

ORDINANCE NO. 16/31

AN ORDINANCE APPROVING THE PROJECT AND FINANCING PLANS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER TEN CITY OF FORT WORTH, TEXAS (LONE STAR TIF); MAKING VARIOUS FINDINGS RELATED TO SUCH PLANS PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 15 2004 the City Council of the City of Fort Worth (the ‘City’) designated Tax Increment Reinvestment Zone Number Ten, City of Fort Worth, Texas (Lone Star TIF) (the ‘Zone’) pursuant to Ordinance No 16002 and as authorized by Chapter 311 of the Texas Tax Code (the ‘Act’); and

WHEREAS, as authorized by Section 311 011(e) of the Act, on July 29 2004 the board of directors of the Zone (the ‘Board’) adopted project and financing plans for the Zone, which are attached hereto as **Exhibit A** (the ‘Plans’), and recommended that the Plans be approved by the City Council,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS

Section 1

FINDINGS.

That the City Council hereby makes the following findings of fact:

- 1.1 The statements and facts set forth in the recitals of this Ordinance are true and correct.

- 1.2. That the Plans include all information required by Sections 311 011(b) and (c) of the Act.
- 1.3 That the Plans are feasible and conform to the City's master plan.

Section 2.

APPROVAL OF PLANS.

That based on the findings set forth in Section 1 of this Ordinance, the Plans are hereby approved.

Section 3

DELIVERY OF PLANS TO TAXING ENTITIES.

That the City Manager is hereby directed to provide a copy of the Plans to the governing body of each taxing unit that taxes real property located in the Zone.

Section 4

SEVERABILITY

That if any portion, section or part of a section of this Ordinance is subsequently declared invalid, inoperative or void for any reason by a court of competent jurisdiction, the remaining portions, sections or parts of sections of this Ordinance shall be and remain in full force and effect and shall not in any way be impaired or affected by such decision, opinion or judgment.

Section 6.

EFFECTIVENESS.

That this Ordinance shall take effect and be in full force and effect from and after its adoption.

AND IT IS SO ORDAINED

ADOPTED AND EFFECTIVE 9-21-04

APPROVED AS TO FORM AND LEGALITY

By Peter Vaky
Peter Vaky
Assistant City Attorney

M&C G 14507 9 21-04

EXHIBIT A

The Financing Plan and Project Plan

For

**Tax Increment Reinvestment Zone Number Ten,
City of Fort Worth, Texas
(Lone Star TIF)**

EXHIBIT

A

**TAX INCREMENT
REINVESTMENT ZONE
NUMBER TEN,
CITY OF FORT WORTH, TEXAS**

PROJECT PLAN

AND

FINANCING PLAN

**CITY OF FORT WORTH
JULY 2004**

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I GENERAL

I. GENERAL

Tax increment financing (“TIF”) is a tool Texas local governments use to finance public works within a defined area. These improvements are intended to promote development or redevelopment in the defined area and surrounding areas. The primary statute governing tax increment financing is codified in Chapter 311 of the Texas Tax Code (the “Tax Code”)

In order for an area to be eligible for tax increment financing, a municipality must first designate that area as a reinvestment zone in accordance with the procedures set forth in the Tax Code. The governing body of the municipality also must make findings that the area is unproductive, underdeveloped or blighted pursuant to the requirements set forth in Section 311.005(a) of the Tax Code. The reinvestment zone covered by this reinvestment zone project plan and financing plan (this “Plan”) is described in Section II hereof (the “TIF Zone”). In general, under this Plan it is contemplated that Cabela’s Retail, Inc. or an affiliate thereof (“Developer”) will construct, own portions of and operate an approximately 200,000 sq. ft. retail facility and public exhibition space (the “Facility”) located on the site depicted in Exhibit A hereto (the “Site”), all of which is located within the TIF Zone. The TIF Zone is an area of the City that is predominantly open and, because of various factors, including the lack of essential public infrastructure, substantially impairs the sound growth of the City and has served as a deterrent for sound development through solely private means.

It is anticipated that the City Council of the City of Fort Worth (the “City”) or a non-profit local government corporation created by the City pursuant to Subchapter D Chapter 431 Texas Transportation Code (the “City NPC”) will be requested to issue bonds (“Bonds”) secured, in whole or in part, by tax increment generated in the Zone and deposited into the TIF Zone’s tax increment fund by taxing units participating in the TIF Zone (the “Zone Tax Increment”) in order to pay for public improvements necessary to support the Facility; public improvements necessary to support development of certain other adjoining pad sites within the Zone; and development/construction costs of the public exhibition spaces within the Facility all as more specifically set forth in Section IV of this Plan (collectively the “Project Improvements”). As contemplated in a Memorandum of Understanding that has been executed by and between Developer, the City and Tarrant County, Texas (the “County”), Cabela’s will enter into a Master Economic Development Agreement with the City, the City NPC and the County (the “Master Development Agreement”) that calls for Cabela’s to purchase the Bonds in installments as needed so that the TIF Zone may pay for Project Improvements or reimburse Cabela’s for advance financing of Project Improvements.

II. DESCRIPTION OF ZONE

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A. Map.

A map showing the reinvestment zone area and uses of the real property in the TIF Zone is attached hereto as Exhibit A. The portion of that map identified as 'Fort Worth E.T.J' is currently not located within the corporate limits of the City but is intended to be either designated as part of the TIF Zone if it has been annexed at the time of designation of the TIF Zone by the City Council or subsequently added to the TIF Zone, following annexation by the City in accordance with the procedure set forth in Section 311.007 of the Tax Code. A map showing the Project Improvements in the TIF Zone is attached hereto as Exhibit B.

B. Changes to Current Ordinances and Codes

There are currently no changes to the zoning ordinances, the master plan, the building codes, or any other municipal ordinances relating to the TIF Zone.

II. DESCRIPTION OF ZONE

A. Map.



A map showing the reinvestment zone area and uses of the real property in the TIF Zone is attached hereto as Exhibit A. The portion of that map identified as 'Fort Worth E.T.J' is currently not located within the corporate limits of the City but is intended to be either designated as part of the TIF Zone if it has been annexed at the time of designation of the TIF Zone by the City Council or subsequently added to the TIF Zone, following annexation by the City in accordance with the procedure set forth in Section 311.007 of the Tax Code. A map showing the Project Improvements in the TIF Zone is attached hereto as Exhibit B.

B. Changes to Current Ordinances and Codes

There are currently no changes to the zoning ordinances, the master plan, the building codes, or any other municipal ordinances relating to the TIF Zone.

EXHIBIT A

Legend (Acres)

	Property Within City Limits	817
	Property Within E.T.J.	164
	Total	981

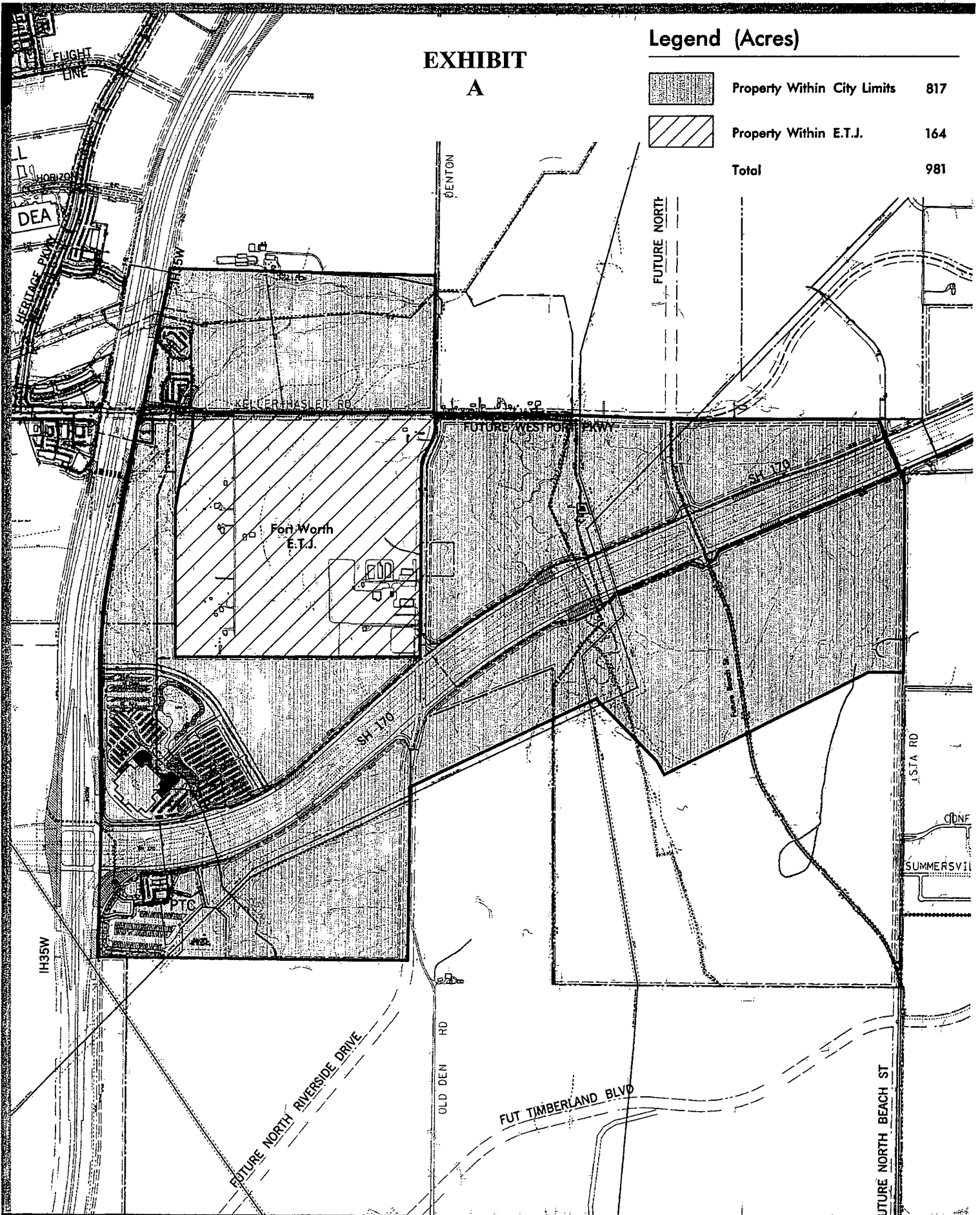


EXHIBIT A

LEGAL DESCRIPTION
TIF DISTRICT

BEING a tract of land situated in the J Ashford Survey Abstract Number 1776, the H. Cox Survey Abstract Number 386 the H. Creed Survey Abstract Number 1898, the I. Niece Survey Abstract Number 1160 the A. C. Warren Survey Abstract Number 1687 the W Houston Survey Abstract Number 746 the M.E.P & P RR. Survey Abstract Number 1143 the T G Willis Survey Abstract Number 1682 the S T Rhodes Survey Abstract Number 1868, the G W Parker Survey Abstract Number 1251 and the J McDonald Survey Abstract Number 1106, Tarrant County Texas and being more particularly described by metes and bounds as follows

BEGINNING at the southwest corner of Lot 2, Block 1 Alliance Gateway West Addition, as recorded in Cabinet A, Slide 5817 Plat Records, Tarrant County Texas, said point being in the existing east right-of way line of Interstate Highway 35W

THENCE N 00°12'16 "E, 152.52 feet along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of-way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 02°40'04 having a radius of 4563 66 feet, the long chord of which bears N 01°36'33"E, 212.47 feet, an arc distance of 212.49 feet,

THENCE N 01°12'30"E, 1235 75 feet continuing along the easterly right-of way line of said Interstate Highway 35W and across State Highway 170, again along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 02°04'52 having a radius of 11540.73 feet, the long chord of which bears N 00°46'13 "W 419 14 feet, an arc distance of 419 16 feet;

THENCE N 01°48'25 "W 133.37 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 88°07'58 "E, 6.25 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 01°36'22 "W 199 97 feet continuing along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 02°24'33 having a radius of 9816.25 feet, the long chord of which bears N 00°40'09"W 412.74 feet, an arc distance of 412.77 feet;

THENCE N 00°15'47 'E, 180 44 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 05°09'38 'W 55.38 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 00°16'30"E, 223.28 feet continuing along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 009°00'37" having a adius of 6541 97 feet, the long chord of which bears N 05°07'30"E, 1027 73 feet, an arc distance of 1028 79 feet,

THENCE N 09°55'51 'E, 134.93 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 10°29'25 'E, 622.83 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 11°14 59"E, 930.32 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 17°13'22 'E, 186.31 feet across Keller-Haslet Road (County Road 4042), eturning to the easterly nght-of way line of said Interstate Highway 35W

THENCE N 11°14 55 'E, 884 13 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 12°58'01 'E, 232.01 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 12°58'01 'E, 96.22 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 11 14 55 'E, 131.23 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 08°27'37"E, 162.97 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE S 88°28'58 'E, 2890 60 feet;

THENCE S 00°35'41 'W 1506 70 feet to the centerline of the aforementioned Keller Haslet Road;

THENCE N 89°43 16"E, 448 16 feet continuing along the centerline of said Keller-Haslet Road,

C&B Job No. 011900 651

J:\JOB\01190065\SUR\WP\LEG\EXHIBIT A.doc

April 12, 2004

Page 2 of 3

THENCE S 89°09'14 "E, 1147.86 feet continuing along the centerline of said Keller-Haslet Road

THENCE S 87°58'59"E, 1247.61 feet continuing along the centerline of said Keller-Haslet Road,

THENCE N 89°31'02 "E, 1280.34 feet continuing along the centerline of said Keller-Haslet Road,

THENCE S 89°38'23 "E, 731.92 feet continuing along the centerline of said Keller-Haslet Road

THENCE S 22°45'57"E, 733.32 feet, crossing State Highway 170, to the centerline of Alta Vista Road (County Road 4053);

THENCE S 00°06'23 "E, 1286.78 feet along the centerline of Alta Vista Road,

THENCE S 00°32'07"W 801.35 feet continuing along the centerline of Alta Vista Road,

THENCE N 89°27'54 "W 385.35 feet;

THENCE S 63°01'27"W 2495.17 feet;

THENCE N 28°03'21 "W 168.24 feet;

THENCE N 44°11'19"W 955.22 feet;

THENCE S 64°19'09 "W 2249.53 feet to the existing west right-of way line of Old Denton Road (County Road 4048),

THENCE S 00°41'31 "W 1910.95 feet along the existing west right-of way line of Old Denton Road,

THENCE N 89°39'58 "W 3379.51 feet to the POINT OF BEGINNING and containing 981 acres of land more or less.

