ORDINANCE NO. 26-_____

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

WHEREAS, the Town of Horizon City, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the City or the extraterritorial jurisdiction (the "ETJ") of the municipality 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 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's ETJ, 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 Two, Town of Horizon City,* 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 October 29, 2026, which date is before the seventh (7th) day before the public hearing held on November 17, 2026; and

WHEREAS, at the public hearing on November 17, 2026, 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 November 17, 2026, 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 November 17, 2026; 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 public 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 TOWN OF HORIZON CITY, 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's ETJ; 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 Two, Town of Horizon City, Texas (hereinafter referred to as the "Zone").

SECTION 4. BOARD OF DIRECTORS.

That a board of directors for the Zone ("Board") is hereby created. That a board of directors for the Zone ("Board") has been created. The Board shall consist of (8) members comprised of Town of Horizon City Council members from Places 1 through 7 and the Mayor. The Mayor shall serve as chair 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 at least one member of the Board. A contributing taxing entity may waive its right to appoint a director. The number of directors on the Board shall be increased by at least one for each taxing unit that appoints a director to the Board;

provided, that the maximum number of directors shall not exceed fifteen (15). All appointments to the Board must be made in accordance of Section 311.009 of the Act. The powers and duties of the board of directors are set forth in Section 31'l .010 of the Act.

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, 2056 (with the final year's tax increment to be collected by September 1, 2057); (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, 2026, which is the year in which the Zone was designated as a reinvestment zone.

The Tax Increment 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 Tax Increment Fund under an agreement with the City authorized by Section 311.013(f) of the Texas Tax Code, and (ii) ninety percent (90%) 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.

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 Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by the Texas Tax Code, for the Zone, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b), 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 November 2026.

TOWN OF HORIZON CITY

_____
Andres Renteria, Mayor

ATTEST:

_____
Elvia Schuller
City Clerk

APPROVED AS TO FORM:

_____
Sylvia Borunda Firth
City Attorney

EXHIBIT A

BOUNDARY DESCRIPTION

The boundaries of TIRZ #2 consist of approximately 626.813 acres within the extraterritorial jurisdiction limits of Horizon City. The boundaries are contiguous and consist of Part 1 and Part 2. The legal description for the TIRZ is described in detail below.

PARTS 1 AND 2 SITUATED IN LEIGH CLARK SURVEY NO. 292 ABSTRACT 6256 IN EL PASO COUNTY, TEXAS

PART 1 LEGAL DESCRIPTION

DESCRIPTION OF A 603.168 ACRE TRACT OF LAND SITUATED IN LEIGH CLARK SURVEY NO. 292, ABSTRACT 6256, IN EL PASO COUNTY, TEXAS AND BEING A PORTION OF THE GENERAL LAND OFFICE SCHOOL FILE NO. 8069, SAID 603.168 ACRE TRACT, BEING DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1 inch capped iron rod found for the northeast corner of said Leigh Clark Survey No. 292, being also the northwest corner of the Leigh Clark Survey No. 291, being also the southeast comer of the C.D. Stewart Survey No. 322, and being also the southwest comer of the C.D. Stewart Survey No. 321, from which a bent 1/2 inch iron rod found bears N 84°05'34" W, a distance of 8.20 feet, said Point of Beginning having Texas State Plane Grid Coordinate values (Central Zone, NAD 83, U.S. Feet, Combined Scale Factor of 0.99977223) of N=l0,618,967.13, E=467,459.80;

THENCE S 02°31'25" W, along the east line of said Leigh Clark Survey No. 292, being also the west line of said Leigh Clark Survey No. 291, for a distance of 5259.40 feet to a 5/8" iron rod set with cap stamped "ZWA", for the southeast comer of the herein described tract, and being the southeast comer of said Leigh Clark Survey No. 292, from which a 1 inch iron pipe found for the southeast corner the Leigh Clark Survey No. 295 bears S 02°31'25" W, a distance of 5317.10 feet;

THENCE N 87°00'11" W, along the south line of the herein described tract, being also the south line of said Leigh Clark Survey No. 292, and being the north line of said Leigh Clark Survey No. 295, for a distance of 5324.35 feet to a 1 inch iron pipe found for the southwest corner of the herein described tract and being the southeast comer of the Leigh Clark Survey No. 292, being also the southeast comer of the Leigh Clark Survey No. 293, being also the northeast corner Leigh Clark Survey No. 294, and being also the northwest comer of the Leigh Clark Survey No. 295;

