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**CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, JULY 9, 2024
3:50 PM
AGENDA**

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. ACTION ITEM:

- A. Consider and act upon a Resolution approving and recommending the final Project Plan and Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone (TIRZ) Number Fourteen to the City Council. (Kearney)

III. ADJOURNMENT:

City Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 972-382-2682, or fax 972-382-3736 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551. "I, the undersigned authority, do hereby certify that the Notice of Meeting was posted on the bulletin board at City Hall of the City of Celina, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: _____ at ____:_____ and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting."

Lauren Vaughns, TMRC
City Secretary

Date Notice Removed



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Finance
City of Celina, Texas

Memorandum

To: **Honorable Chairman and the Board of Directors**
From: Bradley Kearney, Assistant Finance Director
CC: Karla Stovall, Assistant City Manager
Date: July 9, 2024
Re: Final Project and Financing Plan

Action Requested:

Consider and act upon a Resolution approving and recommending the final Project Plan and Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone (TIRZ) Number Fourteen to the City Council. (Kearney)

Background Information:

This item approves the final Project and Financing Plan (PFP) for Tax Increment Reinvestment Zone Number Fourteen (TIRZ 14), which covers the southwestern portion of the Sutton Fields development. A final PFP establishes the projects that are eligible to be paid with TIRZ revenue, estimates the cost of projects, and forecasts the revenues that will be collected.

City Council approved the creation of TIRZ 14 on December 14, 2021. It included 109.926 acres of undeveloped land. The participation rate is 13.22% of the incremental revenues generated from the TIRZ. The maximum TIRZ contribution amount for projects is \$15.351 million. The TIRZ will expire once the maximum TIRZ contribution amount is paid or on December 31, 2057, whichever occurs first. The Plan identifies the following eligible public improvements that align with the Sutton Fields East Public Improvement District (PID):

- Water and wastewater,
- Sanitary and storm sewer,
- Roadway and paving,
- Landscape and irrigation, and
- Park amenities and trails.

Legal Review:

Supporting Documents:

1. TIRZ 14 Final PFP Presentation
2. Resolution Approving Final PFP
3. TIRZ 14 Final Project Plan and Financing Plan - Exhibit A

Financial Consideration:

The final PFP establishes a 13.22 percent participation rate (13.22 percent of the incremental revenues generated by properties within the TIRZ will be dedicated to the public improvements).

Staff Recommendation:

Staff recommends approval.

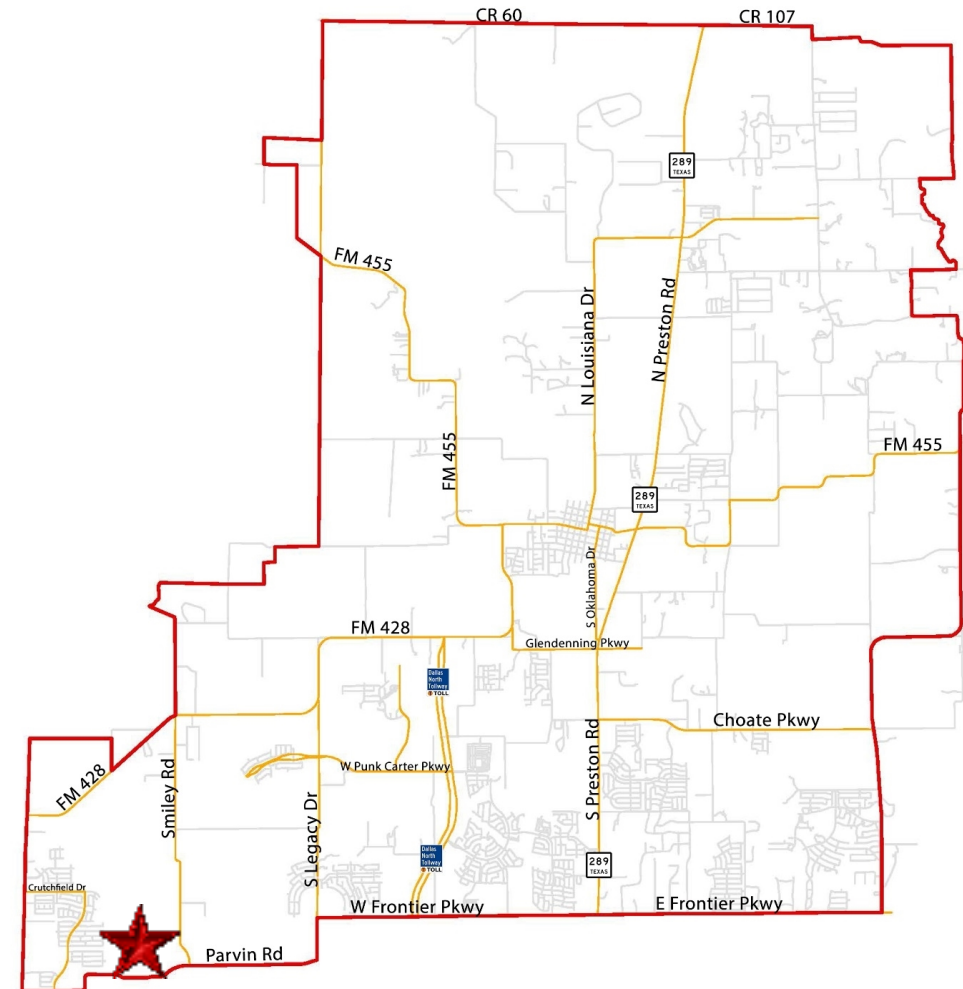
TIRZ #14 FINAL PROJECT AND FINANCING PLAN

TIRZ #14 Board of Directors Meeting
July 9, 2024



TIRZ #14 BACKGROUND

- Southwestern Celina
- Portion of Sutton Fields
- Approved Dec. 14, 2021
- 109.926 acres – undeveloped
- 13.22% participation rate
- Expires Dec. 31, 2057 or upon \$15.351 million project contribution
- Same geographic boundaries as Sutton Fields East Public Improvement District (PID)



FINAL PROJECT AND FINANCING PLAN

- City Council approved a preliminary project and financing plan to create TIRZ #14
- A final PFP is required by state law to establish the projects that are eligible to be paid with TIRZ revenue, estimates the cost of projects, and forecasts the revenues to be collected
- Projects:
 - Water and wastewater
 - Sanitary and storm sewer
 - Roadway and paving
 - Landscape and irrigation
 - Park amenities and trails

TIMELINE

- ~~• October 12, 2021 – TIRZ Petition~~
- ~~• December 14, 2021 – Preliminary PFP, Public Hearing, and TIRZ Creation~~
- July 9, 2024 – TIRZ #14 Board Considers Final PFP
- July 9, 2024 – City Council Considers TIRZ #14 Final PFP

QUESTIONS?

RESOLUTION 2024-_____

A RESOLUTION OF THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER FOURTEEN, CITY OF CELINA, TEXAS, APPROVING AND RECOMMENDING THE FINAL PROJECT PLAN AND FINANCING PLAN FOR APPROVAL TO THE CITY COUNCIL.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, as amended (the “Act”), the City of Celina, Texas (the “City”) adopted Ordinance No. 2021-112 on December 14, 2021, creating Tax Increment Reinvestment Zone No. 14, City of Celina (the “Zone” or “TIRZ”) and establishing a Board of Directors for the Zone; and

WHEREAS, pursuant to and as required by the Act, the City prepared a preliminary project plan and reinvestment zone financing plan, as presented to City Council on December 14, 2021; and

WHEREAS, pursuant to and as required by the Act, the Zone Board of Directors has prepared the project plan and a reinvestment zone financing plan (the “Final Project Plan and Financing Plan”) attached as “Exhibit A”; and

WHEREAS, the Final Project Plan and Financing Plan includes all required components, pursuant to and as required by the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER 14, CITY OF CELINA, TEXAS:

SECTION 1. FINDINGS. The facts and recitations contained in the preamble of this Resolution are incorporated into the body of this Resolution as if fully set forth herein and are hereby found and declared to be true and correct findings and are hereby adopted as part of this Resolution for all purposes.

SECTION 2. SUFFICIENCY. The Final Project and Financing Plan for the Zone conforms with and satisfies all requirements set forth in Sections 311.011 of the Act. Specifically, the Final Project Plan, includes, but is not limited to, (1) a description and map showing existing uses and conditions of real property in the Zone and proposed uses of that property, (2) any proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, (3) a list of estimated non-project costs, and (4) a statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan. The Final Financing Plan includes, but is not limited to, (1) a detailed list describing the estimated project costs/economic development grants of the Zone, including administrative expenses, (2) a statement listing the proposed kind, number, and location of all public works or public improvements to be financed by the Zone, (3) a finding that the plan is economically feasible and an economic study, (4) the estimated amount of bond indebtedness to be incurred, (5) the estimated time when related

costs/grants or monetary obligations are to be incurred, (6) a description of the methods of financing all estimated project costs/economic development grants and the expected sources of revenue to finance or pay project costs/economic development grants, including the percentage of tax increment to be derived from the property taxes of each taxing unit anticipated to contribute tax increment to the Zone that levies taxes on real property in the Zone, (7) the current total appraised value of taxable real property in the Zone, (8) the estimated captured appraised valued of the Zone during each year of its existence, and (9) the duration of the Zone.

SECTION 3. FEASIBILITY. The Board of Directors, pursuant to Section 311.011 of the Act, finds that the Final Project Plan and Financing Plan is feasible.

SECTION 4. RECOMMENDATION OF FINAL PROJECT PLAN AND FINANCING PLAN AND PARTICIPATION AMOUNT. The Board of Directors for the Zone hereby submit this Final Project and Financing Plan, a copy of which is attached hereto as “Exhibit A” and is incorporated herein for all purposes, to the City Council with a recommendation for approval.

SECTION 5. EFFECTIVE DATE. This Resolution shall be effective from and after its date of passage in accordance with law.

PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER FOURTEEN OF THE CITY OF CELINA, TEXAS ON THE 9th DAY OF JULY 2024.

Andy Hopkins, Chairman

Lauren Vaughns, City Secretary

EXHIBIT A
FINAL PROJECT AND FINANCING PLAN

TAX INCREMENT REINVESTMENT ZONE NO. 14

CITY OF CELINA, TEXAS

**FINAL PROJECT PLAN
AND
FINANCING PLAN**

_____, 2024

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

TAX INCREMENT REINVESTMENT ZONE NO. 14

CITY OF CELINA, TEXAS

FINAL PROJECT PLAN AND FINANCING PLAN

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EXHIBIT B - METES AND BOUNDS DESCRIPTION OF THE PROPERTY

EXHIBIT C-1 - PROJECTED ABSORPTION

EXHIBIT C-2 - PROJECTED ASSESSED VALUE

**EXHIBIT C-3 - PROJECTED INCREMENTAL ASSESSED VALUE & INCREMENTAL REAL
PROPERTY TAXES**

**EXHIBIT D - MAP AND DESCRIPTION OF THE PROPOSED USES OF THE PROPERTY
(CURRENT CONCEPT PLAN)**

EXHIBIT E - LIST OF PARCELS IN THE ZONE

EXHIBIT F - PROJECT COSTS

EXHIBIT G - MAP OF PUBLIC IMPROVEMENTS

EXHIBIT H - CURRENT APPRAISED VALUE OF THE ZONE (BASE YEAR)

EXHIBIT I - DEVELOPMENT STANDARDS

1. INTRODUCTION

1.1. AUTHORITY AND PURPOSE

The City of Celina, Texas, a Texas home rule municipality (the “City”), has the authority under Chapter 311, Texas Tax Code, as amended (the “Act”) to designate a contiguous or noncontiguous geographic area within the corporate limits of the City and within the extraterritorial jurisdiction of the City as a tax increment reinvestment zone to promote development or redevelopment of the area if the governing body of the City (the “City Council”) determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future, that the tax increment reinvestment zone is feasible, and that creation of the tax increment reinvestment zone is in the best interest of the City and the property in the tax increment reinvestment zone. The purpose of a tax increment reinvestment zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the tax increment reinvestment zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

1.2. ELIGIBILITY REQUIREMENTS

Except as provided in the Act, an area may be designated as a tax increment reinvestment zone if such area is predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City. The City cannot, however, designate a zone if more than 30% of the property in the proposed zone, excluding property that is publicly owned, is "used for residential purposes" (defined by the Act as follows: "... property is used for residential purposes if it is occupied by a house having fewer than five living units ...") or if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds 50% of the total appraised value of taxable real property in the City and in industrial districts created by the City.

