

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT REGARDING THE CONSTRUCTION OF DRAINAGE IMPROVEMENTS WITHIN THE TOWNE CENTRE REINVESTMENT ZONE NUMBER TWO, CITY OF MESQUITE, TEXAS (THE "ZONE"), PROVIDING FOR THE PAYMENT OF COSTS RELATED TO THE DRAINAGE RECONSTRUCTION PROJECT OF SOUTH MESQUITE CREEK LOCATED WITHIN THE ZONE BOUNDARIES, APPROVING EXPENDITURE OF FUNDS BY THE ZONE IN CONNECTION THEREWITH; AND CONTAINING OTHER PROVISIONS RELATED THERETO.

WHEREAS, the City of Mesquite, Texas ("City"), created the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas (the "Zone") and established a Board of Directors for the Zone (the "Board") to promote development or redevelopment in the Zone pursuant to Ordinance No. 3257 approved by the City Council on September 21, 1998, in accordance with the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated, as amended (the "Act"); and

WHEREAS, on July 27, 1999, the Board prepared and adopted a project plan and reinvestment zone financing plan for the Zone which was subsequently approved by the City Council on August 16, 1999, pursuant to Ordinance No. 3313 (the "Original Project and Financing Plan"); and

WHEREAS, amendments and/or restatements to the Original Project and Financing Plan for the Zone have previously been adopted by the Board and approved by the City Council on the following dates pursuant to the following ordinances, to-wit: (i) on June 16, 2003, pursuant to Ordinance 3586; (ii) on August 25, 2003, pursuant to Ordinance 3596; (iii) on February 16, 2004, pursuant to Ordinance No. 3636; (iv) on October 17, 2005, pursuant to Ordinance No. 3771; (v) on January 22, 2008, pursuant to Ordinance No. 3928; (vi) on February 4, 2008, pursuant to Ordinance No. 3931; (vii) on December 15, 2008, pursuant to Ordinance No. 4018; (viii) on December 18, 2017, pursuant to Ordinance No. 4529; and (ix) on June 4, 2018, pursuant to Ordinance No. 4567; and

WHEREAS, the Original Project and Financing Plan, as amended and restated, shall hereinafter collectively be referred to as the "Project and Financing Plan"; and

WHEREAS, the Project and Financing Plan details the infrastructure costs eligible for reimbursement by the Zone; and

WHEREAS, there has been presented to this City Council an Agreement Regarding the Construction of Drainage Improvements within the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas (the "Agreement") between the City and the Zone to provide for the funding of costs related to the drainage reconstruction project of South Mesquite Creek located within the Zone boundaries (the "Project") and approving the expenditure of funds by the Zone in connection with the Project; and

WHEREAS, the City, pursuant to Chapter 552 of the Texas Local Government Code, as amended, is authorized to issue its revenue bonds payable from the City's drainage utility system revenues for the purpose of constructing and improving the City's drainage system; and

WHEREAS, the City and the Zone have determined that the most economical means of financing the costs of the Project is for the City to issue its Municipal Drainage Utility System Revenues Bonds, Series 2019 (the "Bonds") in a principal amount not to exceed \$8,300,000, to finance, along with other City drainage projects, the costs of the Project, with the agreement of the Board to pay for the principal and interest of that portion of the Bonds attributable to the Project, as more specifically enumerated herein; and

WHEREAS, as more fully set forth in the Agreement, the City and the Board agree that the portion of the Bonds attributable to the Project shall not exceed \$7,000,000, plus interest; and

WHEREAS, the Project is an eligible cost for reimbursement by the Zone and the dedication of Zone revenue towards the reimbursement of costs incurred by the City is consistent with Chapter 311 of the Texas Tax Code; and

WHEREAS, the dedication of revenue from the Zone for the payment of the Project will further the purposes of the Zone and facilitate implementation of the Project and Financing Plan; and

WHEREAS, this City Council finds and determines that it is necessary and appropriate to approve the execution and delivery of the Agreement for the purposes hereinabove provided and to approve the expenditure of Zone funds to pay costs of the Project as set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. Findings. The statements contained in the preamble of this Resolution are true and correct and are adopted as findings of fact and operative provisions hereof.

SECTION 2. Approval of Project. The undertaking of the Project by the City and the Zone is hereby approved.

SECTION 3. Approval of Agreement by the City. The Agreement in substantially the form and content attached hereto as Exhibit "A" is hereby approved and the Mayor or Mayor Pro Tem is hereby authorized and directed to execute and deliver the Agreement.

SECTION 4. Approval of Agreement by the Zone and Approval of Expenditures of the Zone. The execution and delivery of the Agreement by the Board on behalf of the Zone, and the Zone's expenditure of funds to pay costs of the Project as set forth in the Agreement, are hereby approved.

SECTION 5. Effective Date. This Resolution shall become effective immediately upon adoption.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 6th day of May 2019.

