates no diversity and 100 indicates complete diversity), measured 55.1 for the Study Area, indicating a lack of significant diversity within the community. The county, at 65.9, is marginally more racially and ethnically diverse.

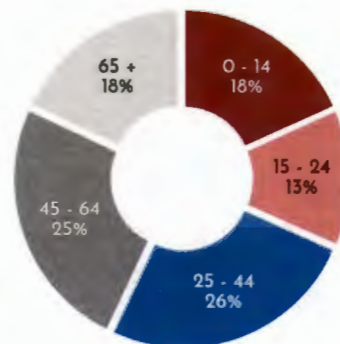
Source: Esri, 2024

Note: The "Other" race category includes American Indian or Alaskan Native, Native Hawaiian or other Pacific Islander, and any other race for persons who do not identify with one of the specified groups.

2023 POPULATION BY AGE

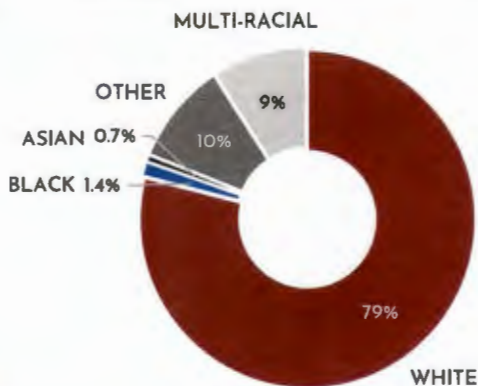


CITY OF QUINLAN

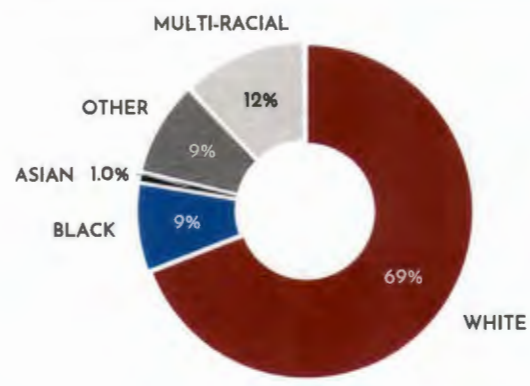


HUNT COUNTY

2023 POPULATION BY RACE



CITY OF QUINLAN

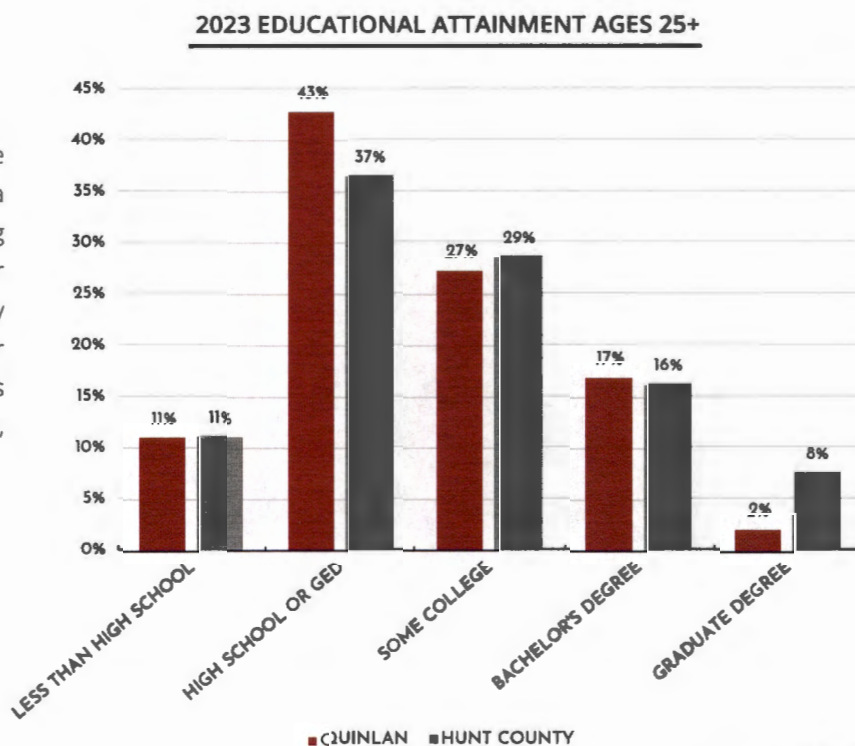


HUNT COUNTY

COMMUNITY OVERVIEW

Education

Within the City of Quinlan, 89.1% of the population aged 25 years or older has a high school degree or higher, just edging out the county's 88.8% capture rate for these education segments. Hunt County outperforms Quinlan in terms of higher education, with 24% of county residents holding at least a four-year college degree, versus 19% within the city.



Source: Esri, 2024

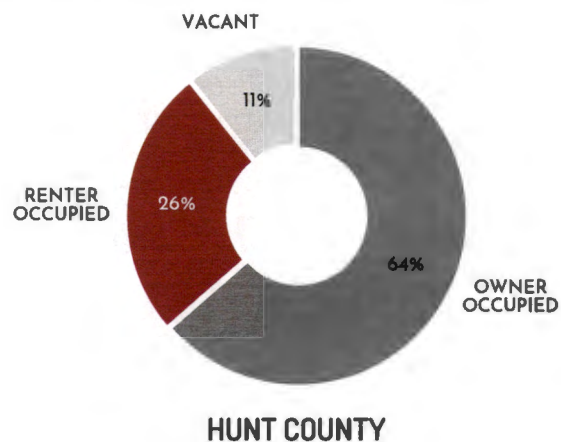
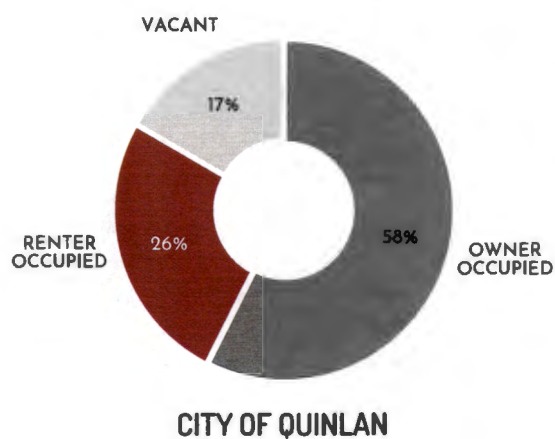
Housing

Housing within Quinlan predominately consists of single family residential units interspersed with mobile homes. The existing housing stock is 58% owner-occupied, less than the 64% owner-occupancy rate experienced by Hunt County.

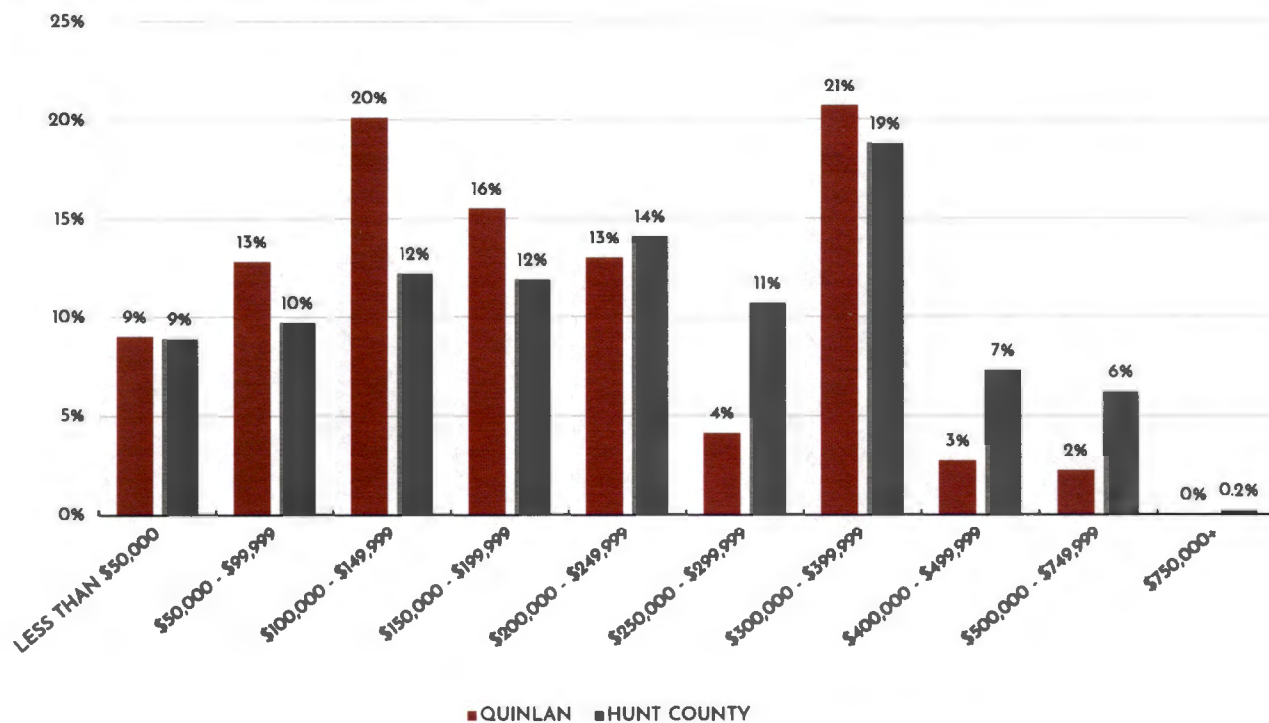
The median home value within the city is \$176,316, approximately 22% less than that of the Hunt County, at \$226,101. Similarly, median household income within Quinlan, at \$46,041, is 21% less than that seen within the county. Despite residents within the City of Quinlan earning less than those within the county as a whole, the lower homes prices make the city equally affordable to the local population. Households spend roughly 23% of their income on mortgage payments versus 23.4% within the overall county. Esri's Housing Affordability Index ranks Quinlan at 95, indicating that median household income is 5% lower than what is necessary to afford a home at the median value without being cost-burdened. Hunt County's index just edges out the city's, at 96.