The Zone. By City Council action on December 14, 2021, the City created a tax increment reinvestment zone to be known as “Tax Increment Reinvestment Zone No. 14, City of Celina” (the “Zone” or “TIRZ”) that includes approximately 109.926 acres depicted on **Exhibit A** and described on **Exhibit B** (the “Property”). The Property meets the eligibility requirements of the Act. The Property is undeveloped, and due to its size, location, and physical characteristics, development will not occur solely through private investment in the foreseeable future. The Property substantially impairs and arrests the sound growth of the City because it is predominately underdeveloped due to factors such as no public infrastructure and the need for economic incentives to attract development to the Zone for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base for all taxing units in the Zone, increased sales and use tax for the City and the State of Texas, and increased job opportunities for residents of the City and the region. If the public works, public improvements, programs, and other projects are financed as contemplated by the Final Plan (hereinafter defined), the City envisions that the Property will be developed to take full advantage of the opportunity to bring to the City and to all of the region quality developments.

1.3. PRELIMINARY PLAN; HEARING

Before the City adopted the ordinance designating the Zone, the City Council prepared a preliminary reinvestment zone financing plan in accordance with the Act and, on December 14, 2021, held a public hearing on the creation of the proposed zone and its benefits to the City and to the Property, at which public hearing interested persons spoke for and against the creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and at which hearing the owners of the Property (collectively the “Owners”) were given a reasonable opportunity to protest the inclusion of the Property in the Zone. The requirement of the Act for a preliminary reinvestment zone financing plan was satisfied by the preliminary plan dated December 14, 2021 (the “Preliminary Plan”), the purpose of which is to describe, in general terms, the public works, public improvements, programs, and other projects that will be undertaken and financed by the Zone. A description of how such public works, improvements, programs, and projects are to be undertaken and financed will be determined by the Final Plan and by the Development Agreement (both hereinafter defined), which require approval by the Board (hereinafter defined) and by the City Council.

1.4. CREATION OF THE ZONE

Subsequent to the above-referenced public hearing, the City Council adopted Ordinance No. 2021-112 on December 14, 2021 (the “Creation Ordinance”) in accordance with the Act creating the Zone after the City Council found that development or redevelopment of the Property would not occur solely through private investment in the reasonably foreseeable future, that the Zone is feasible, and that creation of the Zone is in the best interest of the City and the Property. The ordinance creating the Zone appointed a Board of Directors for the Zone initially consisting of six (6) members (the “Board”).

1.5. BOARD RECOMMENDATIONS

Upon the creation of the Zone, the Board, during its _____, 2024, meeting, reviewed the *Final Project and Finance Plan for Tax Increment Reinvestment Zone No. 14, City of Celina* (the “Final Plan”), and approved and recommended to the City Council the Final Plan, pursuant to which the City will contribute a portion of the ad valorem tax increment (the “Tax Increment”) attributable to new development in the Zone into a tax increment fund created by the City and segregated from all other funds of the City (the “TIRZ Fund”) to the costs of public works, public improvements, programs, and other projects benefiting the Zone/

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1.6. COUNCIL ACTION

The City Council, taking into consideration the recommendations of the Board, is anticipated to consider and approve the Final Plan on [REDACTED], 2024.

1.7. SUMMARY OF RESULTS

As real property taxes are generated on an ad valorem basis from assessed values, it is first necessary to estimate the future assessed value resulting from the Zone. This plan provides assessed value information based on the following:

- The development is completed as proposed by MM Sutton Fields East LLC, a Texas limited liability company (the “Developer”);
- The units are sold according to the development pace estimated by the Developer, as summarized in subsequent sections of this Final Plan;
- The real property tax rate remains static at the fiscal year 2023 level in future years;
- The Zone is anticipated to include the 109.926 acres comprising the Property; and
- The City has committed to use **13.22%** of the incremental revenues generated from the Property.

In summary, the TIRZ financing analysis indicates that, assuming one percent (1%) annual inflation through 2056 (and after completion of all phases), the Zone is estimated to have an incremental value of \$208,567,840 as of January 1, 2057.

Table 1-A below provides the projected total and incremental assessed value for the Zone in 2057. Refer to **Exhibit C**, attached hereto, for more information on the projected incremental value for each year.

Table 1-A
Projected Assessed Values

Year	Projected Value	Base Value^(a)	Incremental Value
2057	\$208,567,840	\$0	\$208,567,840

(a) According to DCAD, the base value of \$19,570 represents the allocable share of the 2021 assessed value allocated base on the proportional acreage of the applicable parcels within the Zone, however, the land is in the extra-territorial jurisdiction of the City and the taxable value is \$0.

The assessed values displayed in Table 1-A above are the basis for estimating incremental real property taxes. The projected incremental taxes are shown in Table 1-B on the following page. The Property is anticipated to be fully built out by December 2028, and such fully built-out values are anticipated to be reflected in the 2029 property appraisal and the related incremental taxes will become fully available on taxes dues as of January 2030. The new proposed development could not occur without the Public Improvements (as defined herein) required to be constructed within the Zone. The total projected value of the new development at build-out as of January 1, 2029, is \$157,851,560 with an incremental value of \$157,851,560. Table 1-B illustrates the projected assessed value for taxes due as January 2029, assuming one percent (1%) annual inflation.

Table 1-B
Projected Incremental Tax Revenue

Jurisdiction	Total Projected Appraised Value at Buildout as of January 1, 2029	Base Value^(a)	Total Projected Incremental Appraised Value at Buildout as of January 1, 2029	Total Projected Incremental Tax Revenue as of January 31, 2030
City of Celina	\$157,851,560	\$0	\$157,851,560	\$966,295

(a) According to DCAD, the base value of \$19,570 represents the allocable share of the 2021 assessed value allocated based on the proportional acreage of the applicable parcels within the Zone, however, the land is in the extra-territorial jurisdiction of the City and the taxable value is \$0.

Refer to **Exhibit C** for projected tax increment revenues for each year.

The financing plan for the categories of public works and public improvements (the "Public Improvements") contemplates the issuance of special revenue bonds by the City and/or reimbursement agreement(s) secured by special assessments ("PID Assessments") levied on property within the Sutton Fields East Public Improvement District (the "PID"). The bonds and the reimbursement agreement secured by the PID Assessments are referred to as the "PID Bonds" and the "PID Reimbursement Agreement", respectively, and the total combined estimated par amount is \$9,160,000.

A portion of the total Public Improvement costs are proposed to be funded with the PID Bonds and the PID Reimbursement Agreement. As a result, real property tax increment revenues will be used to pay a portion of the Project Costs by offsetting the PID Assessments imposed on the property within the PID.

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2. ASSESSMENT AND TAX COLLECTION PROCEDURES

2.1 AUTHORITY AND PURPOSE

Pursuant to Texas Tax Code, all taxable property is appraised at its market value as of January 1 of each year. Each county in Texas is served by an appraisal district, which determines the value of all that county's taxable property. Generally, local governments that collect property taxes, such as counties, cities and school districts, are members of the appraisal district.

2.2 METHODOLOGY

Each county appraisal district determines the value of all taxable property within the county boundaries. Tax Code Section 25.18 requires appraisal districts to reappraise all property in its jurisdiction at least once every three years. Tax Code Section 23.01 requires that appraisal districts comply with the Uniform Standards of Professional Appraisal Practice if mass appraisal is used and that the same appraisal methods and techniques be used in appraising the same or similar kinds of property. Individual characteristics that affect the property's market value must be evaluated in determining the property's market value.

Before appraisals begin, the appraisal district compiles a list of taxable property. The list contains a description and the name and address of the owner for each property. In a mass appraisal, the appraisal district then classifies properties according to a variety of factors, such as size, use and construction type. Using data from recent property sales, the appraisal district appraises the value of typical properties in each class. Taking into account differences such as age or location, the appraisal district uses typical property values to appraise all the properties in each class.

With few exceptions, Tax Code Section 23.01 requires taxable property to be appraised at market value as of January 1. Market value is the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- it is exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

Source: <https://comptroller.texas.gov/taxes/property-tax/valuing-property.php>

2.3 APPEALS

According to the Denton County Appraisal District (the "DCAD"), property owners may utilize the DCAD appeal procedures if they have a concern about:

- the market or appraised value of the property;
- unequal appraisal of the property compared to other properties;
- the inclusion of the property on the appraisal roll;
- any exemptions that may apply to the property owner;
- the qualification for an agricultural or timber appraisal;
- the taxable status of the property;
- the local governments which should be taxing the property;
- the ownership of property;
- a change of use of land receiving special appraisal; and/or
- any action taken by the chief appraiser, DCAD or Appraisal Review Board (“ARB”) that applies to and adversely affects the property.

If property owners cannot resolve their concern informally with the DCAD staff, they may have their cases heard by the ARB. The ARB is an independent board of citizens that review problems with appraisals or other concerns listed above. It has the power to order the DCAD to make the necessary changes to solve problems. If a property owner files a written request for an ARB hearing (called a notice of protest) on or before May 31 (or 30 days after the notice of appraised value was mailed to the property owner, whichever is later), the ARB will set the case for a hearing. The property owner will receive written notice of the time, date, and place of the hearing. After it decides the case, the ARB must send them a copy of its order by certified mail. If the property owner is not satisfied with the decision, it has the right to appeal. If it chooses to go to court, the property owner must start the process by filing a petition within 60 days of the date it receives the ARB’s order. In certain cases, as an alternative to filing an appeal in district court, the property owner may file not later than the 45th day after it receives notice of the ARB order a request for binding arbitration with the DCAD. In certain cases, originating in certain counties, as an alternative to filing an appeal in district court, the property owner may appeal to the State Office of Administrative Hearings (SOAH). An appeal to SOAH is initiated by not later than the 30th day after the property owner receives notice of the ARB’s order by filing with the chief appraiser of the DCAD a notice of appeal.

2.4 TAXATION PROCEDURES

The assessment and property tax process for each tax year includes the steps shown in Table 2-A on the following page.

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Table 2-A
Property Tax Timeline

Date(s)	Event
January 1	CADs are required to appraise property on this date. A lien attaches to each taxable property to ensure property tax payment.
January 1 - April 30	CAD completes appraisals and processes applications for exemptions.
April - May	Appraisal districts send notices of appraised value.
May 1	Appraisal review board begins hearing protests from property owners.
July 1	Local taxing units may impose additional penalties for legal costs related to collecting unpaid taxes.
August - September	Local taxing units adopt tax rates.
October 1	Local taxing units (or county tax assessor-collector, acting on their behalf) begin sending tax bills to property owners.
January 1	Taxes due to local taxing units (or county tax assessor-collector, if acting on their behalf).
February 1	Local taxing units begin charging penalty and interest for unpaid tax bills.