NOTE. THIS DOCUMENT WAS PREPARED UNDER 22 TAC S663.21 AND DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED

EXHIBIT A
LEGAL DESCRIPTION
TIF DISTRICT
CITY OF FORT WORTH, TEXAS ETJ

BEING a tract of land situated in the H. Creed Survey Abstract Number 1898, and the M.E.P & P RR. Survey Abstract Number 1143 Tarrant County Texas and being more particularly described by metes and bounds as follows:

COMMENCING at the southwest corner of Lot 2, Block 1 Alliance Gateway West Addition, as recorded in Cabinet A, Slide 5817 Plat Records, Tarrant County Texas, said point being in the existing east right-of way line of Interstate Highway 35W

THENCE N 00°12'16"E, 152.52 feet along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right,

THENCE continuing along the easterly right-of way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 02°40'04 having a radius of 4563.66 feet, the long chord of which bears N 01°36'33 'E, 212.47 feet, an arc distance of 212.49 feet;

THENCE N 01°12'30 'E, 1235.75 feet continuing along the easterly right-of way line of said Interstate Highway 35W and across State Highway 170 again along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of-way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 02°04'52 having a radius of 11540.73 feet, the long chord of which bears N 00°46'13 'W 419.14 feet, an arc distance of 419.16 feet;

THENCE N 01°48'25 'W 133.37 feet continuing along the easterly right-of-way line of said Interstate Highway 35W

THENCE N 88°07'58 'E, 6.25 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE N 01°36'22 'W 199.97 feet continuing along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 02°24'33 having a radius of 9816.25 feet, the long chord of which bears N 00°40'09"W 412.74 feet, an arc distance of 412.77 feet;

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THENCE N 00°16'30"E, 223.28 feet continuing along the easterly right-of way line of said Interstate Highway 35W to the beginning of a curve to the right;

THENCE continuing along the easterly right-of way line of said Interstate Highway 35W and with said curve to the right, through a central angle of 009°00'37" having a radius of 6541.97 feet, the long chord of which bears N 05°07'30 'E, 1027.73 feet, an arc distance of 1028.79 feet;

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THENCE N 08°27'37"E, 162.97 feet continuing along the easterly right-of way line of said Interstate Highway 35W

THENCE S 88°28'58 'E, 2890.60 feet to Old Denton Road;

THENCE S 00°35'41 'W 1485.20 feet along Old Denton Road to Keller Haslet Road and the POINT OF BEGINNING

THENCE S 89°54'46 'W 2637.53 feet along said Keller Haslet Road,

THENCE S 00°12'58 'E, 207.77 feet;

THENCE S 13°31'06 "W 490.39 feet;

THENCE S 09°58'06 "W 368 01 feet to the east line of that certain tract of land described by deed to AIL Investment, L.P Volume 13130 Page 246 Deed Records, Tarrant County Texas

THENCE S 00°03 10 "W 1268 60 feet along said east line to the southeast corner of said AIL tract, and also a point in the north line of that certain tract of land described by deed to Hillwood/Freeway Ltd, as recorded in Volume 9527 .page 1011 Deed Records, Tarrant County Texas now known as AIL Investment, L.P

THENCE S 00°55 57"E, 366 82 feet along the north line of said Hillwood tract;

THENCE N 89°44'38 "E, 2666 17 feet continuing along the north line of said Hillwood tract to Old Denton Road,

THENCE N 00°16'12 "E, 2075 32 feet along Old Denton Road,

THENCE N 15°53 57 "E, 120 79 feet continuing along said Old Denton Road,

THENCE N 25°29'11 "E, 204 78 feet continuing along said Old Denton Road,

THENCE N 14°36'14 "E, 114.86 feet continuing along said Old Denton Road,

THENCE N 01°31 40"E, 165 67 feet continuing along said Old Denton Road to the aforementioned Keller Haslet Road,

THENCE S 89°43 16"W 20 46 feet along said Keller-Haslet Road,

THENCE N 00°35'41 "E, 21.50 feet to the POINT OF BEGINNING and containing 164 acres of land more or less.

NOTE. THIS DOCUMENT WAS PREPARED UNDER 22 TAC S663.21 AND DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED

III. ECONOMIC IMPACT

**EXHIBIT B
1 OF 3**

**OFF-SITE STREAM
IMPROVEMENTS**

**LAKE
IMPROVEMENTS**

**SEWER LINE
RELOCATION**

**ON-SITE STREAM
IMPROVEMENTS**

**DRAINAGE
STRUCTURE**

**GAS
IMPROVEMENTS**

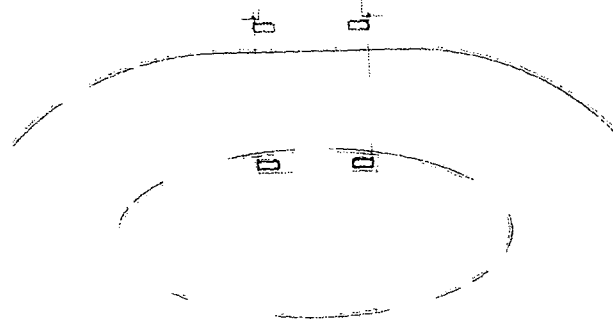
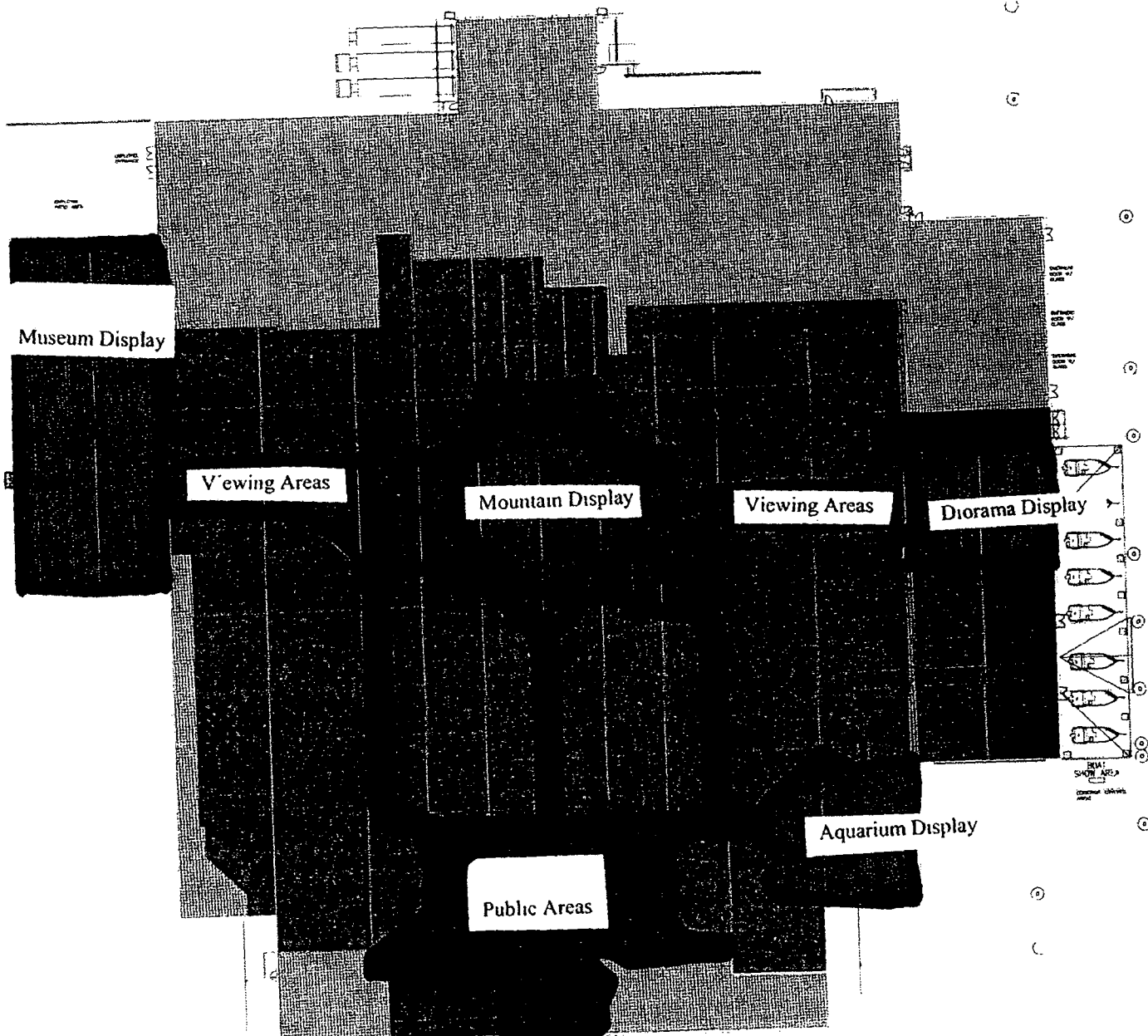
**WATER LINE
EXTENSION**

LONESTAR ROAD

SH 170

1135W

EXHIBIT B
2 OF 3



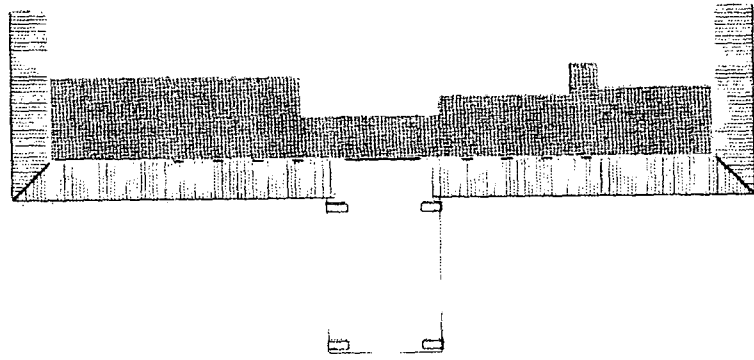
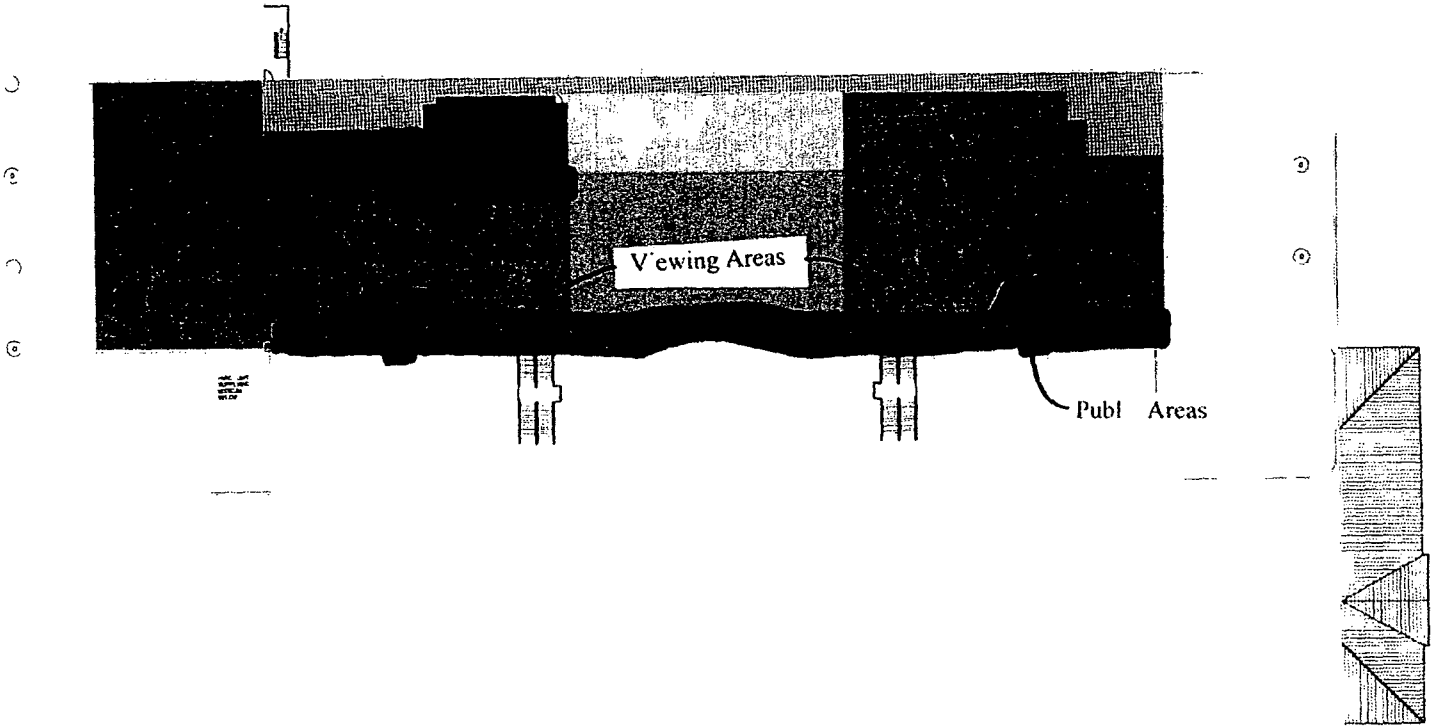
	VIEWING
	DISPLAY AREA
	RESTAURANT
	AREA
	RESTROOM AREA
	PARTICIPATION / PARTICIPATE AREA
	PARTICIP. LOBBY

EXHIBIT B
3 OF 3



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	VIEWING AREA
	DISPLAY AREA
	AREA
	STORAGE
	WAREHOUSE / EMPLOYEE AREA
	ATM
	AREA
	CONFERENCE
	ENTRANCE FLOOR

III. ECONOMIC IMPACT

III. ECONOMIC IMPACT

Through the designation of the 975 acre TIF Zone it is anticipated that the Zone will experience substantial new development once the Facility and Project Improvements are completed. In addition to the Facility the Zone is planned to consist of new retail, restaurants, hotels/motels and related commercial developments.

Insight Research Corporation completed an Economic, Employment and Tax Revenues Impact Analysis of the TIF Zone for the City. The findings of the analysis forecasts the impact of the Facility and related new development including substantial increases in real property investment, retail sales activity business personal property investment, employment growth, hotel room revenues and regional tourism. The analysis undertaken by Insight Research Corporation constitutes an economic feasibility study consistent with the requirements of Chapter 311 of the Tax Code. The study is attached as Exhibit C. A summary of the analysis and findings is as follows:

A. Increased Tax Base

Developer has represented to the City that it will invest over \$43 million in real property and improvements thereto in the first year of the TIF Zone, of which approximately \$29 million will be taxable. It is anticipated that over \$573 million of new retail, hotel and commercial taxable real property will be invested over the 20 year term of the TIF as a direct result of the completion of the Facility and Project Improvements. It is estimated that the tax increment could reach over \$57 million by the end of the 20 year term, based on assumptions regarding the level of participation by various taxing units set forth in Table 3 hereto and excluding participation by the Northwest Independent School District (“NISD”).

As a result of this increase in taxable real property NISD could receive an estimated \$118 million in tax revenue directly from the new developments within the TIF Zone over the 20 year period.

B. Increased Retail Business

Based on the planned land uses within the TIF Zone it is expected that approximately 125 acres will be developed as new retail business. In addition to the 200,000 square foot Facility approximately 650,000 square feet of retail uses and eight restaurants are expected to be constructed in the TIF Zone, requiring capital investments of approximately \$89 million and business personal property of over \$10 million.

It is expected that new annual retail sales will reach over \$204 million when fully developed.

C. Employment Opportunities

In addition to the jobs created during construction of the Project Improvements, it is expected that the future development of the Zone resulting from the Project Improvements will generate approximately 3,900 additional direct employment opportunities due to the increase of new retail businesses, hotels, motels, and restaurants.

D Regional Tourism

The Facility is expected to draw approximately 4.5 million tourists to the area to visit the public exhibition spaces and other cultural and recreational venues at and around the Facility as well as to shop at the Facility. This level of tourism is expected to generate an estimated 337,500 room nights for regional hoteliers providing approximately \$23.6 million in added taxable hotel room revenues annually.

A 234 room full service destination hotel is expected to be constructed within the TIF Zone, requiring capital investment of approximately \$20.9 million and business personal property of over \$1.4 million.

E. Relocation of Displaced Individuals

No persons are expected to be displaced as a result of implementation of this Plan.

EXHIBIT
C

COMPANY CONFIDENTIAL

**Proposed Lone Star TIF
Fort Worth Texas
Twenty Year Impact Analysis**

***Analysis of Economic, Employment
And Tax Impacts***

March 17 2004

Prepared for:
City of Fort Worth
1000 Throckmorton
Fort Worth Texas 76102

Prepared by:
Insight Research Corporation
9441 LBJ Freeway LB 20
Dallas TX 75243
(972) 238-8838



INSIGHT RESEARCH

March 17 2004

INSIGHT RESEARCH

Mr Tom Higgins
Director of Economic Development
City of Fort Worth
1000 Throckmorton
Fort Worth, Texas 76102

9441 LBJ Freeway
Lock Box 20
Dallas, Texas 75243

**SUBJECT Economic, Employment and Tax Revenue Impact Analysis
Proposed Lone Star Tax Increment Finance District (TIF)
Fort Worth, Texas**

Dear Mr Higgins.

