

STATE OF TEXAS

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, CREATING TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER THREE, CITY OF SEGUIN, TEXAS

WHEREAS, the City of Seguin, Texas (the “City”), pursuant to Chapter 311 of the Texas Tax Code, as amended (the “Act”), may designate a geographic area within the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, the Act provides that the governing body of a municipality by ordinance may designate a contiguous or noncontiguous geographic area that is in the corporate limits of the municipality or the extraterritorial jurisdiction (the “ETJ”) of the municipality to be a reinvestment zone if the governing body determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, the City Council desires to promote the development of a certain contiguous geographic area in the City, which is more specifically described in *Exhibits “A” and “B”* of this Ordinance (the “Zone”), through the creation of a reinvestment zone as authorized by and in accordance with the Tax Increment Financing Act, codified at Chapter 311 of the Texas Tax Code; and

WHEREAS, pursuant to and as required by the Act, the City has prepared a *Preliminary Reinvestment Zone Project Plan and Financing Plan for Reinvestment Zone Number Three, City of Seguin*, attached as *Exhibit C* (hereinafter referred to as the “Preliminary Project and Finance Plan”) for a proposed tax increment reinvestment zone containing the real property within the Zone; and

WHEREAS, notice of the public hearing on the creation of the proposed zone was published in a newspaper having general circulation in the City on September 28, 2025, which date is before the seventh (7th) day before the public hearing held on October 6, 2025; and

WHEREAS, at the public hearing on October 6, 2025, interested persons were allowed to speak for or against the creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and owners of property in the proposed Zone were given a reasonable opportunity to protest the inclusion of their property in the Zone; the public hearing was held in full accordance with Section 311.003(c) of the Act; and

WHEREAS, evidence was received and presented at the public hearing on October 6, 2025, and in favor of the creation of the Zone; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on October 6, 2025; and

WHEREAS, the City has taken all actions required to create the Zone including, but not limited to, all actions required by the home-rule Charter of the City, the Act, the Texas Open Meetings Act (defined herein), and all other laws applicable to the creation of the Zone; and

WHEREAS, the percentage of the property in the proposed zone, excluding property that is publicly owned, that is used for residential purposes is less than thirty percent; and

WHEREAS, a Preliminary Project and Finance Plan has been prepared for the proposed reinvestment zone.

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

SECTION 1. RECITALS INCORPORATED.

The facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct.

SECTION 2. FINDINGS.

That the City Council, after conducting the above-described hearing and having heard the evidence and testimony presented at the hearing, has made the following findings and determined based on the evidence and testimony presented to it:

- (a) That the public hearing on the creation of the reinvestment zone has been properly called, held, and conducted and that notice of such hearing has been published as required by law; and
- (b) That the creation of the proposed reinvestment zone with boundaries as described and depicted in *Exhibits "A" and "B"* will result in benefits to the City, its residents and property owners, in general, and to the property, residents, and property owners in the reinvestment zone; and
- (c) That the proposed reinvestment zone, as defined in *Exhibits "A" and "B"*, meets the criteria for the creation of a reinvestment zone set forth in the Act in that:
 - 1. It is a geographic area located within the City limits of the City; and

2. That the City Council further finds and declares that the proposed zone meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone is predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the City or county.

- (d) That 30 percent or less of the property in the proposed reinvestment zone, excluding property dedicated to public use, is currently used for residential purposes; and
- (e) That the total appraised value of all taxable real property in the proposed reinvestment zone according to the most recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed 50 percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any; and
- (f) That the improvements in the proposed reinvestment zone will significantly enhance the value of all taxable real property in the proposed reinvestment zone and will be of general benefit to the City or county; and
- (g) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonable foreseeable future.

SECTION 3. DESIGNATION AND NAME OF THE ZONE.

Pursuant to the authority of, and in accordance with the requirements of the Act, the City Council hereby designates the area described and depicted in Exhibits “A” and “B” hereto as a tax increment reinvestment zone. The name assigned to the zone for identification is Reinvestment Zone Number Three, City of Seguin, Texas (hereinafter referred to as the “Zone”).

SECTION 4. BOARD OF DIRECTORS.

That a board of directors for the Zone (“Board”) is hereby created. The Board shall consist of nine (9) members comprised of eight (8) City Council members and the Mayor.

The Mayor shall serve as chairman of the Board and the Board may elect a vice chairman and such other officers as the Board sees fit. Additionally, each taxing unit that levies taxes within the Zone and chooses to contribute all or part of the tax increment produced by the unit into the tax increment fund may appoint one member of the board. The number of directors on the Board of Directors shall be increased by one for each taxing unit that appoints a director to the board; provided, that the maximum number of directors shall not exceed fifteen (15).

The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare and adopt a project plan and a reinvestment zone financing plan for the Zone and submit such plans to the City Council for its approval. The Board shall perform all duties imposed upon it by Chapter 311 of the Texas Tax Code and all other applicable laws. Notwithstanding anything to the contrary herein, the Board shall not be authorized to (i) issues bonds; (ii) impose taxes or fees; (iii) exercise the power of eminent domain, or (iv) give final approval to the Zone's project plan and financing plan.

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

SECTION 5. DURATION OF THE ZONE.

That the Zone shall take effect immediately upon the passage and approval of this Ordinance, consistent with Section 311.004(a)(3) of the Act, and termination of the Zone shall occur upon any of the following: (i) on December 31, 2055 (with the final year's tax increment to be collected by September 1, 2056); (ii) at an earlier time designated by subsequent ordinance; (iii) at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, notes and other obligations of the Zone, and the interest thereon, have been paid in full, in accordance with Section 311.017 of the Act.

SECTION 6. TAX INCREMENT BASE AND TAX INCREMENT.

That the tax increment base for the Zone, as defined by Section 311.012(c) of the Texas Tax Code, shall be the total appraised value of all real property in the Zone taxable by a taxing unit, determined as of January 1, 2025, which is the year in which the Zone was designated as a reinvestment zone and the total sales generated in the Zone, subject to City sales tax for the year 20205, as defined by Section 311.0123.

The TIF Fund shall consist of (i) the percentage of the tax increment, as defined by Section 311.012(a) of the Texas Tax Code, that each taxing unit which levies real property taxes in the Zone, other than the City, has elected to dedicate to the TIF Fund under an agreement with the City authorized by Section 311.013(f) of the Texas Tax Code, (ii) fifty percent (50%) of the City's tax increment, as defined by section 311.012(a) of the Texas Tax Code, subject to any binding agreement executed at any

time by the City that pledges a portion of such tax increment or an amount of other legally available funds whose calculation is based on receipt of any portion of such tax increment and (iii) fifty percent (50%) of the City's 1% percent general sales tax rate, as defined by section 311.0123 (b), generated from taxable sales within the Zone above the sales tax base.

SECTION 7. TAX INCREMENT FUND.

That there is hereby created and established a "Tax Increment Fund" for the Zone which may be divided into such subaccounts as may be authorized by subsequent ordinance, into which all tax increments of the City, as such increments are described in the final project plan and reinvestment zone financing plan and may include administration costs, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. The Tax Increment Fund and any subaccounts are to be maintained in an account at the affiliated depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. In addition, all revenues from (i) the sale of any obligations hereafter issued by the City and secured in whole or in part from the tax increments; (ii) the sale of any property acquired as part of a tax increment financing plan adopted by the Board; and (iii) other revenues dedicated to and used in the Zone shall be deposited into the TIF 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), Texas Tax Code.

SECTION 8. SEVERABILITY CLAUSE.

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 9. OPEN MEETINGS.

It is hereby found, determined, and declared that sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding its meeting, as required by Chapter 551 of the Texas Government Code, 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. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by law.

PASSED AND APPROVED ON this _____ day of October 2025.

CITY OF SEGUIN

Donna Dodgen, Mayor

ATTEST:

Kristin Mueller
City Secretary

APPROVED AS TO FORM:

Mark Kennedy
City Attorney

APPROVED AS TO CONTENT:

Steve Parker
City Manager

EXHIBIT A

BOUNDARY DESCRIPTION

TIRZ #3 consists of approximately 544 acres located within the city limits of the City of Seguin. The zone is contiguous and includes Property ID 136699, a 10 acre tract legally described as ABS: 11 SUR: J D CLEMENTS 10.00 AC, as well as a 533.619 acre tract described in detail below.

533.619 acres of land in the J.D. Clements Survey, Abstract No. 11, Guadalupe County, Texas

A FIELD NOTE DESCRIPTION of 533.619 acres of land in the J.D. Clements Survey, Abstract No. 11, Guadalupe County, Texas; said 533.619 acre tract being all of Lots 1-3, Block 1 of the Project Green Subdivision, according to the map or plat recorded in Volume 7, Pages 263-264 of the Guadalupe County Map Records, conveyed to A-L 97 IH 10-SH 46, L.P., as recorded in Guadalupe County Clerk's File Nos. 07-022168 and 07-022173, being the remainder of an 87.9012 acre tract of land conveyed to A-L 97 IH 10-SH 46, L.P., as recorded in Guadalupe County Clerk's File No. 08- 013115 and being all of a 4.6132 acre tract of land conveyed to A-L 97 IH 10-SH 46, L.P., as recorded in Guadalupe County Clerk's File No. 202599011082; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on the Texas State Plane Coordinate System, South Central Zone using National Geodetic Survey Continuously Operating Reference Stations:

BEGINNING at a smooth 5/8-inch iron rod found in the northwest right-of-way line of Interstate Highway 10 (right-of-way varies) for the southwest corner of said Lot 3, for the southeast corner of said 87.9012 acre tract and for an angle point of this tract;

THENCE, South 68° 42' 28" West - 710.50 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said 87.9012 acre tract to a 60d nail in concrete found for an angle point of this tract;

THENCE, South 58° 05' 50" West- 215.79 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said 87.9012 acre tract to a 1/2-inch iron rod with cap stamped 'B&A' found for a southwest corner of said 87.9012 acre tract and for a southwest corner of this tract;

THENCE, North 01° 31' 26" West - 3,279.16 feet with the east line of a 40 acre tract of land conveyed to Robin R. Rector Harrel, as recorded in Volume 1528, Page 234 of Guadalupe County Deed Records and with a west line of said 87.9012 acre tract to a point for the southwest corner a 10.0000 acre tract of land conveyed to John T. Montgomery, Rob Killen, Kathy Ambrose, Terry Journey and Jessica Burks, as recorded in Guadalupe County Clerk's File No. 09-011277 and for a northwest corner of this tract;