THENCE N 02°21'56" E, along the west line of said Leigh Clark Survey No. 292, being also the east line of said Leigh Clark Survey No. 293, for a distance of 2946.23 feet to a 5/8" iron rod set with cap stamped "ZWA", on the south line of Horizon Boulevard, a 300 foot right-of-way, of record in Volume 517, Page 761, Official Public Records El Paso

County, Texas, from which a 1 inch iron pipe found for the northwest comer the Leigh Clark Survey No. 292 bears N 02°21’56” E, a distance of 2317.25 feet;

THENCE departing the west line of the Leigh Clark Survey No. 292, with the southeast line of said Horizon Boulevard the following five (5) courses and distances:

1) N 69°21’31” E, for a distance of 138.56 feet to a 5/8 inch iron rod set with cap stamped “ZWA” at the beginning of a curve to the left,

2) along said curve to the left an arc distance of 1534.72 feet, said curve having a radius of 1315.10 feet, a central angle of 66°51’51”, and a chord bearing of N 35°55’35” E for a chord distance of 1449.10 feet to a 5/8 inch iron rod set with cap stamped “ZWA” at a compound curve to the left,

3) along said curve to the left an arc distance of 555.83 feet, said curve having a radius of 2730.51 feet, a central angle of 11°39’48”, and a chord bearing of N 03°20’15” W for a chord distance of 554.87 feet to a calculated point from which a Tx.DOT brass disk in concrete found bears N 45°47’58” E, a distance of 0.21 feet;

4) N 09°10’09” W, for a distance of 1.31 feet to a 5/8 inch iron rod set with cap stamped “ZWA” at the beginning of a curve to the right,

5) along said curve to the right an arc distance of 495.78 feet, said curve having a radius of 2446.90 feet, a central angle of 11°36’32”, and a chord bearing of N 03°21’53” W for a chord distance of 494.93 feet to a 5/8 inch iron rod set with cap stamped “ZWA” on the north line of said Leigh Clark Survey No. 292, being also the south line of the said C.D. Stewart Survey No. 322, and being also the south line of Ellsworth Drive, a 60 foot right-of-way, recorded in Volume 41, Page 26A, Official Public Records El Paso County, Texas, from which a TxDOT brass disk in concrete found bears N 10°42’08” E, a distance of 1.03 feet;

THENCE S 86°57’39” E, departing the southeast line of Horizon Boulevard, along the north line of said Leigh Clark Survey No. 292, for a distance of 4515.05 feet to the POINT OF BEGINNING and containing 603.168 acres of land.

PART 2 LEGAL DESCRIPTION

DESCRIPTION OF A 23.645 ACRE TRACT OF LAND SITUATED IN LEIGH CLARK SURVEY NO. 292, ABSTRACT NO. 6256, IN EL PASO COUNTY, TEXAS AND BEING A PORTION OF THE GENERAL LAND OFFICE SCHOOL FILE NO. 8069, SAID 23.645 ACRE TRACT, BEING DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 2 inch iron pipe found for the northwest comer of said Leigh Clark Survey No. 292, being also the northeast corner of the Leigh Clark Survey No. 293, being also the southeast comer of the C.D. Stewart Survey No. 323, and being also the southwest corner of the

C.D. Stewart Survey No. 322, said Point of Beginning having Texas State Plane Grid Coordinate values (Central Zone, NAD 83, U.S. Feet, Combined Scale Factor of 0.99977223) of N=l0,619,250.12 E=462,129.60;

THENCE S 86°57'39" E, along the north line of said Leigh Clark Survey No. 292, being also the south line of said C.D. Stewart Survey No. 322, for a distance of 523.86 feet to a calculated point, on the north line of Horizon Boulevard, a 300 foot right-of-way, on the south line of Horizon Boulevard, a 300 foot right-of-way, of record in Volume 517, Page 761, Official Public Records El Paso County, Texas, for the northeast comer of the herein described tract, from which a 1 inch iron pipe found bears S 84°35'13" E, a distance of 0.53 feet, and from which the calculated point, a I inch iron rod with cap found for the northeast corner the Leigh Clark Survey No. 292 bears S 86°57'39" E, a distance of 4815.06 feet;

THENCE departing the north line of the Leigh Clark Survey No. 292, with the northwest line of said Horizon Boulevard the following six (6) courses and distances:

1) S 02°29'51" W, for a distance of 0.38 feet to a calculated point at the beginning of a curve to the left,

2) along said curve to the left an arc distance of 559.33 feet, said curve having a radius of 2746.90 feet, a central angle of 11°40'00", and a chord bearing of S 03°20'09" E for a chord distance of 558.36 feet to a 5/8 inch iron rod set with cap stamped "ZW A",