Stan Pickett
Mayor

ATTEST:

Sonja Land
City Secretary

APPROVED:



David L. Paschall
City Attorney

EXHIBIT "A"

**AGREEMENT REGARDING THE CONSTRUCTION OF DRAINAGE
IMPROVEMENTS WITHIN THE TOWNE CENTRE REINVESTMENT ZONE
NUMBER TWO, CITY OF MESQUITE, TEXAS**

**AGREEMENT REGARDING THE CONSTRUCTION OF DRAINAGE
IMPROVEMENTS WITHIN THE TOWNE CENTRE REINVESTMENT ZONE
NUMBER TWO, CITY OF MESQUITE, TEXAS**

This Agreement Regarding the Construction of Drainage Improvements within the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas (the "Agreement") is entered into as of the 6th day of May, 2019, between the City of Mesquite, Texas, a municipal corporation situated in Dallas and Kaufman Counties, Texas (the "City") and the Towne Centre Reinvestment Zone Number Two, City of Mesquite, Texas (the "Zone") created pursuant to the provisions of Chapter 311 Texas Tax Code, as amended (the "Act").

RECITALS

WHEREAS, the City created the Board of Directors (hereinafter referred to as the "Board") for the Zone; and

WHEREAS, on July 27, 1999, the Board prepared and adopted a project plan and reinvestment zone financing plan for the Zone which was subsequently approved by the City Council on August 16, 1999, pursuant to Ordinance No. 3313 (the "Original Project and Financing Plan"); and

WHEREAS, amendments and/or restatements to the Original Project and Financing Plan for the Zone have previously been adopted by the Board and approved by the City Council on the following dates pursuant to the following ordinances, to-wit: (i) on June 16, 2003, pursuant to Ordinance 3586; (ii) on August 25, 2003, pursuant to Ordinance 3596; (iii) on February 16, 2004, pursuant to Ordinance No. 3636; (iv) on October 17, 2005, pursuant to Ordinance No. 3771; (v) on January 22, 2008, pursuant to Ordinance No. 3928; (vi) on February 4, 2008, pursuant to Ordinance No. 3931; (vii) on December 15, 2008, pursuant to Ordinance No. 4018; (viii) on December 18, 2017, pursuant to Ordinance No. 4529; and (ix) on June 4, 2018, pursuant to Ordinance No. 4567; and

WHEREAS, the Original Project and Financing Plan, as amended and restated, shall hereinafter collectively be referred to as the "Project and Financing Plan"; and

WHEREAS, the Project and Financing Plan details the infrastructure costs eligible for reimbursement by the Zone; and

WHEREAS, the City and the Zone wish to proceed with the construction of drainage improvements and facilities for South Mesquite Creek within the Zone, as a joint development project between the City and the Zone, pursuant to the terms of this Agreement (the "Project"); and

WHEREAS, the City pursuant to Chapter 552, Texas Local Government Code, as amended, is authorized to issue its revenue bonds payable from the City's drainage utility system revenues for the purpose of constructing and improving the City's drainage system; and

WHEREAS, the City and the Zone have determined that the most economical means of financing the costs of the Project is for the City to issue its Municipal Drainage Utility System Revenues Bonds, Series 2019 (the "Bonds") in a principal amount not to exceed \$8,300,000, to finance, along with other City drainage projects, the costs of the Project, with the agreement of the Board to pay for the principal and interest of that portion of the Bonds attributable to the Project, as more specifically enumerated herein; and

WHEREAS, the Project is an eligible cost for reimbursement by the Zone and the dedication of Zone revenue towards the reimbursement of costs incurred by the City is consistent with Chapter 311 of the Texas Tax Code; and

WHEREAS, the Board finds that the dedication of revenue from the Zone for the payment of the Project will further the purposes of the Zone and facilitate implementation of the Project and Financing Plan.

For and in consideration of the respective promises and mutual covenants and benefits hereinafter set forth, the City and the Zone agree as follows:

ARTICLE I

THE PROJECT

Section 1.01. Completion of the Project. The City agrees to contract with all individuals or entities necessary to complete the Project in accordance with all applicable laws.

Section 1.02. Issuance of the Bonds. The City agrees to proceed with the sale of the Bonds and to use a portion of the proceeds of the sale of the Bonds to pay for certain costs of the Project.

Section 1.03. Use of Zone Revenues. The Board agrees to use revenues on deposit in the Zone fund, and any interest earned thereon, to make payments to the City in amounts sufficient to pay the principal of and interest on the portion of the Bonds attributable to the Project when due, provided, however, the City and the Board agree that the portion of the Bonds attributable to the Project shall not exceed \$7,000,000, plus interest. The City will provide the Board with a schedule of the principal and interest payments due on the portion of the Bonds attributable to the Project, if and when such Bonds are issued, and the Board agrees to pay to the City amounts sufficient to make its allocable portion of the principal and interest payment at least fifteen (15) days before such payment is due.

ARTICLE II

MISCELLANEOUS PROVISIONS

Section 2.01. Term. This Agreement shall be in force and effect from the date of execution hereof until the date on which the Bonds are paid in full.

Section 2.02. Amendments and Supplements. This Agreement may be amended, supplemented or extended by mutual written agreement of the parties hereto.

Section 2.03. Merger. This Agreement embodies the entire understanding between the parties hereto, and there are no prior effective representations, warranties, or agreements between the parties hereto.

Section 2.04 Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application hereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

EXECUTED in multiple counterparts as of the date first written above.

CITY OF MESQUITE, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

APPROVED FOR FORM:

By: _____
City Attorney

TOWNE CENTRE REINVESTMENT ZONE
NUMBER TWO, CITY OF MESQUITE, TEXAS

By: _____
Chairman

ATTEST:

By: _____
Sonja Land,
City Secretary