THENCE, North 88° 28' 34" East - 660.00 feet with the south line of said 10.0000 are tract to a point for the southeast corner of said 10.0000 acre tract and for an interior corner of this tract;

THENCE, North 01° 31' 26" West - 660.00 feet with the east line of said 10.0000 acre tract to a point for the northeast corner of said 10.000 acre tract and for an interior corner of this tract;

THENCE, South 88° 28' 34" West - 660.00 feet with the north line of said 10.0000 acre tract to a point in the east line of said 40 acre tract and in the west line of said 87.9012 acre tract for the northwest corner of said 10.0000 acre tract and for a southwest corner of this tract;

THENCE, North 01° 31' 26" West – 200.01 feet with the east line of said 40 acre tract and with the west line of said 87.9012 acre tract to a 1/2-inch iron rod with cap found for the northeast corner of said 40 acre tract, for an interior corner of said 87.9012 acre tract and for an interior corner of this tract;

THENCE, South 89° 03' 44" West - 536.71 feet with the north line of said 40 acre tract and with a south line of said 87.9012 acre tract to a 1/2-inch iron pipe found for the northwest corner of said 40 acre tract, for the northeast corner of a 27.44 acre tract of land conveyed to William Hallberg and Nancy Hallberg, as recorded in Volume 2854, Page 125 of the Guadalupe County Deed Records and for an angle point of this tract;

THENCE, South 88° 21' 42" West - 60.21 feet with the north line of said 27.44 acre tract and with a south line of said 87.9012 acre tract to a 4-inch metal pole found for the southeast corner of a 2.935 acre tract of land conveyed to Strata Ferrous, Inc., as recorded in Volume 1504, Page 468 of the Guadalupe County Deed Records, for a southwest corner of said 87.9012 acre tract and for a southwest corner of this tract;

THENCE, North 01° 07' 53" West - 495.80 feet with the east line of said 2.935 acre tract and with a west line of said 87.9012 acre tract to a metal fence post found in the southwest right-of-way line of Friesenhahn Road (Youngs Ford Road, right-of-way varies) for the northeast corner of said 2.935 acre tract, for a northwest corner of said 87.9012 acre tract and for a northwest corner of this tract;

THENCE, South 76° 37' 07" East - 1,503.28 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said 87.9012 acre tract to a 10-inch x10-inch concrete fence post found for the northeast corner of said 87.9012 acre tract, for the northwest corner of said Lot 3 and for an angle point of this tract;

THENCE, South 75° 48' 22" East - 622.44 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said Lot 3 to a 10-inch x10-inch concrete fence post found for an angle point of this tract;

THENCE, South 76° 34' 50" East - 1,425.29 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said Lot 3 to a 1/2-inch iron rod with cap found in the northwest line of said Lot 2 for a northeast corner of said Lot 3 and for an interior corner of this tract; from which a 1/2-inch iron rod found bears North 74° 17' 36" East - 0.33 feet;

THENCE, North 20° 52' 10" East - 84.74 feet with the northwest line of said Lot 2 to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for the southeast corner of said Lot 1 and for an interior corner of this tract;

THENCE, North 76° 54' 03" West - 682.88 feet with the northeast right-of-way line of said Friesenhahn Road and with the southwest line of said Lot 1 to a 1/2-inch iron rod with cap found for an interior corner of this tract;

THENCE, South 12° 54' 49" West - 9.69 feet with a jog in the northeast right-of-way line of said Friesenhahn Road to a 10-inch x10-inch concrete fence post found for a south corner of this tract;

THENCE, North 76° 24' 13" West - 936.14 feet with the northeast right-of-way line of said Friesenhahn Road and with the southwest line of said Lot 1 to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for a west corner of this tract;

THENCE, North 14° 03' 37" East - 10.20 feet with a jog in the northeast right-of-way line of said Friesenhahn Road to a 1/2-inch iron rod found for an interior corner of this tract;

THENCE, North 75° 11' 12" West - 503.39 feet with the northeast right-of-way line of said Friesenhahn Road and with the southwest line of said Lot 1 to a 1/2-inch iron rod found for the southeast corner of a 19.21 acre tract of land conveyed to O.J. Riedel, Trustee, as recorded in Volume 724, Page 541 of the Guadalupe County Deed Records, for a southwest corner of said Lot 1 and for a southwest corner of this tract;

THENCE, North 01° 08' 08" West - 848.44 feet with the east line of said 19.21 acre tract and with the west line of said Lot 1 to a 1/2-inch iron rod found for the northeast corner of said 19.21 acre tract, for the southeast corner of Westgate Subdivision, according to the map or plat recorded in Volume 4, Page 96 of the Guadalupe County Map Records, for an angle point of said Lot 1 and for an angle point of this tract;

THENCE, North 01° 28' 34" West - 551.15 feet with the east line of said Westgate Subdivision and with the west line of said Lot 1 to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for an angle point of said Lot 1 and for an angle point of this tract;

THENCE, North 01° 22' 32" West - 1,262.61 feet with the east line of said Westgate Subdivision and with the west line of said Lot 1 to a concrete monument disk found in the southwest right-of-way line of F.M. Highway 78 (right-of-way varies) for the northeast corner of said Westgate Subdivision, for the northwest corner of said Lot 1 and for a northwest corner of this tract;

THENCE, South 76° 33' 09" East - 1,256.79 feet with the southwest right-of-way line of said F.M. Highway 78 and with the northeast line of said Lot 1 to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for the northwest corner of an 11.684 acre tract of land conveyed to Fernon J. Schievelbein, as recorded in Volume 476, Page 679 of the Guadalupe County Deed Records, for a northeast corner of said Lot 1 and for a northeast corner of this tract; from which a metal fence post bears South 00° 50' 29" East - 0.91 feet;

THENCE, South 00° 50' 29" East - 741.45 feet with the west line of said 11.684 acre tract and with an east line of said Lot 1 to a 10-inch x 10-inch concrete fence post found for the southwest corner of said 11.684 acre tract, for an interior corner of said Lot 1 and for an interior corner of this tract;

THENCE, South 76° 36' 44" East with the northeast line of said Lot 1 and with the southwest line of said 11.684 acre tract, with the southwest line of a tract of land conveyed to Fernon J. Schievelbein, as recorded in Volume 1000, Page 572 of the Guadalupe County Deed Records, and with the southwest line of a 13.730 acre tract of land conveyed to Fernon J. Schievelbein, as recorded in Volume 476, Page 679 of the Guadalupe County Deed Records, at a distance of 1,604.24 feet pass a 1/2-inch iron rod in concrete found for a northeast corner of said Lot 1 and for a northwest corner of said Lot 2 and continuing for a total distance of 1,893.61 feet to a 10-inch x10-inch concrete fence post found for the

southeast corner of said 13.730 acre tract, for an interior corner of said Lot 2 and for an interior corner of this tract;

THENCE, North 01° 09' 52" West - 747.68 feet with the east line of said 13.730 acre tract and with a west line of said Lot 2 to a concrete monument found in the southwest right-of-way line of said F.M. Highway 78 for a northeast corner of said 13.730 acre tract, for a northwest corner of said Lot 2 and for a northwest corner of this tract;

THENCE, South 78° 44' 39" East - 972.43 feet with the southwest right-of-way line of said F.M. Highway 78 and with the northeast line of said Lot 2 to a concrete monument found for an angle point of this tract;

THENCE, South 76° 37' 15" East - 737.62 feet with the southwest right-of-way line of said F.M. Highway 78 and with the northeast line of said Lot 2 to a 2-inch iron pipe found for the northwest corner of an 8.521 acre tract of land conveyed to Superior Energy Group, Ltd., as recorded in Volume 732, Page 1301 of the Guadalupe County Deed Records, for a northeast corner of said Lot 2 and for a northeast corner of this tract;

THENCE, South 01° 17' 10" East - 1,097.52 feet with the west line of said 8.521 acre tract and with the east line of said Lot 2 to a 1/2-inch iron rod found in the north line of a called 26.5 acre tract of land conveyed to Mount Vernon, LLC, as recorded in Guadalupe County Clerk's File No. 202299008845 for a southwest corner of said 8.521 acre tract, for a southeast corner of said Lot 2 and for a southeast corner of this tract;

THENCE, South 87° 34' 00" West - 711.09 feet with the north line of said 26.5 acre tract and with a south line of said Lot 2 to a 1/2-inch iron rod with cap in concrete found for an interior corner of said Lot 2 and for an interior corner of this tract; from which a bent 1-inch iron pipe bears South 87° 34' 10" West - 2.83 feet;

THENCE, South 01° 22' 58" East - 1,116.97 feet with the east line of said Lot 2 to a 6 foot chain link fence corner found for an angle point of this tract;

THENCE, South 00° 15' 22" East - 290.39 feet with the east line of said Lot 2 to a 1/2-inch iron rod with cap stamped 'Kling' found in the northeast right-of-way line of Friesenhahn Road (Youngs Ford Road) (width varies), as recorded in Volume 321, Page 58 and Volume 322, Page 220 of the Guadalupe County Deed Records for a southeast corner of said Lot 2 and for a southeast corner of this tract;

THENCE, North 76° 54' 03" West - 62.59 feet with the northeast right-of-way line of said Friesenhahn Road and with a southwest line of said Lot 2 to a 5/8-inch iron rod found for an interior corner of said Lot 2 and for an interior corner of this tract;

THENCE, South 01° 04' 17" East - 82.51 feet with the east line of said Lot 2 to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the southwest right-of-way of said Friesenhahn Road for the northwest corner of said 4.6132 acre tract and for an interior corner of this tract;

THENCE, South 78° 34' 40" East - 557.92 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said 4.6132 acre tract to a TXDOT disc found at the north end of a cutback corner at intersection of the southwest right-of-way line of said Friesenhahn Road with the northwest right-of-way line of said Interstate Highway No. 10 for the northeast corner of said 4.6132 acre tract and for a northeast corner of this tract;

THENCE, South 12° 50' 11" East - 86.78 feet with said cutback corner and with an east line of said 4.6132 acre tract to a TXDOT disc found at the south end of said cutback corner for the southeast corner of said 4.6132 acre tract and for the southeast corner of this tract;