Insight Research Corporation has completed an economic impact analysis which examines the impacts of a retail, entertainment and commercial development proposed for the City of Fort Worth and Tarrant County Texas. This letter transmits findings of economic, employment and tax revenue impact of these proposed facilities showing how their activities will benefit the City of Fort Worth and other local taxing jurisdictions, as well as the State of Texas

BACKGROUND AND PROJECT DESCRIPTION

The City of Fort Worth proposes to seek designation of an 800-acre mixed use TIF development in the northern portion of the city Referred to as the Lone Star TIF the development is planned to consist of retail and restaurant uses a 48-acre undisclosed anchor retail mega-store of 225 000 square feet (sf) plus a destination resort hotel and other commercial uses.

Regional Tourism. Given the visitor count generated by the Lone Star Retail Anchor's other locations, it is conservatively expected that some 4 5 million tourists will visit the Lone Star Anchor itself annually to shop and enjoy its museum quality displays This level of tourism could add an estimated 337,500 room nights for regional hoteliers providing approximately \$23 6 million in added taxable hotel room revenues annually

Lone Star Project Retail Anchor: The 48-acre Lone Star anchor retail facility features a destination draw retailer specializing in outdoor equipment, sporting goods and environmentally sensitive merchandise. This retailer expects to invest some \$43.1 million for land and building construction plus another \$12.0 million for furniture, fixtures and equipment. The Lone Star Retail Anchor would provide 450 full time equivalent positions with average wages and benefits of \$26,000 yielding a total annual payroll of \$11.7 million.

Additional Retail Uses. An additional 650,000 square feet (sf) of retail uses are expected to be constructed over a seven-year period beginning in year three, requiring capital investments for land and building construction of some \$76.7 million. Another \$7.2 million is expected to be required for furniture, fixtures and equipment. These retail uses may provide 1,300 full time equivalent positions, with average annual wages and benefits of \$23,400 and providing a total annual payroll of \$30.4 million.

Restaurant Uses: Four seated service restaurants, four fast-food restaurants and four in-line restaurants are expected to be constructed in the first six years of the development. These restaurants are expected to expend capital investments for land and building construction of \$12.4 million. Another \$3.6 million may be required for furniture, fixtures and equipment. This restaurant development can provide 102 full time equivalent positions with average annual wages of \$23,400 and a total annual payroll of \$2.4 million.

Hotel: A 234 room full service resort destination hotel is a strong potential use which could be constructed in the second year of the development, and be operational in the third year. Capital investments of \$20.9 million for land and building construction may be expected. Another \$1.4 million may be required for furniture, fixtures and equipment. The hotel may provide 117 full time equivalent positions with average annual wages of \$27,300 and a total annual payroll of \$3.2 million.

Commercial Uses. Some 5.1 million sf of commercial space will be sought for construction as the proposed TIF area builds to full development over twenty years, beginning in year four. These commercial uses may require capital investments of \$463.3 million for land and building construction. Furniture, fixtures and equipment may require an additional \$72.0 million. These uses may provide 1,920 full time equivalent positions with average annual wages of \$30,000 and a total annual payroll of \$57.6 million.

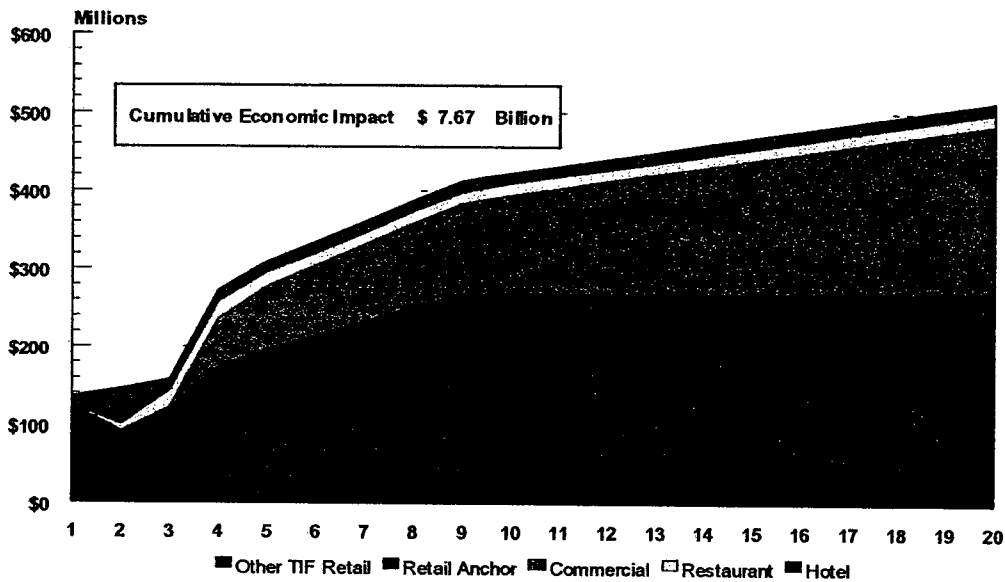
FINDINGS

Cumulative Economic Impact – Year 1 through Year 20 \$7.67 Billion

The economic impact of construction and operation of these facilities over twenty years is expected to be **\$7.67 Billion** experienced as the “ripple effect” of new money in the economy. This impact is widely experienced throughout the DFW Combined Metropolitan Statistical Area (CMSA) and driven by all areas of construction payroll, maintenance and operating activities. These impacts result from the following phases.

Cumulative Economic Impact Twenty Year Analysis

Other TIF Retail	\$2.86	Billion
Retail Anchor	\$1.78	Billion
Commercial	\$2.42	Billion
Restaurant	\$0.30	Billion
<u>Hotel</u>	<u>\$0.31</u>	<u>Billion</u>
Total	\$7.67	Billion



Employment Impacts – Year 1 through Year 20 3,889 new jobs at full development and 100,382 years of work

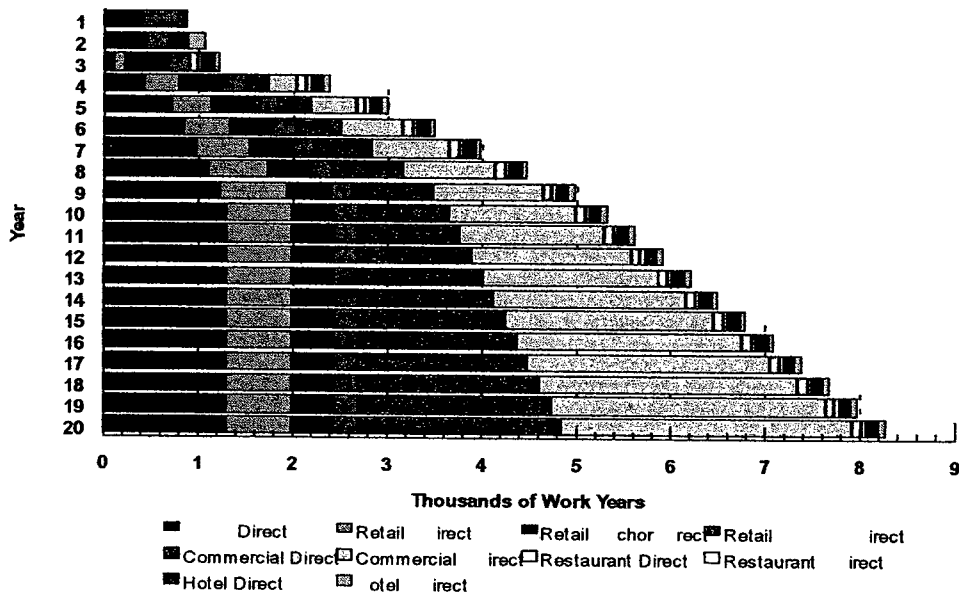
The Lone Star TIF’s development could employ as many as **3,889** persons at full development and provide **100,382** new years of work, or work years* in the regional economy over twenty years. The following employment totals are associated with each phase of use.

**One job for one year is one work year*

Annual Employment at Full Development in Year 20

	Direct Jobs	Indirect Jobs	Total Jobs
Other TIF Retail	1 300	695	1 995
Retail Anchor	450	241	691
Commercial*	2,160	3,084	5,244
Restaurant	102	46	148
Hotel	117	77	194
Total	4 129	4 144	8,273

As construction is ongoing, 240 construction jobs are included as direct.



Tax Revenue Impacts Cumulative Year 1 through Year 20 \$739.3 Million

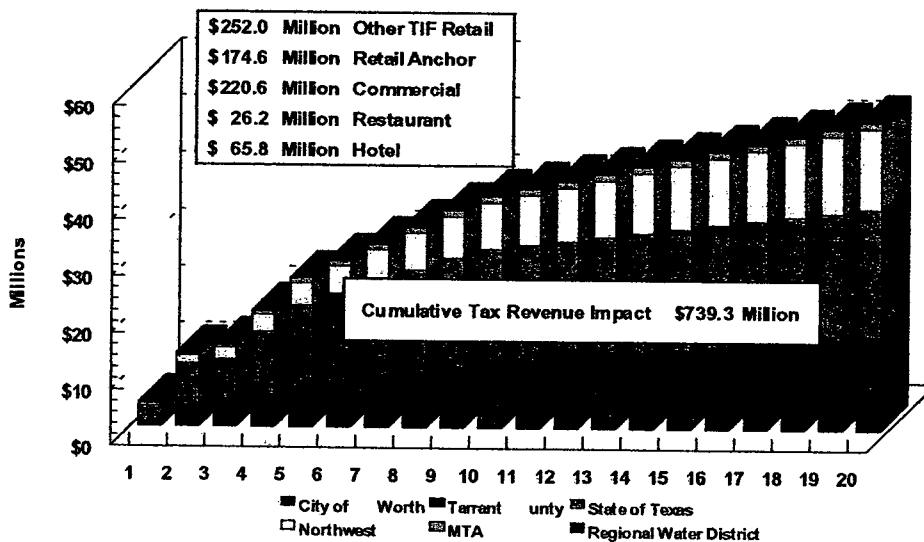
Potential tax advantages expected from the Lone Star TIF's activities over twenty years are as shown below with direct and indirect taxes as generated by the facility and staffing yielding **\$739.3 Million** in cumulative tax revenues to the following jurisdictions over twenty years

In addition, as much as \$3.5 million in hotel/motel tax receipts could also accrue to local cities and the State of Texas annually as a result of overnight stays by tourists in the region who visit this TIF's major retail attraction

**Cumulative Direct and Indirect Taxes*
Twenty Year Analysis**

	Direct	Indirect	Total Direct & Indirect Taxes
City of Ft. Worth	\$136,438,000	\$11,375,000	\$147,812,000
Tarrant County	\$41,790,000	\$23,747,000	\$65,537,000
State of Texas	\$260,211,000	\$85,410,000	\$345,621,000
Northwest I S D	\$118,461,000	\$40,389,000	\$158,849,000
MTA	\$18,794,000	\$618,000	\$19,412,000
Regional Water District	\$1,291,000	\$734,000	\$2,025,000
TOTAL	\$576,985,000	\$162,272,000	\$739,257,000

**Totals may vary due to rounding*



METHODOLOGY

Detailed assumptions used for these analyses are provided. The types of impact examined in this report are defined as follows.

1. ***Economic Impact.*** Economic impact is the benefit to the general economy of the entire Dallas/Fort Worth CMSA, shown as a multiplier and generally referred to as the 'economic ripple effect. This calculation uses U S Bureau of Economic Analysis Regional Input-Output Modeling System (RIMS II) multipliers specific to the Dallas Fort Worth Region.
2. ***Direct and Indirect Employment Impact.*** This economic impact analysis includes direct and indirect employment for both construction and operating phases. Direct employment refers to persons on the payroll of the facility while indirect employment is generated by the purchases of goods and services by the facility and its employees
3. ***Direct and Indirect Tax Revenue Impact.*** Direct tax revenue impact refers to the taxes paid by the facility itself while indirect taxes are tax benefits to the state and local jurisdictions as a result of employment and other taxable spending

LIMITATIONS OF THE ASSUMPTIONS

Total economic impact of the development extends beyond the Fort Worth area, as some purchases are made outside the region.

Employment of any part-time workers has been reduced to "full time equivalent" positions (FTE) using a standard workweek and benefits.

Models use a "constant dollar" analysis with no property value or tax increases no depreciation, or CPI increases assumed

Analysis assumes local point of sale on taxable equipment and construction materials.

Tax revenue impact does not include federal income tax on payroll or on the activities of the business, which are determined as a tax on annual net profits or book values.

No tax deferrals such as incentives or abatements are included in these calculations

Flexible econometric models are now in place which may be modified at your request as you evaluate development alternatives. Thank you for the opportunity to be of service. I look forward to our further discussions and may be reached at your convenience at (972) 238-8838

Sincerely

A handwritten signature in black ink that reads "M Elizabeth Morris". The signature is written in a cursive, flowing style.

M Elizabeth Morris
CEO / Chief Economist

**Lone Star Development
Fort Worth Texas
Impact Analysis
Assumptions**

Other TIF Retail

Existing Taxable Base Values

Land	59.69 Acres	\$313,671
------	-------------	-----------

Added Capital Investments

Land (\$4.50 psf)	59.69 Acres	\$11,700,000
Building (\$94 psf)	650,000 Square Feet	\$65,000,000
Year 3	100,000	
Year 4	225,000	
Year 5-9	65,000	

Furniture, Fixtures & Equipment		\$7,150,000
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Total		\$83,850,000
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Construction Workers		650
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Annual Operating Costs

Gross Retail Sales (\$200 psf)		\$130,000,000
Inventory		\$6,500,000
Wholesale Purchases		\$52,000,000

Annual Employment

Number of Employees as FTEs		1,300
Average Wages Including Benefits		\$23,400
Annual Payroll		\$30,420,000

Annual Purchases

Taxable Purchases		\$5,200,000
Non Taxable Purchases		\$6,500,000
Total Purchases		\$11,700,000

**Lone Star Development
Fort Worth Texas
Impact Analysis
Assumptions**

Retail Anchor

Existing Taxable Base Values

Land	48 Acres	\$252,240
------	----------	-----------

Added Capital Investments

Land (\$1 67 psf)	48 Acres	\$3,500 000
Building (\$176 psf Year 1)	225 000 Square Feet	\$39 600,000
Furniture, Fixtures & Equipment		\$12,000 000
Total		\$55 100 000

Construction Workers	396
----------------------	-----

Annual Operating Costs

Gross Retail Sales (\$300 psf)	\$67,500 000
Inventory	\$12,272,727
Wholesale Purchases	\$27 000,000

Annual Employment

Number of Employees as FTEs	450
Average Wages Including Benefits	\$26,000
Annual Payroll	\$11 700 000

Annual Purchases

Taxable Purchases	\$2,700 000
Non Taxable Purchases	\$3,375 000
Total Purchases	\$6 075 000

**Lone Star Development
Fort Worth Texas
Impact Analysis
Assumptions**

Commercial

Existing Taxable Base Values

Land	439 Acres	\$2,236 705
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Added Capital Investments

Land (\$3.25)	390 Acres	\$55,250 000
Building (\$80 psf) 300,000 sf annually from Year 4	5 100 000 Square Feet	\$408 000 000
Furniture, Fixtures & Equipment (\$15 psf)		\$72,000 000
Total		\$535,250 000