3) S 09°10'09" E, for a distance of 1.31 feet to a calculated point, from which a TxDOT brass disk in concrete found bears N 50°15'05" E 0.33 feet, at the beginning of a curve to the right,

4) along said curve to the right an arc distance of 494.76 feet, said curve having a radius of 2430.51 feet, a central angle of 11°39'48", and a chord bearing of S 03°20'15" E for a chord distance of 493.91 feet to a calculated point, from which a TxDOT brass disk in concrete found bears N 62°41'40" E, a distance of 0.18 feet, at a compound curve to the right;

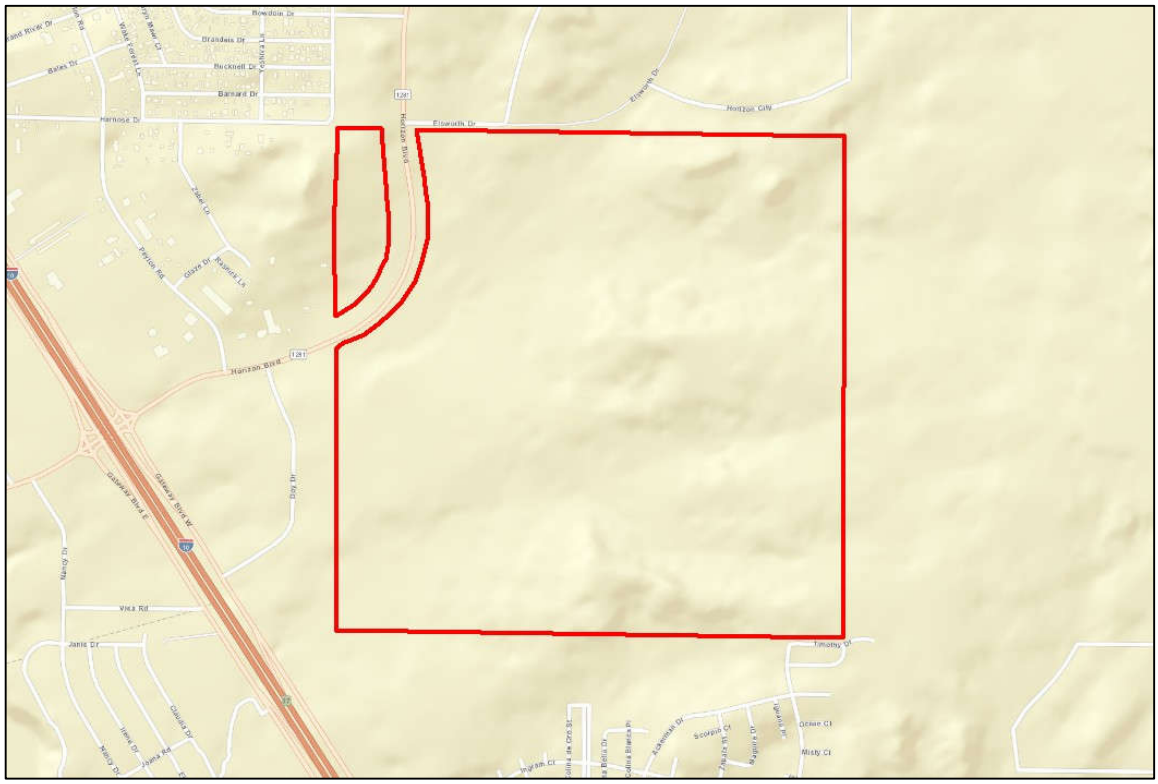
5) along said compound curve to the right an arc distance of 1184.62 feet, said curve having a radius of 1015.10 feet, a central angle of 66°51'51", and a chord bearing of S 35°55'35" W for a chord distance of 1118.54 feet to a 5/8 inch iron rod set with cap stamped "ZWA", from which a 1/2 inch iron rod found bears S 47°45'02" W, a distance of 1.66 feet, and

6) S 69°21'31" W, for a distance of 11.17 feet to a 5/8 inch iron rod set with cap stamped "ZWA", on the west line of said Leigh Clark Survey No. 292, being also the east line of the said Leigh Clark Survey No. 293, from which a 1 inch iron pipe found being the southwest comer of said Leigh Clark Survey 292 bears S 02°21'56" W, a distance of 3272.16 feet;

THENCE N 02°21’56” E, departing the northwest line of Horizon Boulevard, along the west line of said Leigh Clark Survey No. 292, for a distance of 1991.32 feet to the POINT OF BEGINNING and containing 23.645 acres of land.

EXHIBIT B

BOUNDARY MAP



- TIRZ Boundary

EXHIBIT C

PRELIMINARY PROJECT PLAN AND FINANCE PLAN