THENCE, South 51° 29' 46" West with the northwest right-of-way line of said Interstate Highway No. 10 and with the southeast line of said 4.6132 acre tract, at a distance of 708.25 feet pass a TXDOT disc found for a southeast corner of said Lot 2 and for the southwest corner of said 4.6132 acre tract and continuing with the northwest right-of-way line of said Interstate Highway No. 10 and with the southeast line of said Lot 2, at a distance of 1,198.17 feet pass a 1/2-inch iron rod with cap stamped 'B&A' found for a southeast corner of said Lot 2 and for a northeast corner of said Lot 3 and continuing with the northwest right-of-way line of said Interstate Highway No. 10 and with the southeast line of said Lot 3 for a total distance of 1,578.36 feet to a brass monument disk found for an angle point of this tract;

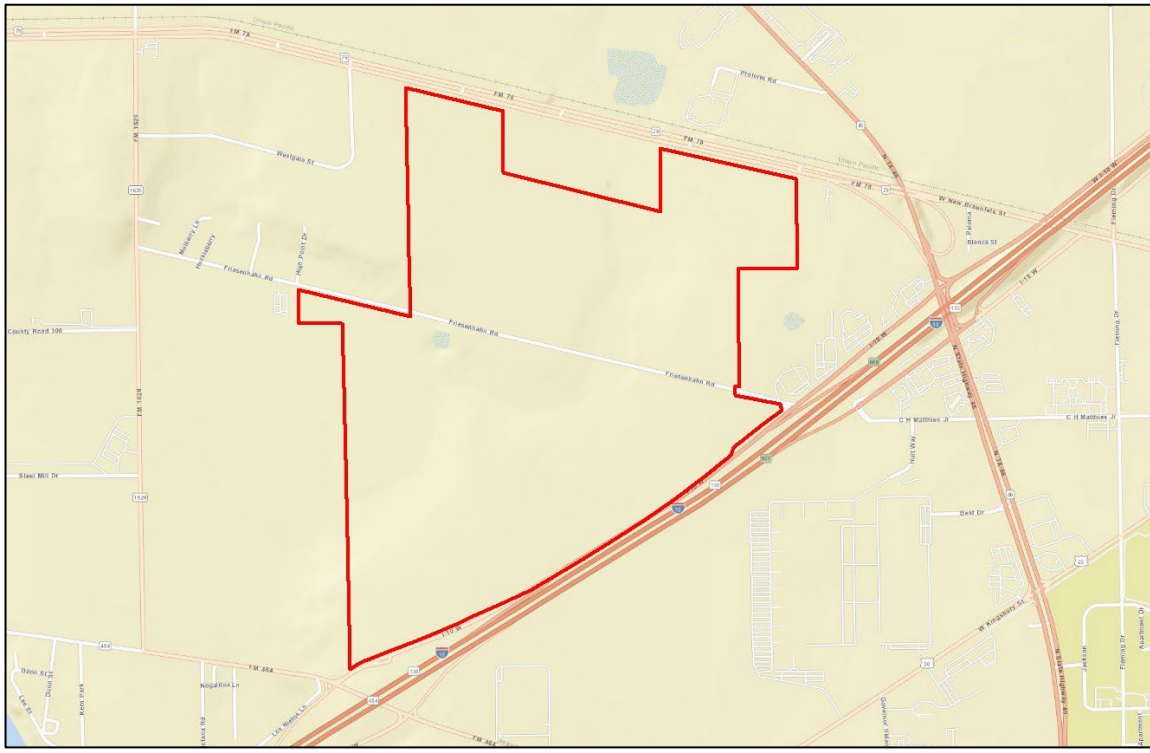
THENCE, South 54° 44' 17" West - 652.94 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to a brass monument disk found for an angle point of this tract;

THENCE, South 58° 04' 52" West - 1,419.28 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to a 3/4-inch square bar found for an angle point of this tract;

THENCE, South 61° 55' 18" West - 999.03 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to a 1/2-inch iron rod with cap stamped 'Kling' found for an angle point of this tract;

THENCE, South 69° 00' 37" West - 561.36 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to the POINT OF BEGINNING and containing 533.619 acres of land.

EXHIBIT B
BOUNDARY MAP




 - TIRZ Boundary

EXHIBIT C
PRELIMINARY PROJECT PLAN AND FINANCE PLAN

Tax Increment Reinvestment Zone #3

City of Seguin, Texas

PRELIMINARY PROJECT AND FINANCING PLAN
SEPTEMBER 2025



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DISCLAIMER

Our conclusions and recommendations are based on current market conditions and the expected performance of the national, and/or local economy and real estate market. Given that economic conditions can change and real estate markets are cyclical, it is critical to monitor the economy and real estate market continuously, and to revisit key project assumptions periodically to ensure that they are still justified.

The future is difficult to predict, particularly given that the economy and housing markets can be cyclical, as well as subject to changing consumer and market psychology. There will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and the differences may be material.



Seguin is a city in and the county seat of Guadalupe County, Texas. Located conveniently along Interstate 10 and State Highway 130, Seguin is just 30 minutes east of San Antonio and 60 minutes south of Austin. Seguin provides its residents and visitors with many recreational and cultural activities, making it an attractive place to live and work.

Manufacturing is the heart of the Seguin economy. Big name corporations such as Caterpillar, Vitesco Technologies, Tyson Foods, Georgia Pacific, Niagara Bottling, Alamo Group, Hexcel and CMC Steel all have major manufacturing operations within our city. The Seguin area has over 4,000 manufacturing jobs just within the city limits; more than three times the national average.

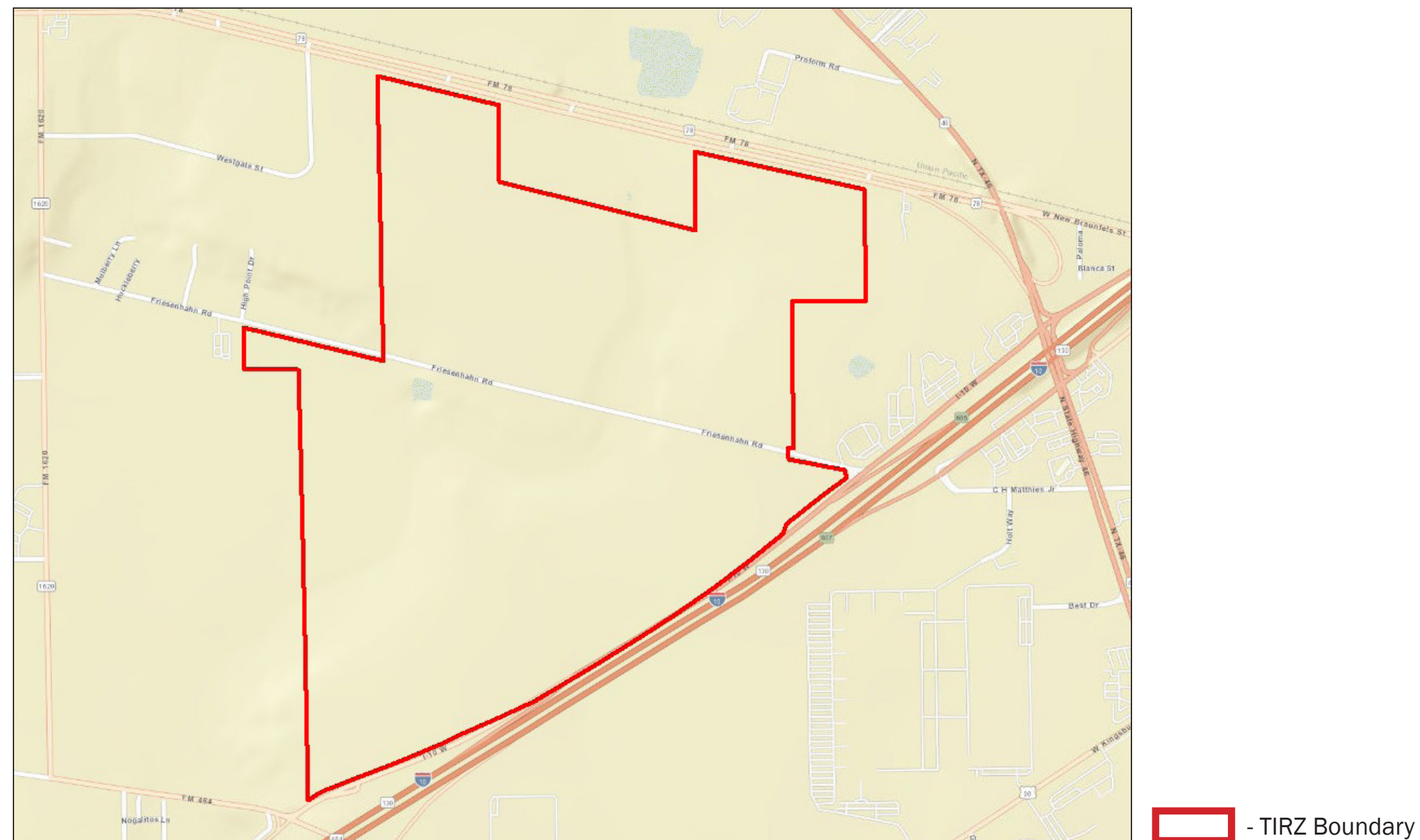
Seguin is experiencing citywide business expansion, with many nationally known retailers entering, returning and expanding in the market. The latest U.S. Census population estimates, released on May 15, 2025, highlight another year of exceptional growth for the city of Seguin, Texas. As of July 1, 2024, Seguin’s population is estimated at 38,789, representing a 7.4 percent increase from the previous year. Seguin’s strong population growth places it among the Top 30 Fastest-Growing Cities in the United States (on a percentage basis) for communities with populations of 20,000 or more in 2023.

Tax Increment Reinvestment Zone #3, City of Seguin

Tax Increment Financing (TIF) is a tool used to promote both new development and redevelopment within a specified geographic area. A city may designate a geographic area targeted for new development and redevelopment that would not occur but for the designation of the geographic area as a Tax Increment Reinvestment Zone (TIRZ).

On October 21, 2025 the City Council of the City of Seguin, Texas (the “Council”), pursuant to Chapter 311 of the Texas Tax Code, will consider an ordinance to designate a contiguous geographic area within the City limits as Reinvestment Zone Number Three, City of Seguin, Texas. The goal of Tax Increment Reinvestment Zone #3 (TIRZ #3) is to fund the construction of needed public infrastructure and to encourage private development that will yield additional tax revenue to all local taxing jurisdictions.

This preliminary project and financing plan outlines the funding of \$144,086,664 in public improvements related to water, sanitary sewer, and storm water facilities, as well as street and intersection improvements, open space and park facilities, utilities and street lighting, and economic development grants. The TIRZ can fund these improvements through ad valorem participation of eligible taxing jurisdictions, including the City of Seguin. Without the implementation of the TIRZ, the specified property would continue to impair the sound growth of the municipality.