2.5 PENALTIES AND INTEREST

According to the Texas Comptroller, if taxes are not paid by January 31st, penalties and interest will accrue are shown in Table 2-B.

Table 2-B
Penalties and Interest

If Tax Paid In:	Penalty		Interest		Total
February	6%	+	1%	=	7%
March	7%	+	2%	=	9%
April	8%	+	3%	=	11%
May	9%	+	4%	=	13%
June	10%	+	5%	=	15%
July	12%	+	6%	=	18%

Penalties reach a maximum of 12% and interest of 1% is added each month after the due date. All real property accounts not paid in full by June 30th of the year in which they become delinquent will be referred to the delinquent tax attorney for enforced collection and will incur an additional penalty equal to 15% - 20% of the total taxes, penalties, and interest due.

2.6 TAX SALE

According to the Denton County Tax Collector’s website, tax sales are held once orders of sale are issued from the district courts in reference to tax judgments for delinquent taxes. Real property being sold as a result of a foreclosure to satisfy delinquent taxes is required by Texas law to be sold on the first Tuesday of the month. All counties have sales on the same day.

2.7 TAX RATES

Tax rates are set on an annual basis by the City. For fiscal year 2023, the real property tax rate in the City is \$0.612154 per \$100 of assessed value.

The City tax rates have fluctuated in past years. It is likely that the tax rate will continue to change overtime; for purposes of this study, however, it is assumed that the tax rate will remain at its current level in future years.

Table 2-C below provides historical tax rates from fiscal years 2015 to 2024.

Table 2-C
Historical Tax Rates 2015-2024

Fiscal Year	City Tax Rate Per \$100 Assessed Value (M&O)	City Tax Rate Per \$100 Assessed Value (I&S)	City Tax Rate Per \$100 Assessed Value (Total)
2015-16	0.433512	0.211488	0.645000
2016-17	0.423269	0.221731	0.645000
2017-18	0.427800	0.217200	0.645000
2018-19	0.385416	0.259584	0.645000
2019-20	0.453683	0.191317	0.645000
2020-21	0.453125	0.191875	0.645000
2021-22	0.429385	0.215615	0.645000
2022-23	0.372702	0.262057	0.315878
2023-24	0.315878	0.296276	0.612154

Source: DCAD and City of Celina website.

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3. PROJECT PLAN

3.1. DESCRIPTIONS AND MAPS

Existing Uses and Conditions. The Property in the Zone is contiguous to the City’s corporate limits and is currently located within the City's extraterritorial jurisdiction. The Property is comprised of 109.926 acres.

The Property is undeveloped, and there is limited public infrastructure to support development. Development will require public infrastructure that: (1) the City cannot provide; and (2) will not be provided solely through private investment in the foreseeable future. A map of the Property and the Zone are shown on Exhibit A.

Proposed Uses. Once annexed into the City, the Property will be zoned consistent with the development standards (the “Development Standards”), which are included in that certain Sutton Fields East Development Agreement between the Developer and the City, effective October 15, 2021, and which are also attached herein as Exhibit I (the “Development Agreement”). A map of the Property is shown on Exhibit A and description of the proposed uses within the Property are shown on Table 3-A below and shown on Exhibit D.

Table 3-A
Description of Proposes Uses

Property Type	Estimated Completion	Quantity	Measurement
Single-Family - 60 Ft	2027	87	Units
Single-Family - 50 Ft	2028	363	Units
Total		450	

Metes and Bounds Description. Metes and bounds descriptions of the various tracts that comprise the Property are provided on Exhibit B. The list of Parcels in the Zone is shown in Exhibit E.

3.2. PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES AND REGULATIONS

Development of the Property will involve only those changes established by the City pursuant to the applicable Development Standards.

3.3. ESTIMATED NON-PROJECT COSTS

Non-project costs are funds that will be spent to develop in the Zone but will not be financed by the Zone. There are significant Non-project costs which are estimated at approximately \$3,650,135 for the total property within the Zone.

3.4. RELOCATION OF DISPLACED PERSONS

No persons will be displaced or relocated due to the creation of the Zone or implementation of the Final Plan.

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4. FINANCING PLAN

4.1. ESTIMATED PROJECT COSTS

The total project costs of the Zone (the “Project Costs”) include the Administrative Costs defined below and the costs of the initial Public Improvements as well as related interest expense are estimated to be approximately \$15,351,333 (the “Maximum TIRZ Contribution Amount”), as set forth in **Exhibit F**. The Project Costs for administration of the Zone shall be the actual, direct costs paid or incurred by or on behalf of the City to administer of the Zone (the “Administrative Costs”). The Administrative Costs include the costs of professional services, including those for planning, engineering, and legal services paid by or on behalf of the City. The Administrative Costs also include organizational costs, including the costs of conducting studies, the cost of publicizing the creation of the Zone, and the cost of implementing the project plan for the Zone paid by or on behalf of the City. The Administrative Costs shall be paid each year from the TIRZ Fund before any other Project Costs are paid.

4.2. PROPOSED PUBLIC IMPROVEMENTS

Categories of Public Improvements. The Public Improvements that are proposed to be financed within the Zone are as follows: water and wastewater improvements, sanitary and storm sewer improvements, road, paving, and landscape and irrigation improvements. All Public Improvements shall be designed and constructed in accordance with the applicable City and/or Mustang Special Utility District (the “District”) standards and shall be reviewed, inspected, approved, and accepted by the City and/or the District, respectively. At the discretion of the City, some of the Public Improvements that are to be financed with the TIRZ Increments may be owned by the City and/or the District, but maintained by a homeowners’ association as may be agreed by the City from time to time.

Locations of Public Improvements. The estimated locations of the proposed Public Improvements to be constructed within the Zone, as further described in the Service and Assessment Plan for the PID, are shown in **Exhibit G**. These locations are provided for informational purposes only and may be revised by City Staff without amending the Final Plan.

The categories of Public Improvements that are proposed to be financed within the Zone may include the economic development grant.

4.3. ECONOMIC FEASIBILITY

The development is proposed to be developed on vacant land. As shown in **Exhibit H**, the current aggregate taxable value of the property in the development based on the proportional acreage of the applicable parcels is \$0. The development is projected to be fully built out by December 2027 based on the absorption estimated by the Developer.

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For purposes of this Plan, economic feasibility has been evaluated over the term of the Zone based on the projected taxable value growth as shown in the projected absorption, projected incremental assessed values and projected incremental taxes shown in **Exhibit C**. This evaluation focuses only on ‘direct’ financial benefits (i.e., projected tax revenues from new development in the Zone) of the Public Improvements to be constructed within the Zone and does not take into consideration the potential ‘multiplier effect’ of this development towards new development outside the Zone and the non-property tax revenue-related benefits like job creation to the properties within and outside of the Zone. The new proposed development could not occur without the Public Improvements required to be constructed within the Zone. The total projected value of the new development at build-out as of January 1, 2028 is \$157,851,560, with an incremental value of \$157,851,560. The new development is projected to generate approximately \$1,276,756 in annual projected incremental real property taxes and approximately \$34,784,183 during the anticipated term of the Zone as shown in Table 4-A below.

Table 4-A
Projected Incremental Tax Revenue

Jurisdiction	Total Projected Incremental Appraised Value as of January 1, 2056	Total Projected Annual Incremental Tax Revenue (Due by January 31, 2057)	Total Projected Incremental Tax Revenue during the Term of the TIRZ
City of Celina	\$208,567,840	\$1,276,756	\$34,784,183

Approximately 86.78% of the new tax revenue generated from the new development within the Zone will be retained by the City. The remaining approximately 13.22% of the new tax revenue generated by the new development within the Zone will be available to pay for Project Costs until the earlier of (i) Maximum TIRZ Contribution Amount is paid, or (ii) the term of the Zone expires in 2057. Upon expiration or termination of the Zone, 100% of all tax revenue generated within the Zone will be retained by the City.

These projections assume a one percent (1%) annual property value inflation factor. As shown in **Exhibit C-3**, the total anticipated Maximum TIRZ Contribution Amount towards the Public Improvements is projected to be \$15,351,333. As a result, the TIRZ is anticipated to generate \$19,432,850 (i.e. \$34,784,183 - \$15,351,333) in excess incremental real property taxes during the anticipated term of the Zone for payment of costs of the City, demonstrating economic feasibility of the proposed TIRZ structure.

Table 4-B on the following page shows the projected Maximum TIRZ contribution by each participating jurisdiction.

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Table 4-B
Projected Maximum TIRZ Contribution

Jurisdiction	Total Projected Incremental Tax Revenue during the Term of the TIRZ^(a)	Total Projected Incremental Tax Revenue Available for payment of Project Costs (Maximum TIRZ Contribution Amount)^(b)	Total Projected Incremental Tax Revenue Retained by the City^(c)
City of Celina	\$34,784,183	\$15,351,333	\$19,432,850

^(a) Represents the projected incremental tax revenues generated from the Property.

^(b) Represents the total projected incremental tax revenue available for the payment of the Project Costs.

^(c) Represents the total projected incremental tax revenue available for the City assuming the Maximum TIRZ Contribution is paid out.

4.4. TIRZ PARTICIPATION LEVEL

For properties within the TIRZ, 13.22% of the total City incremental real property tax revenue will be pledged to the TIRZ Fund as shown in Table 4-C below.

Table 4-C
TIRZ Participation by Entity

Jurisdiction	TIRZ Participation level
City of Celina	13.22%

4.5. ESTIMATED BONDED INDEBTEDNESS

The 109.926 acres comprising the Zone will also be located within the PID. PID Bonds were issued in 2022, in which a credit in the amount equal to 13.22% of the City total incremental real property tax revenue for properties within the Zone was made to offset the PID Assessment imposed on the property in the PID.

4.6. ESTIMATED TIME FOR COSTS OR OBLIGATIONS

The Project Costs are estimated to be incurred within 48 months. The Administrative Costs will be incurred annually and will continue to be collected until all Project Costs are reimbursed or the term of the Zone has expired.

4.7. METHOD OF FINANCING

The City, in the future, will pay (using the TIRZ funds) the Project Costs as annual TIRZ contributions paid to the Developer. The Final Plan shall obligate the City to pay from the TIRZ Fund annual TIRZ contributions related to the Project Costs, which shall be reviewed and approved by the City. Funds deposited into the TIRZ Fund shall always first be applied to pay the Administrative Costs. After the Administrative Costs have been paid, funds in the TIRZ Fund shall next be used to pay or reimburse the Project Costs. All payments of Project Costs shall be made

solely from the TIRZ Fund and from no other funds of the City unless otherwise approved by the respective governing body, and the TIRZ Fund shall only be used to pay the Project Costs. The Final Plan shall obligate the City to deposit into the TIRZ Fund each year for the duration of the Zone a portion of the Tax Increment calculated as a millage rate per \$100 of taxable value in the Zone that equals 13.22% of taxable value in the Zone from the City incremental property taxes collected in the Zone for years one through thirty-six (1-36).

4.8. TOTAL APPRAISED VALUE

The current total taxable value of taxable real property in the Zone is \$0. as shown in **Exhibit H**. It is estimated that upon expiration of the term of the Zone, the total appraised value of taxable real property in the Zone is estimated to be \$208,567,840.

4.9. ESTIMATED CAPTURED APPRAISED VALUE TAXABLE BY THE CITY

The captured appraised value of the Property taxable by the City for a year is the total taxable value of the Property for that year less the tax increment base of the Property. The tax increment base of the Property is \$0 as shown in **Exhibit H**, the total taxable value of the Property for the year in which the Zone was designated.