Construction Workers	4,080
----------------------	-------

Annual Operating Costs

Annual Employment

Number of Employees as FTEs	1,920
Average Wages Including Benefits	\$30 000
Annual Payroll	\$57 600 000

Annual Purchases

Taxable Purchases	\$2,160,000
Non Taxable Purchases	\$1 800 000
Total Purchases	\$3,960,000

**Lone Star Development
Fort Worth Texas
Impact Analysis
Assumptions**

Restaurant

Existing Taxable Capital Values

Land	14.3 Acres	\$75 147
------	------------	----------

Added Capital Investments

Land (Average \$9.31 psf)	14.3 Acres	\$5,800 000
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Seated Service 2.5 Ac. each, \$7 psf

Fast Food 1 Ac each \$16 psf

Building	51 000 Square Feet	\$6,580,000
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4 Seated Service (Years 2,3 4,5) 28 000

4 Fast Food (Years 2 4) 16 000

4 In-Line (Years 3 & 4) 7 000

Furniture, Fixtures & Equipment		\$3 635 000
---------------------------------	--	-------------

Total		\$16,015 000
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Construction Workers		66
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Annual Operating Costs

Gross Retail Sales		\$7 451 000
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Seated Service \$400 psf

Fast Food \$375 psf

In- Line \$200 psf

Wholesale Purchases		\$2,980 400
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Annual Employment

Number of Employees as FTEs		102
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Average Wages Including Benefits		\$23 400
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Annual Payroll		\$2,386,800
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Annual Purchases

Taxable Purchases		\$867 000
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Non Taxable Purchases		\$1,071,000
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Total Purchases		\$1,938 000
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Lone Star Development Fort Worth Texas Impact Analysis Assumptions

Hotel

Existing Taxable Capital Values

Land	20 00 Acres	\$101,900
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Added Capital Investments

Land (\$6.50 psf)	20 00 Acres	\$5 662,800
Building (\$65 000 per room)	234 Rooms	\$15,210 000
Furniture, Fixtures & Equipment (\$6 000 per room)		\$1 404 000
Total		\$22,276,800

Construction Workers		152
----------------------	--	-----

Annual Operating Costs

Gross Retail Sales (10K sf \$200 psf Sales)		\$2,000 000
Inventory		\$100 000
Wholesale Purchases		\$800 000
 Hotel Room Revenue (\$195 per night, 85% occupancy)		 \$14 156 708

Annual Employment

Number of Employees as FTEs		117
Average Wages Including Benefits		\$27 300
Annual Payroll		\$3 194 100

Annual Purchases

Taxable Purchases		\$1,212,537
Non Taxable Purchases		\$1,515 671
 Total Purchases		 \$2,728,207

Additional Tourism Impact

Estimate of Annual Visitors to Anchor	4,500 000	
Overnight Stays	15%	
Added Hotel Nights at \$70 per night	675 000	
Added Regional Hotel Room Revenue	\$47,250 000	

Lone Star Development Fort Worth Texas Impact Analysis Assumptions

Employee Residence Assumptions

State of Texas	100%
Tarrant County	50%
City of Ft. Worth	15%
Northwest I S D	30%
MTA	15%
Regional Water District	50%

Tax Assumptions

Property Taxes (per \$100 of Value)	Residential	Business Real Estate	Business Personal Property
Tarrant County	\$0.64728	\$0 64728	\$0 64728
City of Ft. Worth	\$0.86500	\$0.86500	\$0.86500
Northwest I S D	\$1 83481	\$1.83481	\$1.83481
Regional Water District	<u>\$0.02000</u>	<u>\$0.02000</u>	<u>\$0.02000</u>
Total	\$3.36709	\$3.36709	\$3.36709

Sales Taxes

State of Texas	6.25%
City of Ft. Worth	1.50%
MTA	<u>0.50%</u>
Total	8.25%

Hotel Taxes

State of Texas	6.0%
City of Ft. Worth	<u>9.0%</u>
Total	15 0%

Note: 2% of the City Hotel Room Tax is designated for the Convention & Visitors Bureau.

Assessed valuation is based on 100% of market value

Source. Ft. Worth Convention & Visitors Bureau, Sharon, 1-817 336-8791

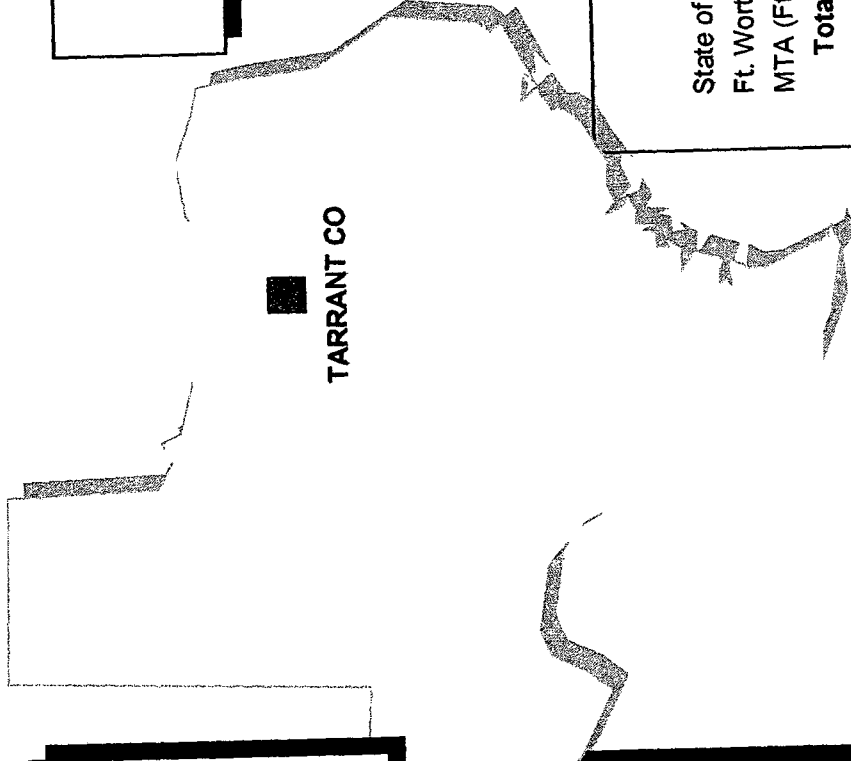
Source. Texas Comptroller's Office, Sales Tax Dept, Ms Garcia, 1-800-252-5555

Source. City of Ft Worth, Rev Office, Treasury Div Finance Dept., Linda Brown, 817-871-6030

Source. Northwest I S D, Angela, 817-490-6473

Source Tarrant County Appraisal District website, www.tad.org

Fort Worth, Texas Applicable Tax Rates



Hotel Room Tax Rates

State of Texas	6%
City of Ft. Worth*	9%
Total	15%

*2% of the City Hotel Room Tax is Designated for the Convention & Visitors Bureau.

Property Tax Rate

Per \$100 of Assessed Valuation	
at 100% of Market Value	
City of Ft Worth	\$0 865000
Tarrant County	\$0 647277
Northwest ISD	\$1 834810
Tarrant Reg. Water Dist.	\$ <u>020000</u>
Total	\$3.367087

Income Tax Rate

No Corporate or Personal
Income Tax

Sales Tax Rates

State of Texas Sales Tax	6.25%
Ft. Worth Sales Tax	1 50%
MTA (Ft. Worth Transit)	<u>0.50%</u>
Total	8.25%

IV DESCRIPTION OF PROJECT IMPROVEMENTS

IV DESCRIPTION OF PROJECT IMPROVEMENTS AND COSTS

A. Improvements

Water and Sewer Improvements Water improvements include extension of the 16" water main from it's termination on the south side of the Facility site to Lone Star Road, and the construction of a 12" water line 'loop' along Lone Star Road from SH 170 to IH 35W. Sewer improvements include the relocation of a portion of the existing 12" line which conflicts with the building and drainage improvements required for site development.

Lone Star Road – Construction of a six (6) lane divided roadway from SH 170 to IH 35W including a drainage structure on the north side of the site to convey storm water from the lake to the channel north of the site.

Lake and Stream – Includes (from south to north), placing a storm drainage system under the parking area from SH 170 to the onsite channel, improvements to the onsite channel from the end of the box structure to the entry road, a con-span culvert underneath the entry road, excavation and reconfiguration of the lake; construction of a new dam structure for the lake; approximately four (4) acres of mitigation in the buffer zone around the lake; construction of a drainage channel from the north side of the Facility site to the confluence with the existing drainage channel (approximately 1800 ft. north of the site); mitigation in the buffer zone along the on and offsite channel lake and additional required mitigation located in Buffalo Creek north of Westport Parkway (also known as Keller Haslet Road) to compensate for wetlands and waters of the United States being disturbed by construction.

Gas – Includes the extension of a gas service line from Westport Parkway south along the IH 35W frontage to and around the project site.

Public Exhibition or Museum Space and Related Common Areas – Includes aquarium, wildlife museum, taxidermy and other displays, educational murals and statue as well as land costs, site development costs, site work, paving of streets/roads and public parking lots, engineering/architectural costs, hard and soft construction costs, furniture, fixtures and signage, all as more specifically set forth in Table 1 hereto

B. Project Costs

A list of the estimated project costs of the Zone, including administrative expenses and nonproject costs, is attached hereto as Table 1

C. Timetable of Project Costs

The Project Improvements are scheduled to be completed by May 1 2005

V TAX INCREMENT PROJECTIONS (FINANCING PLAN)

V TAX INCREMENT PROJECTIONS (FINANCING PLAN)

A. **Bonded Indebtedness**

As stated in Section I of this Plan, it is anticipated that the City or the City NPC will issue bonds secured, in whole or in part, by the Zone Tax Increment in order to pay for the Project Improvements. Bonds will be issued in an original principal amount determined by Cabela's and the City or the City NPC based on a reasonable projection of cash flow available in the TIF Zone to service the bonds. Cabela's will purchase the Bonds in installments as needed so that the TIF Zone may pay for Project Improvements or reimburse Cabela's for advance financing of Project Improvements. Any Bonds will be issued, to the extent permitted under Federal tax law as tax-exempt obligations described under section 103 of the Internal Revenue Code of 1986 as amended (the "IRC"), and otherwise as obligations not described in said section 103 of the IRC. It is anticipated that NISD will not participate in the TIF Zone or contribute increment to the TIF Zone. Other taxing units with taxing authority on real property located within the TIF Zone may make contributions to the Zone Tax Increment. Cabela's will initially purchase and hold any Bonds for its own account, but it may sell the Bonds in accordance with any reasonable restrictions set forth in the Master Development Agreement and the financing documents approved by the City or City NPC in connection with the sale of the Bonds. It is estimated that bonded indebtedness to be incurred will not exceed \$32,000,000.

B. **Projections of Revenue**

This section outlines the estimated Zone Tax Increment. The Zone Tax Increment will depend on many factors, including (a) the taxable appraised value of real property in the TIF Zone for the 2004 tax year; (b) increases in the taxable appraised value of real property in the TIF Zone in subsequent tax years (which largely depends on new development occurring within the TIF Zone); (c) the degree of participation in the TIF Zone by the various taxing units; (d) tax rates; (e) collection rates; and (f) the term of the Zone. Each of these factors is discussed in turn.

1. Base Value. Table 2 sets forth the estimated total base value for the TIF Zone, which is the taxable appraised value of all real property located in the TIF Zone (estimated to be \$11,401,194 based on 2003 appraisals).

2. Expected Annual Growth of the Zone's Taxable Real Property. The estimated captured appraised value (thus reflecting estimated growth of real property taxable values) of the TIF Zone for each year of its existence and the estimated tax increment to be generated annually in total and from each taxing unit is outlined on Table 3.

3. Participation by Tax Units. The financial projections set forth in this Plan assume that the City will participate in the Zone contributing its tax increment generated from the Facility and from all other property developed in the Zone (100% 15 yrs and 90% 5 yrs).

The Plan further assumes that taxing units other than the City will participate in the Zone contributing their tax increment generated from the Facility and from all other property

developed in the Zone at the following levels. Tarrant County and Hospital District (80% 5yrs, 70% 5yrs and 50% 10yrs) College District (50% 20yrs), and Water District (60% 20yrs)

4 Projected Tax Rates. Property tax rates are assumed to remain constant.

5 Projected Collection Rates. This Plan assumes a 100 percent collection rate.

6 Term of the Zone. The term of the Zone will be 20 years, expiring on June 30 2025 (meaning that the last tax year that will generate tax increment for the TIF Zone will be the 2024 tax year)

C. Estimated Payment of Project Costs

Based on the assumptions and estimates set forth in Paragraph B above, it is expected that the Zone Tax Increment will be sufficient to pay approximately 100% of all Project Improvement costs (plus interest).

VI. TABLES

Table 1
Tax Increment Reinvestment Zone #10
City of Fort Worth, Texas (Lone Star TIF)
Estimated Project Costs

Land Cost:		
Wet Pond/Site Detention	\$ 419,439	
Cabela's Site Public Purpose	\$ 1,080,329	
	\$ 1,499,768	
Off-Site Development Cost:		
Highway Improvements		
-Curb Cuts & Turning Lanes	\$ 500,000	
Streets/Roads Cabela's Dr	\$ 2,125,000	
Water Line 16"	\$ 72,000	
Water Line 12"	\$ 162,500	
Engineering Cost	\$ 200,000	
	\$ 3,059,500	
Site Development Cost:		
Environmental		
-Pond & Stream Relocate/Mitigate	\$ 950,000	
-Landscape/Hardscape Lake & Stream	\$ 1,400,000	
Demolition	\$ 80,000	
Earthwork/Grading	\$ 500,000	
Stormwater Management	\$ 80,000	
Cabela's Parkway	\$ 240,000	
Sewer Relocate	\$ 150,000	
Engineering Cost	\$ 152,000	
	\$ 3,552,000	
Sitework:		
Grading	\$ 200,000	
Paving Internal Streets/Roads		
Parking Lots Cars	\$ 3,000,000	
Parking Lots RV/Trucks	\$ 420,000	
Landscaping	\$ 800,000	
Electrical	\$ 550,000	
Site Utilities	\$ 800,000	
Drainage Stream Structure	\$ 198,000	
	\$ 5,968,000	
Building		
Museum/Display Space	\$ 8,492,227	
(Museum, Mountain, Aquarium, Diorama)		
Public Area	\$ 960,000	
(Confer Rms, Restrooms, Public Support Space)		
Retail Space		
Warehouse		
	\$ 9,452,227	
Special Features.		\$ 2,000,000
Statue, Taxidermy Mural		
Soft Costs.		\$ 448,942
Arch/Engineering Cost, Cabela's Administration		
Finance & Legal:		\$ 200,000
Additional Public Infrastructure Projects.		\$ 5,000,000
Interest Expense:		\$ 26,052,472
Total Estimated TIF Projects		\$ 57,232,909