TIRZ Boundary

Boundary Description

TIRZ #3 consists of approximately 544 acres located within the city limits of the City of Seguin. The legal description for the zone is described in detail below.

Legal Description TIRZ #3

TIRZ #3 consists of approximately 544 acres located within the city limits of the City of Seguin. The zone is contiguous and includes Property ID 136699, a 10 acre tract legally described as ABS: 11 SUR: J D CLEMENTS 10.00 AC, as well as a 533.619 acre tract described in detail below.

533.619 acres of land in the J.D. Clements Survey, Abstract No. 11, Guadalupe County, Texas

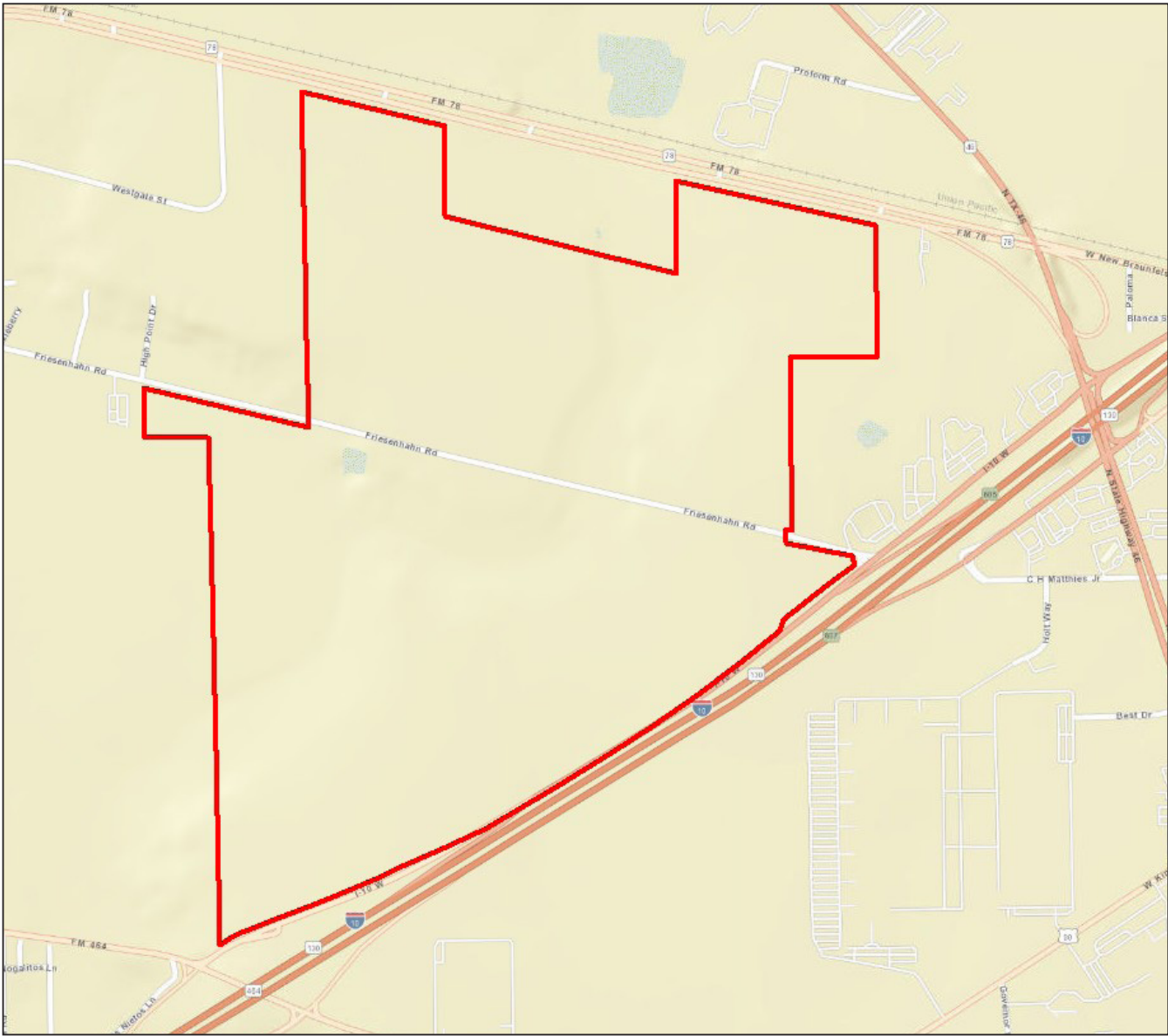
A FIELD NOTE DESCRIPTION of 533.619 acres of land in the J.D. Clements Survey, Abstract No. 11, Guadalupe County, Texas; said 533.619 acre tract being all of Lots 1-3, Block 1 of the Project Green Subdivision, according to the map or plat recorded in Volume 7, Pages 263-264 of the Guadalupe County Map Records, conveyed to A-L 97 IH 10-SH 46, L.P., as recorded in Guadalupe County Clerk’s File Nos. 07-022168 and 07-022173, being the remainder of an 87.9012 acre tract of land conveyed to A-L 97 IH 10-SH 46, L.P., as recorded in Guadalupe County Clerk’s File No. 08- 013115 and being all of a 4.6132 acre tract of land conveyed to A-L 97 IH 10-SH 46, L.P., as recorded in Guadalupe County Clerk’s File No. 202599011082; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on the Texas State Plane Coordinate System, South Central Zone using National Geodetic Survey Continuously Operating Reference Stations:

BEGINNING at a smooth 5/8-inch iron rod found in the northwest right-of-way line of Interstate Highway 10 (right-of-way varies) for the southwest corner of said Lot 3, for the southeast corner of said 87.9012 acre tract and for an angle point of this tract;

THENCE, South 68° 42’ 28” West - 710.50 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said 87.9012 acre tract to a 60d nail in concrete found for an angle point of this tract;

THENCE, South 58° 05’ 50” West- 215.79 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said 87.9012 acre tract to a 1/2-inch iron rod with cap stamped ‘B&A’ found for a southwest corner of said 87.9012 acre tract and for a southwest corner of this tract;

THENCE, North 01° 31’ 26” West - 3,279.16 feet with the east line of a 40 acre tract of land conveyed to Robin R. Rector Harrel, as recorded in Volume 1528, Page 234 of Guadalupe County Deed Records and with a west line of said 87.9012 acre tract to a point for the southwest corner a 10.0000 acre tract of land conveyed to John T. Montgomery, Rob Killen, Kathy Ambrose, Terry Journey and Jessica Burks, as recorded in Guadalupe County Clerk’s File No. 09-011277 and for a northwest corner of this tract;



Boundary Description (*Continued*)

THENCE, North 88° 28’ 34” East - 660.00 feet with the south line of said 10.0000 are tract to a point for the southeast corner of said 10.0000 acre tract and for an interior corner of this tract;

THENCE, North 01° 31’ 26” West - 660.00 feet with the east line of said 10.0000 acre tract to a point for the northeast corner of said 10.000 acre tract and for an interior corner of this tract;

THENCE, South 88° 28’ 34” West - 660.00 feet with the north line of said 10.0000 acre tract to a point in the east line of said 40 acre tract and in the west line of said 87.9012 acre tract for the northwest corner of said 10.0000 acre tract and for a southwest corner of this tract;

THENCE, North 01° 31’ 26” West – 200.01 feet with the east line of said 40 acre tract and with the west line of said 87.9012 acre tract to a 1/2-inch iron rod with cap found for the northeast corner of said 40 acre tract, for an interior corner of said 87.9012 acre tract and for an interior corner of this tract;

THENCE, South 89° 03’ 44” West - 536.71 feet with the north line of said 40 acre tract and with a south line of said 87.9012 acre tract to a 1/2-inch iron pipe found for the northwest corner of said 40 acre tract, for the northeast corner of a 27.44 acre tract of land conveyed to William Hallberg and Nancy Hallberg, as recorded in Volume 2854, Page 125 of the Guadalupe County Deed Records and for an angle point of this tract;

THENCE, South 88° 21’ 42” West - 60.21 feet with the north line of said 27.44 acre tract and with a south line of said 87.9012 acre tract to a 4-inch metal pole found for the southeast corner of a 2.935 acre tract of land conveyed to Strata Ferrous, Inc., as recorded in Volume 1504, Page 468 of the Guadalupe County Deed Records, for a southwest corner of said 87.9012 acre tract and for a southwest corner of this tract;

THENCE, North 01° 07’ 53” West - 495.80 feet with the east line of said 2.935 acre tract and with a west line of said 87.9012 acre tract to a metal fence post found in the southwest right-of-way line of Friesenhahn Road (Youngs Ford Road, right-of-way varies) for the northeast corner of said 2.935 acre tract, for a northwest corner of said 87.9012 acre tract and for a northwest corner of this tract;

THENCE, South 76° 37’ 07” East - 1,503.28 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said 87.9012 acre tract to a 10-inch x10-inch concrete fence post found for the northeast corner of said 87.9012 acre tract, for the northwest corner of said Lot 3 and for an angle point of this tract;

THENCE, South 75° 48’ 22” East - 622.44 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said Lot 3 to a 10-inch x10-inch concrete fence post found for an angle point of this tract;

THENCE, South 76° 34’ 50” East - 1,425.29 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said Lot 3 to a 1/2-inch iron rod with cap found in the northwest line of said Lot 2 for a northeast corner of said Lot 3 and for an interior corner of this tract; from which a 1/2-inch iron rod found bears North 74° 17’ 36” East - 0.33 feet;

THENCE, North 20° 52’ 10” East - 84.74 feet with the northwest line of said Lot 2 to a 5/8-inch iron rod with cap stamped “T.E.A.M.” set for the southeast corner of said Lot 1 and for an interior corner of this tract;

THENCE, North 76° 54’ 03” West - 682.88 feet with the northeast right-of-way line of said Friesenhahn Road and with the southwest line of said Lot 1 to a 1/2-inch iron rod with cap found for an interior corner of this tract;

THENCE, South 12° 54’ 49” West - 9.69 feet with a jog in the northeast right-of-way line of said Friesenhahn Road to a 10-inch x10-inch concrete fence post found for a south corner of this tract;

THENCE, North 76° 24’ 13” West - 936.14 feet with the northeast right-of-way line of said Friesenhahn Road and with the southwest line of said Lot 1 to a 5/8-inch iron rod with cap stamped “T.E.A.M.” set for a west corner of this tract;