4.10. DURATION OF THE ZONE; TERMINATION

The stated term of the Zone shall be thirty-six (36) years and commence on December 14, 2021 (base value as of January 1, 2021), and shall continue until December 31, 2057, unless otherwise terminated in accordance with this section and the Act. The City shall have the right to terminate the Zone prior to the expiration of its stated term if all of the Project Costs have been paid. If upon expiration of the stated term of the Zone, Project Costs have not been paid, the City has no obligation to pay the shortfall. The provisions of this section shall be included in the ordinance that creates the Zone. Nothing in this section is intended to prevent the City from extending the term of the Zone in accordance with the Act.

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5. ASSUMPTION AND LIMITATIONS

The valuation of property for real property tax purposes is determined by the DCAD. This plan attempts to estimate how the DCAD may estimate the value of the subject properties in the future. The values estimated by the DCAD will almost certainly differ from the estimates included in this report. Values can change significantly over time, and these changes can be significantly higher or lower than values in previous years. Determining property values for tax purposes is not as straight forward or as simple as the analysis in this report. Many factors not considered in this report may impact actual future values. Furthermore, property values are not likely to be consistent from year to year.

The DCAD often relies on market data to estimate the value of property. Property values can be appealed, competition can be greater, national or local market conditions can change; in short, there are many factors that can affect the valuation of property. These factors make the projection of future values an imprecise exercise. The successful development of the subject properties is critical to the values estimated in the report.

This report has assumed property taxes are paid as due. This report does not include an analysis to determine if the owners of property within the Zone will be able or willing to pay property taxes or if the tax collector will be able to collect unpaid taxes. The actual delinquencies in the payment of real property taxes in the Zone will likely be different than assumed in this report and a significant increase in the failure to pay property taxes would materially affect the tax increment revenues available for the payment of Project Costs.

This report estimates future tax increment revenues based on current real property tax rates. Scenarios do not assume real property tax rates in the future will be different than tax rates for fiscal year 2023 as shown in Table 2-C. Real property tax rates have varied over the years and have declined over the years. Real property tax rates will likely vary significantly in future years and be different than assumed in this report and a significant decrease in real property tax rates could materially affect the tax increment revenues available for the payment of Project Costs.

This report includes projections of tax increment revenues based on one percent annual appreciation for real property. Changes in values will not be consistent from year to year. Future values are estimated based on values in 2021. Values in any future year may be less than values in 2021.

This report assumes that the subject properties will be developed as projected in this report. A delay in the development of properties or changes to the program of development would reduce tax increment revenues during the years of the delay and could result in there being inadequate tax increment revenues to pay the Project Costs. No analysis has been conducted to determine if the subject properties are likely to be developed as projected.

Numerous sources of information were relied on in the preparation of this report. These sources are believed to be reliable; however, no effort has been made to verify information obtained from other sources.

In summary, this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions will inevitably not materialize, and unanticipated events and circumstance will occur. As a result, actual results will vary from the estimates in this report and the variations may be material.

Other assumptions made in the preparation of this report and limiting conditions to this report are as follows:

1. There are no zoning, building, safety, environmental or other federal, state, or local laws, regulations, or codes that would prohibit or impair the development, marketing or operation of the subject properties in the manner contemplated in this report, and the subject properties will be developed, marketed and operated in compliance with all applicable laws, regulations, and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code affecting the subject properties or (b) any federal, state or local grant, financing or other program to be utilized in connection with the subject properties.
3. The local, national and international economies will not deteriorate and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject properties will be served by adequate transportation, utilities and governmental facilities.
5. The subject properties will not be subjected to any war, energy crises, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject properties will be developed, marketed, and operated in a highly professional manner.
7. There are no existing, impending or threatened litigation that could hinder the development, marketing, or operation of the subject properties.
8. MuniCap, Inc. does not have expertise in and has no responsibility for legal, environmental, architectural, geologic, engineering, and other matters related to the development and operation of the subject properties.

6. LIST OF EXHIBITS

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

Exhibit A	Map of the Property and TIRZ Zone
Exhibit B	Metes and Bounds Description of Property in the Zone
Exhibit C-1	Projected Absorption
Exhibit C-2	Projected Assessed Value
Exhibit C-3	Projected Incremental Assessed Values and Incremental Real Property Taxes
Exhibit D	Map and Description of the Proposed Uses of the Property (Current Concept Plan)
Exhibit E	List of Parcels in the Zone
Exhibit F	Project Costs
Exhibit G	Map of Public Improvements
Exhibit H	Current Appraised Value of the Zone (Base Year)
Exhibit I	Development Standards

EXHIBIT A
MAP OF THE PROPERTY AND TIRZ ZONE

EXHIBIT B
METES AND BOUNDS DESCRIPTION OF THE PROPERTY

PROPERTY METES AND BOUNDS DESCRIPTION

BEING that certain tract of land situated in the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being part of that certain tract of land described in deed to Jo Lynn Carey Ninemire, Laura Jean Carey Ninemire, and Mark Carlton Carey recorded in Document No. 2014-16824, of the Real Property Records of Denton County, Texas (RPRDCT), and being more particularly described as follows:

BEGINNING at a 60D nail in asphalt found in the approximate center of Parvin Road (undedicated public road), said nail being an ell corner of a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDCT, from which a 3/8-inch iron rod found bears North 89°11'44" West, a distance of 1163.46 feet;

THENCE North 00°41'45" East, with a line described in said Boundary Line Agreement, as located on a west line of said Carey tract, a distance of 2985.21 feet to a 1/2-inch iron rod found for corner;

THENCE North 89°13'31" East, with a line described in said Boundary Line Agreement, as located on the most northerly line of said Carey tract, a distance of 527.69 feet to a capped 5/8-inch iron rod found for corner;

THENCE North 89°13'50" East, with the most northerly line of said Carey tract, and the south line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Instrument No. 2006-2064, RPRDCT, a distance of 998.50 feet to a 1/2-inch iron rod found for corner at the most northerly northeast corner of said Carey tract, and the northwest corner of that certain tract of land described as First Tract in deed to Brice Jackson, Bobby C. Jackson, and Nolan P. Jackson recorded in Volume 4910, Page 2975 (Document No. 2001-R0089934), RPRDCT;

THENCE South 00°26'26" East, with the most northerly east line of said Carey tract and the west line of said Jackson tract, passing at a called distance of 3155.56 feet an interior ell corner of said Carey tract, continuing in all, a total distance of 3181.36 feet to a 3/8-inch iron rod found for corner in said approximate center of Parvin Road;

THENCE North 89°16'58" West, over and across said Carey tract, and with the approximate center of Parvin Road, a distance of 505.81 feet to a point for corner at the beginning of a tangent curve to the right;

THENCE northwesterly, continuing over and across said Carey tract, and said approximate center of Parvin Road, and with said curve having a central angle of 33°01'00", a radius of 350.00 feet, a chord which bears North 72°46'28" West, a chord distance of 198.91 feet, and an arc distance of 201.69 feet to the end of said curve, a point for corner;

THENCE North 56°15'58" West, continuing over and across said Carey tract, and said approximate center of Parvin Road, passing at a distance of 38.18 feet a PK nail found at the northeast corner of that certain tract of land described in deed to Mark Carey and Cathi Carey recorded in Document No. 2007-985, RPRDCT (Save and Excepted as Tract 2 in said Carey deed recorded in Document No. 2014-16824, RPRDCT), continuing with the northerly line of said Mark Carey and Cathi Carey tract, in all, a total distance of 180.24 feet to a point for corner;

THENCE North 89°11'44" West, continuing with said approximate center of Parvin Road, and with said northerly line of the Mark Carey and Cathi Carey tract, passing at a distance of 181.00 feet a PK nail found at the northwest corner of said Mark Carey and Cathi Carey tract, and the northeast corner of that certain tract of land Save and Excepted as Tract 1 in said Carey deed recorded in Document No. 2014-16824, RPRDCT, passing the called northwest corner of said Tract 1 at a distance of 456.77 feet, continuing with said approximate center of Parvin Road, in all, a total distance of 741.18 feet to the POINT OF BEGINNING, containing an area of 109.926 acres of land.

EXHIBIT C
**PROJECTED ABSORPTION, INCREMENTAL ASSESSED VALUES AND
INCREMENTAL REAL PROPERTY TAXES**

**Tax Increment Reinvestment Zone No. 14
Celina, Texas**

Exhibit C-1: Projected Absorption - All Phases¹

Development Year Ending	Assessed As Of ²	Single-Family - 60 Ft		Single-Family - 50 Ft		Total	
		Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-21	1-Jan-22	0	0	0	0	0	0
31-Dec-22	1-Jan-23	0	0	0	0	0	0
31-Dec-23	1-Jan-24	0	0	0	0	0	0
31-Dec-24	1-Jan-25	20	20	100	100	120	120
31-Dec-25	1-Jan-26	20	40	105	205	125	245
31-Dec-26	1-Jan-27	27	67	93	298	120	365
31-Dec-27	1-Jan-28	20	87	57	355	77	442
31-Dec-28	1-Jan-29	0	87	8	363	8	450
31-Dec-29	1-Jan-30	0	87	0	363	0	450
31-Dec-30	1-Jan-31	0	87	0	363	0	450
31-Dec-31	1-Jan-32	0	87	0	363	0	450
31-Dec-32	1-Jan-33	0	87	0	363	0	450
31-Dec-33	1-Jan-34	0	87	0	363	0	450
31-Dec-34	1-Jan-35	0	87	0	363	0	450
31-Dec-35	1-Jan-36	0	87	0	363	0	450
31-Dec-36	1-Jan-37	0	87	0	363	0	450
31-Dec-37	1-Jan-38	0	87	0	363	0	450
31-Dec-38	1-Jan-39	0	87	0	363	0	450
31-Dec-39	1-Jan-40	0	87	0	363	0	450
31-Dec-40	1-Jan-41	0	87	0	363	0	450
31-Dec-41	1-Jan-42	0	87	0	363	0	450
31-Dec-42	1-Jan-43	0	87	0	363	0	450
31-Dec-43	1-Jan-44	0	87	0	363	0	450
31-Dec-44	1-Jan-45	0	87	0	363	0	450
31-Dec-45	1-Jan-46	0	87	0	363	0	450
31-Dec-46	1-Jan-47	0	87	0	363	0	450
31-Dec-47	1-Jan-48	0	87	0	363	0	450
31-Dec-48	1-Jan-49	0	87	0	363	0	450
31-Dec-49	1-Jan-50	0	87	0	363	0	450
31-Dec-50	1-Jan-51	0	87	0	363	0	450
31-Dec-51	1-Jan-52	0	87	0	363	0	450
31-Dec-52	1-Jan-53	0	87	0	363	0	450
31-Dec-53	1-Jan-54	0	87	0	363	0	450
31-Dec-54	1-Jan-55	0	87	0	363	0	450
31-Dec-55	1-Jan-56	0	87	0	363	0	450
31-Dec-56	1-Jan-57	0	87	0	363	0	450
Total		87		363		450	

MuniCap, Inc. IRZ No. 14 - Sutton Fields East/TIRZ/Projections/[Sutton Fields East Projection Final PFP v3.0.xlsx]Exhibit C-1
14-Apr-24

¹Provided by Developer.

²According to the Denton County Appraisal District property is assessed as of January 1 annually. During construction, the assessed value represents the portion of the building completed as of January 1. Assumes no assessed value during construction.

