

City of
Donna
The Heart of the Valley

December 12, 2007

Honorable J.D. Salinas III
Hidalgo County Judge
P.O. Box 1356
Edinburg, TX 78540-1356

Re: Request for agenda item to provide briefing on proposed City of Donna Tax Increment Reinvestment Zone #2 (aka River Crossing Industrial Zone)

Dear Judge Salinas:

Attached herewith, please find a copy of the Resolution Of Intent passed by the City of Donna on November 5, 2007, expressing the City's intent to create a Tax Increment Reinvestment Zone (hereafter "Zone") under Chapter 311 of the Texas Tax Code to provide economic development, industrial and commercial development, and quality residential housing on the property located between the City of Donna and the international border. A map of the proposed Zone is attached for your review as Exhibit A. Pursuant to Chapter 311 of the Tax Code, the City of Donna is respectfully requesting that an item be placed on the agenda of the Hidalgo County Commissioner's Court to provide the County with a statutory briefing of the proposed location of the Zone, the benefits of the Zone, the proposed improvements of the Zone, and other information related to the project. This Zone is being created to facilitate economic development and is an extremely important project for the City of Donna and the surrounding region. As proposed, the Zone will create additional tax base for the City of Donna, Hidalgo County, the school district, and the other taxing entities with jurisdiction over the proposed project.

Additionally, Ch. 311.003(g) requires each taxing entity that levies real property taxes in the proposed TIRZ to designate (and notify the City of its designation) a representative to meet with the City not later than the 15th day after the date on which this notice is given to discuss the project plan and the reinvestment zone financing plan.

Furthermore, Ch. 311.003(f) requires the City to make a formal presentation to the governing body of each county or school district that levies real property taxes in the proposed TIRZ, therefore, we respectfully request that Hidalgo County Commissioner's Court place an item on its earliest agenda for statutory presentation and consideration.

Your time and attention to this matter is greatly appreciated. Should you have any questions or concerns regarding the proposed TIRZ, please do not hesitate to contact me at (956) 464-3314.

Sincerely,



Ricardo L. Morales
Mayor
City of Donna

RECEIVED

DEC 17 2007

COUNTY JUDGE



RESOLUTION NO. 2007-11-02

IN SUPPORT OF THE CREATION OF A TAX INCREMENT REINVESTMENT ZONE WITHIN THE CITY OF DONNA FOR +/- 2000 ACRES OF RECENTLY ANNEXED LAND BEING THE SOUTHERNMOST AREA OF THE CITY OF DONNA, TEXAS.

WHEREAS, the City Council desires to promote and encourage the orderly growth and development within the City of Donna, and encourage the creation of economic development and new jobs within the City; and

WHEREAS, Chapter 311 of the Texas Tax Code provides for the use of tax increment financing as a tool to promote and attract quality industrial, commercial and residential development within the City of Donna; and

WHEREAS, the City Council intends to create a tax increment reinvestment zone within the corporate limits of the City of Donna in order to encourage said new quality industrial, commercial and residential development; and

WHEREAS, the property on which the City intends to create the tax increment reinvestment zone is hereby found to be predominantly open and is an area described in a petition requesting that the area be designated as a reinvestment zone in compliance with Section 311.005 (a), (2) and (5), and is currently underproductive and underdeveloped pursuant to Article VII, Section 1-g (b), the Texas Constitution; and

WHEREAS, this Resolution is passed pursuant to and in compliance with Chapter 311 of the Texas Tax Code, the terms and conditions of the petition for annexation dated October 25, 2006, and the petition requesting designation of a reinvestment zone on the subject property dated October 24, 2007.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DONNA, TEXAS, this 5th day of November, of the year 2007, that:

1. The City of Donna supports and encourages the creation of new economic development, creation of new employment opportunities, and the growth and development of quality industrial, commercial and residential development within the City, and by this Resolution proclaims the City of Donna's intention to create a tax increment reinvestment zone within the City of Donna within the real property identified in the map and field notes attached hereto as Exhibit "A" and made a part hereof for all purposes.

2. The City Manager is hereby authorized to brief the other taxing entities and take all other appropriate action to initiate the creation of the tax increment reinvestment zone, to be called the "Reinvestment Zone Number Two, City of Donna" within the boundaries of the property generally identified in Exhibit "A", attached hereto, pursuant to the requirements of Chapter 311 of the Texas Tax Code.

PASSED, APPROVED AND ADOPTED on this the 5th day of November 2007.