THENCE, North 14° 03’ 37” East - 10.20 feet with a jog in the northeast right-of-way line of said Friesenhahn Road to a 1/2-inch iron rod found for an interior corner of this tract;

THENCE, North 75° 11’ 12” West - 503.39 feet with the northeast right-of-way line of said Friesenhahn Road and with the southwest line of said Lot 1 to a 1/2-inch iron rod found for the southeast corner of a 19.21 acre tract of land conveyed to O.J. Riedel, Trustee, as recorded in Volume 724, Page 541 of the Guadalupe County Deed Records, for a southwest corner of said Lot 1 and for a southwest corner of this tract;

THENCE, North 01° 08’ 08” West - 848.44 feet with the east line of said 19.21 acre tract and with the west line of said Lot 1 to a 1/2-inch iron rod found for the northeast corner of said 19.21 acre tract, for the southeast corner of Westgate Subdivision, according to the map or plat recorded in Volume 4, Page 96 of the Guadalupe County Map Records, for an angle point of said Lot 1 and for an angle point of this tract;

Boundary Description (*Continued*)

THENCE, North 01° 28’ 34” West - 551.15 feet with the east line of said Westgate Subdivision and with the west line of said Lot 1 to a 5/8-inch iron rod with cap stamped “T.E.A.M.” set for an angle point of said Lot 1 and for an angle point of this tract;

THENCE, North 01° 22’ 32” West - 1,262.61 feet with the east line of said Westgate Subdivision and with the west line of said Lot 1 to a concrete monument disk found in the southwest right-of-way line of F.M. Highway 78 (right-of-way varies) for the northeast corner of said Westgate Subdivision, for the northwest corner of said Lot 1 and for a northwest corner of this tract;

THENCE, South 76° 33’ 09” East - 1,256.79 feet with the southwest right-of-way line of said F.M. Highway 78 and with the northeast line of said Lot 1 to a 5/8-inch iron rod with cap stamped “T.E.A.M.” set for the northwest corner of an 11.684 acre tract of land conveyed to Fernon J. Schievelbein, as recorded in Volume 476, Page 679 of the Guadalupe County Deed Records, for a northeast corner of said Lot 1 and for a northeast corner of this tract; from which a metal fence post bears South 00° 50’ 29” East - 0.91 feet;

THENCE, South 00° 50’ 29” East - 741.45 feet with the west line of said 11.684 acre tract and with an east line of said Lot 1 to a 10-inch x 10-inch concrete fence post found for the southwest corner of said 11.684 acre tract, for an interior corner of said Lot 1 and for an interior corner of this tract;

THENCE, South 76° 36’ 44” East with the northeast line of said Lot 1 and with the southwest line of said 11.684 acre tract, with the southwest line of a tract of land conveyed to Fernon J. Schievelbein, as recorded in Volume 1000, Page 572 of the Guadalupe County Deed Records, and with the southwest line of a 13.730 acre tract of land conveyed to Fernon J. Schievelbein, as recorded in Volume 476, Page 679 of the Guadalupe County Deed Records, at a distance of 1,604.24 feet pass a 1/2-inch iron rod in concrete found for a northeast corner of said Lot 1 and for a northwest corner of said Lot 2 and continuing for a total distance of 1,893.61 feet to a 10-inch x10-inch concrete fence post found for the southeast corner of said 13.730 acre tract, for an interior corner of said Lot 2 and for an interior corner of this tract;

THENCE, North 01° 09’ 52” West - 747.68 feet with the east line of said 13.730 acre tract and with a west line of said Lot 2 to a concrete monument found in the southwest right-of-way line of said F.M. Highway 78 for a northeast corner of said 13.730 acre tract, for a northwest corner of said Lot 2 and for a northwest corner of this tract;

THENCE, South 78° 44’ 39” East - 972.43 feet with the southwest right-of-way line of said F.M. Highway 78 and with the northeast line of said Lot 2 to a concrete monument found for an angle point of this tract;

THENCE, South 76° 37’ 15” East - 737.62 feet with the southwest right-of-way line of said F.M. Highway 78 and with the northeast line of said Lot 2 to a 2-inch iron pipe found for the northwest corner of an 8.521 acre tract of land conveyed to Superior Energy Group, Ltd., as recorded in Volume 732, Page 1301 of the Guadalupe County Deed Records, for a northeast corner of said Lot 2 and for a northeast corner of this tract;

THENCE, South 01° 17’ 10” East - 1,097.52 feet with the west line of said 8.521 acre tract and with the east line of said Lot 2 to a 1/2-inch iron rod found in the north line of a called 26.5 acre tract of land conveyed to Mount Vernon, LLC, as recorded in Guadalupe County Clerk’s File No. 202299008845 for a southwest corner of said 8.521 acre tract, for a southeast corner of said Lot 2 and for a southeast corner of this tract;

THENCE, South 87° 34’ 00” West - 711.09 feet with the north line of said 26.5 acre tract and with a south line of said Lot 2 to a 1/2-inch iron rod with cap in concrete found for an interior corner of said Lot 2 and for an interior corner of this tract; from which a bent 1-inch iron pipe bears South 87° 34’ 10” West - 2.83 feet;

THENCE, South 01° 22’ 58” East - 1,116.97 feet with the east line of said Lot 2 to a 6 foot chain link fence corner found for an angle point of this tract;

THENCE, South 00° 15’ 22” East - 290.39 feet with the east line of said Lot 2 to a 1/2-inch iron rod with cap stamped ‘Kling’ found in the northeast right-of-way line of Friesenhahn Road (Youngs Ford Road) (width varies), as recorded in Volume 321, Page 58 and Volume 322, Page 220 of the Guadalupe County Deed Records for a southeast corner of said Lot 2 and for a southeast corner of this tract;

THENCE, North 76° 54’ 03” West - 62.59 feet with the northeast right-of-way line of said Friesenhahn Road and with a southwest line of said Lot 2 to a 5/8-inch iron rod found for an interior corner of said Lot 2 and for an interior corner of this tract;

THENCE, South 01° 04’ 17” East – 82.51 feet with the east line of said Lot 2 to a 5/8-inch iron rod with cap stamped “McKim & Creed” set in the southwest right-of-way of said Friesenhahn Road for the northwest corner of said 4.6132 acre tract and for an interior corner of this tract;

Boundary Description (*Continued*)

THENCE, South 78° 34’ 40” East - 557.92 feet with the southwest right-of-way line of said Friesenhahn Road and with the northeast line of said 4.6132 acre tract to a TXDOT disc found at the north end of a cutback corner at intersection of the southwest right-of-way line of said Friesenhahn Road with the northwest right-of-way line of said Interstate Highway No. 10 for the northeast corner of said 4.6132 acre tract and for a northeast corner of this tract;

THENCE, South 12° 50’ 11” East - 86.78 feet with said cutback corner and with an east line of said 4.6132 acre tract to a TXDOT disc found at the south end of said cutback corner for the southeast corner of said 4.6132 acre tract and for the southeast corner of this tract;

THENCE, South 51° 29’ 46” West with the northwest right-of-way line of said Interstate Highway No. 10 and with the southeast line of said 4.6132 acre tract, at a distance of 708.25 feet pass a TXDOT disc found for a southeast corner of said Lot 2 and for the southwest corner of said 4.6132 acre tract and continuing with the northwest right-of-way line of said Interstate Highway No. 10 and with the southeast line of said Lot 2, at a distance of 1,198.17 feet pass a 1/2-inch iron rod with cap stamped ‘B&A’ found for a southeast corner of said Lot 2 and for a northeast corner of said Lot 3 and continuing with the northwest right-of-way line of said Interstate Highway No. 10 and with the southeast line of said Lot 3 for a total distance of 1,578.36 feet to a brass monument disk found for an angle point of this tract;

THENCE, South 54° 44’ 17” West - 652.94 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to a brass monument disk found for an angle point of this tract;

THENCE, South 58° 04’ 52” West - 1,419.28 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to a 3/4-inch square bar found for an angle point of this tract;

THENCE, South 61° 55’ 18” West - 999.03 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to a 1/2-inch iron rod with cap stamped ‘Kling’ found for an angle point of this tract;

THENCE, South 69° 00’ 37” West - 561.36 feet with the northwest right-of-way line of said Interstate Highway 10 and with the southeast line of said Lot 3 to the POINT OF BEGINNING and containing 533.619 acres of land.