**Tax Increment Reinvestment Zone No. 14
Celina, Texas**

Exhibit C-2: Projected Assessed Value - All Phases

Development Year Ending	Assessed As Of ¹	1.0% Inflation Factor ²	Single-Family - 60 Ft			Single-Family - 50 Ft			Total Projected Assessed Value
			Units ³	Value Per Unit ⁴	Projected Assessed Value	Units ³	Value Per Unit ⁴	Projected Assessed Value	
31-Dec-21	1-Jan-22	100%	0	\$378,000	\$0	0	\$315,000	\$0	\$0
31-Dec-22	1-Jan-23	101%	0	\$381,780	\$0	0	\$318,150	\$0	\$0
31-Dec-23	1-Jan-24	102%	0	\$385,598	\$0	0	\$321,332	\$0	\$0
31-Dec-24	1-Jan-25	103%	20	\$389,454	\$7,789,076	100	\$324,545	\$32,454,482	\$40,243,557
31-Dec-25	1-Jan-26	104%	40	\$393,348	\$15,733,933	205	\$327,790	\$67,197,004	\$82,930,937
31-Dec-26	1-Jan-27	105%	67	\$397,282	\$26,617,881	298	\$331,068	\$98,658,313	\$125,276,194
31-Dec-27	1-Jan-28	106%	87	\$401,255	\$34,909,152	355	\$334,379	\$118,704,491	\$153,613,643
31-Dec-28	1-Jan-29	107%	87	\$405,267	\$35,258,243	363	\$337,723	\$122,593,317	\$157,851,560
31-Dec-29	1-Jan-30	108%	87	\$409,320	\$35,610,826	363	\$341,100	\$123,819,250	\$159,430,076
31-Dec-30	1-Jan-31	109%	87	\$413,413	\$35,966,934	363	\$344,511	\$125,057,443	\$161,024,376
31-Dec-31	1-Jan-32	110%	87	\$417,547	\$36,326,603	363	\$347,956	\$126,308,017	\$162,634,620
31-Dec-32	1-Jan-33	112%	87	\$421,723	\$36,689,869	363	\$351,436	\$127,571,097	\$164,260,966
31-Dec-33	1-Jan-34	113%	87	\$425,940	\$37,056,768	363	\$354,950	\$128,846,808	\$165,903,576
31-Dec-34	1-Jan-35	114%	87	\$430,199	\$37,427,336	363	\$358,499	\$130,135,276	\$167,562,612
31-Dec-35	1-Jan-36	115%	87	\$434,501	\$37,801,609	363	\$362,084	\$131,436,629	\$169,238,238
31-Dec-36	1-Jan-37	116%	87	\$438,846	\$38,179,625	363	\$365,705	\$132,750,995	\$170,930,620
31-Dec-37	1-Jan-38	117%	87	\$443,235	\$38,561,421	363	\$369,362	\$134,078,505	\$172,639,926
31-Dec-38	1-Jan-39	118%	87	\$447,667	\$38,947,036	363	\$373,056	\$135,419,290	\$174,366,326
31-Dec-39	1-Jan-40	120%	87	\$452,144	\$39,336,506	363	\$376,786	\$136,773,483	\$176,109,989
31-Dec-40	1-Jan-41	121%	87	\$456,665	\$39,729,871	363	\$380,554	\$138,141,218	\$177,871,089
31-Dec-41	1-Jan-42	122%	87	\$461,232	\$40,127,170	363	\$384,360	\$139,522,630	\$179,649,800
31-Dec-42	1-Jan-43	123%	87	\$465,844	\$40,528,441	363	\$388,203	\$140,917,856	\$181,446,298
31-Dec-43	1-Jan-44	124%	87	\$470,503	\$40,933,726	363	\$392,085	\$142,327,035	\$183,260,761
31-Dec-44	1-Jan-45	126%	87	\$475,208	\$41,343,063	363	\$396,006	\$143,750,305	\$185,093,368
31-Dec-45	1-Jan-46	127%	87	\$479,960	\$41,756,494	363	\$399,966	\$145,187,808	\$186,944,302
31-Dec-46	1-Jan-47	128%	87	\$484,759	\$42,174,059	363	\$403,966	\$146,639,686	\$188,813,745
31-Dec-47	1-Jan-48	130%	87	\$489,607	\$42,595,799	363	\$408,006	\$148,106,083	\$190,701,883
31-Dec-48	1-Jan-49	131%	87	\$494,503	\$43,021,757	363	\$412,086	\$149,587,144	\$192,608,901
31-Dec-49	1-Jan-50	132%	87	\$499,448	\$43,451,975	363	\$416,207	\$151,083,016	\$194,534,990
31-Dec-50	1-Jan-51	133%	87	\$504,442	\$43,886,494	363	\$420,369	\$152,593,846	\$196,480,340
31-Dec-51	1-Jan-52	135%	87	\$509,487	\$44,325,359	363	\$424,572	\$154,119,784	\$198,445,144
31-Dec-52	1-Jan-53	136%	87	\$514,582	\$44,768,613	363	\$428,818	\$155,660,982	\$200,429,595
31-Dec-53	1-Jan-54	137%	87	\$519,728	\$45,216,299	363	\$433,106	\$157,217,592	\$202,433,891
31-Dec-54	1-Jan-55	139%	87	\$524,925	\$45,668,462	363	\$437,437	\$158,789,768	\$204,458,230
31-Dec-55	1-Jan-56	140%	87	\$530,174	\$46,125,147	363	\$441,812	\$160,377,665	\$206,502,812
31-Dec-56	1-Jan-57	142%	87	\$535,476	\$46,586,398	363	\$446,230	\$161,981,442	\$208,567,840

MuniCap, Inc. [municap.sharepoint.com/sites/ALLSTAFF/TEXAS/texas/Celina/3-TIRZs/TIRZ No. 14 - Sutton Fields East/TIRZ/Projections/\[Sutton Fields East Projection Final PFP v3.0.xlsx\]Exhibit C-2](http://municap.sharepoint.com/sites/ALLSTAFF/TEXAS/texas/Celina/3-TIRZs/TIRZ No. 14 - Sutton Fields East/TIRZ/Projections/[Sutton Fields East Projection Final PFP v3.0.xlsx]Exhibit C-2)
14-Apr-24

¹According to the Denton County Appraisal District property is assessed as of January 1 annually. During construction, the assessed value represents the portion of the building completed as of January 1.

Assumes no assessed value during construction.

²Assumes an annual inflation factor of 1.0%.

³See Exhibit C-1.

⁴Provided by Developer.

**Tax Increment Reinvestment Zone No. 14
Celina, Texas**

Exhibit C-3: Projected Incremental Assessed Value & Incremental Real Property Taxes

Development Year	Bond Year	Inflation Factor ¹	Total Projected Assessed Value ²	Base Value ³	Estimated Incremental Value	City of Celina Real Property Tax Rate (Per \$100 A.V.) ⁴	Total Incremental Tax Revenues	Percent Available for Debt Service ⁵	Total Available Incremental Tax Revenues
31-Dec-21	31-Dec-22	100%	\$0	\$0	\$0	\$0.612154	\$0	13.22%	\$0
31-Dec-22	31-Dec-23	101%	\$0	\$0	\$0	\$0.612154	\$0	13.22%	\$0
31-Dec-23	31-Dec-24	102%	\$0	\$0	\$0	\$0.612154	\$0	13.22%	\$0
31-Dec-24	31-Dec-25	103%	\$40,243,557	\$0	\$40,243,557	\$0.612154	\$246,353	13.22%	\$32,568
31-Dec-25	31-Dec-26	104%	\$82,930,937	\$0	\$82,930,937	\$0.612154	\$507,665	13.22%	\$67,113
31-Dec-26	31-Dec-27	105%	\$125,276,194	\$0	\$125,276,194	\$0.612154	\$766,883	13.22%	\$101,382
31-Dec-27	31-Dec-28	106%	\$153,613,643	\$0	\$153,613,643	\$0.612154	\$940,352	13.22%	\$124,315
31-Dec-28	31-Dec-29	107%	\$157,851,560	\$0	\$157,851,560	\$0.612154	\$966,295	13.22%	\$127,744
31-Dec-29	31-Dec-30	108%	\$159,430,076	\$0	\$159,430,076	\$0.612154	\$975,958	13.22%	\$129,022
31-Dec-30	31-Dec-31	109%	\$161,024,376	\$0	\$161,024,376	\$0.612154	\$985,717	13.22%	\$130,312
31-Dec-31	31-Dec-32	110%	\$162,634,620	\$0	\$162,634,620	\$0.612154	\$995,574	13.22%	\$131,615
31-Dec-32	31-Dec-33	112%	\$164,260,966	\$0	\$164,260,966	\$0.612154	\$1,005,530	13.22%	\$132,931
31-Dec-33	31-Dec-34	113%	\$165,903,576	\$0	\$165,903,576	\$0.612154	\$1,015,585	13.22%	\$134,260
31-Dec-34	31-Dec-35	114%	\$167,562,612	\$0	\$167,562,612	\$0.612154	\$1,025,741	13.22%	\$135,603
31-Dec-35	31-Dec-36	115%	\$169,238,238	\$0	\$169,238,238	\$0.612154	\$1,035,999	13.22%	\$136,959
31-Dec-36	31-Dec-37	116%	\$170,930,620	\$0	\$170,930,620	\$0.612154	\$1,046,359	13.22%	\$138,329
31-Dec-37	31-Dec-38	117%	\$172,639,926	\$0	\$172,639,926	\$0.612154	\$1,056,822	13.22%	\$139,712
31-Dec-38	31-Dec-39	118%	\$174,366,326	\$0	\$174,366,326	\$0.612154	\$1,067,390	13.22%	\$141,109
31-Dec-39	31-Dec-40	120%	\$176,109,989	\$0	\$176,109,989	\$0.612154	\$1,078,064	13.22%	\$142,520
31-Dec-40	31-Dec-41	121%	\$177,871,089	\$0	\$177,871,089	\$0.612154	\$1,088,845	13.22%	\$143,945
31-Dec-41	31-Dec-42	122%	\$179,649,800	\$0	\$179,649,800	\$0.612154	\$1,099,733	13.22%	\$145,385
31-Dec-42	31-Dec-43	123%	\$181,446,298	\$0	\$181,446,298	\$0.612154	\$1,110,731	13.22%	\$146,839
31-Dec-43	31-Dec-44	124%	\$183,260,761	\$0	\$183,260,761	\$0.612154	\$1,121,838	13.22%	\$148,307
31-Dec-44	31-Dec-45	126%	\$185,093,368	\$0	\$185,093,368	\$0.612154	\$1,133,056	13.22%	\$149,790
31-Dec-45	31-Dec-46	127%	\$186,944,302	\$0	\$186,944,302	\$0.612154	\$1,144,387	13.22%	\$151,288
31-Dec-46	31-Dec-47	128%	\$188,813,745	\$0	\$188,813,745	\$0.612154	\$1,155,831	13.22%	\$152,801
31-Dec-47	31-Dec-48	130%	\$190,701,883	\$0	\$190,701,883	\$0.612154	\$1,167,389	13.22%	\$154,329
31-Dec-48	31-Dec-49	131%	\$192,608,901	\$0	\$192,608,901	\$0.612154	\$1,179,063	13.22%	\$155,872
31-Dec-49	31-Dec-50	132%	\$194,534,990	\$0	\$194,534,990	\$0.612154	\$1,190,854	13.22%	\$157,431
31-Dec-50	31-Dec-51	133%	\$196,480,340	\$0	\$196,480,340	\$0.612154	\$1,202,762	13.22%	\$159,005
31-Dec-51	31-Dec-52	135%	\$198,445,144	\$0	\$198,445,144	\$0.612154	\$1,214,790	13.22%	\$160,595
31-Dec-52	31-Dec-53	136%	\$200,429,595	\$0	\$200,429,595	\$0.612154	\$1,226,938	13.22%	\$162,201
31-Dec-53	31-Dec-54	137%	\$202,433,891	\$0	\$202,433,891	\$0.612154	\$1,239,207	13.22%	\$163,823
31-Dec-54	31-Dec-55	139%	\$204,458,230	\$0	\$204,458,230	\$0.612154	\$1,251,599	13.22%	\$165,461
31-Dec-55	31-Dec-56	140%	\$206,502,812	\$0	\$206,502,812	\$0.612154	\$1,264,115	13.22%	\$167,116
31-Dec-56	31-Dec-57	142%	\$208,567,840	\$0	\$208,567,840	\$0.612154	\$1,276,756	13.22%	\$168,787
Total							\$34,784,183		\$4,598,469

MuniCap, Inc. [https://municap.sharepoint.com/sites/ALLSTAFF/TEXAS/texas/Celina/3-TIRZs/TIRZ No. 14 - Sutton Fields East/TIRZ/Projections/\[Sutton Fields East Projection Final PFP v3.0.xlsx\]](https://municap.sharepoint.com/sites/ALLSTAFF/TEXAS/texas/Celina/3-TIRZs/TIRZ No. 14 - Sutton Fields East/TIRZ/Projections/[Sutton Fields East Projection Final PFP v3.0.xlsx]) Exhibit C-3

14-Apr-24

¹ Assumes an annual inflation factor of 1.0%.