Table 2

LONE STAR TIF
2003 TAX SUMMARY

Commercial Property

Account	Abs	Survey	Tract	Ref	# of Acres	Total Appraised Value	Taxed Land Value	Taxed Improve. Value	Total Taxed Value	Tarrant County	City of Fort Worth	NWISD I.S.D.	Total Taxes
2	05239680	A-386	H Cox	1	85,3610	855,215	6,146	0	6,146	0.664280	53.16	112.77	206.76
	07541414	A-386	H Cox	1E	1,5600	339,768	339,768	0	339,768	2,257.01	2,938.99	6,234.10	11,430.10
4	04059891	A-1106	J McDonald	1	46,0000	474,533	3,366	0	3,366	22.35	29.12	61.76	113.23 (2)
5	04068335	A-1143	MEP & P RRR	1, 1A1	3,0000	30,000	216	0	216	1.43	1.87	3.96	7.26
6	06137636	A-1143	MEP & P RRR	1B	15,1740	152,025	1,093	0	1,093	7.26	9.45	20.05	36.76
7	04103424	A-1251	G W Parker	1	18,0000	182,414	1,294	0	1,294	8.60	11.19	23.74	43.53 (2)
8	04265335	A-1682	T T Willis	2	53,3280	541,279	3,840	0	3,840	25.50	33.22	70.46	129.18
10	04295110	A-1797	T Logan	1	18,5230	185,229	1,334	0	1,334	8.86	11.54	24.48	44.88
11	05953790	A-1797	T Logan	1A	13,0000	130,000	936	0	936	6.22	8.10	17.17	31.49
	04295129	A-1798	T Logan	1A	0,4800	4,800	55	0	55	0.37	0.48	1.01	1.86
12	04302427	A-1868	S P Rhodes	1	8,6800	86,800	625	0	625	4.15	5.41	11.47	21.03
13	06137679	A-1868	S P Rhodes	1B; 1A1	0,4480	4,480	51	0	51	0.34	0.44	0.94	1.72
15	07846118	A-1143	MEP & P RRR	1E; 1A1	79,2330	1,584,660	9,033	0	9,033	60.00	78.14	165.74	303.88
16	04265327	A-1682	T T Willis	1; 1A1	56,5010	1,130,020	6,441	0	6,441	42.79	55.71	118.18	216.68
17	07846096	A-1868	S P Rhodes	1B; 1A1A	5,4600	109,200	622	0	622	4.13	5.38	11.41	20.92
20	04265955	A-1687	A C Warren	1	4,6535	222,977	1,061	0	1,061	7.05	9.18	19.47	35.70
24	05949289	1160	Neece, J	1	49,2455	2,190,321	11,228	122,010	133,238	885.08	1,152.51	2,444.66	4,482.25
25	07269501	1160	Neece, J	1D	4,2210	88,256	481	0	481	3.20	4.16	8.83	16.19
26	04071441	1160	Neece, J	1A	16,4400	343,740	1,874	0	1,874	12.45	16.21	34.38	63.04
27	07057105	1160	Neece, J	1A1	5,4100	117,830	617	0	617	4.09	5.34	11.32	20.75
28	07057091	1160	Neece, J	1C	16,7190	702,198	3,812	0	3,812	25.32	32.97	69.94	128.23
30	07120826	A-1687	A C Warren	1D1	2,5000	3,350,045	871,200	2,478,845	3,350,045	22,253.67	28,977.89	61,466.96	112,698.52
31	07059817	30293H	Northport Addn k 17, Lot 1 Kalfw	All Hotel II	2,3380	2,600,000	814,744	1,785,256	2,600,000	17,271.28	22,490.00	47,705.06	87,466.34
49	04496418	A-746	Waller Houston	1	23,0000	483,953	1,943	0	1,943	12.91	16.81	35.65	65.37 (2)
2003 Totals										43,486	56,637	120,137	220,261
Commercial Property Average Land Value Per Acre										\$220,261.24			\$220,261.24

Retail Property

Account	Abs	Survey	Tract	Ref	# of Acres	Total Appraised Value	Taxed Land Value	Taxed Improve. Value	Total Taxed Value	Tarrant County	City of Fort Worth	NWISD I.S.D.	Total Taxes
1	06416071	A-386	H Cox	1A1	2,1160	21,160	152	0	152	1.00	1.31	2.79	5.10
3	07883729	414P	AG West Addn k 1, Lot 2	SSA	19,3070	4,102,068	2,523,039	1,579,029	4,102,068	27,249.22	35,482.89	75,265.15	137,997.26
9	04293223	A-1776	J Ashford	3; 3A2	0,4800	83,480	4,809	78,671	83,480	554.54	722.10	1,531.70	2,808.34
	05953200	A-1776	J Ashford	3; 3A2	104,7980	1,049,950	7,545	0	7,545	50.12	65.26	138.44	253.82
18	06234038	A-1921	T Walden	1A1	31,4120	383,126	2,262	0	2,262	15.02	19.57	41.50	76.09
19	07051824	A-1687	A C Warren	1D	3,886	658,009	592,459	65,550	658,009	4,371.01	5,691.78	12,073.21	22,136.00
2003 Totals										32,240.91	41,982.91	89,052.79	163,276.61
Retail Property Average Land Value Per Acre										\$163,276.61			\$163,276.61

2003 Lone Star TIF Totals

891	\$22,287,323	\$5,263,955	\$6,147,239	\$1,401,194	\$75,727.27	\$98,620.34	\$209,190.24	\$383,537.85
Lone Star TIF Land Value Per Acre		\$23,348	\$7,600					

NOTES:
(1) 2003 Tax Rates
(2) These tracts are part of a larger ownership tract with multiple zoning parcels. Approximate acreages for commercial/retail uses are used.

TABLE 3

LONE STAR TIF INCREMENT PROJECTION
EXCLUDING CABELA'S RETAIL FACILITY REAL PROPERTY

Development Year	Appraised Value of Improvements	Total T Increment Generated	T Increment City	T Increment County	T Increment Hospital	T Increment College Dist.	T Increment Water Dist.	TIF PARTICIPATIONS			
								Percentage of City's Participation	Percentage of County and HD Participation	Percentage of College Participation	Percentage of Water District Participation
1	\$	\$	\$	\$	\$	\$	\$	100.0%	80.0%	50.0%	60.0%
2	\$ 8,657,550	\$ 116,930	\$ 74,888	\$ 18,873	\$ 16,096	\$ 6,033	\$ 1,039	100.0%	80.0%	50.0%	60.0%
3	\$ 41,375,706	\$ 558,824	\$ 357,900	\$ 90,199	\$ 76,926	\$ 28,835	\$ 4,965	100.0%	80.0%	50.0%	60.0%
4	\$ 74,421,043	\$ 1,005,138	\$ 643,742	\$ 162,238	\$ 138,364	\$ 51,864	\$ 8,931	100.0%	80.0%	50.0%	60.0%
5	\$ 107,796,833	\$ 1,401,488	\$ 932,443	\$ 205,622	\$ 175,364	\$ 75,124	\$ 12,936	100.0%	70.0%	50.0%	60.0%
6	\$ 141,506,382	\$ 1,839,753	\$ 1,224,030	\$ 289,923	\$ 230,203	\$ 98,616	\$ 16,981	100.0%	70.0%	50.0%	60.0%
7	\$ 175,553,026	\$ 2,282,400	\$ 1,518,534	\$ 334,867	\$ 285,590	\$ 122,343	\$ 21,066	100.0%	70.0%	50.0%	60.0%
8	\$ 209,940,136	\$ 2,729,474	\$ 1,815,982	\$ 400,461	\$ 341,531	\$ 146,307	\$ 25,193	100.0%	70.0%	50.0%	60.0%
9	\$ 236,013,567	\$ 3,068,460	\$ 2,041,517	\$ 450,196	\$ 383,947	\$ 164,478	\$ 28,322	100.0%	70.0%	50.0%	60.0%
10	\$ 263,527,801	\$ 3,160,067	\$ 2,279,515	\$ 359,057	\$ 306,219	\$ 183,653	\$ 31,623	100.0%	50.0%	50.0%	60.0%
11	\$ 291,454,748	\$ 3,494,950	\$ 2,521,084	\$ 397,107	\$ 338,670	\$ 203,115	\$ 34,975	100.0%	50.0%	50.0%	60.0%
12	\$ 319,800,599	\$ 3,834,857	\$ 2,766,275	\$ 435,728	\$ 371,608	\$ 222,869	\$ 38,376	100.0%	50.0%	50.0%	60.0%
13	\$ 348,571,638	\$ 4,179,882	\$ 3,015,145	\$ 474,929	\$ 405,040	\$ 242,920	\$ 41,829	100.0%	50.0%	50.0%	60.0%
14	\$ 377,774,243	\$ 4,530,042	\$ 3,267,747	\$ 514,717	\$ 438,974	\$ 263,271	\$ 45,333	100.0%	50.0%	50.0%	60.0%
15	\$ 407,414,887	\$ 4,833,061	\$ 3,171,725	\$ 555,103	\$ 473,416	\$ 283,927	\$ 48,890	90.0%	50.0%	50.0%	60.0%
16	\$ 437,500,140	\$ 4,867,802	\$ 3,405,939	\$ 596,094	\$ 508,375	\$ 304,894	\$ 52,500	90.0%	50.0%	50.0%	60.0%
17	\$ 468,036,672	\$ 5,207,563	\$ 3,643,665	\$ 637,700	\$ 543,859	\$ 326,175	\$ 56,164	90.0%	50.0%	50.0%	60.0%
18	\$ 499,031,252	\$ 5,552,421	\$ 3,884,958	\$ 679,930	\$ 579,874	\$ 347,775	\$ 59,884	90.0%	50.0%	50.0%	60.0%
19	\$ 530,490,751	\$ 5,902,452	\$ 4,129,870	\$ 722,794	\$ 616,430	\$ 369,699	\$ 63,659	90.0%	50.0%	50.0%	60.0%
20	\$	\$	\$	\$	\$	\$	\$	90.0%	50.0%	50.0%	60.0%
Total:	\$	\$ 58,265,544	\$ 40,694,960	\$ 7,305,539	\$ 6,230,485	\$ 3,441,896	\$ 592,664	\$	\$	\$	\$

CABELA'S IS REQUIRING A 1.45X COVERAGE FACTOR ON THESE REVENUES.

TABLE 3

LONE STAR TIF INCREMENT PROJECTION
 CABELA'S RETAIL FACILITY ONLY REAL PROPERTY

Development Year	Appraised Value of Improvements	Total T Increment Generated	T Increment City	T Increment County	T Increment Hospital	T Increment College Dist.	T Increment Water Dist.	TIF PARTICIPATIONS			
								Percentage of City's Participation	Percentage of County and HD Participation	Percentage of College Participation	Percentage of Water District Participation
1	\$29,390,967	\$396,957	\$254,232	\$64,072	\$54,644	\$20,483	\$3,527	100.0%	80.0%	50.0%	60.0%
2	\$29,390,967	\$396,957	\$254,232	\$64,072	\$54,644	\$20,483	\$3,527	100.0%	80.0%	50.0%	60.0%
3	\$29,684,877	\$400,927	\$256,774	\$64,713	\$55,190	\$20,688	\$3,562	100.0%	80.0%	50.0%	60.0%
4	\$29,981,725	\$404,937	\$259,342	\$65,360	\$55,742	\$20,895	\$3,598	100.0%	80.0%	50.0%	60.0%
5	\$30,281,543	\$408,984	\$261,935	\$66,014	\$56,299	\$21,103	\$3,634	100.0%	80.0%	50.0%	60.0%
6	\$30,584,358	\$397,833	\$264,555	\$66,339	\$49,755	\$21,314	\$3,670	100.0%	70.0%	50.0%	60.0%
7	\$30,890,202	\$401,610	\$267,200	\$68,923	\$50,252	\$21,528	\$3,707	100.0%	70.0%	50.0%	60.0%
8	\$31,199,104	\$405,626	\$269,872	\$69,513	\$50,755	\$21,743	\$3,744	100.0%	70.0%	50.0%	60.0%
9	\$31,511,095	\$409,682	\$272,571	\$60,108	\$51,262	\$21,960	\$3,781	100.0%	70.0%	50.0%	60.0%
10	\$31,826,206	\$413,779	\$275,297	\$60,708	\$51,775	\$22,180	\$3,819	100.0%	70.0%	50.0%	60.0%
11	\$32,303,599	\$387,366	\$279,426	\$44,014	\$37,537	\$22,513	\$3,877	100.0%	50.0%	50.0%	60.0%
12	\$32,788,153	\$393,177	\$283,618	\$44,674	\$38,100	\$22,850	\$3,935	100.0%	50.0%	50.0%	60.0%
13	\$33,279,975	\$399,074	\$287,872	\$45,344	\$38,672	\$23,193	\$3,994	100.0%	50.0%	50.0%	60.0%
14	\$33,779,175	\$405,060	\$292,190	\$46,024	\$39,252	\$23,541	\$4,054	100.0%	50.0%	50.0%	60.0%
15	\$34,285,862	\$411,136	\$296,573	\$46,715	\$39,840	\$23,894	\$4,114	100.0%	50.0%	50.0%	60.0%
16	\$34,800,150	\$387,200	\$270,919	\$47,415	\$40,438	\$24,252	\$4,176	90.0%	50.0%	50.0%	60.0%
17	\$35,322,152	\$393,009	\$274,983	\$48,127	\$41,045	\$24,616	\$4,238	90.0%	50.0%	50.0%	60.0%
18	\$35,851,985	\$398,904	\$279,108	\$48,849	\$41,660	\$24,985	\$4,302	90.0%	50.0%	50.0%	60.0%
19	\$36,389,765	\$404,887	\$283,294	\$49,581	\$42,285	\$25,360	\$4,367	90.0%	50.0%	50.0%	60.0%
20	\$36,935,611	\$410,960	\$287,544	\$50,325	\$42,919	\$25,741	\$4,432	90.0%	50.0%	50.0%	60.0%
Total:		\$8,027,863	\$5,471,537	\$1,092,887	\$932,066	\$453,317	\$78,056				

RESOLUTION AUTHORIZING THE ISSUANCE OF LONE STAR LOCAL GOVERNMENT CORPORATION TAX INCREMENT CONTRACT REVENUE BONDS, SERIES 2004 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30 MILLION APPROVING AN INDENTURE OF TRUST AND OTHER CONTRACT DOCUMENTS RELATING TO THE BONDS AND CONTAINING OTHER PROVISIONS RELATED THERETO

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LONE STAR LOCAL GOVERNMENT CORPORATION

ARTICLE I

RECITALS

WHEREAS by Ordinance No 16002, adopted on June 15 2004 (the 'Creation Ordinance ') the City of Fort Worth, Texas (the 'City") created a tax increment reinvestment zone known as 'Reinvestment Zone Number Ten, City of Fort Worth, Texas" ("TIRZ Ten') pursuant to the provisions of Chapter 311 Texas Tax Code, and approved a preliminary reinvestment zone financing plan for TIRZ Ten, and

WHEREAS by Resolution No 3093 adopted on June 15 2004 the City authorized the creation of the Lone Star Local Government Corporation (the 'Corporation ') to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions with respect to the common good and general welfare of the City as described in the Creation Ordinance, and

WHEREAS on _____ 2004 the City is expected to approve that certain Agreement by and among the City TIRZ Ten, and the Corporation dated as of September 1 2004 (the 'Tri-Party Agreement"), pursuant to which the Corporation was delegated the power and authority to assist in achieving the economic development objectives of the City within TIRZ Ten, including, but not limited to the power to issue, sell or deliver its bonds, notes or other obligations in accordance with the terms of the Tri-Party Agreement, and

WHEREAS the City is not located in a county with a population of 2.1 million or more residents, and

WHEREAS, as permitted by Chapter 431 Texas Transportation Code, as amended, the Corporation desires to issue Bonds upon the terms and conditions and for the purposes herein provided.

ARTICLE II

DEFINITIONS AND INTERPRETATIONS

Section 2.1 Definitions. In this Resolution, the following terms shall have the following meanings, unless the context clearly indicates otherwise. Terms not defined herein shall have the meanings assigned to such terms in the Indenture

The term "Audit" shall mean the audited annual financial statements of the Corporation prepared by an independent auditor

The term "Authorized Denominations" shall mean \$100,000 or any integral multiple of \$5,000 in excess of \$100,000

The term "Authorized Representative" shall mean the President or any Vice President of the Corporation, or any other person designated by the Board of Directors of the Corporation to act in such capacity

The term "Bond Purchaser" shall mean Cabela's Incorporated, a Delaware corporation.