COMMUNITY OVERVIEW

2023 HOUSING OCCUPANCY STATUS



2023 OWNER-OCCUPIED HOUSING BY VALUE



	Quinlan	Hunt County
Avg. Owner-Occupied Home Value	\$202,717	\$246,193

Source: Esri, 2024

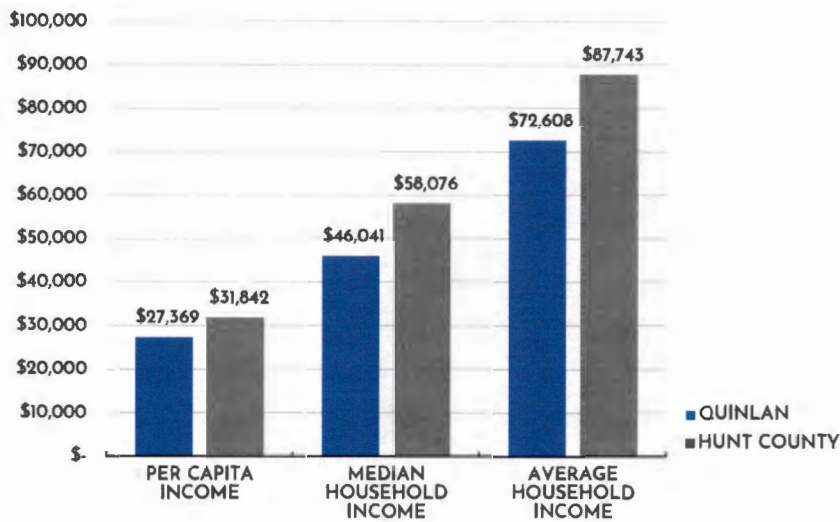
COMMUNITY OVERVIEW

Income

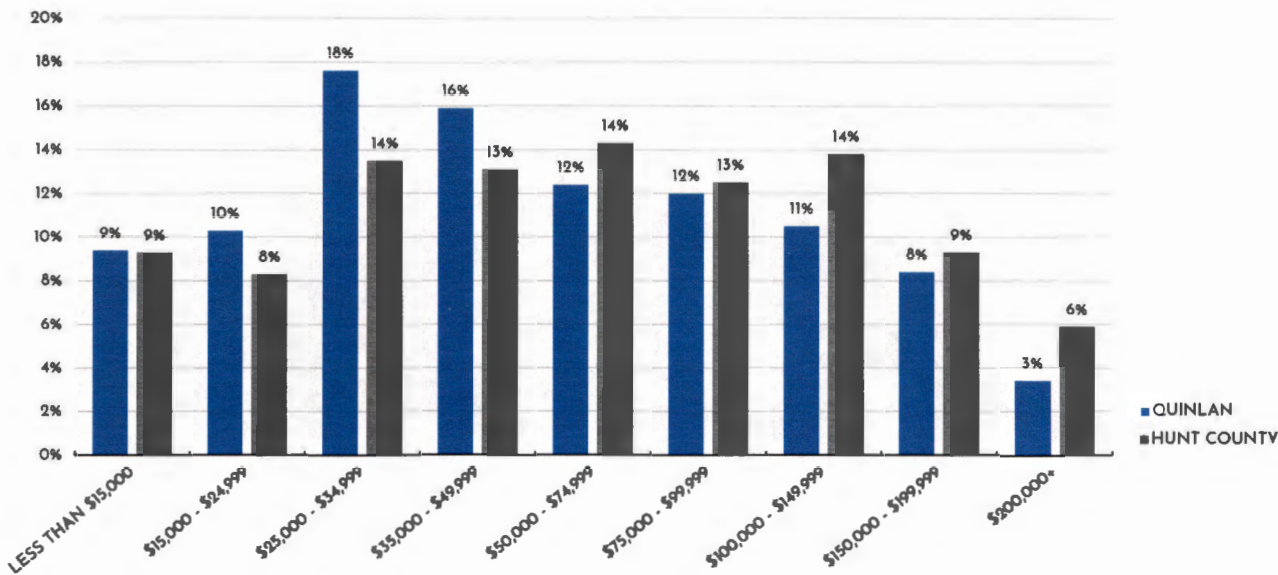
The City of Quinlan's per capita income is \$27,369, 14% less than that of Hunt County, while its average household income, \$72,608, is 17% less than the county's. The relatively lower household income can be attributed to fewer wage earners within Quinlan households.

Esri's Wealth Index measures the wealth of an area relative to the national level, where values exceeding 100 represent above-average wealth. The city has a Wealth Index of 58, or wealth 42% below the national average, while Hunt County rates considerably higher at 80.

2023 INCOME



2023 HOUSEHOLD INCOME BRACKETS



Source: Esri, 2024

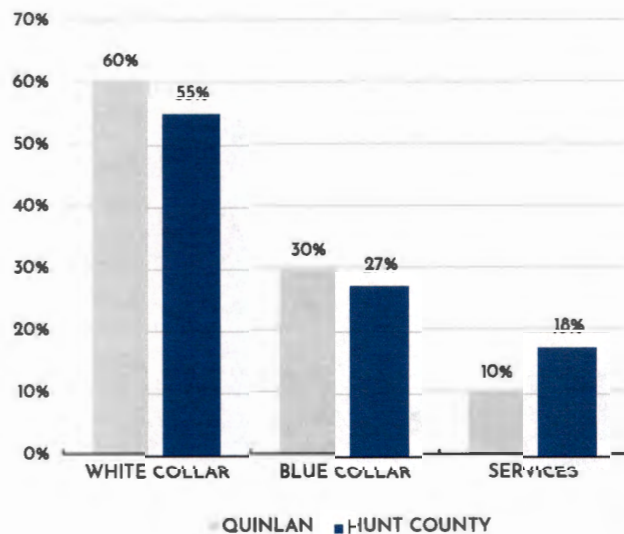
COMMUNITY OVERVIEW

Employment

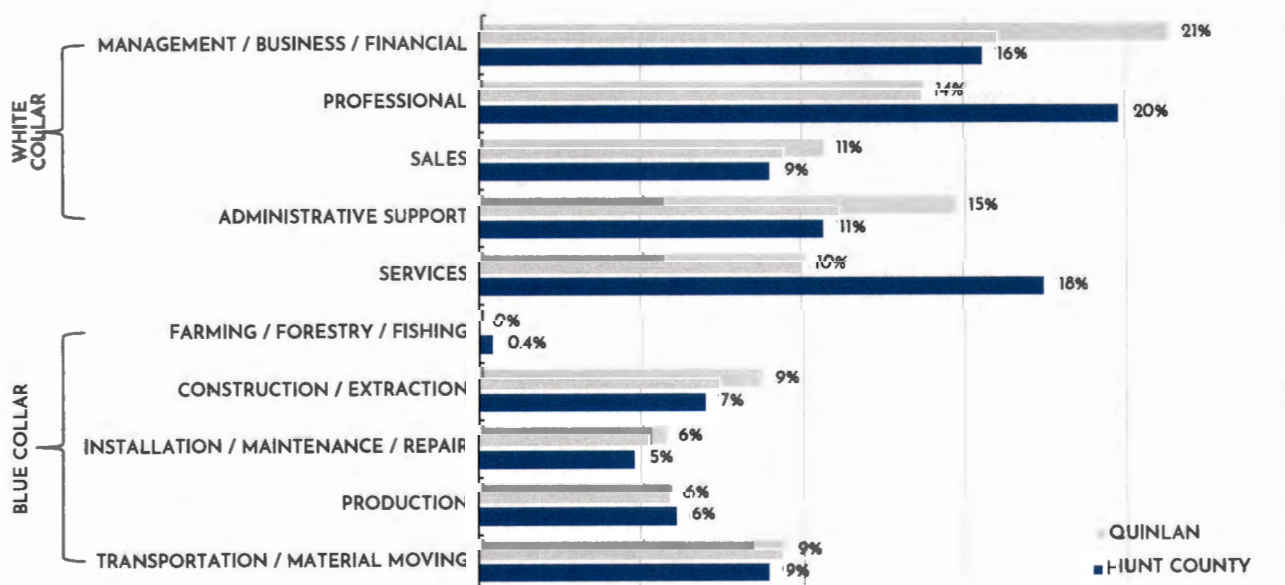
Quinlan currently has 680 residents aged 16+ engaged in the labor force, or 97.7% of the total population actively seeking employment. Hunt County's employment rate falls short of the city's, at a 95.7%

The workforce within Quinlan is relatively skilled, with more than 60% of its residents employed as White Collar workers. Hunt County's employment profile consists of less White Collar workers, at 55% of the workforce.

2023 EMPLOYED POPULATION 16+ BY CATEGORY



2023 EMPLOYED POPULATION 16+ BY CATEGORY - DETAILED



Source: Esri, 2024

Note: The Services employment category includes healthcare support, protective services, food preparation & serving, building & grounds cleaning & maintenance, and personal care & service occupations.

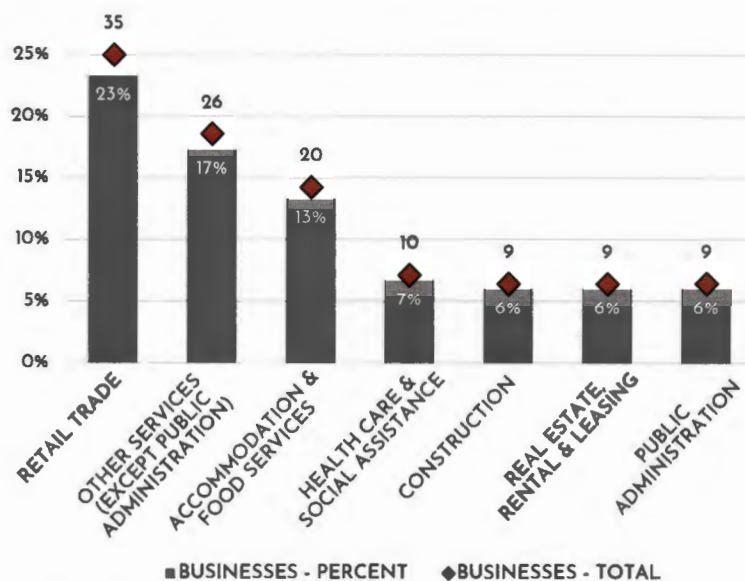
COMMUNITY OVERVIEW

Industry

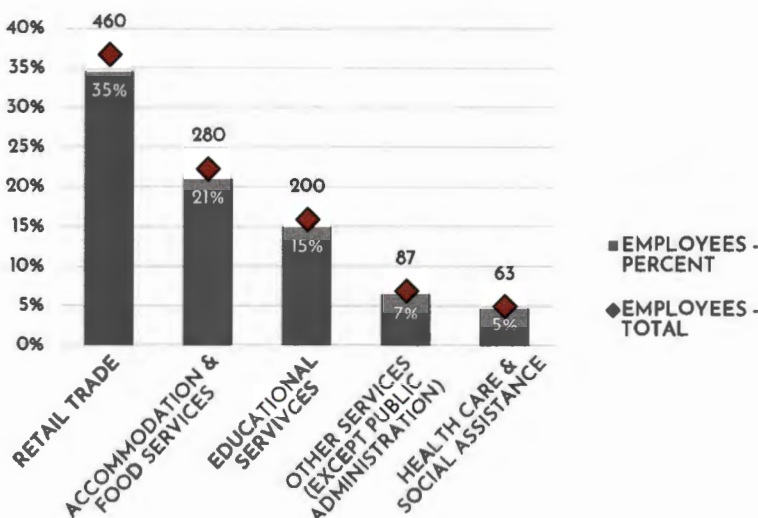
There are approximately 150 businesses in the City of Quinlan employing roughly 1,330 individuals. When looking at the overall number of businesses, Retail Trade, Other Services (except Public Administration), Accommodation & Food Services, Health Care & Social Assistance, Construction, Real Estate Rental & Leasing, and Public Administration make up the top 8 industry sectors; together, they account for nearly 79% of all city businesses.

Nearly 82% of Quinlan's employees, or roughly 1,090 individuals, work for establishments within the Retail Trade, Accommodation & Food Services, Educational Services, Other Services (except Public Administration), and Health Care & Social Assistance sectors.