² See Exhibit C-2.

³ See Exhibit H.

⁴ Represents the City of Celina real property tax rate for tax year 2023. Source: Denton County Tax Assessor-Collector.

⁵ Assumes 13.22% of incremental tax revenues are available for the repayment of debt service.

EXHIBIT D
MAP AND DESCRIPTION OF THE PROPOSED USES OF THE PROPERTY
(CURRENT CONCEPT PLAN)

S:\2019\2019011-00 Sutton Fields East - Careys Tract\06-CAD\04-EXHIBIT\201908-06\Sutton Fields East Concept Plan 07262021.dwg Jul 26, 2021 - 1:24 pm - bhawcock



Sutton Fields East Concept Plan 6

data summary		
Gross Site Area:	110 AC.	
Residential Lots	Acres	Gross %
Public Open Space	93.9	85%
Detention	8.3	8%
	7.8	7%
Residential Product Type:	Lots	%
50'x 115' Lot	363	81%
60'x 115' Lot	87	19%
Total Lots	450	100%

EXHIBIT E
LIST OF PARCELS IN THE ZONE

***Tax Increment Reinvestment Zone No. 14
Celina, Texas***

Exhibit E: Parcels in the Zone

Property ID	Owner	Value As Of ¹	Acres ^{2,3}
52714	CAREY NINEMIRE, JO LYNN & CAREY VARNER, LAURA JEAN & CAREY, M	January 1, 2021	92.960
635330	CAREY NINEMIRE, JO LYNN & CAREY VARNER, LAURA JEAN & CAREY, M	January 1, 2021	125.523
Total			218.483

*MuniCap, Inc. STAFF/TEXAS/texas/Celina/3-TIRZs/TIRZ No. 14 - Sutton Fields East/TIRZ/Projections/[Sutton Fields East Projection Final PFP v2.0.xlsx]Exhibit E.
17-Feb-24*

¹Tax Increment Reinvestment Zone No. 14 was created in 2021. As a result, the base value will be based on the taxable value as of January 1, 2021.

²According to the Denton County Appraisal District records.

³See Exhibit H for allocation of parcels within the TIRZ boundary.

EXHIBIT F
PROJECT COSTS

COMMUNITY NAME: Sutton Fields East
 PHASES: Full Development
 CITY OR TOWN: Celina ETJ

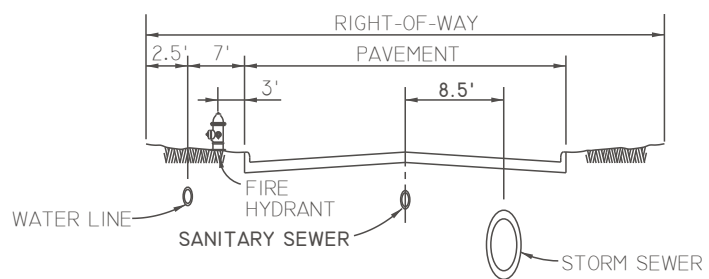
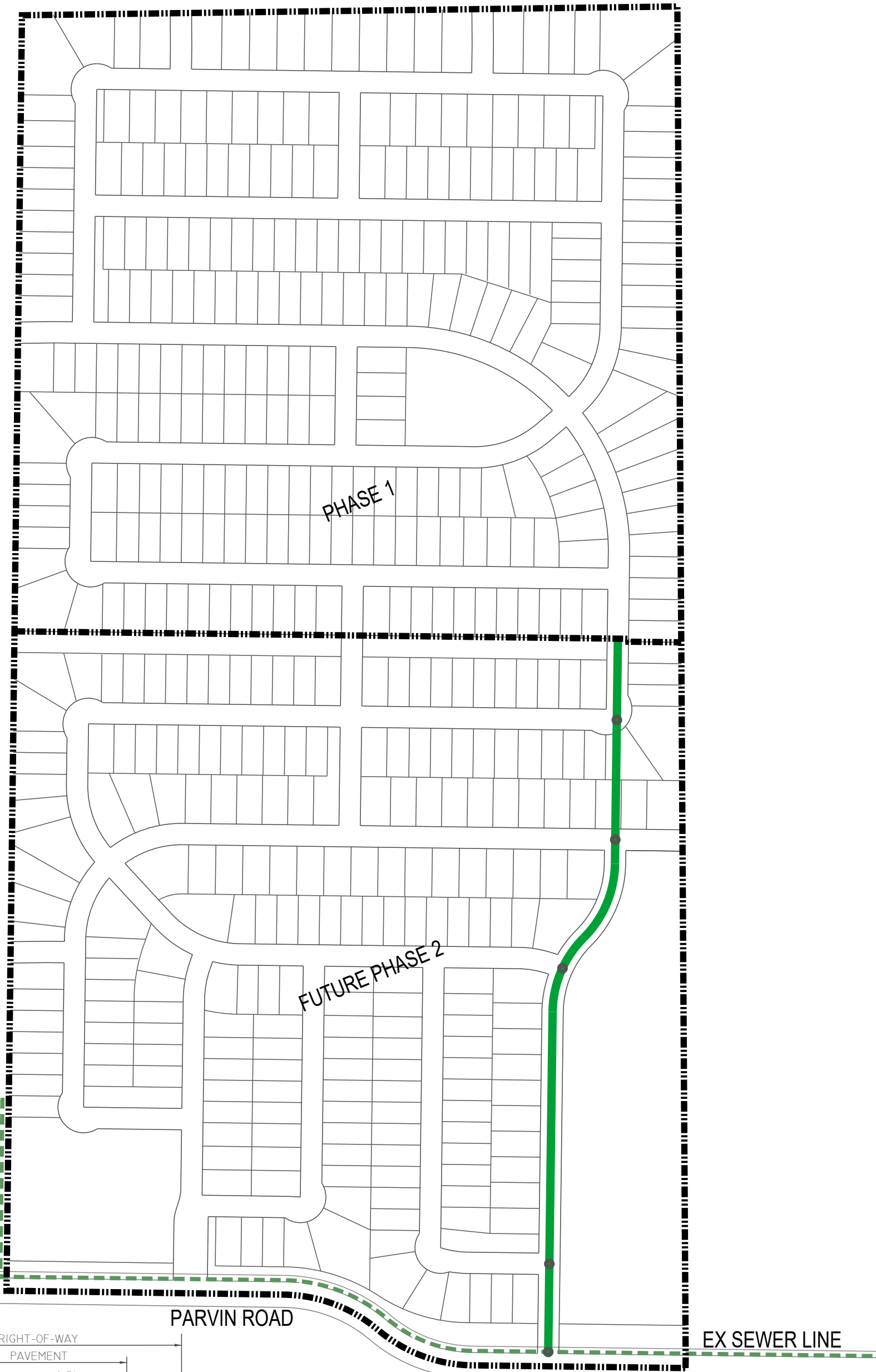
GROSS ACREAGE: 110.4
 NET ACREAGE: 110.4
 TOTAL LOTS: 450
 TOTAL DENSITY: 4.08
 CREATED BY: CH
 REVIEWED BY: AB
 CREATED: 06/03/21
 REVISED: 11/05/21



Direct Phase Costs	TOTALS	PHASE 1	PHASE 2	NOTES
1 Site Preparation	\$ 1,663,803	\$ 810,468	\$ 853,335	
2 Water System	\$ 1,755,790	\$ 753,000	\$ 1,002,790	
3 Sanitary Sewer System	\$ 1,465,970	\$ 829,945	\$ 636,025	
4 Storm Drain System	\$ 3,283,930	\$ 1,730,660	\$ 1,553,270	
5 Roadway Improvements	\$ 4,965,685	\$ 1,777,930	\$ 3,187,755	
6 Screening Walls & Landscaping	\$ 172,518	\$ -	\$ 172,518	
7 Park Amenities & Trails	\$ 197,400	\$ 3,000	\$ 194,400	
8 Prof. & Other Soft Cost	\$ 2,452,829	\$ 1,166,071	\$ 1,286,758	
9 Contingency 0%	\$ 321,491	\$ -	\$ 321,491	
10 District Formation/ Legal/ Consulting	\$ 800,000	\$ 400,000	\$ 400,000	
	<u>\$ 17,079,416</u>	<u>\$ 7,471,074</u>	<u>\$ 9,608,342</u>	
Major Improvements Costs	TOTALS	PHASE 1	FUTURE PHASES	NOTES
1 Site Preparation	\$ -			
2 Water System	\$ -			
3 Sanitary Sewer System	\$ -			
4 Storm Drain System	\$ -			
5 Roadway Improvements	\$ -			
6 Screening Walls	\$ -			
7 Landscape & Hardscape	\$ -			
8 Park Amenities & Trails	\$ -			
9 Prof. & Other Soft Cost	\$ -			
10 Contingency 0%	\$ -			
12 District Formation Costs	\$ -			
13	\$ -			
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

EXHIBIT G
MAP OF PUBLIC IMPROVEMENTS

S:\2019\2019011-00 Sutton Fields East - Careys Tract\06-CAD\04-EXHIBITS\201908-06Sutton Fields East PID MI Sewer 09242021.dwg Sep 24, 2021 - 1:32 pm chancock