Current Conditions

Land Use

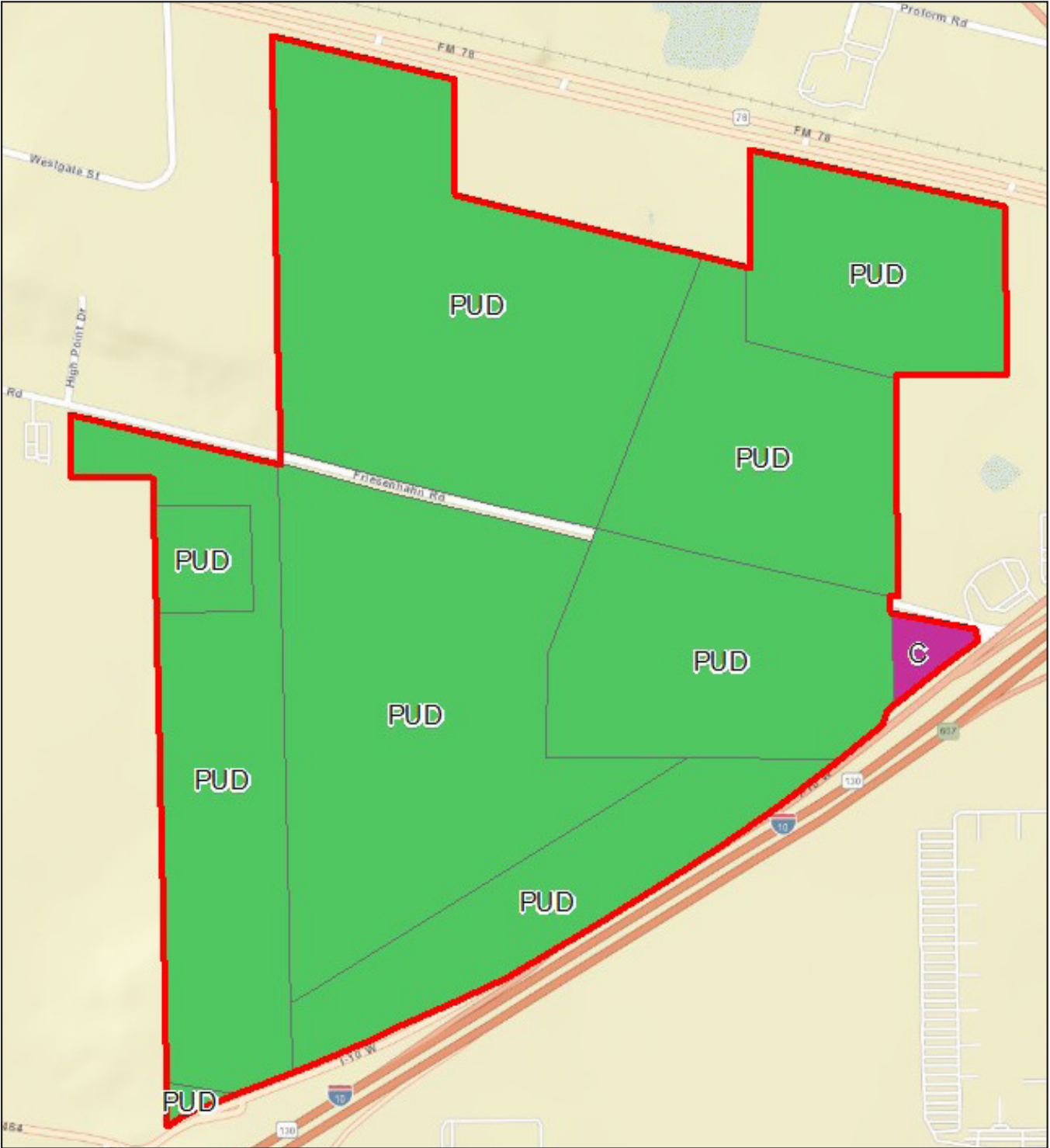
The land within the zone is primarily vacant land that is well positioned for future development. Less than 30 percent of the property in the zone, excluding property that is publicly owned, is used for residential purposes.

Zoning

The land within the TIRZ is primarily zoned PUD: Planned Unit Development District This zoning permits a property owner to meet overall community density and land use goals without being bound by existing zoning requirements.

A small portion of the TIRZ is zoned C: Commercial which consists of a wide range of retail uses, offices and personal and business services. Access to this should be provided by an arterial street. The heaviest concentration of this component should be located at intersections of arterial streets.

The property may need to be rezoned to accomodate any future development. It is not anticipated there will be any changes to the City of Seguin zoning ordinance, master plan, building codes, subdivision rules and regulations or other municipal ordinances as a result of the TIRZ.



Current Conditions

Method of Relocating Persons to be Displaced

It is not anticipated that any persons will be displaced or need to be relocated as result of the implementation of the TIRZ.

Current Ownership

There are currently 8 parcels within Tax Increment Reinvestment Zone #3. The estimated taxable base value of the property within the TIRZ is \$1,078,518. The 2025 base value will need to be verified by Guadalupe County Appraisal District when the final 2025 taxable values are available. For further details of parcels included within the TIRZ see **Appendix A**.



Proposed Development

Anticipated Development

The property within the zone is well positioned for future development and redevelopment. The table below provides an overview of the scope and timing of potential development that DPED projects could occur during the life of the TIRZ, based on market trends, known planned development, and input from City staff. It is anticipated that the development that occurs within the TIRZ could be financed in part by incremental real property tax generated within the TIRZ.

Tenant Type	SF	Units	Completion Year	RP Taxable Value per Unit/SF	RP Incremental Taxable Value	BPP Taxable Value per Unit/SF	BPP Incremental Taxable Value	Taxable Sales PSF	Total Sales PSF	Incremental Taxable Sales
Jr. Box Inline Retail	5,000		2028	\$ 160	\$ 800,000	\$ 30	\$ 150,000	\$ 261	\$ 1,305,000	\$ 1,305,000
Jr. Box Inline Retail	5,000		2028	\$ 160	\$ 800,000	\$ 30	\$ 150,000	\$ 300	\$ 1,500,000	\$ 1,500,000
Jr. Box Retail	25,000		2028	\$ 160	\$ 4,000,000	\$ 30	\$ 750,000	\$ 300	\$ 7,500,000	\$ 7,500,000
Jr. Box Retail	16,000		2028	\$ 160	\$ 2,560,000	\$ 30	\$ 480,000	\$ 300	\$ 4,800,000	\$ 4,800,000
Jr. Box Retail	8,000		2028	\$ 160	\$ 1,280,000	\$ 30	\$ 240,000	\$ 261	\$ 2,088,000	\$ 2,088,000
Jr. Box Retail	7,705		2028	\$ 160	\$ 1,232,800	\$ 30	\$ 231,150	\$ 300	\$ 2,311,500	\$ 2,311,500
Jr. Box Retail	5,000		2028	\$ 160	\$ 800,000	\$ 30	\$ 150,000	\$ 277	\$ 1,385,000	\$ 1,385,000
Inline Anchor	18,200		2028	\$ 190	\$ 3,458,000	\$ 30	\$ 546,000	\$ 200	\$ 3,640,000	\$ 2,912,000
Home Improvement	94,000		2028	\$ 100	\$ 9,400,000	\$ 50	\$ 4,700,000	\$ 475	\$ 44,650,000	\$ 44,650,000
Anchor	128,000		2028	\$ 100	\$ 12,800,000	\$ 50	\$ 6,400,000	\$ 422	\$ 54,000,000	\$ 32,400,000
Jr. Box Retail	29,956		2028	\$ 160	\$ 4,792,960	\$ 30	\$ 898,680	\$ 200	\$ 5,991,200	\$ 5,991,200
Box Retail	60,469		2028	\$ 160	\$ 9,675,040	\$ 30	\$ 1,814,070	\$ 390	\$ 23,582,910	\$ 23,582,910
Restaurant	8,095		2028	\$ 300	\$ 2,428,500	\$ 30	\$ 242,850	\$ 1,021	\$ 8,265,060	\$ 6,612,048
QSR	2,700		2028	\$ 400	\$ 1,080,000	\$ 80	\$ 216,000	\$ 741	\$ 2,000,000	\$ 2,000,000
QSR	2,328		2028	\$ 400	\$ 931,200	\$ 80	\$ 186,240	\$ 859	\$ 2,000,000	\$ 2,000,000
QSR	2,700		2028	\$ 400	\$ 1,080,000	\$ 80	\$ 216,000	\$ 917	\$ 2,474,651	\$ 2,474,651
QSR	3,900		2028	\$ 400	\$ 1,560,000	\$ 80	\$ 312,000	\$ 513	\$ 2,000,000	\$ 2,000,000
Restaurant	6,500		2028	\$ 300	\$ 1,950,000	\$ 30	\$ 195,000	\$ 462	\$ 3,000,000	\$ 2,400,000
Inline Retail	10,300		2028	\$ 190	\$ 1,957,000	\$ 30	\$ 309,000	\$ 200	\$ 2,060,000	\$ 1,648,000
Restaurant	7,932		2028	\$ 300	\$ 2,379,600	\$ 30	\$ 237,960	\$ 704	\$ 5,581,798	\$ 4,465,438
QSR	2,918		2028	\$ 400	\$ 1,167,200	\$ 80	\$ 233,440	\$ 2,053	\$ 5,990,338	\$ 5,990,338
Restaurant	9,000		2028	\$ 300	\$ 2,700,000	\$ 30	\$ 270,000	\$ 333	\$ 3,000,000	\$ 2,400,000
Restaurant	3,850		2028	\$ 300	\$ 1,155,000	\$ 30	\$ 115,500	\$ 675	\$ 2,600,000	\$ 2,080,000
Inline Retail	10,500		2028	\$ 190	\$ 1,995,000	\$ 30	\$ 315,000	\$ 200	\$ 2,100,000	\$ 1,680,000
QSR	2,510		2028	\$ 400	\$ 1,004,000	\$ 80	\$ 200,800	\$ 1,230	\$ 3,086,443	\$ 3,086,443
Inline Retail	10,850		2029	\$ 190	\$ 2,061,500	\$ 30	\$ 325,500	\$ 200	\$ 2,170,000	\$ 1,736,000
OSR	3,500		2029	\$ 400	\$ 1,400,000	\$ 80	\$ 280,000	\$ 571	\$ 2,000,000	\$ 2,000,000
Restaurant	7,736		2029	\$ 300	\$ 2,320,800	\$ 30	\$ 232,080	\$ 646	\$ 5,000,000	\$ 4,000,000
Movie Theater	76,648		2030	\$ 125	\$ 9,581,000	\$ 30	\$ 2,299,440	\$ 112	\$ 8,584,576	\$ 8,584,576
QSR	3,200		2030	\$ 400	\$ 1,280,000	\$ 80	\$ 256,000	\$ 625	\$ 2,000,000	\$ 2,000,000
Restaurant	5,100		2030	\$ 300	\$ 1,530,000	\$ 30	\$ 153,000	\$ 588	\$ 3,000,000	\$ 1,920,000
Restaurant	5,000		2031	\$ 400	\$ 2,000,000	\$ 30	\$ 150,000	\$ 400	\$ 2,000,000	\$ 1,600,000
Restaurant	4,800		2031	\$ 300	\$ 1,440,000	\$ 30	\$ 144,000	\$ 625	\$ 3,000,000	\$ 2,400,000
Multi-Family		480	2031	\$ 125,000	\$ 60,000,000		\$ -	\$ -	\$ -	\$ -
Restaurant	5,000		2032	\$ 300	\$ 1,500,000	\$ 30	\$ 150,000	\$ 600	\$ 3,000,000	\$ 2,400,000
Inline Retail	10,850		2032	\$ 190	\$ 2,061,500	\$ 30	\$ 325,500	\$ 200	\$ 2,170,000	\$ 1,736,000
Restaurant	9,000		2033	\$ 300	\$ 2,700,000	\$ 30	\$ 270,000	\$ 333	\$ 3,000,000	\$ 2,400,000
Restaurant	5,000		2033	\$ 300	\$ 1,500,000	\$ 30	\$ 150,000	\$ 600	\$ 3,000,000	\$ 2,400,000
Retail	7,000		2034	\$ 190	\$ 1,330,000	\$ 30	\$ 210,000	\$ 286	\$ 2,000,000	\$ 2,000,000
Restaurant	5,000		2034	\$ 300	\$ 1,500,000	\$ 30	\$ 150,000	\$ 600	\$ 3,000,000	\$ 2,400,000
Inline Retail	10,850		2034	\$ 190	\$ 2,061,500	\$ 30	\$ 325,500	\$ 200	\$ 2,170,000	\$ 1,736,000
Retail	10,000		2034	\$ 190	\$ 1,900,000	\$ 30	\$ 300,000	\$ 200	\$ 2,000,000	\$ 2,000,000
	655,097	480			\$ 169,152,600		\$25,280,710		\$ 245,006,476	\$ 210,575,104