2023 QUINLAN BUSINESSES BY INDUSTRY SECTOR - TOP 8



2023 QUINLAN EMPLOYEES BY INDUSTRY SECTOR - TOP 5

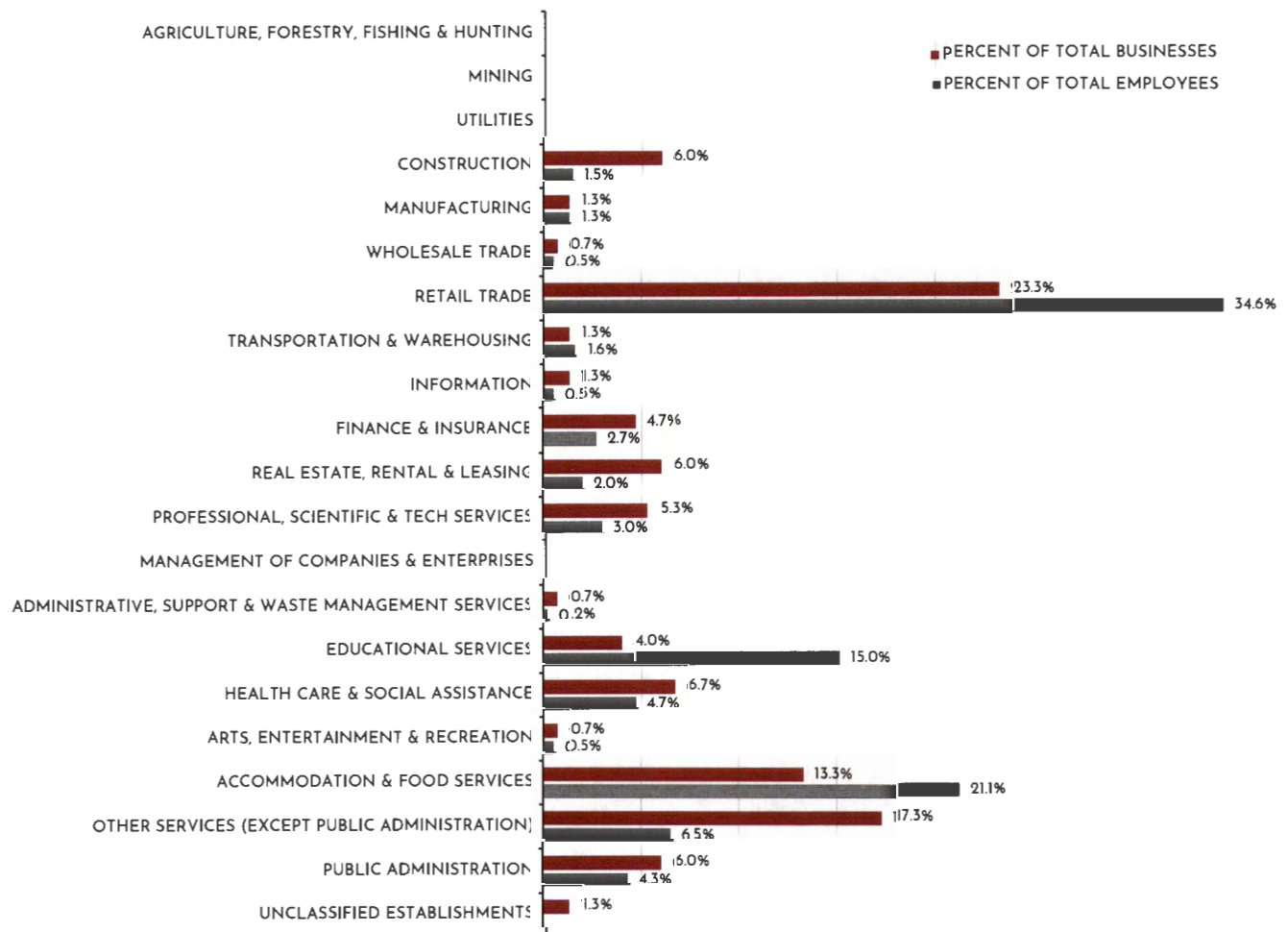


Source: Esri, 2024

Note: The U.S. Census Bureau's North American Industry Classification System ("NAICS") is the standard used by Federal statistical agencies in classifying business establishments. It is comprised of 20 broad industry sectors. Unclassified Establishments include those businesses that did not report an NAICS code. These are mostly newer establishments and is a temporary assignment until such time as a specific type of business can be determined.

COMMUNITY OVERVIEW

2023 QUINLAN INDUSTRY SECTORS - BY BUSINESSES & EMPLOYEES



Source: Esri, 2024

COMMUNITY OVERVIEW

Tapestry Segmentation

Esri's Tapestry Segmentation provides a detailed description of America's neighborhoods – U.S. residential areas are divided into 67 distinctive segments based on their socioeconomic and demographic composition. This information provides a snapshot of the different households that dominate a neighborhood or community and allows for a better understanding of a household's behavioral traits and characteristics including information on lifestyle, habits, interests, spending patterns, and skill sets. The following table details the 3 segments that comprise 100% of Quinlan's households:

	Overview	Neighborhood Traits	Socioeconomic Traits
Southern Satellites (10A) 53.3%	Characterized as rural settlements near metropolitan areas, this market segment is typically slightly older, settled married-couple families who own their homes. Residents enjoy country living, preferring outdoor activities and D Y home projects. Median Age: 40.3 Diversity Index: 40.1	<ul style="list-style-type: none"> • Married couples with no children at home are the dominant household type • Housing stock is 2/3 single family homes and 1/3 mobile homes, most built after 1970 • 78% of households are owned • Owning three vehicles or more is common Average HH Size: 2.67	<ul style="list-style-type: none"> • 45% have a college education • Labor force participation is 59.1%, slightly lower than the US • These consumers are more concerned with cost than quality / brand loyalty • A disproportionate amount of information is obtained from TV; they tend to be late in adapting to technology Median HH Income: \$47,800
Rooted Rural (10B) 44.3%	These residents live in many of the heavily forested regions of the country and enjoy time spent outdoors hunting, fishing, or gardening. These communities are heavily influenced by religious faith and family history. Median Age: 45.2 Diversity Index: 29.2	<ul style="list-style-type: none"> • Market is dominated by married couples, few with children at home • Housing stock is 3/4 single family homes and 1/4 mobile homes • 80% of homes are owner occupied, with 20% vacant - many for seasonal use • Over 1/2 of homes are valued < \$100,000 Average HH Size: 2.48	<ul style="list-style-type: none"> • Residents look for American-made and generic products, using coupons often • The do-it-yourself mentality prevails, from growing produce to working on autos • Computers and cell phones are often found to be confusing, and bills are often paid in person Median HH Income: \$42,300
Rural Bypasses (10E) 2.4%	These families live in small towns along country back roads and enjoy a country lifestyle focused on the outdoors, gardening, hunting, and fishing. Those who are not yet retired often work in blue-collar jobs in the agricultural or manufacturing industries. Median Age: 40.4 Diversity Index: 60.5	<ul style="list-style-type: none"> • This is an older market, with more married couples without children and single households • Most residents own single-family homes or mobile homes, most built from 1970 to 1989 • Vacancy is high due to seasonal housing Average HH Size: 2.55	<ul style="list-style-type: none"> • Almost 25% have not finished high school; 11% have a bachelor's degree or higher • Labor force participation is low at 47% • Income is often supplemented with Social Security • Religion and faith are central • TV, not internet, keeps people informed Median HH Income: \$33,000

Source: Esri, 2024

Note: These segments make up 31% of Hunt County households.

EXISTING CONDITIONS

Hawes Hill & Associates conducted a review of existing conditions in the area through windshield surveys, review of previous plans and studies, and data analysis to identify specific conditions that would benefit from a TIRZ. Results of the existing conditions review show that there are conditions present within the proposed Zone that impede the sound growth of the area, as well as its ability to reach its full economic potential and support new development and redevelopment. These conditions include the following:

Water & Wastewater

Quinlan currently purchases wholesale water from Cash SUD, whose CCN is located to the northwest of the city, and is in negotiations to acquire additional needed capacity from Combined Consumers SUD, located to the south and east. In addition to addressing capacity issues, new development within the proposed Zone will require improvement and/or extension of distribution lines along State Highway 276 bypass and other nearby roadways, and the addition of a storage tank to satisfy water volume and pressure needs.

The City owns and operates a wastewater treatment plant permitted for 300,000 gallons per day. Contemplated development within the TIRZ would exceed existing capacity, requiring either an expansion of the existing plant, if feasible, or the construction of a new, larger plant. Improvements to existing appurtenant infrastructure, including but not limited to existing sewer mains and lift stations, may also be required to accommodate increased demand.

Given that much of the land within the Zone is currently undeveloped, significant investment into new water and wastewater facilities will be required in addition to the improvement of the existing trunk infrastructure noted above.



EXISTING CONDITIONS

Mobility & Connectivity

The Zone is served by three principal arterial roadways. Main Street bisects the Zone from east to west, the recently completed State Highway 276 bypass abuts the southern edge of the Zone, and State Highway 34, a north-south thoroughfare, bisects the heart of the Zone. Apart from these arteries, the Zone contains a street grid comprised of asphalt, open-ditch county roads and local streets of insufficient quantity and design to support future development / redevelopment patterns.

Since 2017, the Quinlan Economic Development Corporation ("QEDC"), in conjunction with other organizations and grant programs, has funded sidewalk improvements including beautification, lighting, and ADA accommodation on Main Street in Downtown Quinlan. These improvements currently extend from Epperson St. to Kuykendall St. Funding has been identified to extend the curbs, sidewalks, and ADA ramps from Kuykendall St. to State Highway 34.

Apart from these initiatives, neither pedestrian access nor multi-modal transportation is supported on any roadways within the Zone. Given that the area is predominately rural, as new commercial and residential development occur, roadways and other mobility connections such as pedestrian improvements, including trails, will be needed.



EXISTING CONDITIONS

Downtown Quinlan

Many of the historic downtown buildings within the Zone are badly deteriorated, creating unsafe and potentially unsanitary conditions. The QEDC administers a Facade Improvement Grant Program designed to promote a positive city image; however, this program only is limited to exterior improvements only and does not exceed \$10,000 per application. Significantly more investment may be required for structural repairs of deteriorated historic structures, where possible, or for new commercial construction.

The deteriorating and vacant commercial structures along Main Street negatively impact the perceived quality of life within the Zone, substantially impairing the area's ability to attract and expand investment.

In addition to aging buildings, aging infrastructure is impeding economic growth downtown. Mobility and safety improvements, including enhanced connections, are needed in and around the area in order to strengthen Downtown Quinlan as a destination and accommodate higher densities.



EXISTING CONDITIONS

Drainage & Floodway

Two major watercourses run roughly north-south through the Zone, Jones Creek (Tributary 2) to the west and an unnamed tributary to the east, providing discharge points for the network of existing roadside drainage swales and ditches that make up the city's stormwater system. Many of these drainage structures require maintenance; ditches are overgrown and often clogged with sediment, debris and refuse which could disrupt stormwater runoff.