The term "Comptroller" shall mean the Comptroller of Public Accounts of the State of Texas.

The term "Designated Trust Office" shall mean the designated corporate trust office of the Registrar which, as of the date of adoption of this Resolution, is located in Minneapolis, Minnesota.

The term "Indenture" shall mean the Indenture of Trust dated as of September 1, 2004 between the Corporation and Wells Fargo Bank, National Association, and its successors in that capacity

The term "Issuance Date" shall mean the date on which the Series 2004 Bonds are authenticated by the Registrar and delivered to and paid for by the Bond Purchaser

The term "MSRB" shall mean the Municipal Securities Rulemaking Board.

The term "NRMSIR" shall mean each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

The term "Qualified Institutional Buyer" shall mean a "Qualified Institutional Buyer" as such term is defined in Rule 144A promulgated under the Securities Act.

The term "Paying Agent" shall mean the Registrar

The term "Project" shall mean the improvements described in the Project and Financing Plan to be financed with the proceeds of the Series 2004 Bonds.

The term 'Purchase Contract' shall mean the Purchase Agreement between the Corporation and the Bond Purchaser executed under authority of this Resolution.

The term 'Record Date' shall mean, for any Interest Payment Date, the last Business Day of the month next preceding each Interest Payment Date

The term 'Registrar' shall mean Wells Fargo Bank, National Association, and its successors in that capacity

The term 'Resolution' or 'Bond Resolution' shall mean this resolution, and all amendments hereof and supplements hereto

The term 'Rule' shall mean SEC Rule 15c2-12, as amended from time to time.

The term 'SEC' shall mean the United States Securities and Exchange Commission.

The term 'Securities Act' shall mean the federal Securities Act of 1933 as amended.

The term 'Series 2004 Bonds' or 'Bonds' shall mean the Corporation's Tax Increment Contract Revenue Bonds, Series 2004 authorized by this Resolution.

The term 'SID' shall mean any person designated by the State of Texas or an authorized department, officer or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

Section 2.2 Interpretations. All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. Any references in this Resolution to the 'FORM OF BOND' shall be to the form of the Bonds as set forth in Exhibit A to this Resolution. This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Parity Bonds and the validity of the lien on and pledge of the Pledged Revenues to secure the payment of the Parity Bonds.

ARTICLE III

TERMS OF THE BONDS

Section 3.1 Maximum Amount, Purpose, Authorization. The Series 2004 Bonds shall be issued in fully registered form, without coupons, in the aggregate principal amount not to exceed \$30,000,000 for the purpose of (1) paying Project Costs, and (2) paying Costs of Issuance, all under and pursuant to the authority of the Act and all other applicable law

Section 3.2 Sale of the Series 2004 Bonds. The Authorized Representative is hereby authorized to act for and on behalf of the Corporation in connection with the issuance and sale of the Series 2004 Bonds. In that capacity the Authorized Representative, acting for and on behalf of the Corporation, shall determine the date for issuance and sale of the Series 2004 Bonds and shall approve, execute and deliver a Purchase Contract with the Bond Purchaser. Interest on the Series 2004 Bonds shall be payable on each July 1 and January 1 (the "Interest Payment Dates") commencing July 1 2005 until maturity or prior redemption, at the rate of 4.75% per annum. Should a "Determination of Taxability" (as defined in the Indenture) occur the interest rate on the Bonds shall increase to 7.00% per annum, commencing on the effective date of the Determination of Taxability. The Series 2004 Bonds shall bear interest at the fixed rate or rates per annum calculated on the basis of a 360-day year of twelve 30-day months. The aggregate principal amount of the Series 2004 Bonds sold to the Bond Purchaser under the terms of this Resolution shall not exceed the amount set forth in Section 3.1 hereof. The Series 2004 Bonds shall be dated as of the date designated by the Authorized Representative, shall bear interest from the Issuance Date, shall mature on July 1 2024 and shall be subject to special mandatory redemption on July 1 in each year commencing 2006 (the "Principal Installment Payment Dates") to the extent Pledged Revenues are available for such purpose and are deposited to the credit of the Debt Service Fund, as provided in the FORM OF BOND. The Bonds may contain redemption features and other matters relating to the payment of the Bonds, as provided in the FORM OF BOND. Any Authorized Representative is hereby authorized to execute the Purchase Contract in substantially the form attached hereto. Series 2004 Bonds may be delivered in installments from time to time to the extent so provided in a Purchase Contract.

Section 3.3 Execution of Series 2004 Bonds. The Series 2004 Bonds shall be signed on behalf of the Corporation by an Authorized Representative and countersigned by the Secretary or Assistant Secretary by their manual, lithographed, or facsimile signatures. Such facsimile signatures on the Series 2004 Bonds shall have the same effect as if each of the Series 2004 Bonds had been signed manually and in person by each of said officers. If any officer of the Corporation whose manual or facsimile signature shall appear on the Series 2004 Bonds shall cease to be such officer before the authentication of such Series 2004 Bonds or before the delivery of such Series 2004 Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

Section 3.4 Approval By Attorney General, Registration by Comptroller. The Series 2004 Bonds to be initially issued shall be delivered to the Attorney General of Texas for examination and approval and shall be registered by the Comptroller. The manually executed registration certificate of the Comptroller substantially in the form provided in Exhibit A to this Resolution shall be affixed or attached to the Series 2004 Bonds to be initially issued and delivered to the Bond Purchaser.

Section 3.5 Authentication. Except for the Series 2004 Bonds to be initially issued, which need not be authenticated by an authorized representative of the Registrar, only such Series 2004 Bonds as shall bear thereon a certificate of authentication substantially in the form provided in Exhibit A to this Resolution, manually executed by an authorized representative of the Registrar shall be

entitled to the benefits of this Resolution or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Series 2004 Bond so authenticated was delivered by the Registrar hereunder

The Registrar when it authenticates a Series 2004 Bond, shall cause the Issuance Date to be stamped, typed or imprinted on such Series 2004 Bond. Series 2004 Bonds issued on transfer of or in exchange for other Series 2004 Bonds shall bear the same Issuance Date as the Series 2004 Bond or Series 2004 Bonds presented for transfer or exchange.

Section 3 6 Payment of Principal and Interest. The Registrar is hereby appointed as the registrar and paying agent for the Series 2004 Bonds. The principal of the Series 2004 Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption, at the Designated Trust Office. The interest on each Series 2004 Bond shall be payable by check payable on the Interest Payment Date, mailed by the Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register or by such other method acceptable to the Registrar requested by and at the risk and expense of the Owner

If the date for the payment of principal or interest on any Series 2004 Bond is not a Business Day then the date for such payment shall be the next succeeding Business Day and payment on such date shall have the same force and effect as if made on the original date such payment was due.

Section 3 7 Successor Registrars. The Corporation covenants that at all times while any Series 2004 Bonds are Outstanding it will provide a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to act as Registrar for the Series 2004 Bonds. The Corporation reserves the right to change the Registrar for the Series 2004 Bonds on not less than sixty (60) days written notice to the Registrar so long as any such notice is effective not less than sixty (60) days prior to the next succeeding Principal Installment Payment Date or Interest Payment Date on the Series 2004 Bonds. Promptly upon the appointment of any successor Registrar the previous Registrar shall deliver the Register or a copy thereof to the new Registrar and the new Registrar shall notify each Owner by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder by acting in that capacity shall be deemed to have agreed to the provisions of this Section.

Section 3 8 Special Record Date. If interest on any Series 2004 Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter the Registrar shall establish a new record date for the payment of such interest, to be known as a 'Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Corporation. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class postage prepaid, not later than five (5) days prior to the Special Record Date, to each Owner of record of an affected Series 2004 Bond as of the close of business on the day prior to the mailing of such notice.

Section 3 9 Ownership, Unclaimed Principal and Interest. Subject to the further provisions of this Section, the Corporation, the Registrar and any other person may treat the person in whose name any Series 2004 Bond is registered as the absolute Owner of such Series 2004 Bond for the purpose of making and receiving payment of the principal of or interest on such Series 2004 Bond, and for all other purposes, whether or not such Series 2004 Bond is overdue, and neither the Corporation nor the Registrar shall be bound by any notice or knowledge to the contrary All payments made to the person deemed to be the Owner of any Series 2004 Bond in accordance with this Section 3 9 shall be valid and effectual and shall discharge the liability of the Corporation and the Registrar upon such Series 2004 Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Series 2004 Bonds remaining unclaimed by the Owner after the expiration of three (3) years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of the "Paying Agent Agreement" referred to in Article X hereof.

Section 3 10 Registration, Transfer, and Exchange. So long as any Series 2004 Bonds remain Outstanding, the Registrar shall keep the Register at the Designated Trust Office and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Series 2004 Bonds in accordance with the terms of this Resolution.

Each Series 2004 Bond shall be transferable only upon the presentation and surrender thereof at the Designated Trust Office of the Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Registrar Upon due presentation of any Series 2004 Bond in proper form for transfer the Registrar shall authenticate and deliver in exchange therefor within three (3) Business Days after such presentation, a new Series 2004 Bond or Series 2004 Bonds, registered in the name of the transferee or transferees, in Authorized Denominations and of the same maturity aggregate principal amount, and Issuance Date, and bearing interest at the same rate as the Series 2004 Bond or Series 2004 Bonds so presented. Anything to the contrary herein notwithstanding, (a) no Series 2004 Bond shall be issued in a denomination of less than \$100 000 and (b) no Series 2004 Bond may be transferred unless the conditions stated in Section 3 15 hereof are satisfied.

All Series 2004 Bonds shall be exchangeable upon presentation and surrender thereof at the Designated Trust Office of the Registrar for a Series 2004 Bond or Series 2004 Bonds of the same maturity Issuance Date, and interest rate and in any Authorized Denomination, in an aggregate amount equal to the unpaid principal amount of the Series 2004 Bond or Series 2004 Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Series 2004 Bonds in accordance with the provisions of this Section 3 10 Each Series 2004 Bond delivered in accordance with this Section 3 10 shall be entitled to the benefits and security of this Resolution to the same extent as the Series 2004 Bond or Series 2004 Bonds in lieu of which such Series 2004 Bond is delivered.

The Corporation or the Registrar may require the Owner of any Series 2004 Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Series 2004 Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the Corporation.

The Registrar shall not be required to transfer or exchange any Series 2004 Bond during the period beginning on a Record Date or a Special Record Date and ending on the next succeeding Interest Payment Date or to transfer or exchange any Series 2004 Bond called for redemption during the period beginning ten (10) days prior to the date fixed for redemption and ending on the date fixed for redemption; provided, however that this limitation shall not apply to the exchange by the Owner of the unredeemed portion of a Series 2004 Bond called for redemption in part.

Section 3 11 Cancellation of Series 2004 Bonds. All Series 2004 Bonds paid or redeemed in accordance with this Resolution, and all Series 2004 Bonds in lieu of which exchange Series 2004 Bonds or replacement Series 2004 Bonds are authenticated and delivered in accordance herewith, shall be canceled and thereafter treated in accordance with the Registrar's document retention policies.

Section 3 12 Mutilated, Lost, or Stolen Series 2004 Bonds. Upon the presentation and surrender to the Registrar of a mutilated Series 2004 Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Series 2004 Bond of like maturity interest rate and principal amount, bearing a number not contemporaneously Outstanding. The Corporation or the Registrar may require the Owner of such Series 2004 Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar

If any Series 2004 Bond is lost, apparently destroyed, or wrongfully taken, the Corporation, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Series 2004 Bond has been acquired by a bona fide purchaser shall execute and the Registrar shall authenticate and deliver a replacement Series 2004 Bond of like maturity interest rate and principal amount, bearing a number not contemporaneously Outstanding, provided that the Owner thereof shall have

- (1) furnished to the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Series 2004 Bond,
- (2) furnished such security or indemnity as may be required by the Registrar to save it and the Corporation harmless,
- (3) paid all expenses and charges in connection therewith, including, but not limited to printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed, and

(4) met any other reasonable requirements of the Corporation and the Registrar

If, after the delivery of such replacement Series 2004 Bond, a bona fide purchaser of the original Series 2004 Bond in lieu of which such replacement Series 2004 Bond was issued presents for payment such original Series 2004 Bond, the Corporation and the Registrar shall be entitled to recover such replacement Series 2004 Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Corporation or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Series 2004 Bond has become or is about to become due and payable, the Corporation in its discretion may instead of issuing a replacement Series 2004 Bond, authorize the Registrar to pay such Series 2004 Bond.

Each replacement Series 2004 Bond delivered in accordance with this Section 3 12 shall be entitled to the benefits and security of this Resolution to the same extent as the Series 2004 Bond or Series 2004 Bonds in lieu of which such replacement Series 2004 Bond is delivered.

Section 3 13 Redemption. The Series 2004 Bonds are subject to redemption under the conditions, on the dates, and for the redemption prices set forth in the FORM OF BOND If less than all of the Series 2004 Bonds are to be redeemed, the Corporation shall determine the particular Series 2004 Bonds or portions thereof to be redeemed.

Principal amounts may be redeemed only in integral multiples of \$5 000 If a Series 2004 Bond subject to redemption is in a denomination larger than \$100 000 a portion of such Series 2004 Bond may be redeemed, but only in integral multiples of \$5 000 and so long as the unredeemed portion of any Series 2004 Bonds so redeemed in part is not less than \$100 000 Upon surrender of any Series 2004 Bond for redemption in part, the Registrar in accordance with Section 3 10 hereof, shall authenticate and deliver in exchange therefor a Series 2004 Bond or Series 2004 Bonds of like maturity Issuance Date, and interest rate in an aggregate principal amount equal to the unredeemed portion of the Series 2004 Bond so surrendered.

Unless waived by the Owner notice of any redemption identifying the Series 2004 Bonds to be redeemed in whole or in part shall be given by the Registrar at least ten (10) days prior to the date fixed for redemption by sending written notice by United States mail, first class postage prepaid, to the Owner of each Series 2004 Bond to be redeemed in whole or in part at the address shown on the Register Such notices shall state the redemption date, the redemption price, the place at which Series 2004 Bonds are to be surrendered for payment and, if less than all Series 2004 Bonds Outstanding of a particular maturity are to be redeemed, the numbers of the Series 2004 Bonds or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section 3 13 shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Series 2004 Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Series 2004 Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Series 2004

Bonds or portions thereof so redeemed shall no longer be regarded as Outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Series 2004 Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Should ownership of the Series 2004 Bonds be established in accordance with the book-entry-only system of The Depository Trust Company ("DTC") the Paying Agent for the Series 2004 Bonds shall notify DTC that in the exercise by DTC of the selection of Series 2004 Bonds for redemption, the Series 2004 Bonds shall be so selected by DTC in such a manner that no beneficial owner of Series 2004 Bonds shall own less than \$100 000 in principal amount of any Series 2004 Bonds of any one maturity

Section 3 14 Limited Obligations. THE SERIES 2004 BONDS ARE A LIMITED OBLIGATION OF THE CORPORATION PAYABLE SOLELY OUT OF THE TRUST ESTATE, WHICH IS THE SOLE ASSET OF THE CORPORATION PLEDGED THEREFOR. THE SERIES 2004 BONDS ARE OBLIGATIONS SOLELY OF THE CORPORATION AND DO NOT CONSTITUTE, WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL PROVISION AN INDEBTEDNESS AN OBLIGATION OR A LOAN OF CREDIT OF THE CITY OF FORT WORTH, TEXAS THE STATE OF TEXAS TARRANT COUNTY TEXAS TARRANT COUNTY COLLEGE DISTRICT TARRANT COUNTY HOSPITAL DISTRICT TARRANT REGIONAL WATER DISTRICT REINVESTMENT ZONE NUMBER TEN CITY OF FORT WORTH, TEXAS OR ANY OTHER MUNICIPALITY COUNTY OR OTHER MUNICIPAL OR POLITICAL CORPORATION OR SUBDIVISION OF THE STATE OF TEXAS NEITHER THE CITY OF FORT WORTH, TEXAS TARRANT COUNTY TEXAS TARRANT COUNTY COLLEGE DISTRICT TARRANT COUNTY HOSPITAL DISTRICT TARRANT REGIONAL WATER DISTRICT NOR REINVESTMENT ZONE NUMBER TEN CITY OF FORT WORTH, TEXAS ARE OBLIGATED TO MAKE PAYMENTS ON THE SERIES 2004 BONDS

Section 3 15 Limitation on Transfers. Anything in this Resolution to the contrary the Series 2004 Bonds may not be sold, pledged, hypothecated, donated, or otherwise transferred, including the sale of a participation interest therein, whether for consideration, by the Owner except (i) to a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933 as amended, unless the Owner provides evidence satisfactory to the Corporation that a nationally recognized municipal securities rating organization has issued a rating on the Series 2004 Bonds that is at least one of its three highest rating categories, and (ii) upon delivery of an opinion of Bond Counsel that the Series 2004 Bonds qualify as obligations described in Section 103(a) of the Code.