Tenant Type	SF	Units	Completion Year	RP Taxable Value per Unit/SF	RP Incremental Taxable Value	BPP Taxable Value per Unit/SF	BPP Incremental Taxable Value	Taxable Sales PSF	Total Sales PSF	Incremental Taxable Sales
Light Industrial	666,666		2028	\$ 100	\$ 66,666,600	\$ 18	\$11,999,988			
Light Industrial	100,000		2028	\$ 100	\$ 10,000,000	\$ 18	\$ 1,800,000			
Bldg 5 - Spec Light Indus	194,480		2029	\$ 100	\$ 19,448,000	\$ 18	\$ 3,500,640			
Bldg 4 - Spec Light Indus	194,480		2030	\$ 100	\$ 19,448,000	\$ 18	\$ 3,500,640			
Bldg 6 - Spec Light Indus	194,480		2030	\$ 100	\$ 19,448,000	\$ 18	\$ 3,500,640			
Light Industrial	333,333		2030	\$ 100	\$ 33,333,300	\$ 18	\$ 5,999,994			
Bldg 7 - Spec Light Indus	584,640		2031	\$ 100	\$ 58,464,000	\$ 18	\$10,523,520			
Bldg 3 - Spec Light Indus	194,480		2031	\$ 100	\$ 19,448,000	\$ 18	\$ 3,500,640			
Bldg 2 - Spec Light Indus	358,400		2032	\$ 100	\$ 35,840,000	\$ 18	\$ 6,451,200			
Bldg 1 - Spec Light Indus	322,560		2033	\$ 100	\$ 32,256,000	\$ 18	\$ 5,806,080			
Light Industrial	100,000		2033	\$ 100	\$ 10,000,000	\$ 18	\$ 1,800,000			
Proposed Medical	70,000		2033	\$ 200	\$ 14,000,000	\$ 20	\$ 1,400,000			
Light Industrial	100,000		2034	\$ 100	\$ 10,000,000	\$ 18	\$ 1,800,000			
	3,413,519				\$ 348,351,900		\$61,583,342			
Hotel		180	2029	\$ 125,000	\$ 22,500,000				\$ 5,000,000	\$ 3,000,000
Conference Center	30,000		2029	\$ 150	\$ 4,500,000					
Crystal Lagoon	239,580		2029	\$ 50	\$ 11,979,000	\$ 20	\$ 4,791,600	\$ 35	\$ 8,385,300	\$ 8,385,300
Ballfields			2029		\$ 8,000,000		\$ 100,000		\$ 1,000,000	\$ 1,000,000
Pickle Ball			2029		\$ 4,200,000		\$ 200,000		\$ 250,000	\$ 250,000
Lagoon Retail	10,000		2029	\$ 190	\$ 1,900,000	\$ 30	\$ 300,000	\$ 200	\$ 2,000,000	\$ 2,000,000
Restaurant	5,000		2029	\$ 300	\$ 1,500,000	\$ 30	\$ 150,000	\$ 600	\$ 3,000,000	\$ 1,200,000
Restaurant	5,000		2029	\$ 300	\$ 1,500,000	\$ 30	\$ 150,000	\$ 600	\$ 3,000,000	\$ 1,200,000
Multi-Family		400	2030	\$ 125,000	\$ 50,000,000					
Indoor Sport Complex	115,000		2032	\$ 100	\$ 11,500,000	\$ 30	\$ 3,450,000	\$ 17	\$ 2,000,000	\$ 2,000,000
	404,580	580			\$ 117,579,000		\$ 9,141,600		\$ 24,635,300	\$ 19,035,300
GRAND TOTAL	4,473,196				\$ 635,083,500		\$96,005,652			\$ 229,610,404

Project Costs

Project Costs of the Zone

There are a number of improvements to be located within the boundaries of Tax Increment Reinvestment Zone #3 that will be financed by in part by incremental real property tax generated within the TIRZ.

Proposed Project Costs - TIRZ #3		
Public Utilities	\$ 43,225,999	30%
Water Facilities and Improvements, Sanitary Sewer Facilities and Improvements, Storm Water Facilities and Improvements		
Parking, Rail, and Transit Improvements	\$ 14,408,666	10%
Street and Intersection Improvements	\$ 50,430,332	35%
Pedestrian Enhancements	\$ 7,204,333	5%
Streetscape, lighting, public art, and other amenities that enhance the pedestrian experience		
Open Space, Park and Recreation Facilities and Improvements, Public Facilities and Improvements	\$ 11,526,933	8%
Economic Development Grants	\$ 14,408,666	10%
Administrative Costs	\$ 2,881,733	2.0%
Total	\$ 144,086,664	100%

The categories listed in the table above outline various public improvements, and are meant to include all projects eligible under Chapter 311, Section 311.002 of the Texas Tax Code, listed to the right. The project costs listed above are estimates and may be revised. Savings from one line item may be applied to a cost increase in another line item. The \$144,086,664 project cost total amount shall be considered a cap on expenditures that shall not be exceeded without an amendment to the project and financing plan.

Economic Development Grants may include grants, loans, and services for public and private development. Chapter 380 of the Local Government Code grants municipalities in Texas the authority to offer grants and loans of public funds to stimulate economic development. Section 311.010 (h) of the Texas Tax Code details the authority of Chapter 380 within a project and financing plan and limits the aggregate amount not to exceed the amount of tax increment produced by the municipality and paid into the tax increment fund for the zone for activities that benefit the zone and stimulate business and commercial activity in the zone.

The project costs are anticipated to be incurred over the term of the TIRZ, subject to demand for development driven by market conditions. It is anticipated that the individual TIRZ project costs will be evaluated on a case-by-case basis consistent with Chapter 311, Section 311.002, and brought forward to the TIRZ Board and City Council for consideration.

Chapter 311 of the Texas Tax Code

Sec. 311.002.

- (1) “Project costs” means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county designating a reinvestment zone that are listed in the project plan as costs of public works, public improvements, programs, or other projects benefiting the zone, plus other costs incidental to those expenditures and obligations. “Project costs” include:
- (A) capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; the actual costs of the remediation of conditions that contaminate public or private land or buildings; the actual costs of the preservation of the facade of a public or private building; the actual costs of the demolition of public or private buildings; and the actual costs of the acquisition of land and equipment and the clearing and grading of land;
 - (B) financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;
 - (C) real property assembly costs;
 - (D) professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services;
 - (E) imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan;
 - (F) relocation costs;
 - (G) organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone;
 - (H) interest before and during construction and for one year after completion of construction, whether or not capitalized;
 - (I) the cost of operating the reinvestment zone and project facilities;
 - (J) the amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan;
 - (K) the costs of school buildings, other educational buildings, other educational facilities, or other buildings owned by or on behalf of a school district, community college district, or other political subdivision of this state; and
 - (L) payments made at the discretion of the governing body of the municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone.

Project Costs

Public Utilities includes but is not limited to:

Water Facilities and Improvements: This category includes TIRZ eligible expenditures for design, engineering and construction of water facilities and improvements that support the development and redevelopment of the TIRZ.

Sanitary Sewer Facilities and Improvements: This category includes TIRZ eligible expenditures for design, engineering and construction of structures or systems designed for the collection, transmission, treatment, or disposal of sewage, and includes trunk mains, interceptors, treatment plants and disposal systems.

Storm Water Facilities and Improvements: Many areas within the TIRZ have an aging infrastructure, making proper utility drainage an important component of the project plan. Utility drainage encompasses the physical provisions to accommodate and regulate stormwater runoff to preclude excessive erosion and sedimentation and to control and regulate the rate of flow. Facilities/systems can include natural features and conduits, channels, ditches, swales, pipes, detention devices or other devices designed or intended to carry, direct, detain or otherwise control stormwater.

Parking and Transit Improvements: Parking structures, whether newly constructed or existing, may be utilized to encourage denser development and support public access to commercial, residential, and retail developments at future mixed-use or transit-oriented developments. Parking includes, but is not limited to, parking garages; surface parking; parking lighting; parking signage and wayfinding, parking meters/ kiosks and electrical charging stations. The goal is to create compact, walkable, pedestrian-centered developments to enhance and act as a catalyst to spur additional development and redevelopment in the district.

Street and Intersection Improvements and Pedestrian Enhancements: The TIRZ will encourage the construction of multi-functional, pedestrian-oriented, aesthetically-pleasing, safe, and inviting street for residents and visitors. Creating a pleasing public realm supports and encourages a wide variety of new development and investment. Elements of complete streets include the building to building improvements which may encompass: sidewalks, shared travel lanes (e.g. bus and bicycle), parallel and angled parking, pedestrian crosswalks, pedestrian and emergency bulb (American with Disabilities Act (ADA) accessibility), awnings, street improvements, planters, pedestrian street furniture, bike racks and pedestrian lighting. This includes public art and other amenities that enhance the pedestrian experience.

Open Space, Park and Recreation Facilities and Improvements, Public Facilities and Improvements: In accordance with Sec. 311.008(4B), TIRZ funds may be used to acquire, construct, reconstruct, or install public works, facilities, or sites or other public improvements. Costs of design, improvements, and land acquisition are TIRZ eligible expenses and can be funded from this category.

Economic Development Grants: This may include grants, loans, and services for public and private development. Eligible TIRZ project costs are not limited to public uses and may also include projects that involve: historic preservation, demolition, environmental remediation and economic development grants. Chapter 380 of the Local Government Code grants municipalities in Texas the authority to offer grants and loans of public funds to stimulate economic development. Section 311.010 (h) of the Texas Tax Code details the authority of Chapter 380 within a project and financing plan and limits the aggregate amount not to exceed the amount of tax increment produced by the municipality and paid into the tax increment fund for the zone for activities that benefit the zone and simulate business and commercial activity in the zone.

Administrative Costs: Administrative costs, including reasonable charges for the time spent by employees of the City, to assist with implementation within the TIRZ will be eligible for reimbursement as project costs, upon approval by the Board of Directors and in connection with the implementation of the Project and Financing Plan. Other related administrative expenses including legal fees and consulting fees of the City, management expenses, meeting expenditures and equipment are included in this category.