Regulatory Floodway and 100 Year Floodplain are isolated to these two tributaries. Though relatively limited within the proposed Zone as a whole, they do impact developable acreage within its raw land tracts, particularly on the east side.

Onsite detention will be required for new development within the Zone, and modifications to existing downstream structures may be required.



EXISTING CONDITIONS

Underutilized & Vacant Land

Nearly all of the Zone, 777 acres or approximately 91% of its total acreage (excluding rights-of-way), is currently either undeveloped or being used for agricultural purposes. Such uses include farm / crop land, hay meadow, pasture, and wildlife management. Much of this is either proximal or directly adjacent to existing commercial development and the three principal arterial roadways in and around the Zone, Main Street, State Highway 276 bypass, and State Highway 34. While primary access afforded by these thoroughfares is generally advantageous for conversion to higher uses, the lack of consistent lot layout, ownership, or utility service present a barrier to potential redevelopment and/or development.

Development will be dependent upon public infrastructure improvements including water, wastewater, and drainage improvements, as well as additional local mobility improvements.



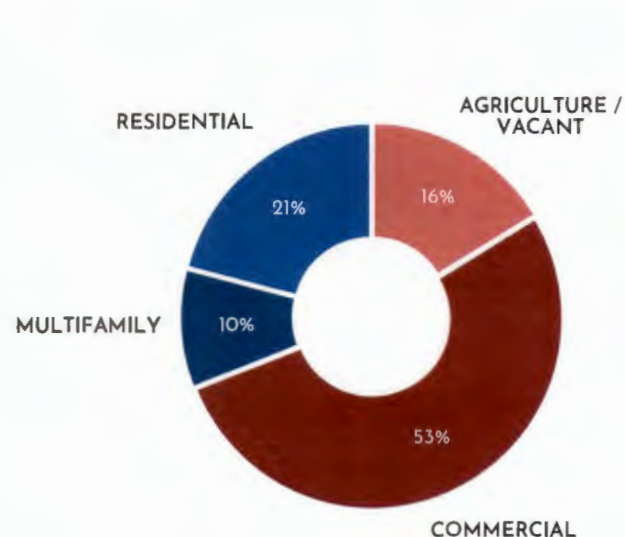
PROPOSED TIRZ BOUNDARIES

The proposed Zone is generally bounded by the northern property line of A0652 McAdams James, Tract 2, 1st Street, and the northern property line of A0826 Price Edmond, Tract 2-1 to the north, FM 3602 and FM 751 to the east, and Quinlan's Extraterritorial Jurisdiction and State Highway 276 bypass to the south and west.

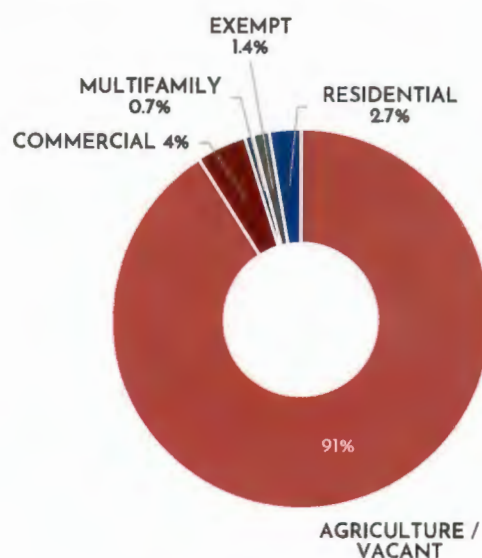
In identifying areas appropriate for tax increment financing and drafting the Zone boundary, the following were considered:

- Nearby corporate boundaries, as well as any special districts and service areas.
- 30% residential limit allowed by State Statute. No more than 30% of the taxable value of the proposed Zone may be classified as residential use at the time of creation.
- Areas that would generate significant increment through public improvements, such as underdeveloped properties and vacant areas needing infrastructure & mobility improvements, existing properties with low value per acre that could be converted to a higher use, and aging building / structures offering opportunities for redevelopment.
- Areas seeing development pressure that currently lack the necessary infrastructure to accommodate such pressure.
- Public facilities and spaces where improvements would enhance the economic viability of the area.