CITY OF DONNA:

Ricardo J. Morales

RICARDO MORALES
Mayor

ATTEST:

P.R. Avila

P.R. AVILA
City Manager

FIELD NOTES OF
PROPOSED BOUNDRY REINVESTMENT ZONE NUMBER TWO, CITY OF DONNA, TEXAS
EXHIBIT A

METES AND BOUNDS

A tract of land containing 1,528.16 acres situated in the County of Hidalgo, Texas, described as follows:

BEGINNING at the Northeast corner of Lot 1, Block 58, LA DONNA PLAT SUBDIVISION, according to the map thereof recorded in Volume 1, Page 51, Hidalgo County Map Records;

THENCE, S 08° 35' 22" W along the East lines of Blocks 58 and 61, La Donna Plat Subdivision and within the right-of-way of FM Road 493, a distance of 3,960.00 feet to the Southeast corner of Lot 1, Block 61;

THENCE, S 81° 24' 38" E along the North line of Lot 3, Block 62, La Donna Plat Subdivision, a distance of 1,320.00 feet to the Northeast corner of said Lot 3;

THENCE, S 08° 35' 22" W along the East line of Lot 3, Block 62, La Donna Plat Subdivision, a distance of 214.40 feet;

THENCE, along the South boundary of the Levee Easement to Hidalgo County Drainage District No. 1 (Vol.330 Pg.497 H.C.D.R.), to Hidalgo County (Vol.455 Pg.441 H.C.D.R.) and to the United States of America (Vol.457 Pg.461 H.C.D.R.), as follows: S 76° 33' 37" E a distance of 825.00 feet, S 83° 25' 19" E a distance of 105.39 feet and S 82° 45' 43" E a distance of 256.40 feet;

THENCE, S 08° 33' 16" W along the East line of Lot 4, Block 62, La Donna Plat Subdivision, a distance of 962.50 feet;

THENCE, N 81° 24' 38" W along the North line of a tract described in a Deed to San Benito Rio Grande Valley Railroad Company (Vol.184 Pg.311 H.C.D.R.), a distance of 985.00 feet;

THENCE, S 08° 35' 22" W along the East lines of Lot 3, Block 62 and Lots 2 and 3, Block 65, La Donna Plat Subdivision, a distance of 2,740.00 feet to the Southeast corner of said Lot 3, Block 65;

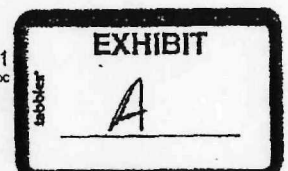
THENCE, S 81° 24' 38" E along the South line of Lot 4, Block 65, La Donna Plat Subdivision and within the right-of-way of U.S. 281-Military Highway, a distance of 189.96 feet;

THENCE, S 08° 35' 22" W within Lot 11, out of the C. R. Engelman Subdivision of Lands in the La Blanca Grant according to the plat thereof recorded in Volume 1, Page 60, Hidalgo County Map Records, a distance of 678.85 feet;

THENCE, N 81° 24' 38" W within Lot 11 in said C. R. Engelman Subdivision and along the North line of a 5.0-acre tract described in Document #898108, Hidalgo County Official Records, a distance of 466.69 feet;

THENCE, S 08° 35' 22" W within Lot 11 in said C. R. Engelman Subdivision and along the West line of said 5.0-acre tract described in Document #898108, Hidalgo County Official Records, a distance of 466.69 feet;

THENCE, N 81° 24' 38" W along the South line of said Lot 11, C. R. Engelman Subdivision, a distance of 300.21 feet to the Southwest corner of said Lot 11;



THENCE, N 08° 35' 22" E along the East line of said Lot 11, C. R. Engelman Subdivision, a distance of 1131.91 feet to the Northwest corner of said Lot 11;

THENCE, N 81° 24' 38" W along the North of Lot 7 in said C. R. Engelman Subdivision of Lands in the La Blanca Grant and within the right-of-way of U.S. 281-Military Highway, a distance of 575.80 feet to the Northeast corner of Lot 6 in said C. R. Engelman Subdivision of Lands in the La Blanca Grant;

THENCE, S 08° 35' 22" W along the East line of said Lot 6, C. R. Engelman Subdivision, a distance of 1513.10 feet to the Southeast corner of said Lot 6;

THENCE, N 81° 24' 38" W along the South line of said Lot 6, C. R. Engelman Subdivision, a distance of 575.80 feet to the Southwest corner of said Lot 6;

THENCE, N 08° 35' 22" E along the West line of said Lot 6, C. R. Engelman Subdivision, a distance of 1,530.10 feet to the Northwest corner of said Lot 6;

THENCE, N 81° 24' 38" W along the North of Lot 1 in said C. R. Engelman Subdivision of Lands in the La Blanca Grant and within the right-of-way of U.S. 281-Military Highway, a distance of 20.31 feet;