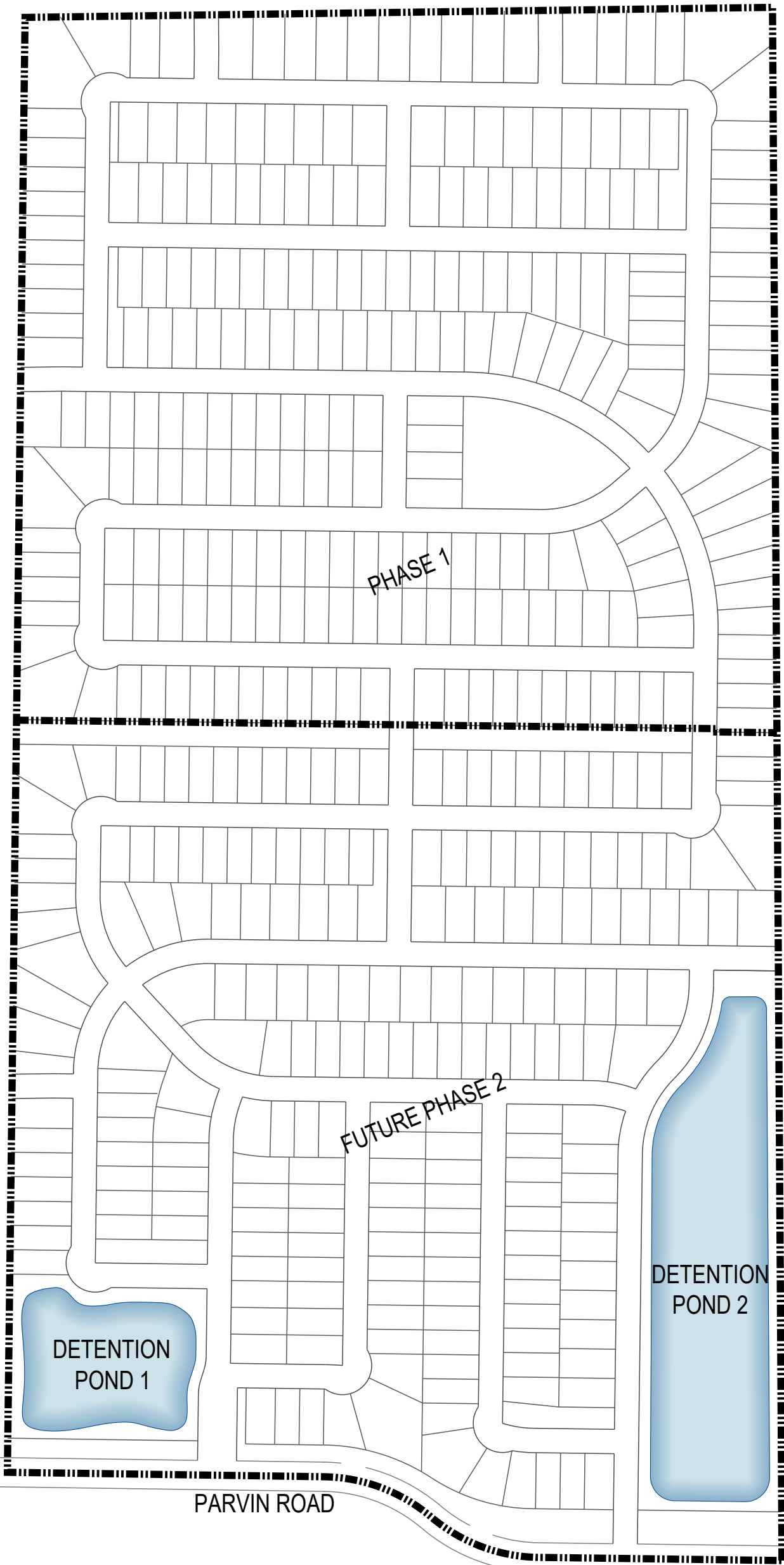
TYPICAL SEWER LOCATION
N.T.S.

SEWER LINE

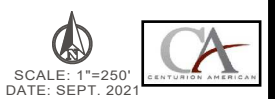
MAJOR SEWER IMPROVEMENTS
SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT
CELINA ETJ, DENTON COUNTY, TEXAS



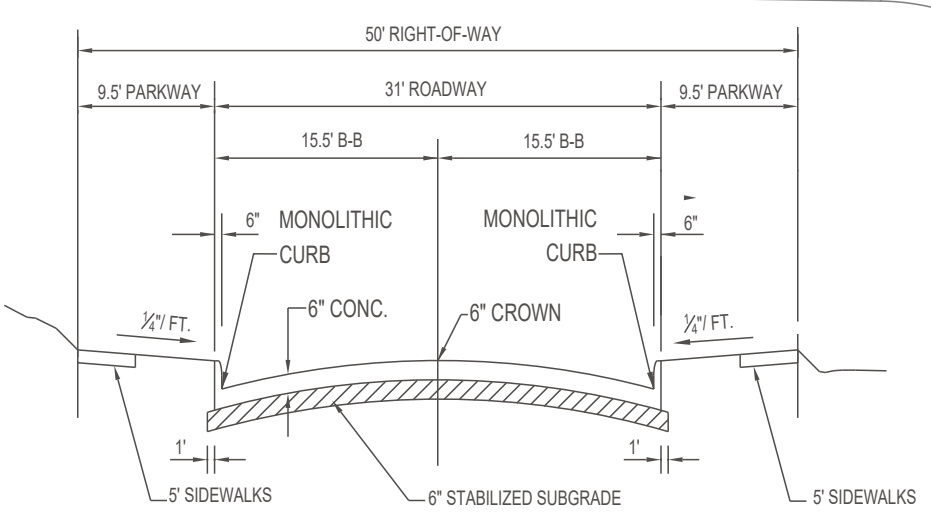
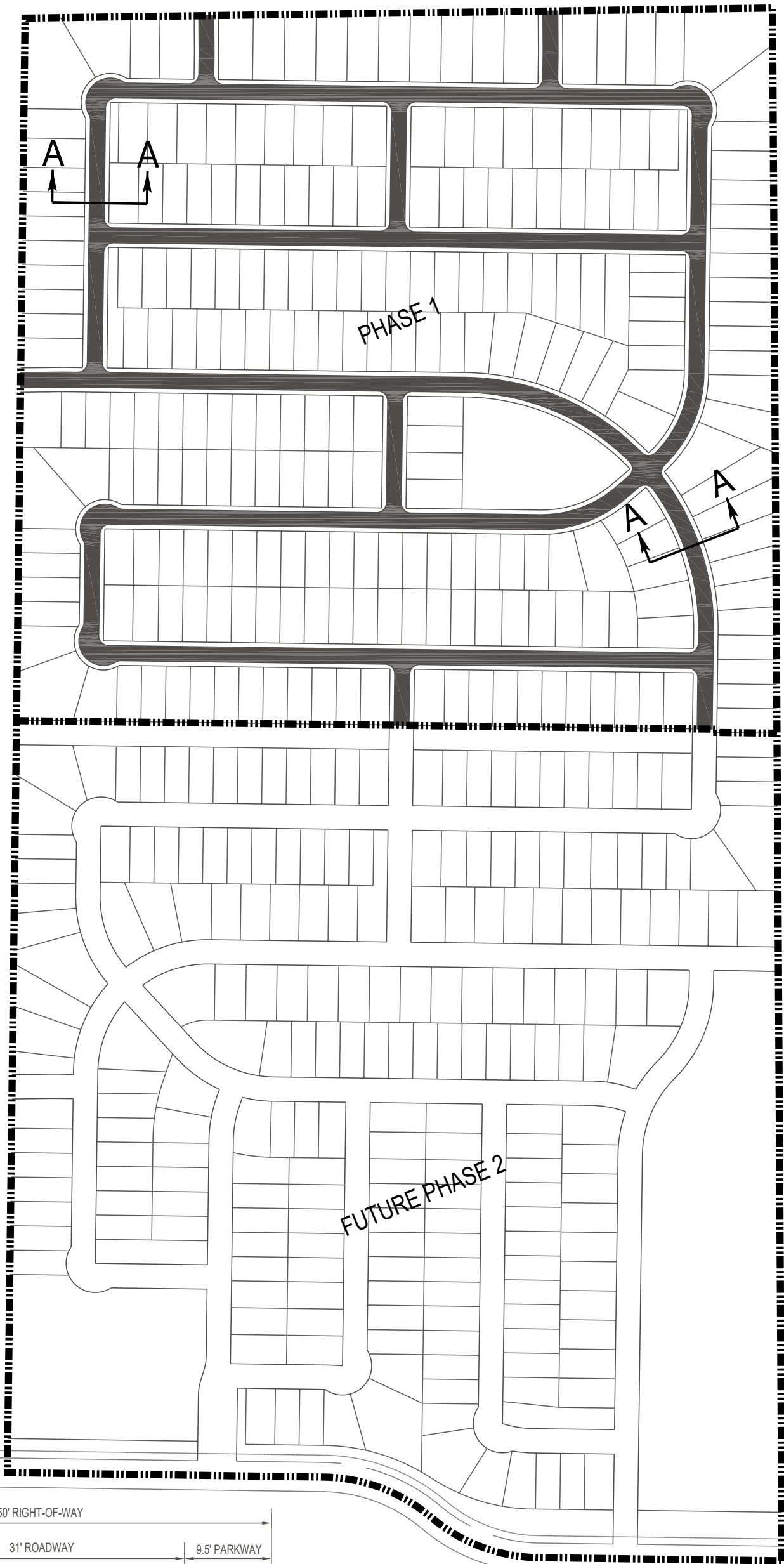
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MAJOR STORM SEWER IMPROVEMENTS
 SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT
 CELINA ETJ, DENTON COUNTY, TEXAS



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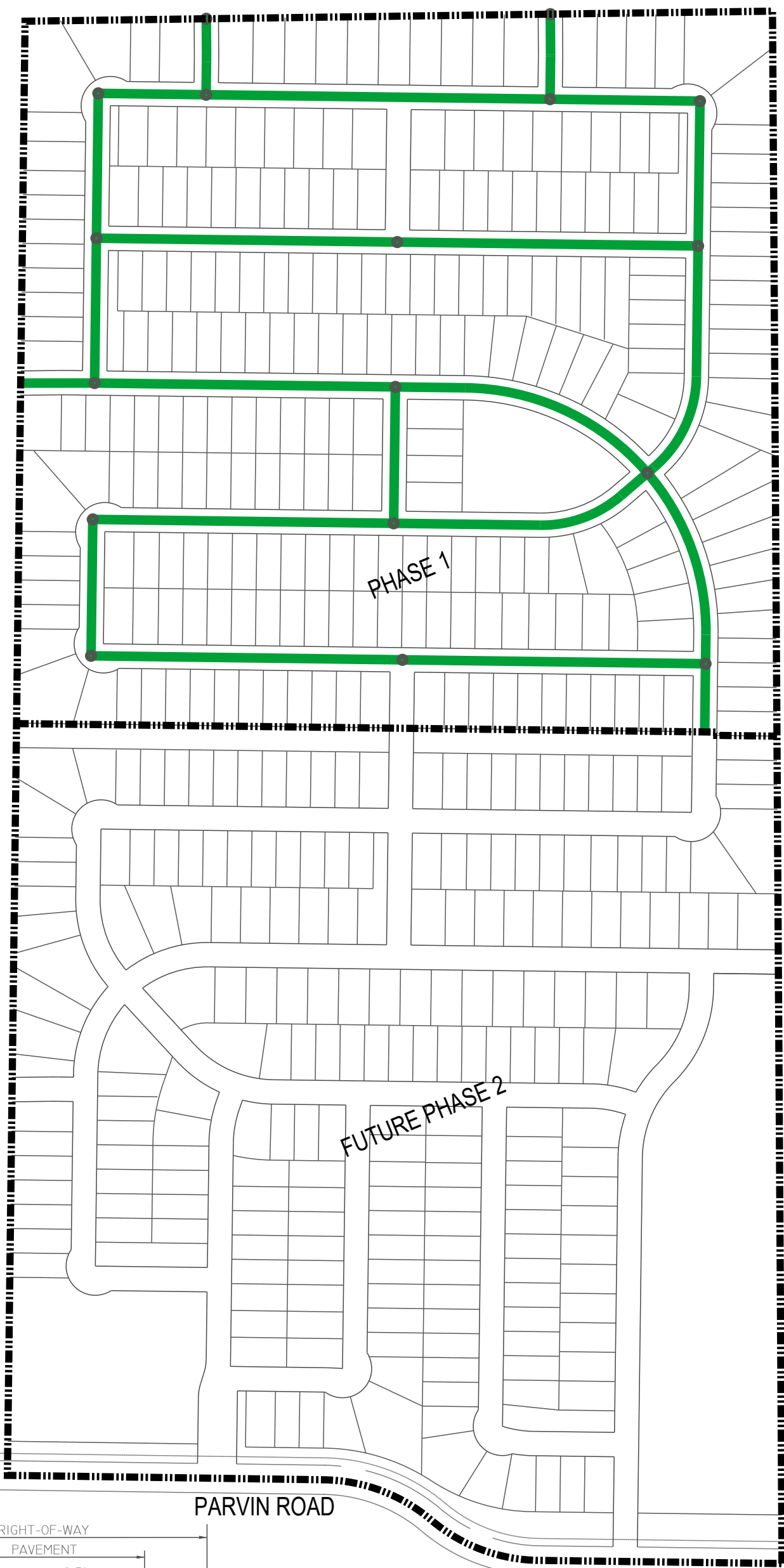