PROPERTY CLASSIFICATION BY 2023 TAXABLE VALUE

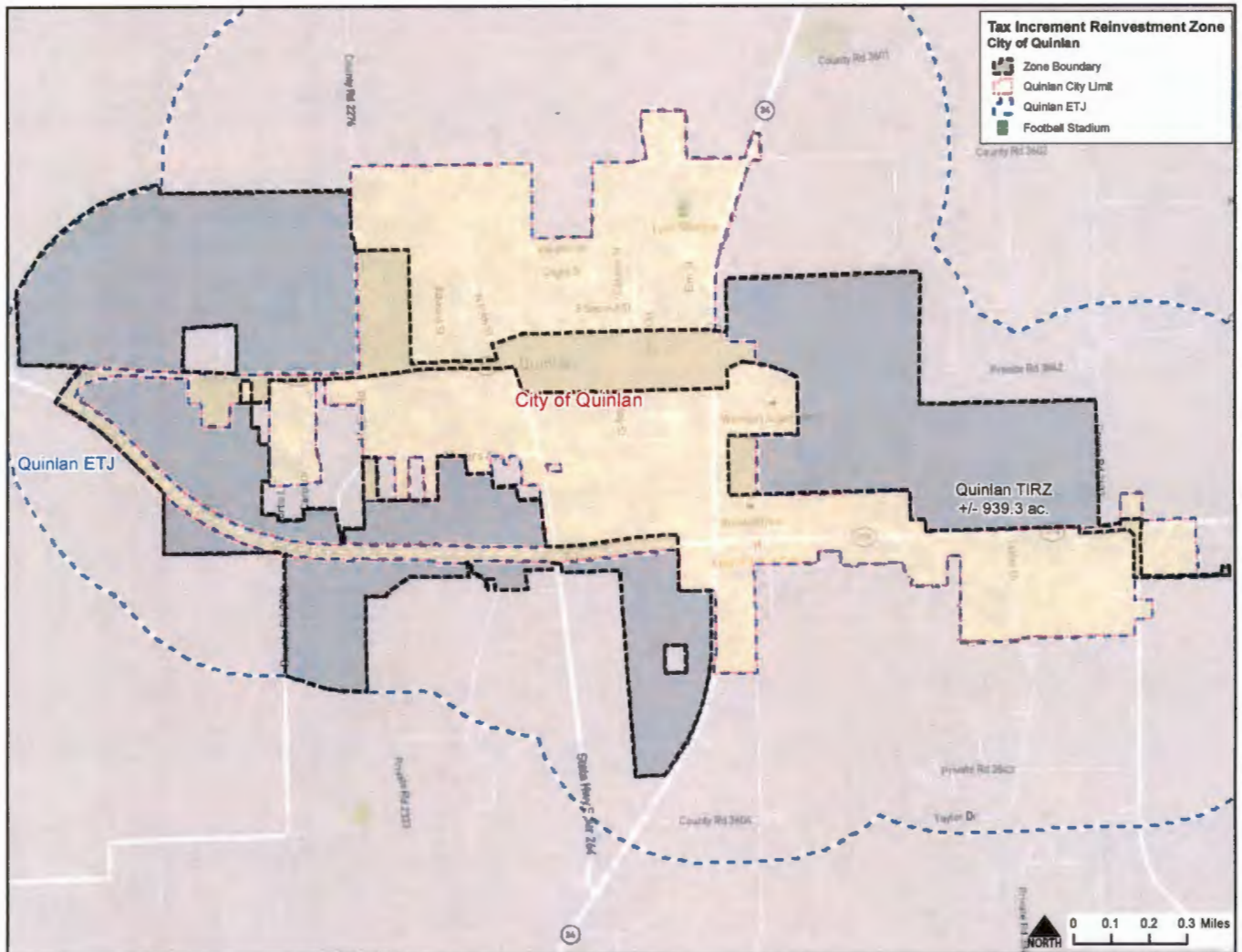


PROPERTY CLASSIFICATION BY 2023 ACREAGE



Source: Hunt County Appraisal District, 2023

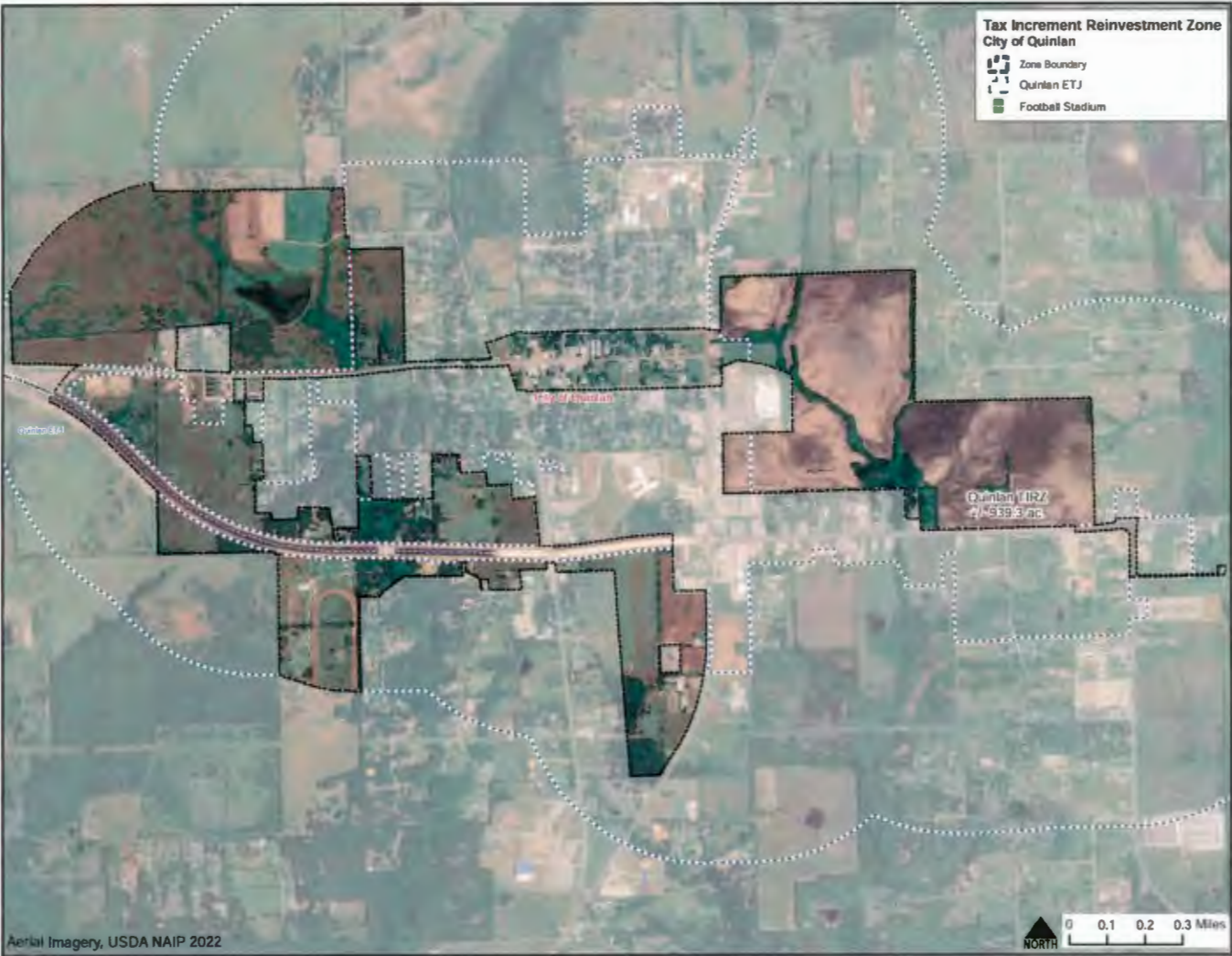
PROPOSED ZONE BOUNDARY



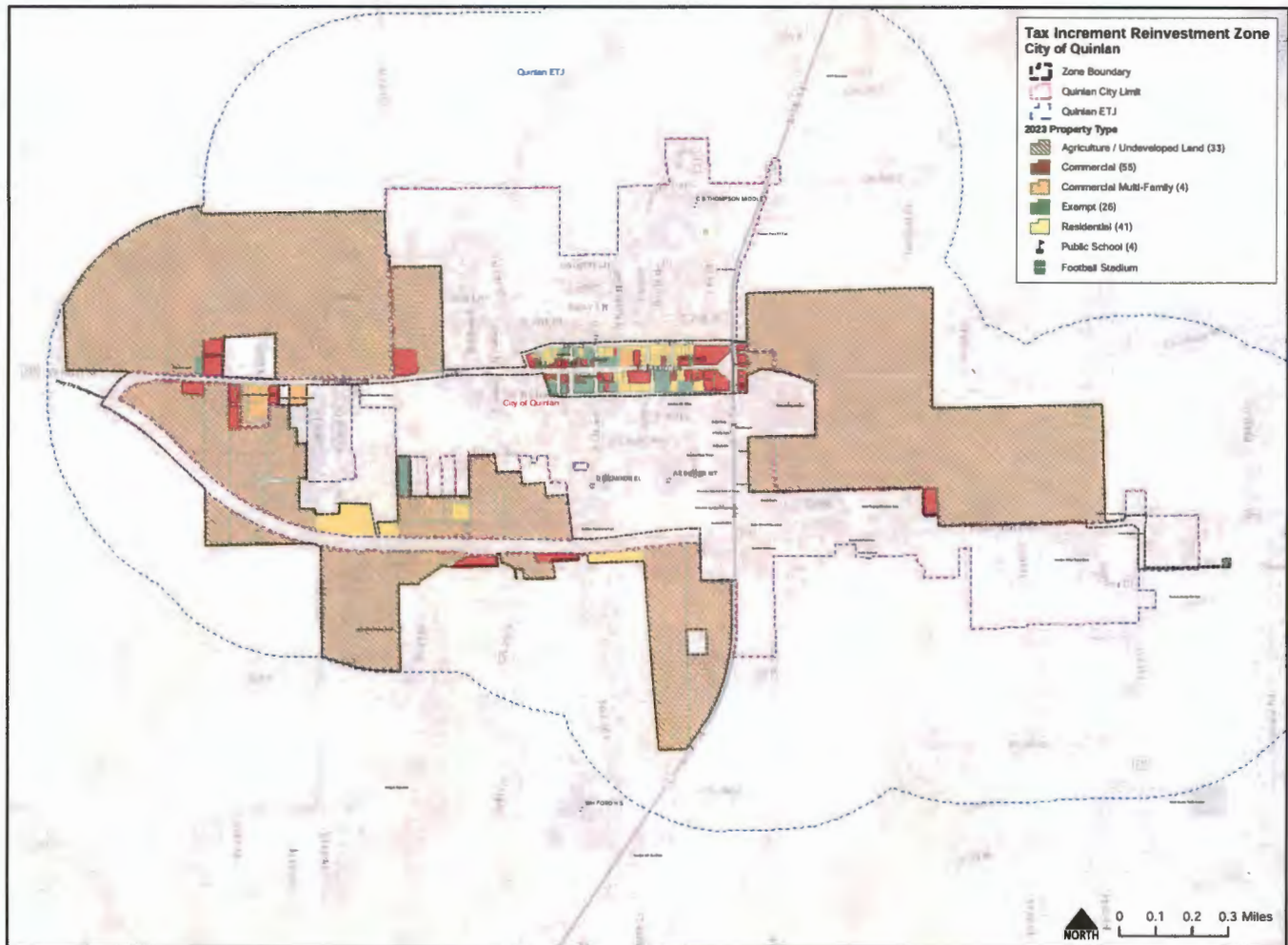
Approximate Acreage	Total	Percent
TIRZ area within City Limits	171	18%
TIRZ area within ETJ	768	82%
	939	100%

Source: Hunt County Appraisal District, 2023

PROPOSED ZONE BOUNDARY - AERIAL



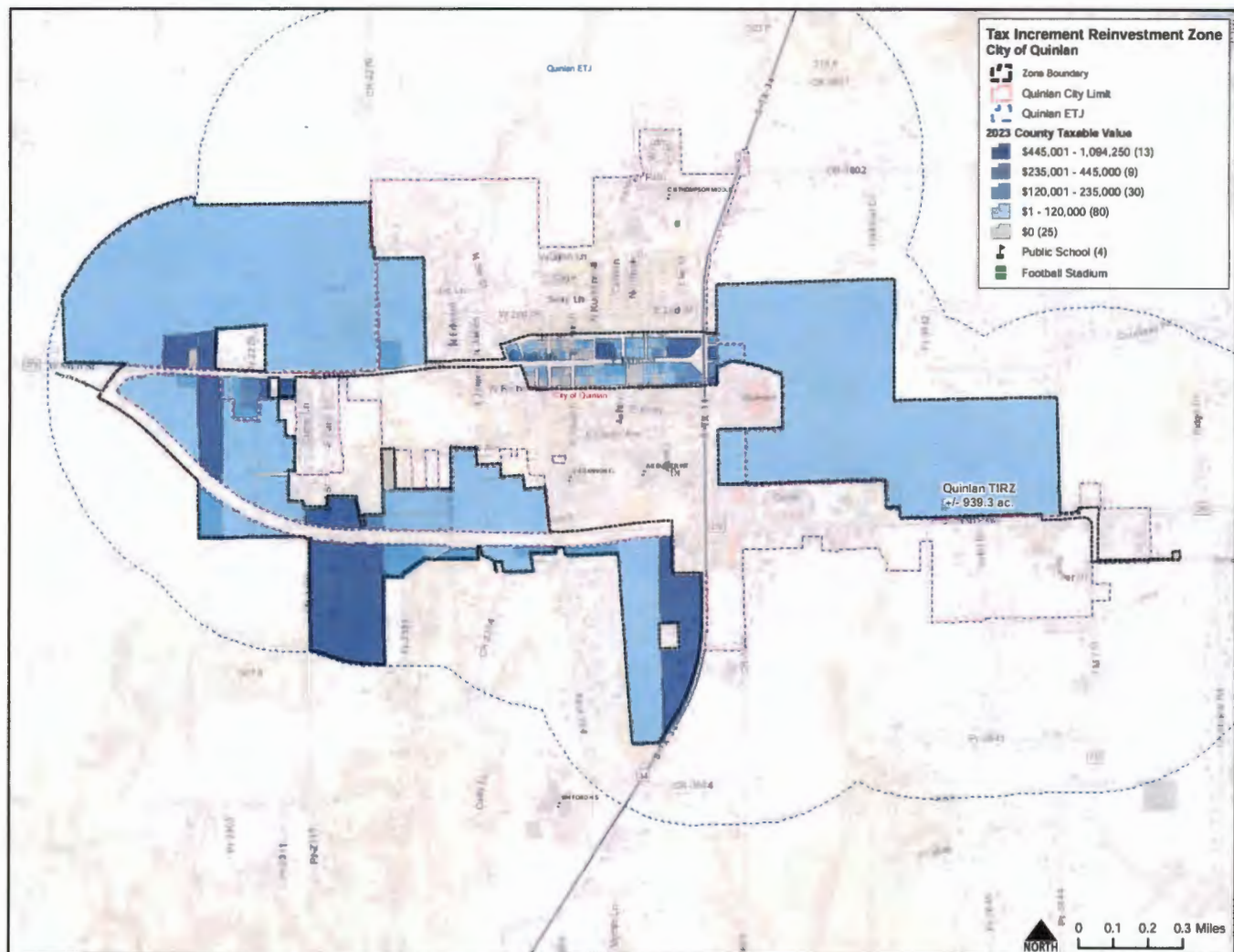
PROPERTY CLASSIFICATION



Property Classification	Acreage		2023 Taxable Value	
	Total	Percent	Total	Percent
Agricultural / Undeveloped Land	777.00	90.93%	\$3,348,279	16.25%
Commercial	36.37	4.26%	\$10,870,105	52.76%
Commercial Multi-Family	6.00	0.70%	\$2,071,350	10.05%
Exempt	11.87	1.39%	\$-	0.00%
Residential	23.28	2.72%	\$4,314,882	20.94%
	854.51	100.00%	\$20,604,616	100.00%

Source: Hunt County Appraisal District, 2023
Note: Right-of-way acreage excluded from table.