ARTICLE IV

FORM OF SERIES 2004 BONDS AND CERTIFICATES

Section 4.1 Forms. The form of the Series 2004 Bonds, including the form of the Registrar's authentication certificate, the form of assignment, and the form of the Comptroller's Registration Certificate for the Series 2004 Bonds to be initially issued, shall be in substantially the form as set forth in Exhibit A to this Resolution.

Section 4.2 Legal Opinion, Cusip Numbers, Bond Insurance. The approving opinion of Bond Counsel and CUSIP Numbers may be printed on the Series 2004 Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Series 2004 Bonds. If bond insurance is obtained by the Bond Purchaser the Series 2004 Bonds may bear an appropriate legend as provided by the insurer

ARTICLE V

ADDITIONAL BONDS

Section 5.1 Additional Parity Bonds. The Corporation reserves the right to issue, for any lawful purpose (including the refunding of any previously issued Parity Bonds), one or more series of Additional Parity Bonds payable from and secured by a first lien on the Pledged Revenues, on a parity with the Series 2004 Bonds, and any previously issued Additional Parity Bonds, provided, however that Additional Parity Bonds may be issued only in accordance with the provisions of Article III of the Indenture. Installment deliveries of the Series 2004 Bonds shall not constitute the issuance of Additional Parity Bonds for purposes of this Resolution and the Indenture, and the conditions for the issuance of Additional Parity Bonds set forth in the Indenture shall not apply to the installment deliveries of Series 2004 Bonds made after the initial installment delivery of the Series 2004 Bonds.

Section 5.2 Subordinate Lien Obligations. The Corporation reserves the right to issue, for any lawful purpose, Subordinate Lien Obligations secured in whole or in part by liens on the Pledged Revenues that are junior and subordinate to the lien on Pledged Revenues securing payment of the Parity Bonds. Such Subordinate Lien Obligations may be further secured by any other source of payment lawfully available for such purposes, provided, that Subordinate Lien Obligations may be issued only in accordance with the provisions of Article III of the Indenture.

Section 5.3 Reserve Fund. No Reserve Fund has been established for the benefit of the Series 2004 Bonds. The Corporation reserves the right to establish a Reserve Fund for the benefit of the Series 2004 Bonds.

ARTICLE VI

GENERAL COVENANTS

Section 6.1 Punctual Payment of Parity Bonds. The Corporation will punctually pay or cause to be paid the interest on and principal of all Parity Bonds according to the terms thereof and will faithfully do and perform, and at all times fully observe, any and all covenants, undertakings, stipulations and provisions contained in this Resolution and in any resolution authorizing the issuance of Additional Parity Bonds.

Section 6.2 Maintenance of TIRZ Ten. So long as any Parity Bonds remain Outstanding, the Corporation covenants that it will, within the limits of its authority comply with all contractual provisions and agreements entered into by it and with all valid rules, regulations, directions or orders of any governmental, administrative, or judicial body promulgating same, noncompliance with which would materially and adversely affect the operation of TIRZ Ten.

Section 6.3 Accounts, Records, and Audits. So long as any Parity Bonds remain Outstanding, the Corporation covenants and agrees that it will maintain a proper and complete system of records and accounts pertaining to the operation of TIRZ Ten and the Corporation in which full, true and proper entries will be made of all dealings, transactions, business and affairs which in any way affect or pertain to TIRZ Ten, the Corporation or the Pledged Revenues. The Corporation shall after the close of each fiscal year cause an Audit to be prepared by an independent certified public accountant or independent firm of certified public accountants. All expenses incurred in preparing Audits shall be maintenance and operation expenses

Section 6.4 Pledge and Encumbrance of Pledged Revenues. (a) The Corporation covenants and represents that it has the lawful power to create a lien on and to pledge the Pledged Revenues to secure the payment of the Parity Bonds and has lawfully exercised such power under the Constitution and laws of the State of Texas. The Corporation further covenants and represents that, other than to the payment of the Parity Bonds, the Pledged Revenues are not and will not be made subject to any other lien pledge or encumbrance to secure the payment of any debt or obligation of the Corporation, unless such lien, pledge or encumbrance is junior and subordinate to the lien and pledge securing payment of the Parity Bonds.

(b) The provisions of subsection (a) of this Section 6.4 notwithstanding, the lien on, pledge of, and rights in and to the Pledged Tax Increments established, made, and granted in the Indenture and pursuant to subsection (a) of this Section 6.4 shall constitute a first and senior lien thereon, subject only to the rights, if any of the holders of bonds or other obligations that have been heretofore or are hereafter issued by a Participant that are payable from and secured by a general levy of ad valorem taxes throughout the taxing jurisdiction of the Participant.

(c) Each of the Participants has agreed to contribute its Contract Tax Increments to the Tax Increment Fund, in accordance with the Act and its Participant Contract, as follows with respect to the City in payment years 1 through 15 100% of its Tax Increment, and in payment years 16 through 20 95% of its Tax Increment, with respect to the County in payment years 1 through 5 80% of its Tax Increment, in payment years 6 through 10 70% of its Tax Increment, and in payment years 11 through 20 50% of its Tax Increment; with respect to the College District, 50% of its Tax Increment, and with respect to _____ [description of other Taxing Unit participation] The Corporation will use reasonable efforts to cause the Participants to levy and annually assess and collect ad valorem taxes at such rates and amounts as may be necessary and required to pay in full and on a timely basis all debt service requirements on each Participant's respective outstanding bonds or other obligations that are payable in whole or in part from and secured by a general levy of ad valorem taxes throughout such Participant without resort to the use of any portion of the Contract Tax Increments derived from the tax collections of such Participants for such purpose, and to cause the portion of such taxes representing Contract Tax Increments to be paid to the Tax Increment Fund.

Section 6.5 Owners' Remedies. This Resolution shall constitute a contract between the Corporation and the Owners of the Parity Bonds from time to time Outstanding and this Resolution shall be and remain irrevocable until the Parity Bonds and the interest thereon shall be fully paid or discharged or provision therefor shall have been made as provided herein. In the event of a default in the payment of the principal of or interest on any of the Parity Bonds or a default in the performance of any duty or covenant provided by law or in this Resolution, the Owner or Owners of any of the Parity Bonds may pursue all legal remedies afforded by the Constitution and laws of the State of Texas to compel the Corporation to remedy such default and to prevent further default or defaults. Without in any way limiting the generality of the foregoing, it is expressly provided that any Owner of any of the Parity Bonds may at law or in equity by suit, action, mandamus, or other proceedings, enforce and compel performance of all duties required to be performed by the Corporation under this Resolution, the deposit of the Pledged Revenues into the special funds herein provided, and the application of such Pledged Revenues in the manner required in this Resolution. The foregoing notwithstanding, acceleration of the Parity Bonds is not an available remedy The sole source of the Corporation available for the payment of debt service on the Bonds is and shall be the Pledged Revenues.

Section 6.6 Discharge by Deposit. The Corporation may discharge its obligation to the Owners of any or all of the Parity Bonds to pay principal, interest and redemption premium (if any) thereon in any manner then permitted by law including, but not limited to by depositing with any paying agent for such Parity Bonds either (i) cash in an amount equal to the principal amount and redemption premium, if any of such Parity Bonds plus interest thereon to the date of maturity or redemption, or (ii) pursuant to an escrow or trust agreement, cash and/or direct noncallable, nonprepayable obligations of the United States of America, in principal amounts and maturities and bearing interest at rates sufficient to provide for the timely payment of the principal amount and redemption premium, if any of such Parity Bonds plus interest thereon to the date of maturity or redemption; provided, however that if any of such Parity Bonds are to be redeemed prior to their respective dates of maturity provision shall have been made for giving notice of redemption as provided in the resolution authorizing such Parity Bonds. Upon such deposit, such Parity Bonds shall no longer be regarded to be Outstanding or unpaid.

Section 6 7 Registrar and Trustee May Own Parity Bonds. The Registrar and Trustee for the Parity Bonds, in their individual or any other capacity may become holders or pledgees of the Parity Bonds with the same rights they would have if they were not the Registrar or Trustee

Section 6 8 No Recourse Against Corporation Officials. No recourse shall be had for the payment of principal of or interest on any Parity Bonds or for any claim based thereon or on this Resolution against any official of the Corporation or any person executing any Parity Bonds. No member of the Board of Directors of the Corporation or any officer agent, employee or representative of the Corporation in his individual capacity nor the officers, agents, employees or representatives of the Corporation nor any person executing the Series 2004 Bonds shall be personally liable thereon or be subject to any personal liability or accountability by reason of the issuance thereof, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the adoption of this Resolution and the issuance of the Series 2004 Bonds.

ARTICLE VII

PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF SERIES 2004 BONDS

Section 7 1 Execution of Documents to Effect Sale of Series 2004 Bonds. An Authorized Representative and other appropriate officers, agents and representatives of the Corporation are hereby authorized to do any and all things necessary or desirable to provide for the issuance and delivery of the Series 2004 Bonds.

Section 7.2 Application of Proceeds. Proceeds from the sale of the Series 2004 Bonds shall, promptly upon receipt by the Trustee, be applied in the manner provided for in a certificate executed by an Authorized Representative.

ARTICLE VIII

TAX EXEMPTION

Section 8.1 General Tax Covenants. The Corporation covenants to refrain from any action which would adversely affect, or to take any action to assure, the treatment of the Series 2004 Bonds as obligations described in section 103 of the Code the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Corporation covenants as follows

(a) to take any action to assure that no more than 10 percent of the proceeds of the Series 2004 Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use" as defined in section 141(b)(6) of the Code or if more than 10 percent of the proceeds are so used, that amounts, whether or not

received by the Corporation, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly secure or provide for the payment of more than 10 percent of the debt service on the Series 2004 Bonds, in contravention of section 141(b)(2) of the Code,

(b) to take any action to assure that in the event that the 'private business use described in subsection (a) hereof exceeds 5 percent of the proceeds of the Series 2004 Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a 'private business use which is 'related and not disproportionate within the meaning of section 141(b)(3) of the Code, to the governmental use,

(c) to take any action to assure that no amount which is greater than the lesser of \$5 000 000 or 5 percent of the proceeds of the Series 2004 Bonds (less amounts deposited into a reserve fund, if any), is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Series 2004 Bonds being treated as 'private activity bonds" within the meaning of section 141(a) of the Code,

(e) to refrain from taking any action that would result in the Series 2004 Bonds being 'federally guaranteed within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Series 2004 Bonds, directly or indirectly to acquire or to replace funds which were used, directly or indirectly to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Series 2004 Bonds, other than investment property acquired with

(1) proceeds of the Series 2004 Bonds invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the Series 2004 Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1 148-1(b) of the Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Series 2004 Bonds,

(g) to otherwise restrict the use of the proceeds of the Series 2004 Bonds or amounts treated as proceeds of the Series 2004 Bonds, as may be necessary so that the Series 2004 Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings) and

(h) to pay to the United States of America at least once during each five year period (beginning on the date of delivery of the Series 2004 Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings" within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Series 2004 Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code

The Corporation understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Series 2004 Bonds. It is the understanding of the Corporation that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U S Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Series 2004 Bonds, the Corporation will not be required to comply with any covenant contained herein to the extent that such failure to comply in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Series 2004 Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Series 2004 Bonds, the Corporation agrees to comply with the additional requirements to the extent necessary in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Series 2004 Bonds under section 103 of the Code. In furtherance of the foregoing, any Authorized Representative may execute any certificates or other reports required by the Code and to make such elections, on behalf of the Corporation, which may be permitted by the Code as are consistent with the purpose for the issuance of the Series 2004 Bonds. In order to facilitate compliance with the above clause (h), there has been established in the Indenture a "Rebate Fund" for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the Registered Owners of the Series 2004 Bonds. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

Section 8.2 Allocation of, and Limitation on, Expenditures for the Project. The Corporation covenants to account for on its books and records the expenditure of proceeds from the sale of the Series 2004 Bonds and any investment earnings thereon to be used for the payment of Project Costs by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) each such Project is completed. The foregoing notwithstanding, the Corporation shall not expend such proceeds or investment earnings more than 60 days after the later of (a) the fifth anniversary of the date of delivery of the Series 2004 Bonds or (b) the date the Series 2004 Bonds are retired, unless the Corporation obtains an opinion of nationally-recognized bond counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of the Series 2004 Bonds. For purposes of this Section, the Corporation shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 8.3 Disposition of Project The Corporation covenants that the property constituting a Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Corporation of cash or other compensation, unless the Corporation obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Series 2004 Bonds. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the Corporation shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Series 2004 Bonds.

ARTICLE IX

CONTINUING DISCLOSURE UNDERTAKING

Section 9.1 Annual Reports. (a) That the Corporation shall provide annually within six months after the end of each Fiscal Year ending in or after 2004 financial information and operating data with respect to the Corporation of the general type described in Exhibit B hereto provided that such information and data is customarily prepared by the Corporation. Such information shall be provided to any person upon request made to the Corporation provided that the Corporation reserves the right at any time to commence making such annual filings with the SID (if any and if none, to each NRMSIR) in lieu of providing such information upon request. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit B hereto or such other accounting principles as the Corporation may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the Corporation commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Corporation shall provide unaudited financial statements by the required time and shall provide audited financial statements for the applicable fiscal year to each NRMSIR and any SID when and if the audit report on such statements become available.

(b) If the Corporation changes its fiscal year it will notify the SID of the change (and of the date of the new fiscal year end) prior to the next date by which the Corporation otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the SID or filed with the SEC

Section 9.2 Material Event Notices. The Corporation shall notify any SID and the MSRB in a timely manner of any of the following events with respect to the Series 2004 Bonds, if such event is material within the meaning of the federal securities laws.

- 1 Principal and interest payment delinquencies,
2. Non-payment related defaults;
- 3 Unscheduled draws on debt service reserves reflecting financial difficulties,

- 4 Unscheduled draws on credit enhancements reflecting financial difficulties,
- 5 Substitution of credit or liquidity providers, or their failure to perform;
- 6 Adverse tax opinions or events affecting the tax-exempt status of the Series
2004 Bonds,
- 7 Modifications to rights of holders of the Series 2004 Bonds,
- 8 Series 2004 Bond calls,
- 9 Defeasances,
- 10 Release, substitution, or sale of property securing repayment of the Series
2004 Bonds; and
- 11 Rating changes.

The Corporation shall notify any SID and the MSRB in a timely manner of any failure by the Corporation to provide financial information or operating data in accordance with Section 9.1 by the time required by such Section.

