

ORDINANCE NO. 5331

AN ORDINANCE OF THE CITY COUNCIL OF DENISON, TEXAS AMENDING ORDINANCE NO. 4679, SECTION 5 "ISSUANCE OF BONDS", RELATED TO THE ISSUANCE OF DEBT WITHIN LAKE TEXOMA MUNICIPAL UTILITY DISTRICT NO. 1; INCORPORATING RECITALS; PROVIDING AN EFFECTIVE DATE; AND FINDING THIS ORDINANCE WAS PASSED IN A LAWFULLY OPEN MEETING.

WHEREAS, during the 81st session of the Texas Legislature, the Texas Legislature adopted House Bill 4737, 81st Texas Legislature, Regular Session, amending Subtitle F, Title 6, Special District Local Laws Code, to add Chapter 8359 effective September 1, 2009 (the "District Legislation"), thereby creating the Lake Texoma Municipal Utility District No. 1 (the "District"); and

WHEREAS, the City of Denison, Texas (the "City") approved and adopted Resolution No. 3749 on February 25, 2009, consenting to the District Legislation; and

WHEREAS, on February 18, 2013, the City adopted Ordinance No. 4679 ("Consent Ordinance") consenting to the creation of the District and division of the District into two or more districts; and

WHEREAS, Preston Harbour, L.P., a Texas limited partnership, and Preston Harbor Homeplace, L.P., a Texas limited partnership, were the owners of the property comprising the District (the "Prior Owners"), which includes approximately 3,114 acres of land situated within the City (the "Property") at the time of the adoption of the Consent Ordinance;

WHEREAS, the City, the Prior Owners, and Waterfall Development Partners, L.P. (the "Developer") entered into the Preston Harbor 2023 Development Agreement effective as of May 31, 2023 (the "2023 Development Agreement"), as may be amended from time to time, which provides the terms and conditions for the development of the Property; and

WHEREAS, the Developer acquired all of the right, title and interest in and to the Property from the Prior Owners on December 12, 2023, and assumed all of the rights and obligations of the Prior Owners under the 2023 Development Agreement; and

WHEREAS, the Developer has requested that the City consent to additional powers of the District with respect to the issuance of bonds to finance public improvements benefitting the District; and

WHEREAS, in consideration of this request, the City now desires to amend the Consent Ordinance as set forth herein.

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

SECTION 1. INCORPORATION OF RECITALS. The above and foregoing recitals are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2. AMENDMENT. Section 5 of the Consent Ordinance is replaced in its entirety as follows:

Section 5. Issuance of Bonds.

(a) The District may issue bonds as permitted by the District Legislation and other applicable law. No further City approval shall be required as a condition to the District's issuance of bonds if the bonds meet the requirements of the 2023 Development Agreement, as it may be subsequently amended, the District Legislation and other applicable law.

(b) The District may issue bonds secured by ad valorem taxes for the purposes of:

(i) Purchasing, constructing, acquiring or operating and maintaining the following facilities: all water supply and distribution systems, sanitary sewer collection systems, transportation and treatment systems, storm water collection systems, and detention and drainage systems constructed or acquired or to be constructed or acquired by the District or City, all macadamized, graveled, or paved roads constructed or acquired or to be constructed or acquired by the District or City, fire and police infrastructure, and any eligible project within the Project and Finance Plan for TIRZ #2, as those terms are defined in the 2023 Development Agreement (collectively, the "Public Infrastructure");

(ii) Constructing all necessary Public Infrastructure and making any and all necessary purchases, improvements, extensions, additions, and repairs to the Public Infrastructure;

(iii) Purchasing or acquiring all necessary land, right-of-way, easements, sites, equipment, buildings, plants, structures, and facilities related to the Public Infrastructure, whether within or outside of the boundaries of the District; and

(iv) Providing for developer interest, any necessary capitalized interest, and the costs of issuance.

(c) The District may issue contract revenue bonds secured by contract tax revenue from any district created by the division of the District or from TIRZ Funds, as that term is defined in the 2023 Development Agreement, for Project Costs incurred for TIRZ Eligible Projects, as those terms are defined in the 2023 Development Agreement, excluding land, rights-of-way, easements, and sites owned by the Owners and/or Developer.

SECTION 3. EFFECTIVE DATE. This Ordinance shall become effective upon its adoption and passage by the City Council.

SECTION 43. OPEN MEETING. That it is hereby found and determined that the meeting at which this Ordinance was passed was open to the public as required by law, and that public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

AND IT IS SO ORDERED.

On motion by Mayor Pro Tem Crawley, seconded by Council Member Thomas, the above and foregoing ordinance was passed and approved on this the 18th day of December, 2023, by the following vote:

Ayes: Hander, Courtright, Thorne, Gott, Massey, Crawley and Thomas.

Abstentions:

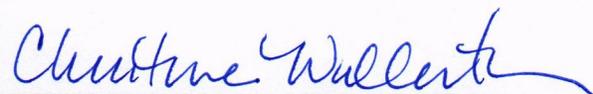
Nays:

At regular meeting December 18, 2023.



JANET GOTT, MAYOR

ATTEST:



Christine Wallentine, City Clerk