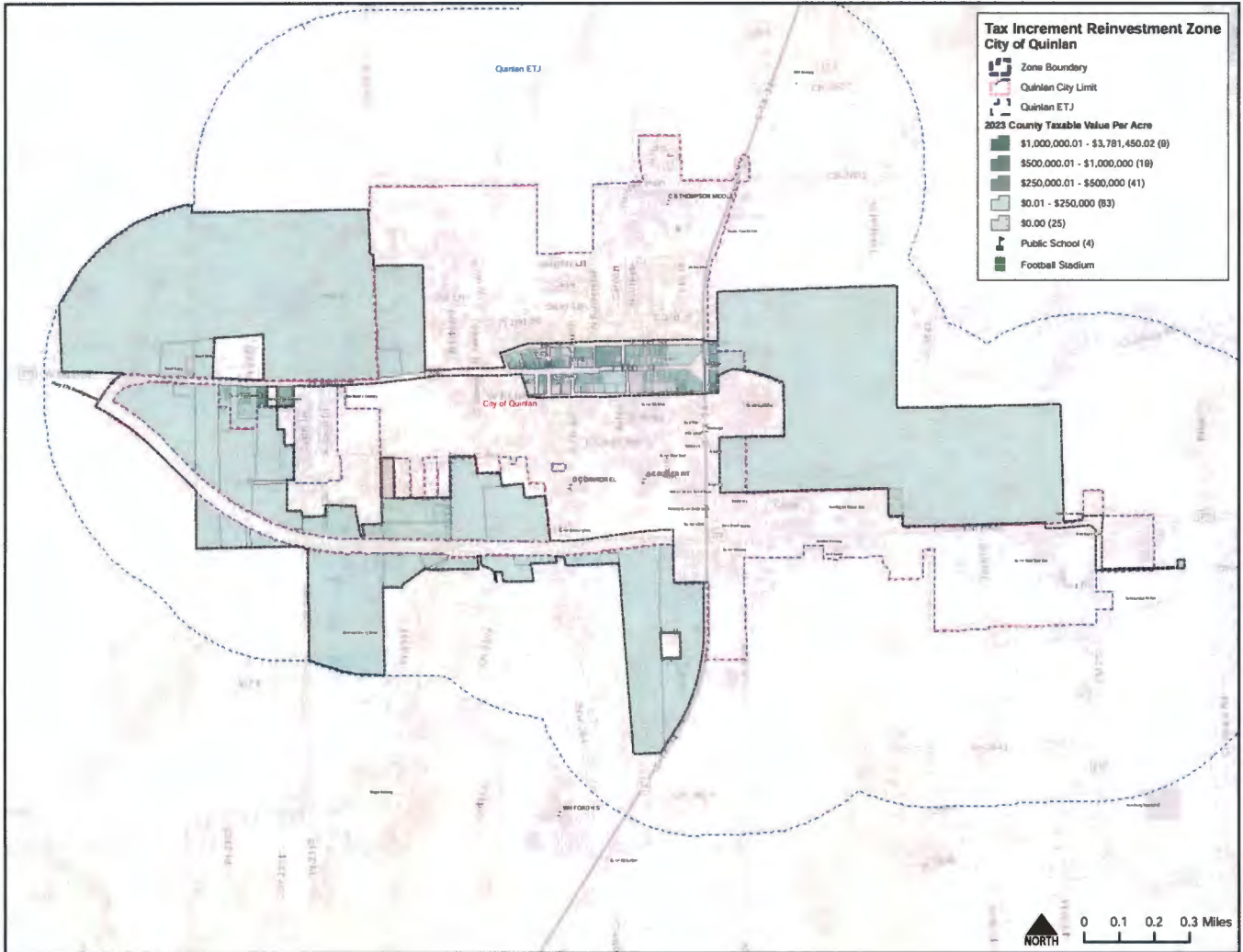
TAXABLE VALUE



Taxable Value Range per Property	Property Count	Total Taxable Value
\$445,001 - \$1,094,250	13	\$8,279,542
\$235,001 - \$445,000	9	\$2,881,704
\$120,001 - \$235,000	30	\$4,983,239
\$1 - \$120,000	80	\$4,460,131
\$0	25	-
	157	\$20,604,616

Source: Hunt County Appraisal District, 2023

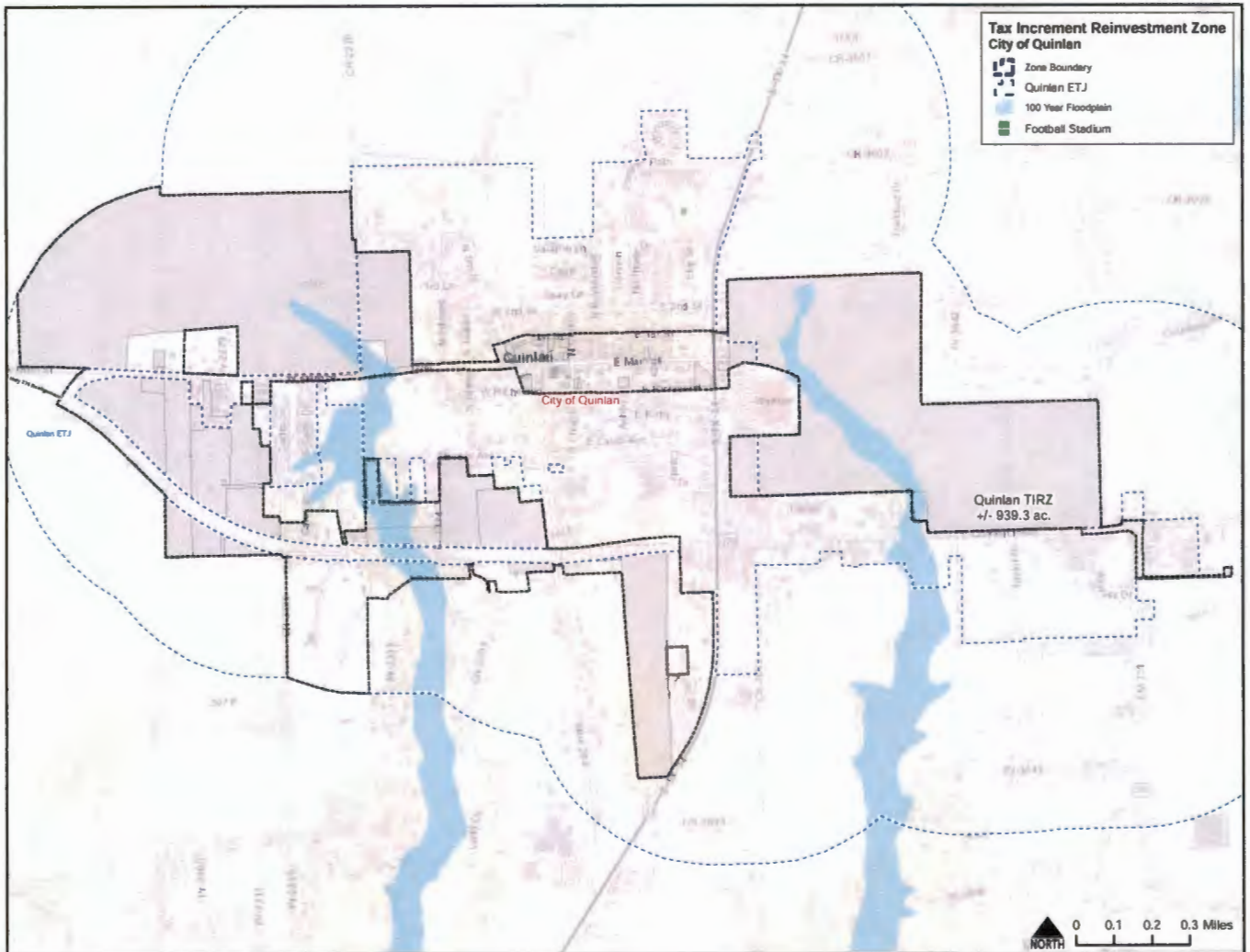
TAXABLE VALUE PER ACRE



Taxable Value Range per Acre	Property Count	Total Taxable Value
\$1,000,000.01 - \$3,781,450.02	9	\$2,806,570
\$500,000.01 - \$1,000,000.00	19	\$4,940,862
\$250,000.01 - \$500,000.00	41	\$5,047,995
\$0.01 - \$250,000.00	63	\$7,809,189
\$0.00	25	-
	157	\$20,604,616

Source: Hunt County Appraisal District, 2023

FLOOD HAZARD AREAS



Source: FEMA

PROJECTS

Projects that could be potentially funded by a TIRZ:

- Water and wastewater service improvements and expansions
- Stormwater management including regional detention and drainage projects
- Mobility improvements and roadway extensions, including bridges
- Streetscape improvements and enhancements including sidewalks, intersection improvements, lighting, signage, gateways / monuments
- Bike lanes / paths
- Land acquisition
- Parks, trails, open space, recreational / community facilities
- Plazas, gathering spaces, public art
- Public facilities, including those for emergency services
- Underground and overhead utilities
- Pedestrian accessibility and improvements

Initial Infrastructure identified to support City of Quinlan:

- Acquisition and rehabilitation of Crestview Pump Station
- Wastewater Treatment Plant Expansion
- Acquisition, rehabilitation, and tie-in of Cash SUD Water Tower / Tank
- Downtown beautification and connectivity improvements

Initial Infrastructure identified to support proposed commercial and residential development:

- Cash SUD CCN transfer costs
- Offsite utilities (water, sewer, drainage) to tie new communities to city facilities
- Acquisition of state-owned parcel between Main Street and State Highway 276 bypass
- Roadway and utility improvements along N. Fifth Street to accommodate connection to new residential development

REVENUE SCENARIOS

As part of the feasibility analysis, revenue scenarios were developed that reflect different assumptions related to infrastructure improvements, growth rates, and development impacts. The purpose of these scenarios is to illustrate how infrastructure improvements influence the timing, type, and value of development, as well as to demonstrate the financial feasibility of the proposed tax increment reinvestment zone.

Land Use Assumptions

Scenario 1:

- Land uses / product types, their associated values, and timing of delivery determined by developer proforma, dated 07-18-24
- Assumes \$1.05 billion in added taxable value over the next 30 years
- Assumes annual value appreciation of 3.0% and a tax collection rate of 98%
- Assumes City participation at 70%, County participation at 50%, and Hospital District participation at 50%

Scenario 2:

- Developer proforma dated 07-18-24 used as a base; Commercial Tracts 2(A), 7, 8, and 11 removed, as well as 50% of Residential and Multifamily development within Quinlan Ranch
- Assumes \$512 million in added taxable value over the next 30 years
- Assumes annual value appreciation of 3.0% and a tax collection rate of 98%
- Assumes City participation at 70%, County participation at 50%, and Hospital District participation at 50%

Scenario 3:

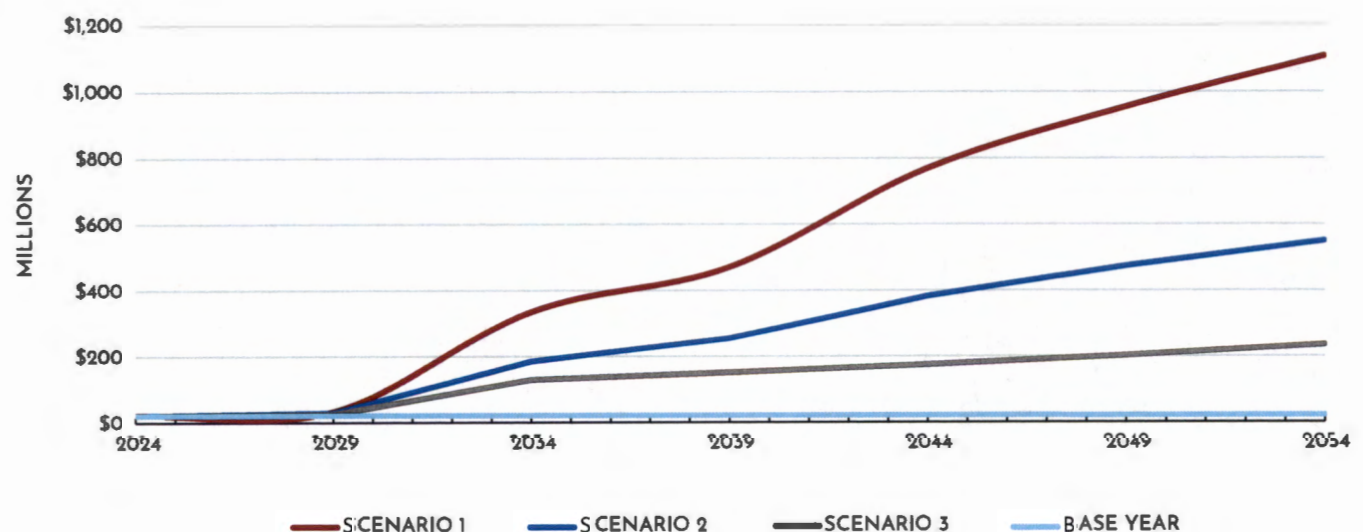
- Includes only The Fountains Multifamily and Commercial development, as well as an additional 200,000 SF of Commercial space
- Assumes \$206 million in added taxable value over the next 30 years
- Assumes annual value appreciation of 3.0% and a tax collection rate of 98%
- Assumes City participation at 70%, County participation at 50%, and Hospital District participation at 50%