Method of Financing

To fund the public improvements outlined on the previous page, the City of Seguin will contribute 50% of the real property increment within the Zone and 50% of the City’s 1% sales tax increment within the Zone. Subject to a separate to be negotiated interlocal agreement, Guadalupe County may contribute 50% of its real property increment within the Zone.

Debt Service

It is not anticipated at this time that the TIRZ will incur any bonded indebtedness.

Economic Feasibility Study

A taxable value analysis was developed as part of the project and financing plan to determine the economic feasibility of the project. The study examined the expected tax revenue the TIRZ would receive based on the previously outlined developments. A summary overview of the anticipated development square footages, the anticipated sales per square foot and the anticipated taxable value per square foot can be found on the following pages.

The following pages show the estimated captured appraised value of the zone during each year of its existence and the net benefits of the zone to each of the local taxing jurisdictions as well as the method of financing.

Utilizing the information outlined in this feasibility study, Pettit & Ayala Consulting has found that the TIRZ is economically feasible and will provide the City and other taxing jurisdictions with economic benefits that would not occur without its implementation.

	Real Property Tax - 2024 Rates		Participation	
	City of Seguin	0.51250000	50%	0.2562500
	Guadalupe County	0.26270000	50%	0.1313500
	Seguin ISD	1.08280000	0%	0.0000000
	Lateral Road	0.05400000	0%	0.0000000
		1.91200000		0.3876000

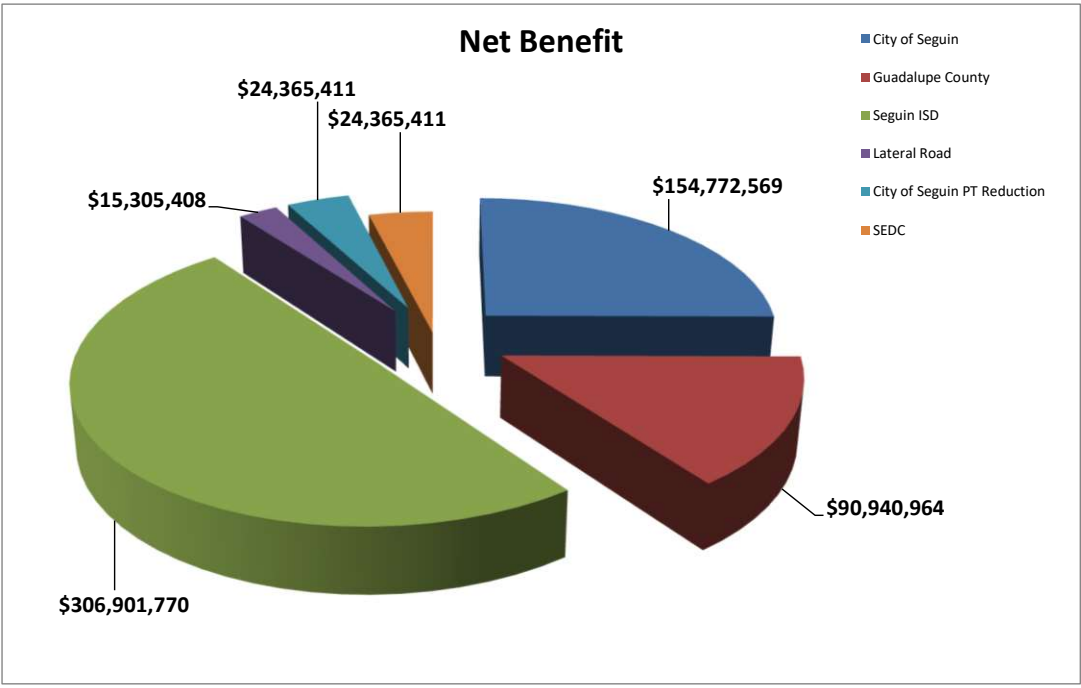
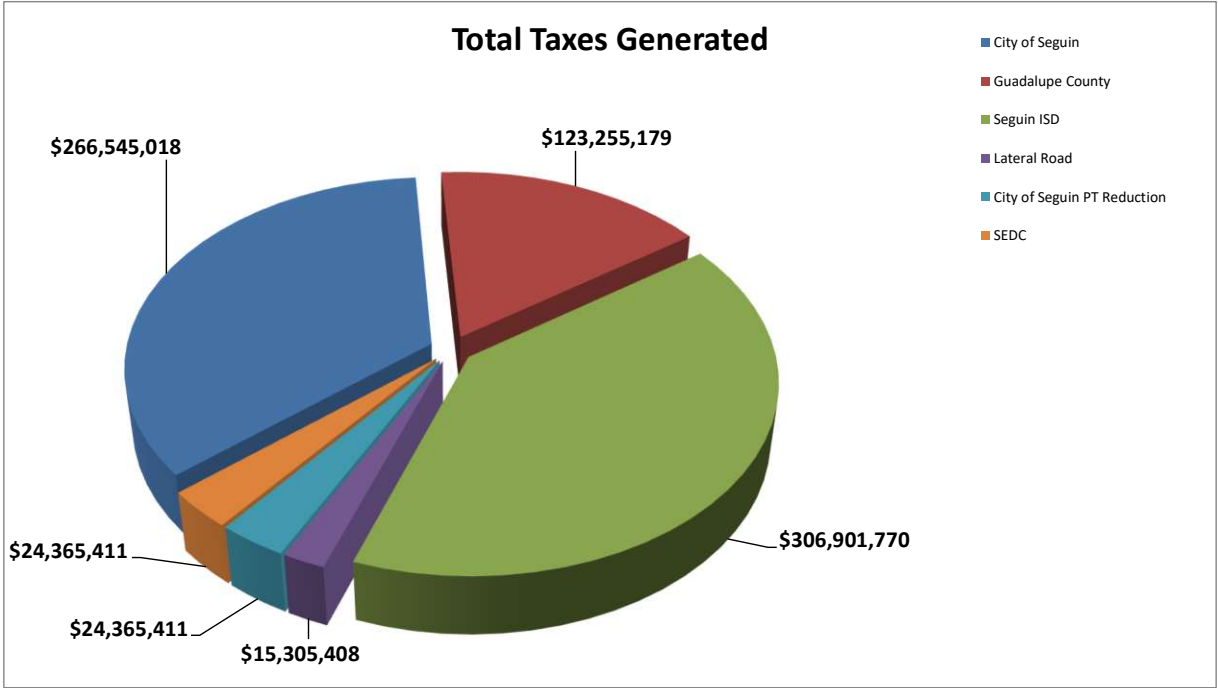
	Personal Property Tax		Participation	
	City of Seguin	0.51250000	0%	0.0000000
	Guadalupe County	0.26270000	0%	0.0000000
	Seguin ISD	1.08280000	0%	0.0000000
	Lateral Road	0.05400000	0%	0.0000000
		1.91200000		0.0000000

	Sales Tax		Participation	
	City of Seguin	0.01000000	50%	0.0050000
	City of Seguin PT Reduction	0.00250000	0%	0.0000000
	SEDC	0.00250000	0%	0.0000000
	Guadalupe County	0.00500000	0%	0.0000000
		0.02000000		0.00500000

Revenue Summary

Taxing Jurisdictions	Total Taxes Generated	Participation	Net Benefit
City of Seguin	\$266,545,018	\$111,772,448	\$154,772,569
Guadalupe County	\$123,255,179	\$32,314,215	\$90,940,964
Seguin ISD	\$306,901,770	\$0	\$306,901,770
Lateral Road	\$15,305,408	\$0	\$15,305,408
City of Seguin PT Reduction	\$24,365,411	\$0	\$24,365,411
SEDC	\$24,365,411	\$0	\$24,365,411
Total	\$760,738,196	\$144,086,664	\$616,651,533

Taxing Jurisdictions	Total Taxes Generated	Participation	Net Benefit
City of Seguin	\$266,545,018	\$111,772,448	\$154,772,569
City of Seguin - Real Property	\$126,083,252	\$63,041,626	\$63,041,626
City of Seguin - Personal Property	\$19,305,909	\$0	\$19,305,909
City of Seguin - Sales	\$97,461,645	\$48,730,822	\$48,730,822
City of Seguin -HOT	\$23,694,211	\$0	\$23,694,211





Length of TIRZ #3 in Years:

The TIRZ has a 30 year term and is scheduled to end on December 31, 2055 (with the final year’s tax increment to be collected by September 1, 2056).

Powers and Duties of Board of Directors:

The Board shall have all powers granted to it by Chapter 311 of the Texas Tax Code, including powers of a municipality under Chapter 380, Local Government Code. The Board shall not be authorized to:

- issue bonds;
- impose taxes or fees;
- exercise the power of eminent domain; or
- give final approval to the Zone’s project and financing plan.

APPENDIX A - CURRENT PROPERTY OWNERSHIP

Property ID	Acres	Legal	Owner	Estimated 2025 Taxable Value
53239	1.7000	ABS: 11 SUR: J D CLEMENTS 1.7000 AC.	A-L 97 IH 10-SH 46 LP	\$393
52990	4.6300	ABS: 11 SUR: J D CLEMENTS 4.6300 AC.	A-L 97 IH 10-SH 46 LP	\$954,000
53238	76.2000	ABS: 11 SUR: J D CLEMENTS 76.2012 AC.	A-L 97 IH 10-SH 46 LP	\$17,602
128174	127.4500	PROJECT GREEN SUBD BLOCK 1 LOT 1 127.45 AC	A-L 97 IH 10-SH 46 LP	\$29,441
128175	166.7900	PROJECT GREEN SUBD, BLOCK 1, LOT 2, ACRES 166.79	A-L 97 IH 10-SH 46 LP	\$38,528
128176	113.9000	PROJECT GREEN SUBD, BLOCK 1, PT OF LOT 3, ACRES 113.90	A-L 97 IH 10-SH 46 LP	\$26,311
129007	43.0000	PROJECT GREEN SUBD,PT OF BLOCK 1, PT OF LOT 3, ACRES 43.00	A-L 97 IH 10-SH 46 LP	\$9,933
136699	10.0000	ABS: 11 SUR: J D CLEMENTS 10.00 AC.	MONTGOMERY JOHN T ETAL	\$2,310
	544			\$1,078,518

**The 2025 base value will need to be verified by the Guadalupe Appraisal District when the final 2025 taxable values are available.*