THENCE, N 08° 27' 23" E at a distance of 79.96 feet pass the North right-of-way line of U.S. 281-Military Highway, continuing now along the East line of a 7.0-acre tract described in Volume 892 page 237, Hidalgo County Deed Records, for a total distance of 379.96 feet;

THENCE, N 81° 32' 37" W along the North line of said 7.0-acre tract described in Volume 892 page 237, Hidalgo County Deed Records, a distance of 1018.40 feet;

THENCE, S 08° 27' 23" W along the West line of said 7.0-acre tract described in Volume 892 page 237, Hidalgo County Deed Records, at a distance of 300.00 feet pass the North right-of-way line of U.S. 281-Military Highway, continuing for a total distance of 377.60 feet;

THENCE, S 81° 24' 38" E along the North of Lot 2 in said C. R. Engelman Subdivision of Lands in the La Blanca Grant and within the right-of-way of U.S. 281-Military Highway, a distance of 122.51 feet;

THENCE, S 08° 35' 22" W along the East line of said Lot 2, C. R. Engelman Subdivision, a distance of 1,905.90 feet to the Southeast corner of said Lot 2;

THENCE, S 81° 24' 38" E along the North of Lot 3 in said C. R. Engelman Subdivision of Lands in the La Blanca Grant, a distance of 914.20 feet to the Northeast corner of said Lot 3;

THENCE, S 08° 35' 22" W along the East lines of said Lots 3, 4 and 5, C. R. Engelman Subdivision of Lands in the La Blanca Grant, a distance of 1,208.80 feet;

THENCE, N 81° 24' 38" W within Lot 5 in said C. R. Engelman Subdivision of Lands in the La Blanca Grant, a distance of 1,791.80 feet;

THENCE, S 08° 35' 22" W along the East line of the Handy Tract as shown in the plat of C. R. Engelman Subdivision of Lands in the La Blanca Grant (Vol.1 Pg.60 H.C.M.R.), a distance of 524.50 feet;

THENCE, N 77° 48' 59" W along the South line of the Handy and the Muñoz Tracts, and its extension as shown in the plat of C. R. Engelman Subdivision of Lands in the La Blanca Grant (Vol.1 Pg.60 H.C.M.R.), a distance of 2,615.17 feet;

THENCE, N 38° 04' 45" W along the East line of the 200-foot Donna Irrigation District No.1 Main Canal right-of-way, a distance of 370.90 feet;

THENCE, N 08° 35' 22" E along the East line of the 200-foot Donna Irrigation District No.1 Main Canal right-of-way, a distance of 1,873.74 feet;

THENCE, S 81° 24' 38" E a distance of 27.35 feet;

THENCE, N 08° 35' 22" E along the West line of a certain 11.42-acre tract designated as Tract 8-C in Document #741019 Hidalgo County official Records, a distance of 1,347.00 feet;

THENCE, S 81° 24' 38" E along the North line of said 11.42-acre tract, the North line of the above mentioned Muñoz Tract and within the right-of-way of U.S. 281-Military Highway, a distance of 2,264.20 feet;

THENCE, N 08° 35' 22" E along the extended East line of said Muñoz Tract also being the East line of a certain 8.394-acre tract described in Document #696213, Hidalgo County Deed Records, a distance of 1024.27 feet;

THENCE, N 81° 24' 38" W along a Northern boundary of said 8.394-acre tract described in Document #696213, Hidalgo County Deed Records, a distance of 277.80 feet;

THENCE, S 08° 35' 22" W along a Western boundary of said 8.394-acre tract described in Document #696213, Hidalgo County Deed Records, a distance of 76.81 feet;

THENCE, along the "centerline of the Ruthven Resaca" as follows: S 68° 54' 22" W a distance of 617.32 feet, S 61° 41' 22" W a distance of 450.00 feet, S 79° 55' 22" W a distance of 150.00 feet and N 57° 38' 38" W a distance of 1066.00 feet;

THENCE, N 08° 35' 22" E along the East line of the 200-foot Donna Irrigation District No.1 Main Canal right-of-way and within Blocks 67, 60, 59 and 48 out of La Donna Plat Subdivision (Vol.1, Pg. 51, H.C.M.R.), a distance of 9,822.30 feet;

THENCE, S 81° 24' 38" E along the North line of Lot 2, Block 48, La Donna Plat Subdivision, a distance of 1,120.00 feet;

THENCE, S 08° 35' 22" W along the East line of said Lot 2, Block 48, La Donna Plat Subdivision, a distance of 330.00 feet;