REVENUE SCENARIOS

TIRZ REVENUE SUMMARY - 5 YEAR INTERVALS

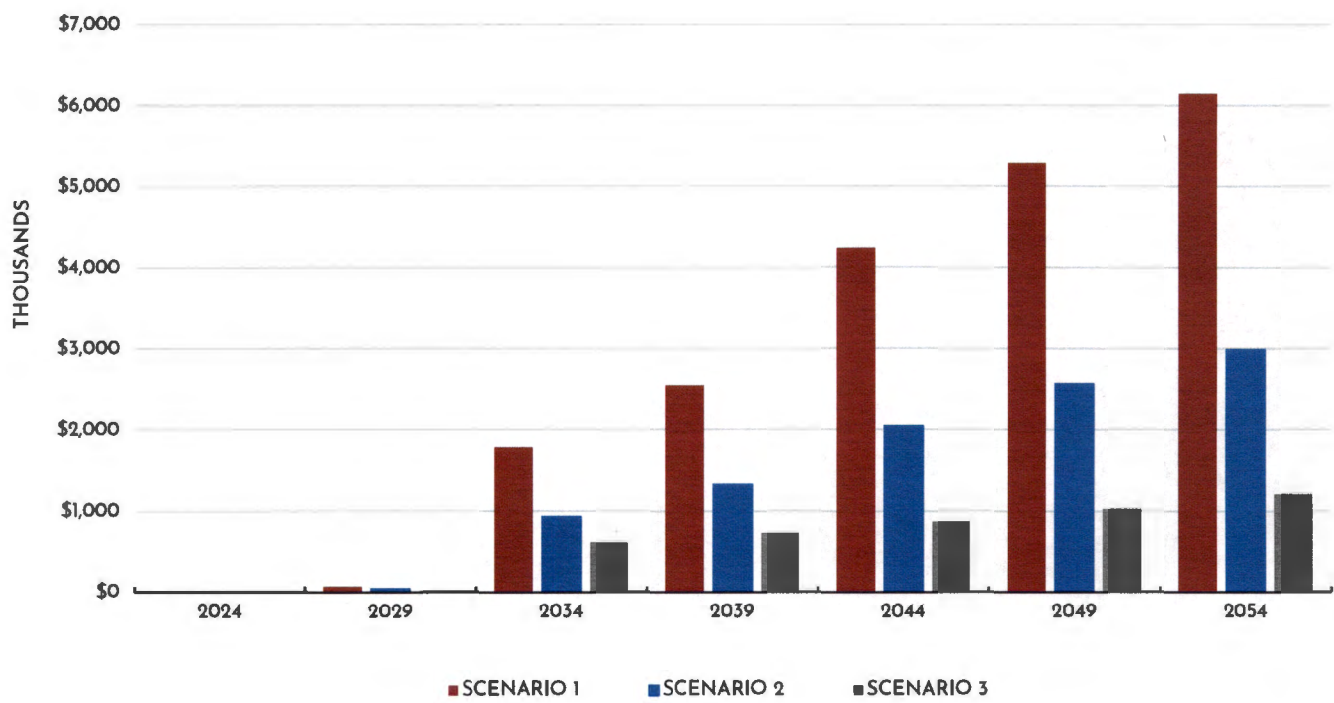
Tax Year	Scenario 1		Scenario 2		Scenario 3	
	Taxable Value	Annual TIRZ Revenue	Taxable Value	Annual TIRZ Revenue	Taxable Value	Annual TIRZ Revenue
2024	\$20,604,616	\$-	\$20,604,616	\$-	\$20,604,616	\$-
2029	\$32,161,417	\$65,428	\$28,023,907	\$42,004	\$23,886,397	\$18,580
2034	\$334,416,050	\$1,776,619	\$184,224,586	\$926,322	\$129,251,168	\$615,094
2039	\$469,232,905	\$2,539,874	\$254,343,311	\$1,323,293	\$149,837,529	\$731,642
2044	\$768,170,897	\$4,232,287	\$381,067,581	\$2,040,733	\$173,702,762	\$866,753
2049	\$953,633,512	\$5,282,269	\$473,318,221	\$2,563,002	\$201,369,109	\$1,023,384
2054	\$1,105,522,606	\$6,142,177	\$548,705,542	\$2,989,802	\$233,441,987	\$1,204,962
Total Revenues (2024 - 2054)		\$93,491,076			\$46,013,632	\$20,842,207

TAXABLE VALUE - 5 YEAR INTERVALS



REVENUE SCENARIOS

ANNUAL TIRZ REVENUE - 5 YEAR INTERVALS



TIRZ FEASIBILITY

Key Findings

- Situated on the edge of the Dallas-Fort Worth metroplex, the fourth largest in the country, Quinlan is positioned to experience growth pressures as a result of regional market conditions, resulting in development / redevelopment opportunities.
- Developer interest in acreage in and around Quinlan demonstrates that a market exists for new residential and commercial development in the area.
- Currently, there exists a predominance of developable, raw land within the Zone; however, existing water, wastewater, roadway and drainage infrastructure within the city is aged and nearing its capacity. Significant improvement to this trunk infrastructure is needed to accommodate both new development and redevelopment of existing facilities for higher uses.
- Many of the aged downtown structures within the Zone are significantly deteriorated, not only harming the perception of the area and potentially impeding growth opportunities, but also potentially posing a health and safety concern.
- With the exception of two blocks situated on downtown Main Street, there are no sidewalks, nor are there dedicated areas for any other non-vehicular modes of transportation within the Zone.
- Public improvements funded/implemented by the city and other partners would help stimulate development within the Zone. Provision of water and wastewater infrastructure, as well as internal mobility improvements would support the viability and quality of new development and redevelopment.
- Timing and availability of infrastructure will influence the density and quality of development.
- A TIRZ would allow for the implementation of capital improvements in advance of the City of Quinlan being able to solely fund them on its own through the use of developer reimbursement agreements and the ability to leverage resources with other taxing entities.
- Based on values and revenue projections for the scenarios as outlined in this report, revenues generated as a result of capital improvements made by the TIRZ would fund certain public infrastructure improvements within the proposed Zone.

Conclusion

The extent and quality of development in the proposed Zone is dependent on the timing and implementation of improvement and expansion of public infrastructure and other projects including water, wastewater, roadway, and drainage improvements. A tool like tax increment reinvestment zone financing can facilitate and expedite new development and investment in the targeted areas within the city. Development to its fullest economic potential would not occur solely through private investment in the reasonably foreseeable future without the use of a tool like tax increment financing.

EXHIBIT 2

ATTACHED AS EXHIBIT 2 ARE THE FEBRUARY 25, 2025 MEETING MINUTES OF
HUNT COUNTY COMMISSIONERS COURT APPROVING THIS TIRZ #1
INTER LOCAL AGREEMENT.

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COMMISSIONER'S COURT
Regular Session
February 25, 2025

The Hunt County Commissioner's Court met this day at 10:00 a.m. in regular session at 2700 Johnson Street, Greenville, Texas in the Auxiliary Courtroom.

I. CALL MEETING TO ORDER

This meeting of the Hunt County Commissioner's Court was called to order by Bobby Stovall, County Judge, at 10:07 a.m. Invocation was given by Commissioner Hutchins, and the Pledges to the Flags were led by Judge Stovall.

II. ROLL CALL

The following were called and present: Commissioners Mark Hutchins, Precinct 1, Commissioner David Monroe, Precinct 2, Commissioner Garry Smith, Precinct 3; Commissioner Steven Harrison, Precinct 4; Bobby Stovall, County Judge, presiding. Mary Corcoran, County Auditor and Becky Landrum, County Clerk were also present.

III. MINUTES

19,315 On the motion by Harrison, second by Smith, for the Court to approve the minutes of, February 11, 202, Regular Session as written; no one opposed, **Motion carries.**

IV. PUBLIC TESTIMONY Citizens are invited to address the Commissioner's Court on topics not already scheduled for a Public Hearing. Public Testimony may be made by e-mailing PublicComments@huntcounty.net. The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting. A recording of the telephonic/video meeting will be made and will be available to the public in accordance with the Open Meetings Act upon written request. Speakers are limited to 3 minutes and should conduct themselves in a civil manner. The Commissioner's Court cannot take action on items not listed on the agenda in accordance with the Texas Open Meetings Act. Concerns will be addressed by County Staff; they may be placed on a future agenda or addressed by some other course of response.

Speakers: All speakers will speak at item #2

V. OLD BUSINESS

ACTION ITEMS – Discuss and possibly take action on the following:

None

VI. NEW BUSINESS

A. CONSENT CALENDAR – All items listed are considered to be routine by the Commissioner's Court and will be enacted by one motion.

1. To recognize the completion and certification of Basic Texas Purchaser: Class Date: February 5, 2025, Time: 9:00 am - 5:00 pm (Texas Comptroller of Public Accounts) by Jeremiah Sanders – Tammy Himes, Purchasing Agent
2. Consent to purchase one (1) New Caterpillar Inc Model: 120 JOYSTICK Motor Grader from Holt Cat in the amount of \$305,929.00, EXT WARRANTY 84MO/8000HR PT+HYD included with a trade in of a 2011 140M – Caterpillar Inc (AA) (H/C # 13578, S/N 0B9D03116), in the amount of \$45,000.00 per Quote # 338287-03. For a total balance of \$260,929.00. Pricing per Sourcewell Contract #011723. Funding from Precinct 4 Equipment Funds 24-671-3800-4200 – Tammy Himes, Purchasing Agent
3. Consent to approve the renewal of the Annual Psychiatric Services Contract for the Hunt County Jail. This service will be performed primarily by videoconference (tele-medicine). Renewal of the annual contract effective date is March 9, 2025, thru March 8, 2026, to Erica Swicegood, MD of Flower Mound, Texas. Renewal/Extension will be the same as current agreement without change. Previous charges are for a monthly fee service fee of \$6,000.00, \$0.575/mileage reimbursement (travel at Hunt County's request) and \$250.00 for Expert Testimony and Physical Jail Visits including driving time and is in addition to mileage reimbursement (at Hunt County's request) – Tammy Himes, Purchasing Agent
4. A Crime Shield Advanced Bond 46FA022858325, Randy Wineinger Tax Assessor-Collector Office, effective 02/19/2025 to 02/19/2026 – Becky Landrum, County Clerk – Becky Landrum, County Clerk
5. A certificate of membership for Brittni Turner, Treasurer, that successfully completed investment education that satisfies Section 2256.008 of the Texas Public Funds Investment Act – Becky Landrum, County Clerk