Section 9.3 Limitations, Disclaimers, and Amendments. (a) The Corporation shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Corporation remains an obligated person with respect to the Series 2004 Bonds within the meaning of the Rule, except that the Corporation in any event will give notice of any deposit made in accordance with this Resolution or applicable law that causes Series 2004 Bonds no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the holders and beneficial owners of the Series 2004 Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy or claim hereunder to any other person. The Corporation undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Corporation's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Corporation does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Series 2004 Bonds at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL THE CORPORATION BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY SERIES 2004 BOND OR ANY OTHER PERSON IN CONTRACT OR TORT FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CORPORATION WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON IN CONTRACT OR TORT FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE

(d) No default by the Corporation in observing or performing its obligations under this Article shall comprise a breach of or default under this Resolution for purposes of any other provision of this Resolution. Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the Corporation under federal and state securities laws

(e) The provisions of this Article may be amended by the Corporation from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law or a change in the identity nature, status, or type of operations of the Corporation, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Series 2004 Bonds in the primary offering of the Series 2004 Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (A) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the outstanding Series 2004 Bonds consent to such amendment or (B) a person that is unaffiliated with the Corporation (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Series 2004 Bonds. If the Corporation so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 9.1 an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Corporation may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2004 Bonds in the primary offering of the Series 2004 Bonds.

ARTICLE X

AUTHORIZATION OF AGREEMENTS

The Board hereby approves issuance of the Series 2004 Bonds and all agreements determined by the Board to be necessary in connection with the issuance of the Series 2004 Bonds, including without limitation the following: the Indenture of Trust by and between the Corporation and Wells Fargo Bank, National Association, as Trustee, in substantially the form attached hereto as Exhibit C the Paying Agent Agreement by and between the Corporation and Wells Fargo Bank, National Association, in substantially the form attached hereto as Exhibit D the Purchase Contract, in substantially the form attached hereto as Exhibit E, the Tri-Party Agreement, in substantially the form attached hereto as Exhibit F and any and all other documents and agreements reasonable and necessary to issue the Bonds (collectively the "Agreements"). The Board, by a majority vote of its members, at a special meeting, hereby approves the form, terms, and provisions of the Agreements and authorizes the execution and delivery of the Agreements.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Further Proceedings The President, any Vice President, the Secretary the Assistant Secretary and other appropriate officials of the Corporation are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the intent, purposes and terms of this Resolution, including the execution and delivery of such certificates, documents or papers necessary and advisable.

Section 11.2 Severability If any Section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 11.3 Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act, Chapter 551 Texas Government Code.

Section 11.4 Parties Interested. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to any person or entity other than the Corporation, the Registrar and the Owners of the Series 2004 Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution shall be for the sole and exclusive benefit of the Corporation, the Registrar and the Owners of the Series 2004 Bonds

Section 11.5 Repealer All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency

Section 11.6 Effective Date. This Resolution shall become effective immediately upon passage by this Corporation and signature of the President of the Corporation.

PASSED AND APPROVED this ____ day of _____, 2004

By _____
Name _____
Title _____

ATTEST

By _____
Name: _____
Title _____

(SEAL)

EXHIBIT A.

FORM OF BOND

United States of America
State of Texas

Registered

Registered

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE ACT"), AND SALES OF THIS BOND MAY BE MADE ONLY IN ACCORDANCE WITH THE CONDITIONS SET FORTH IN THE RESOLUTION AUTHORIZING THE ISSUANCE OF THIS BOND INCLUDING SPECIFICALLY THAT SALES OF THIS BOND MAY BE MADE ONLY TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN RULE 144A UNDER THE ACT ("QIB "), UNLESS OTHERWISE PERMITTED BY THE RESOLUTION AUTHORIZING THE ISSUANCE OF THIS BOND BY ITS ACCEPTANCE OF THIS BOND, THE PURCHASER (A) REPRESENTS THAT IT IS A QIB ACTING ON BEHALF OF ITSELF OR ANOTHER QIB (AND IF IT IS A QIB, ACKNOWLEDGES THAT IT IS AWARE THAT THE SELLER MAY RELY ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE ACT PURSUANT TO RULE 144A) AND (B) AGREES THAT ANY RESALE OF THIS BOND WILL BE MADE ONLY TO A QIB, UNLESS OTHERWISE PERMITTED BY THE RESOLUTION AUTHORIZING THE ISSUANCE OF THIS BOND

LONE STAR LOCAL GOVERNMENT CORPORATION
TAX INCREMENT CONTRACT REVENUE BOND
SERIES 2004

INTEREST RATE	MATURITY DATE.	ISSUANCE DATE	CUSIP
4.75%	JULY 1 2024		

REGISTERED OWNER.

PRINCIPAL AMOUNT

DOLLARS

The LONE STAR LOCAL GOVERNMENT CORPORATION (the 'Issuer'), a not for profit local government corporation created under authority of Chapter 431 Subchapter D Texas Transportation Code (the 'Act') by the City of Fort Worth, Texas (the 'City'), for value received, promises to pay but solely from certain Pledged Revenues as hereinafter provided, to the Registered Owner identified above or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this Bond at the designated corporate trust office in Dallas, Texas (the 'Designated Trust Office') of Wells Fargo Bank, National Association, as registrar (the 'Registrar'), the principal amount identified above, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay solely from such Pledged Revenues, interest thereon at the rate shown above,

calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Issuance Date of the Bonds specified above, or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Bond is payable by check on each July 1 and January 1 beginning on July 1 2005 mailed to the Registered Owner as shown on the books of registration kept by the Registrar as of the last Business Day of the month next preceding each interest payment date (the 'Record Date '), or by such other method, acceptable to the Registrar requested by and at the risk and expense of the Registered Owner. If interest on this Bond is not paid on any interest payment date specified above, and continues unpaid for thirty (30) days thereafter the Registrar shall establish a new Record Date for the payment of such interest (a 'Special Record Date '). Such Special Record Date shall be established in accordance with the terms of the hereinafter defined Resolution.

The foregoing notwithstanding, should a 'Determination of Taxability' (as defined in the Indenture) occur the interest rate on the Bonds shall increase to 7.00% per annum, commencing on the effective date of the Determination of Taxability.

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS dated as of _____, 2004 aggregating \$ _____, issued for the purpose of (1) paying Project Costs and (2) paying Costs of Issuance, all under and pursuant to the authority of the Act and all other applicable laws, and a resolution adopted by the Issuer on _____, 2004 (the 'Resolution'). All defined terms not herein defined shall have the meaning attributed thereto in accordance with the terms of the Resolution.

THIS BOND AND THE SERIES OF WHICH IT IS A PART are limited obligations of the Issuer that are payable from, and are equally and ratably secured by a first lien on the 'Pledged Revenues' as defined and provided in the Indenture, which Pledged Revenues are required to be set aside and pledged to the payment of the Bonds and all additional bonds and parity contractual obligations issued or entered into on a parity therewith, in the Debt Service Fund maintained for the payment of all such Bonds, all as more fully described and provided for in the Indenture. This Bond and the series of which it is a part, together with the interest thereon, are payable solely from such Pledged Revenues.

THE BONDS may be redeemed only in principal amounts of \$10,000 or any integral multiple of \$5,000 in excess thereof, at the option of the Issuer on July 1 2007 or on any date thereafter at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the Issuer the Issuer shall determine the maturity or maturities and the amounts therewith to be redeemed and shall direct the Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption, *provided*, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository; and *provided, further* that no Bonds shall be redeemed in a manner where the Registered Owner thereof shall own Bonds in a denomination of less than \$100,000.

THE BONDS are also subject to special mandatory redemption in part by lot, in principal amounts of \$10,000 or any integral multiple of \$5,000 in excess thereof (except as described below).

on July 1 in each year commencing July 1 2006 (a 'Principal Installment Payment Date') at a redemption price of par plus accrued interest to the date fixed for redemption, in the event and to the extent that there is on deposit in the Debt Service Fund on June 15 of each year immediately preceding a Principal Installment Payment Date, commencing July 1 2006 amounts received by the Issuer representing Tax Increments in excess of amounts necessary to pay interest due and owing on the outstanding principal balance of the Bonds on such Principal Installment Payment Date. Interest on the Bonds due on any Principal Installment Payment Date shall be paid in full prior to effecting the redemption hereinabove described. The foregoing notwithstanding, the minimum principal amount of Bonds that shall be redeemed on a Principal Installment Payment Date shall be the lesser of the outstanding principal balance of the Bonds or \$10 000 and the maximum principal amount of Bonds that shall be redeemed on a Principal Installment Payment Date shall be the outstanding principal balance of the Bonds.

THE BONDS to be redeemed in any year by special mandatory redemption shall be selected by lot from the Bonds then subject to redemption; provided, that if any Bond is selected for redemption in part it shall not be redeemed in an amount that would, upon exchange, result in a Bond in a denomination less than \$100 000

UNLESS WAIVED BY THE OWNER, NOTICE OF ANY REDEMPTION shall be given at least ten (10) days prior to the date fixed for redemption by United States mail, first class postage prepaid, addressed to the Registered Owners of each Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the Designated Trust Office of the Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative, subject to the terms, conditions and restrictions of the Resolution.

THIS BOND IS EXCHANGEABLE at the Designated Trust Office of the Registrar for Bonds in principal amounts only in Authorized Denominations, subject to the terms and conditions of the Resolution.

NEITHER THE ISSUER NOR THE REGISTRAR shall be required to transfer or exchange any Bond during the period beginning on the fifteenth calendar day of the month next preceding any interest payment date and ending on the next succeeding interest payment date or to transfer any Bond called for redemption during the 30 day period prior to the redemption date.

DURING ANY PERIOD in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository provided, however that no Bonds shall be redeemed in a manner where the beneficial owner thereof shall own Bonds in any Authorized Denomination.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE ISSUER HAS RESERVED THE RIGHT to issue additional parity Tax Increment Contract Revenue Bonds, subject to the restrictions contained in the Resolution, which may be equally and ratably payable from, and secured by a first lien on and pledge of, the Pledged Revenues in the same manner and to the same extent as this Bond and the series of which it is a part

THE BONDS ARE A LIMITED OBLIGATION OF THE CORPORATION PAYABLE SOLELY OUT OF THE TRUST ESTATE, WHICH IS THE SOLE ASSET OF THE CORPORATION PLEDGED THEREFOR. THE BONDS ARE OBLIGATIONS SOLELY OF THE CORPORATION AND DO NOT CONSTITUTE WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL PROVISION AN INDEBTEDNESS AN OBLIGATION OR A LOAN OF CREDIT OF THE CITY OF FORT WORTH, TEXAS THE STATE OF TEXAS TARRANT COUNTY TEXAS TARRANT COUNTY COLLEGE DISTRICT TARRANT COUNTY HOSPITAL DISTRICT TARRANT REGIONAL WATER DISTRICT REINVESTMENT ZONE NUMBER TEN CITY OF FORT WORTH, TEXAS OR ANY OTHER MUNICIPALITY COUNTY OR OTHER MUNICIPAL OR POLITICAL CORPORATION OR SUBDIVISION OF THE STATE OF TEXAS NEITHER THE CITY OF FORT WORTH, TEXAS, TARRANT COUNTY TEXAS TARRANT COUNTY COLLEGE DISTRICT TARRANT COUNTY HOSPITAL DISTRICT TARRANT REGIONAL WATER DISTRICT NOR REINVESTMENT ZONE NUMBER TEN CITY OF FORT WORTH, TEXAS ARE OBLIGATED TO MAKE PAYMENTS ON THE BONDS

SHOULD EACH PARTICIPANT TIMELY CONTRIBUTE ITS TAX INCREMENT TO THE TAX INCREMENT FUND AND THE CITY TRANSFERS ALL OF THE TAX INCREMENTS FROM THE TAX INCREMENT FUND TO THE ISSUER IN ACCORDANCE WITH THE TERMS OF THE TRI PARTY AGREEMENT AND SUCH TAX INCREMENTS SO TRANSFERRED ARE NOT SUFFICIENT FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS ON THE DATE WHEN SUCH PRINCIPAL OR INTEREST BECOMES DUE AND PAYABLE, AN EVENT OF DEFAULT SHALL NOT BE DEEMED TO HAVE OCCURRED UNDER THE TERMS OF THE INDENTURE.

IT IS HEREBY DECLARED AND REPRESENTED that this Bond has been duly and validly issued and delivered, that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this Bond have been performed, existed, and been done in accordance with law that the Bonds do not exceed any statutory limitation; and that provision has been made for the payment of the principal of and interest on this Bond and all of the Bonds by the creation of the aforesaid lien on and pledge of the Pledged Revenues.

IN WITNESS WHEREOF the Issuer has caused this Bond to be executed by the manual or facsimile signatures of the President and the Secretary

LONE STAR LOCAL GOVERNMENT CORPORATION

President, Board of Directors

Secretary Board of Directors

(SEAL)

FORM OF REGISTRATION CERTIFICATE ON INITIAL BOND

COMPTROLLER'S REGISTRATION CERTIFICATE REGISTER NO _____

I hereby certify that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this _____

Comptroller of Public Accounts
of the State of Texas

(SEAL)

FORM OF REGISTRAR'S AUTHENTICATION CERTIFICATE

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Bond Resolution described in the text of this Bond, and that this Bond is one of a series of Bonds approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Registrar

By _____
Authorized Signature

Date of Authentication. _____

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to transfer said Bond on the books kept for registration thereof, with full power of
substitution in the premises

DATED: _____

Signature Guaranteed.

Registered Owner

NOTICE. Signature must be
guaranteed by an institution which
is a participant in the Securities
Transfer Agent Medallion Program
("STAMP") or similar program.

NOTICE The signature above must correspond
to the name of the Registered Owner as shown
on the face of this Bond in every particular
without any alteration, enlargement or change
whatsoever

SCHEDULE I

[To Come]

**Exhibit B
to
Resolution**

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 9.1 of this Resolution.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the Corporation to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Limited Offering Memorandum referred to) below

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 2 above

City of Fort Worth, Texas
Mayor and Council Communication

**COUNCIL ACTION Approved As Amended on 9/21/2004 Ordinance No. 16131 Revised M&C
and Ordinance**

DATE Tuesday September 21 2004
LOG NAME. 17TIF10PLANS

REFERENCE NO G-14507

SUBJECT

Adoption of Ordinance Approving the Project Plan and Financing Plan for Tax Increment Reinvestment Zone Number Ten City of Fort Worth Texas (Lone Star TIF)

RECOMMENDATION

It is recommended that the City Council adopt the attached ordinance approving the Project Plan and Financing Plan for Tax Increment Reinvestment Zone Number Ten, City of Fort Worth, Texas (Lone Star TIF)

DISCUSSION

The Lone Star TIF was created on June 15 2004 (M&C G-14382 and Ordinance 16002) State law (Texas Tax Code Section 311 011) requires that the Board of Directors of the TIF prepare and adopt a project plan and a reinvestment zone financing plan and submit the plans to the City Council. Therefore at its meeting on July 29 2004 the Board of Directors adopted the Project and Financing Plans, attached to the proposed Ordinance (the Plans) and recommended approval of the Plans by the City Council

In addition to making the requisite statutory findings and approving the Plans, adoption of the attached ordinance will allow the Board to enter into agreements that are necessary or convenient for the implementation of the Project Plan pursuant to Texas Tax Code Section 311 010(a)

The Lone Star TIF 10 is located in COUNCIL DISTRICT 2.

FISCAL INFORMATION/CERTIFICATION

The Finance Director certifies that this action has no material effect on City funds

TO Fund/Account/Centers

FROM Fund/Account/Centers

Submitted for City Manager's Office by.

Dale Fisseler (Acting) (6140)

Originating Department Head.

Tom Higgins (6192)

Additional Information Contact:

Ardina Washington (8003)

Peter Vaky (7601)