TYPICAL 31' A-A ROADWAY PAVING SECTION
SCALE: NTS

PHASE 1 ROADWAY IMPROVEMENTS
SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT
CELINA ETJ, DENTON COUNTY, TEXAS



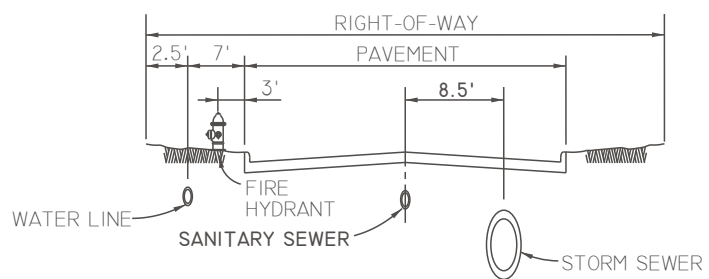
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PHASE 1

FUTURE PHASE 2

PARVIN ROAD



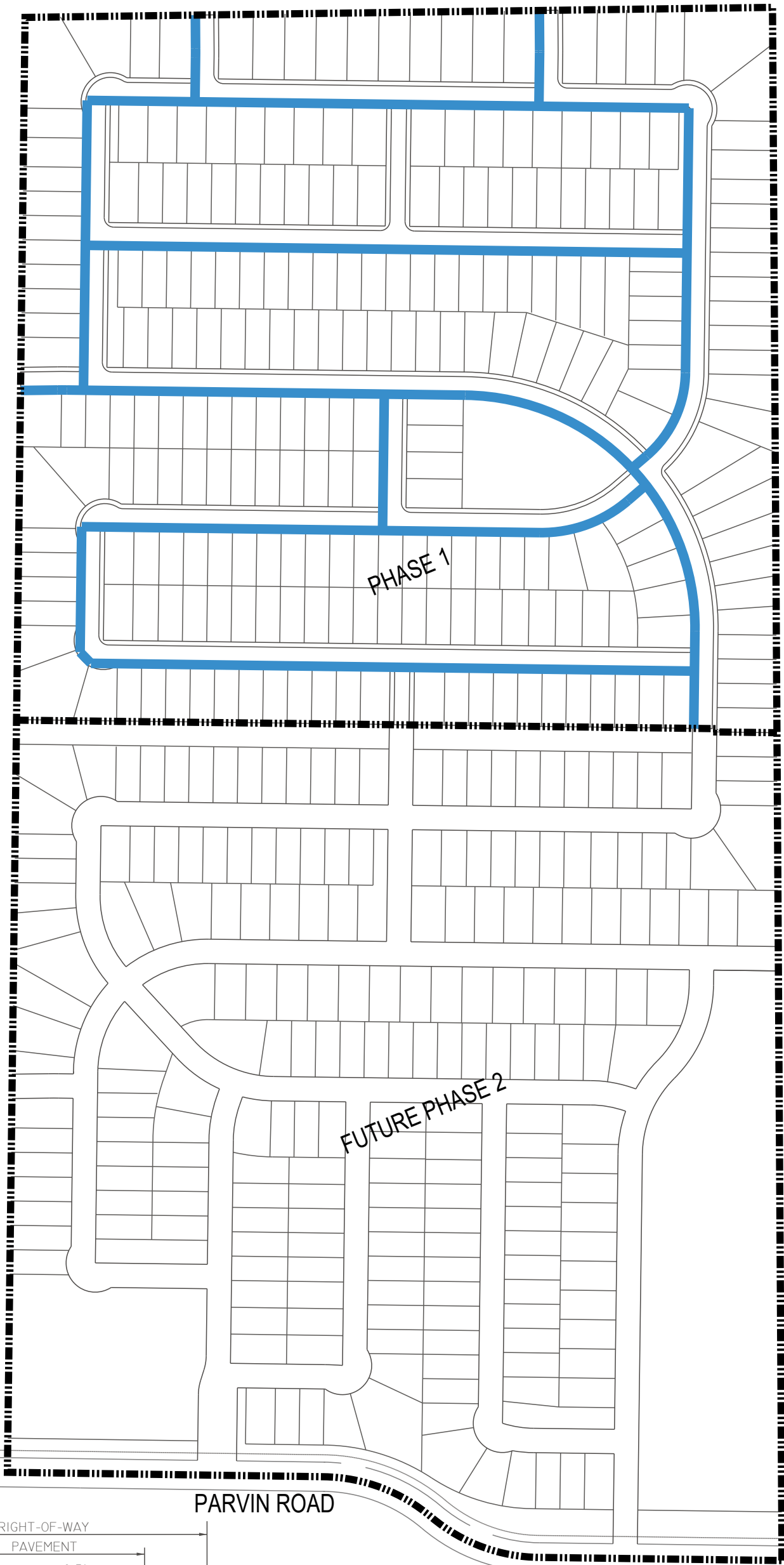
TYPICAL SEWER LOCATION
N.T.S.

SEWER LINE

PHASE 1 SEWER IMPROVEMENTS
SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT
CELINA ETJ, DENTON COUNTY, TEXAS



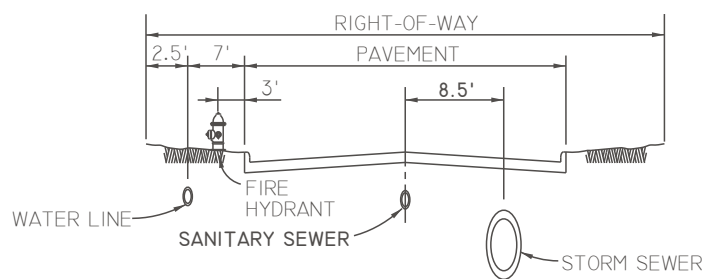
S:\2019\2019011-00 Sutton Fields East - Careys Tract\06-CAD\04-EXHIBITS\201908-06Sutton Fields East PID Ph1 Water 09242021.dwg Sep 24, 2021 - 1:22 pm chancock



PHASE 1

FUTURE PHASE 2

PARVIN ROAD



TYPICAL SEWER LOCATION
N.T.S.

— WATER LINE

PHASE 1 WATER IMPROVEMENTS
SUTTON FIELDS EAST PUBLIC IMPROVEMENT DISTRICT
CELINA ETJ, DENTON COUNTY, TEXAS



EXHIBIT H
CURRENT APPRAISED VALUE OF THE ZONE (BASE YEAR)

**Tax Increment Reinvestment Zone No. 14
Celina, Texas**

Exhibit H: Current Appraised Value of the Zone (Base Year)

Table 1: Total Base Value

Property ID ¹	Owner	Property Address:	Value As Of ²	Acres ³	Total Assessed Value ²			TIRZ		
					Included in TIRZ	Land	Improvement	Total	Assessed Value ⁴	Taxable Value ⁵
52714	-	-	January 1, 2021	92.960	100.00%	\$17,476	\$0	\$17,476	\$17,476	\$0
635330	-	-	January 1, 2021	125.523	13.52%	\$15,932	\$2,424	\$18,356	\$2,481	\$0
Total				218.483		\$33,408	\$2,424	\$35,832	\$19,957	\$0

Table 2: Base Value by Phase

Phase	Acres ⁶	Allocation ⁷	Total Taxable Value ⁸	Total Taxable Value By Phase ⁹
Major Improvement Area	58.03	52.79%	\$0	\$0
Phase #1	51.90	47.21%	\$0	\$0
Total	109.926	100.00%	\$0	\$0

MuniCap, Inc. 's East/TIRZ/Projections/[Sutton Fields East Projection Final PFP v2.0.xlsx]Exhibit H
17-Feb-24

¹Portions of the tax parcels shown comprise the Tax Increment Reinvestment Zone No. 14.

²Tax Increment Reinvestment Zone created in 2021. As a result, the base value will be based on the taxable value as of January 1, 2021.

³According to the Denton County Appraisal District records.

⁴Assessed value based on allocation of acres within TIRZ Boundary.

⁵According to the Denton County Tax Assessor records.

⁶Acreage included in the TIRZ Boundary provided by the Developer.

⁷Represents the percent of the phase of development compared to the total acreage for Tax Increment Reinvestment Zone No. 14.

⁸See Table 1.

⁹Represents the allocation per phase multiplied by the total taxable value.

EXHIBIT I
DEVELOPMENT STANDARDS

DEVELOPMENT STANDARDS

Base Zoning:

The Development shall follow all standards in the City's Zoning Ordinance, Subdivision Ordinance, and all other applicable City ordinances, as may be amended, except as follows. The base zoning of the residential portion of the Planned Development ("PD") shall be SF-R, Single-Family Residential Detached District.

Concept Plan:

The subject property shall generally develop per the attached Concept Plan. The Concept Plan displays the general location and configurations of streets, lotting patterns, and other infrastructure and amenities, all of which can be adjusted for pragmatic purposes at time of permitting. Such modifications shall not be unreasonably withheld, but are subject to review and approval by the Director of Development Services. Nothing on the Concept Plan precludes the administration of engineering requirements, such as detention.

SF General Regulations

All single-family residences can be front-entry and have garage access from a dedicated public street and shall be subject to setbacks outlined in these development standards.

- a) The lot widths shall be measured along the arc of the primary structure setback line.
- b) For cul-de-sacs and eye-brows/elbows the minimum lot width measured at the building line may be reduced by a maximum of five (5) feet; the minimum lot width measured at the right-of-way line shall be thirty-five (35) feet.

Lot Type A:

Minimum Lot Area: The minimum lot area shall be six thousand nine hundred (6,900) square feet.

Minimum Lot Width: The minimum lot width shall be sixty (60) feet.

Minimum Lot Depth: The minimum lot depth shall be one hundred-fifteen (115) feet.

Minimum Front Yard: The minimum depth of the front yard shall be twenty (20) feet. Covered Front Porches may extend over the front building setback line up to five feet (5'), but the garage door must remain at or behind the front facade in all instances.

Minimum Rear Yard: The minimum depth of the rear yard shall be twenty (20) feet.

Minimum Side Yard: The minimum side yard shall be five (5) feet and the minimum side yard for a corner lot shall be fifteen (15) feet.

Impervious surface: Maximum sixty percent (60%) of the total lot area shall be covered by the main house and accessory structures.

Garage Orientation: May face the street.

Lot Type B:

Minimum Lot Area: The minimum lot area shall be five thousand seven hundred fifty (5,750) square feet.