6. A certificate of Compliance for Brittni Turner, Treasurer, that successfully completed the required hours for the County Treasurer continuing education requirements established by section 83.003 of the Texas Local Government Code Continuing Education – Becky Landrum, County Clerk
7. A certificate of Compliance for Brittni Turner, Treasurer, that successfully completed the required hours of investment training approved by the County Treasurers' Association of Texas – Becky Landrum, County Clerk

19,316 On the motion by Harrison, second by Smith, for the Court to approve Items 1- 7 on the Consent Calendar; no one opposed, *Motion carries. See attachments.*

B. ACTION ITEMS – Discuss and possibly take action on the following:

19,317 On the motion by Smith, second by Harrison, for the Court to approve the Accounts Payable; no one opposed, *Motion carries.*

19,318 On the motion by Harrison, second by Hutchins, for the Court to approve the Line-Item Transfers; no one opposed, *Motion carries. See attachments.*

JAIL COUNT:

PAYROLL & PERSONNEL:

<u>COUNTY ATTORNEY</u>	Add Michael V. King, Assistant County Attorney, fulltime @ \$88,052.00 effective 3-17-2025 **the salary listed a \$88,052.00 is a reflection of the base salary. Mr. King will receive \$12,948.00 as a supplement to his salary from Senate Bill 22 funds. This brings his total salary to \$101,000.00
<u>COUNTY CLERK</u>	Raise Chad Dawson, Senior Deputy Clerk from \$55,546.00 to \$58,046.00 effective 2-17-2025
<u>PCT 4 ROAD AND BRIDGE</u>	Add Tony Wilson, CDL/Equipment, part time hourly @ \$22.00 per hour effective 3- 3-2025
<u>JAIL</u>	Remove Angelica Torres, Jailer due to termination effective 2-21-2025 Remove Blake Griffin, Jailer due to resignation effective 2-21-2025

19,319 On the motion by Hutchins, second by Monroe, for the Court to approve Payroll and Personnel; no one opposed, *Motion carries. See attachments.*

19,320 On the motion by Hutchins and Harrison, second by Monroe and Smith, for the court to approve the Treasurer's Report for December 2024 – Brittini Turner, Treasurer; no one opposed, *Motion carries. See attachments.*

2. Presentation by Greenville Electric Utility Supply regarding local solar project, and potential use of County-owned real estate – GEUS

Speakers: Holly grey, Charlene Eller, Larry Wilcock, Tom Wensel, Christi Lambert, Frank Marion, Cliff Arnold, Meghan Wotring, Kevin Wotring and Andrea Marion.

Online: Andrea Marion, Mattie Stewart, Bill Eller.

Presentation Only

19,321 On the motion by Monroe, second by Hutchins, for the court to approve an Agreement to Participate in Reinvestment Zone Number One, City of Quinlan, Texas – Daniel Ray, Hunt County Civil Attorney; no one opposed, *Motion carries. See attachments.*

4. Memorandum of Understanding Between the Society for the Prevention of Cruelty of Animals of Texas and the Hunt County Sheriff's Office – Daniel Ray, Hunt County Civil Attorney

Hold to act on after Executive Session

5. Attorney Representation Agreement with Fee, Smith and Sharp for defense of action by Burns, et al. – Daniel Ray, Hunt County Civil Attorney

Hold to act on after Executive Session

19,322 On the motion by Hutchins, second by Monroe, for the court to approve a Resolution calling for Legislation & Regulation to Prohibit the Application of Biosolids – Mark Hutchins, Precinct 1 Commissioner; no one opposed, *Motion carries. See attachments.*

19,323 On the motion by Hutchins, second by Smith, for the court to approve the proposal for the Flock Safety Automatic License Plate Readers (ALPR) from Flock Group, Inc. The agreement is a twenty-four (24) month time frame. The first-year cost is \$90,750.00 and the annual recurring cost is \$79,000.00. Flock Safety is a sole manufacturer, developer, and distributor of the proprietary Flock Safety Falcon ALPR Camera and FlockOS. This purchase is being made through the Omnia Partners Cooperative Contract # 23-6692-03. Funding from Software Repair & Maintenance Funds 10-631-2000-2235. Tammy Himes, Purchasing Agent / Buddy Oxford, Chief Deputy / Brian Thomason, HCSO Investigator; no one opposed, *Motion carries. See attachments.*

19,324 On the motion by Monroe, second by Hutchins, for the court to approve a water line easement on property ID 124099, CR 2212 to Cash Special Utility District – Bobby W. Stovall, County Judge; no one opposed, **Motion carries.**

19,325 On the motion by Hutchins, second by Monroe, for the court to approve the request for permission to do work within the county ROW along CR 1121. We are looking to install an OH distribution line approximately 3’ inside the east and west ROW of CR 1121. Tree trimming will be required on the east ROW in Precinct 1 under normal stipulations – Oncor; no one opposed, **Motion carries. See attachments.**

19,326 On the motion by Harrison, second by Smith, for the court to approve the request for permission to do work within the county ROW along CR 4400. We are looking to install 3 new wood poles and upgrade 65ft of overhead secondary wire from #2TPLX to 2/0 TPLX across CR 4400 to serve a customer at 4645 CR 4400. Tree trimming will also need to be done within the county ROW, so that the new poles and wire can be installed in Precinct 4 under normal stipulation – Oncor; no one opposed, **Motion carries. See attachments.**

19,327 On the motion by Harrison, second by Smith, for the court to approve the letter of Public Improvement Compliance for Sundance Addition in Precinct 4 – Frank Owens; no one opposed, **Motion carries.**

12. The replat of Lot 2R1 of AEM Development Addition No. 2, in
Precinct 2 – AEM Development, LLC

Public Hearing Open: 11:59 Closed: 11:59
Speakers: None

19,328 On the motion by Monroe, second by Hutchins, for the court to approve the replat of Lot 2R1 of AEM Development Addition No. 2, in Precinct 2 – AEM Development, LLC; no one opposed, **Motion carries.**

13. The replat Part of Tract 2 of Turkey Creek Estates Acres, in Precinct
3 – Quest Trust Co. FBO Robert Bledsoe, Owner

Move to March 11 under Old Business

19,329 On the motion by Hutchins, second by Monroe, for the court to approve the final plat of Gardenia Estates, in Precinct 1 – Nicolas Fernandez; no one opposed, **Motion carries.**

19,330 On the motion by Hutchins, second by Monroe, for the court to approve the final plat of Hogeye Farm Addition, in Precinct 1 – Michael Patricia Newell; no one opposed, **Motion carries.**

Move to March 11 under Old Business

ADJOURN TO EXECUTIVE SESSION AS NEEDED

19,331 On the motion by Harrison, second by Smith, for the Court to Adjourn to Executive Session at 12:23 pm; no one opposed, **Motion carries.**

VII. EXECUTIVE SESSIONS

1. As permitted by Texas Government Code §551.071 (1) and (2) Consultation with County Civil Attorney on agenda items requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items; Town of Poetry private civil action; Texas Parks & Wildlife trail grant; NETEX railroad; Wolf Creek MMD legislation; exchange building lease – Daniel Ray, County Civil Attorney
2. As permitted by Texas Government Code §551.071 (1) and (2), Consult with Attorney Concerning any Pending or Contemplated Civil or Administrative Litigation by or against Hunt County; Burns Kaufman County Suit; Precinct 2 TCEQ enforcement action; gate on CR 1109; SPCA/HCSO demand letter – Daniel Ray, County Civil Attorney
3. As permitted by Texas Government Code §551.071 (1) and (2) Consultation with County Civil Attorney regarding the disposition of Hunt County property, and property in which the County has a legal interest – Daniel Ray, County Civil Attorney
4. As permitted by Texas Government Code §551.087 Consultation with County Civil Attorney regarding (1) Commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body is conducting development negotiation's; (2) Deliberate the offer of a financial or other incentive to

a business prospect; Wolf Creek MMD legislation – Daniel Ray, County Civil Attorney

ADJOURN TO REGULAR SESSION

 The Court exited Executive Session and returned to Regular Session at 12:45pm

VIII. Take Action on any Item Discussed in Executive Session as needed.

19,332 On the motion by Harrison, second by Hutchins, for the court to accept a Memorandum of Understanding Between the Society for the Prevention of Cruelty of Animals of Texas and the Hunt County Sheriff's Office – Daniel Ray, Hunt County Civil Attorney; no one opposed, *Motion carries. See attachments.*

19,333 On the motion by Smith, second by Harrison, for the court to approve the Attorney Representation Agreement with Fee, Smith and Sharp for defense of action by Burns, et al. – Daniel Ray, Hunt County Civil Attorney: no one opposed, *Motion carries. See attachments.*

ADJOURN

19,334 On the motion by Monroe, second by Hutchins, for the Court to adjourn at 12:46 p.m. on February 25, 2025, no one opposed, *Motion carries.*

I hereby attest to the accuracy of this record.



Becky Landrum
Hunt County Clerk



ORDINANCE NO. 2025-03-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF QUINLAN, TEXAS, AMENDING ORDINANCE NUMBER 2024-11-01 DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY OF QUINLAN AND ITS EXTRA-TERRITORIAL JURISDICTION AS REINVESTMENT ZONE NUMBER ONE, CITY OF QUINLAN, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; BY AMENDING SECTION 3, ENTITLED "BOARD OF DIRECTORS" BY AMENDING THE APPOINTMENT OF THE BOARD OF DIRECTORS FOR SUCH ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PROPER NOTICE OF MEETING.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City adopted Ordinance 2024-11-01, designating a contiguous or non-contiguous geographic area within the City and its extra-territorial jurisdiction ("ETJ") as a reinvestment, consistent with the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, Ordinance 2024-11-01 was adopted following a hearing held on November 14, 2024, notice of which was given as required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; and

WHEREAS, the City has approved participation agreements with other taxing jurisdictions to participate in the reinvestment zone by contributing to the Tax Increment Fund from taxes levied and collected, and by providing appointments to the zone's Board of Directors, and

WHEREAS, an amendment to Section 3 of Ordinance 2024-11-01 is necessary to reflect the number of Board of Director appointments to be designated for each taxing unit participating in the reinvestment zone, consistent with the taxing units' approved participation agreements.

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

SECTION 1, THAT Section 3, entitled "Board of Directors" of Ordinance 2024-11-01 is hereby amended to read as follows:

Section 3. Board of Directors

That there is created a Board of Directors for the Zone, which shall consist of seven (7) members. Positions One through Four shall be reserved for the City of Quinlan, Position Five shall be reserved for Hunt County and Positions Six and Seven shall be reserved for Hunt Memorial Hospital District. Failure of a taxing unit to appoint a director by December 31, 2025, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position.

The Mayor is hereby authorized to nominate and appoint, subject to City Council approval, the directors to Positions One through Four of the Board of Directors, and any position unfilled on December 31, 2025, subject to the consent and approval of the City Council.

The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one-year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter, the Mayor shall annually nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

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

SECTION 2. SEVERABILITY

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

SECTION 3. OPEN MEETINGS

It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding its meeting, as required by the Open Meetings Law, Texas


Government Code, ch. 551, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED AND ADOPTED in a meeting of the City Council of the City of Quinlan, Texas, held on the 10th day of March, 2025.



Jacky Goleman, Mayor

ATTEST:



Laura Kennemer, City Secretary