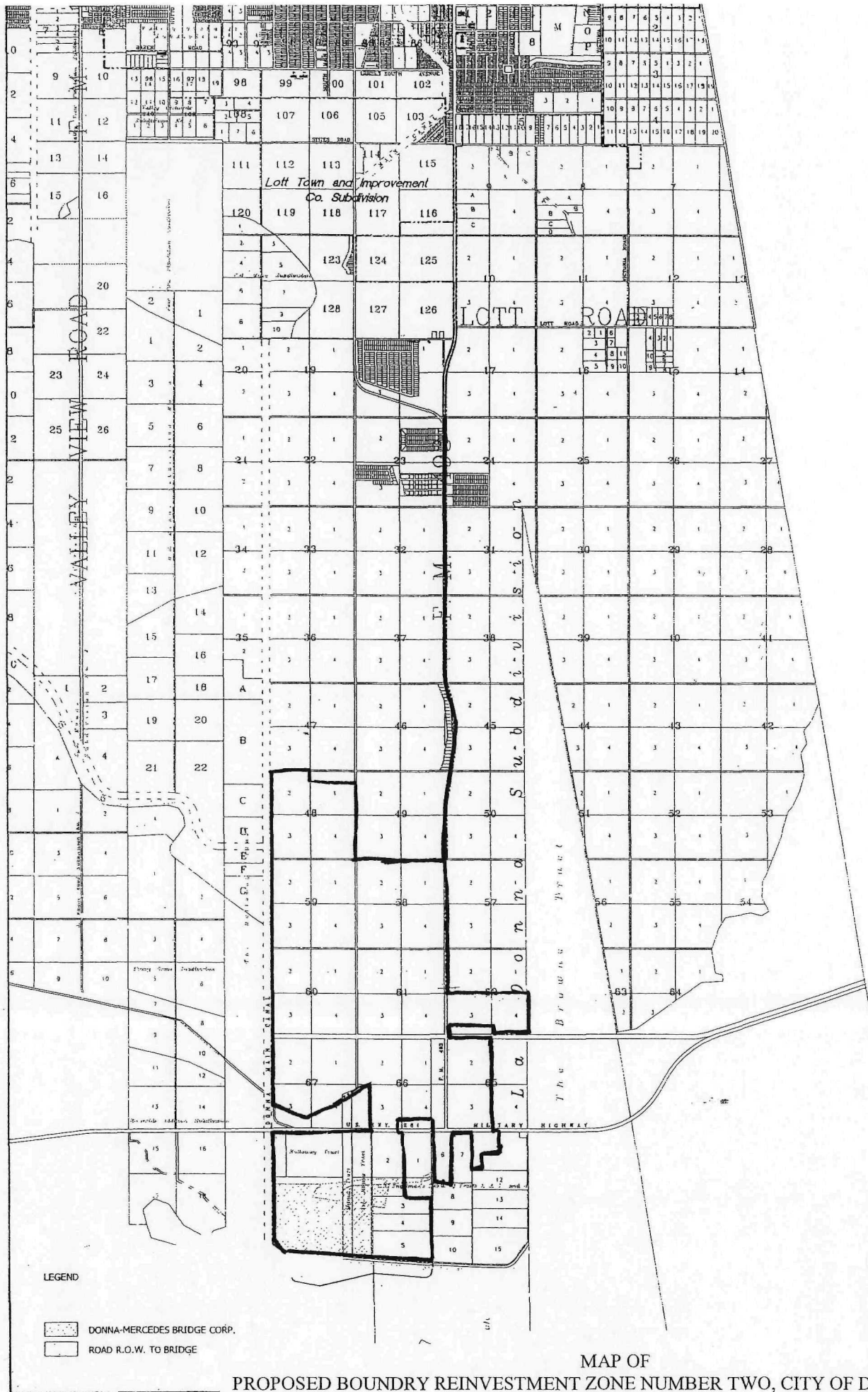
THENCE, S 81° 24' 38" E a distance of 1,320.00 feet;

THENCE, S 08° 35' 22" W along the East lines of Lots 1 and 4, Block 48, La Donna Plat Subdivision, a distance of 2,310.00 feet;

THENCE, S 81° 24' 38" E along the North lines of Lots 2 and 1, Block 58, La Donna Plat Subdivision, a distance of 2,640.00 feet to the POINT OF BEGINNING and containing 1,519.32 acres of land, more or less.

SAVE AND EXCEPT a 200'x200' tract containing 0.918 of one acre, being the North 200 feet of the East 200 feet of Lot 1, Block 66, La Donna Plat Subdivision (Reference Deeds: Vol.352 Pg.151 and Vol.477 Pg.379 Hidalgo County Deed Records).

Prepared by:
MELDEN & HUNT, INC.
Consultants, Engineers, Surveyors
115 West McIntyre
Edinburg, Texas 78541
(956) 381-0981



MAP OF
 PROPOSED BOUNDARY REINVESTMENT ZONE NUMBER TWO, CITY OF DONNA, TEXAS
EXHIBIT A