



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## Meeting Agenda

### City Council

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Monday, August 22, 2016

5:00 PM

Council Chambers

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#### REGULAR MEETING

1. **5:00 P.M. - CALL MEETING TO ORDER**

2. **WORKSESSION**

3. **RECESS INTO EXECUTIVE SESSION**

*Pursuant to Section 551.071, Texas Government Code, the Council reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.*

**A. Pending or Contemplated Litigation or to Seek the Advice of the City Attorney Pursuant to Section 551.071**

Seek Advice of City Attorney Regarding Pending Litigation - Cause No. 348-270155-14

Seek Advice of City Attorney Regarding Modification to the Lease and Operating Agreement with DSE Hockey Centers, L.P.

Seek Advice of City Attorney Regarding Modification to the Development Agreement with DSE Hockey Centers, L.P.

Seek Advice of City Attorney Regarding Development Agreement with Shops at Broad

Seek Advice of City Attorney Regarding Mineral Lease Agreement with Newark Core Barnett, LLC/GHA Barnett, LLC

**B. Discussion Regarding Possible Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072**

Consider Possible Purchase/Lease/Exchange of Certain Properties for Future Development/Use

**C. Personnel Matters Pursuant to Section 551.074**

**D. Deliberation Regarding Commercial or Financial Information Received From or the Offer of a Financial or Other Incentive Made to a Business Prospect Seeking to Locate, Stay or Expand in or Near the Territory of the City and with which the City is Conducting Economic Development Negotiations Pursuant to Section 551.087**

Project #15-14 - Business Prospect Briefing

**4. 6:50 P.M. – COUNCIL BREAK PRIOR TO REGULAR BUSINESS SESSION**

**5. 7:00 PM OR IMMEDIATELY FOLLOWING EXECUTIVE SESSION - RECONVENE INTO REGULAR BUSINESS SESSION**

**6. INVOCATION**

**7. PLEDGE OF ALLEGIANCE**

**8. TEXAS PLEDGE**

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State Under God; One and Indivisible"

**9. CITIZEN COMMENTS**

*Citizens wishing to address the Council on non-public hearing agenda items and items not on the agenda may do so at this time. Once the business portion of the meeting begins, only comments related to public hearings will be heard. All comments are limited to 5 minutes. Please refrain from "personal criticisms."*

*In order to be recognized during the "Citizen Comments" or during a Public Hearing (applicants included), please complete a blue or yellow "Appearance Card" located at the entry to the City Council Chamber and present it to the Assistant City Secretary prior to the start of the meeting.*

**10. COUNCIL ANNOUNCEMENTS**

**11. STAFF COMMENTS**

*In addition to matters specifically listed below, Staff comments may include updates on ongoing or proposed projects and address of posted agenda items.*

**A. City Manager Report or Authorized Representative**

Current/Future Agenda Items

Follow-up on Recent Power Outages

Mansfield Wurstfest Update - Angie Henley

**12. TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION****13. CONSENT AGENDA**

*All matters listed under consent agenda have been previously discussed, require little or no deliberation, or are considered to be routine by the council. If discussion is desired, then an item will be removed from the consent agenda and considered separately. Otherwise, approval of the consent agenda authorizes the City Manager to implement each item in accordance with staff's recommendation.*

**ITEMS TO BE REMOVED FROM THE CONSENT AGENDA****16-1913**

Ordinance - Third and Final Reading on an Ordinance for Zoning Change from C-1 to PD for Professional Office on Approximately .33 Acres, Located at 500 S. Main Street; Eubanks Appraisals (ZC#16-004)

**Sponsors:** Joe Smolinski and Felix Wong

**Attachments:** [Maps & Supporting Info](#)

[Exhibit A](#)

[Exhibit B - Site Plan](#)

[Existing Structure](#)

[Ordinance](#)

**16-1930**

Ordinance - Third and Final Reading on an Ordinance Approving a Zoning Change from C-2, Community Business to PD, Planned Development for Auto Parts Store on Approximately 1.2 Acres Located at 631 W Debbie Lane; Buddy Webb & Company Inc (ZC#16-007)

**Sponsors:** Joe Smolinski and Felix Wong

**Attachments:** [Letter from Applicant](#)

[Maps & Supporting Info](#)

[Ordinance](#)

[Revised SUP](#)

**16-1955**

Ordinance - Third and Final Reading of an Ordinance Approving a Contract of Sale with Mansfield Independent School District; Authorizing the City Manager to Execute the Same and All Other Documents Necessary to Complete the Transaction; and Providing an Effective Date

**Sponsors:** Shelly Lanners and Matt Young

**Attachments:** [Ordinance](#)

**16-1953**

Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 217 Sycamore Street by the Mansfield Park Facilities Corporation (MPFDC) for Right of Way for Pond Branch Linear Trail in the Amount of \$60,000

**Sponsors:** Shelly Lanners and Matt Young

**Attachments:** [Resolution](#)

- [16-1961](#) Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 115 Depot Street by the Mansfield Park Facilities Corporation for Right of Way for Pond Branch Linear Trail in the Amount of \$30,000  
**Sponsors:** Shelly Lanners and Matt Young  
**Attachments:** [Resolution](#)
- [16-1965](#) Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 208 E. Broad Street by the Mansfield Park Facilities Corporation for Right of Way for Pond Branch Linear Trail in the Amount of \$4,238  
**Sponsors:** Shelly Lanners and Matt Young  
**Attachments:** [Resolution](#)
- [16-1969](#) Resolution - A Resolution of the City of Mansfield Authorizing the City Manager and the Police Department to Apply, Receive and Expend Grant Funds from State Farm Insurance Group to Implement a Teen Driver Safety Program. The Total Grant Award will not Exceed \$15,000 with no Match Required from the City.  
**Sponsors:** Tracy Aaron  
**Attachments:** [Resolution](#)
- [16-1983](#) Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 216 Sycamore Street by the Mansfield Park Facilities Corporation for Right of Way for Pond Branch Linear Trail in the Amount of \$33,500  
**Sponsors:** Shelly Lanners and Matt Young  
**Attachments:** [Resolution](#)
- [16-1987](#) Resolution - A Resolution Authorizing the Acquisition of Real Property Located at 801 Stell Avenue, Also Legally Described as Hillcrest Addition - Mansfield Block 5, Lot 18, City of Mansfield, Tarrant County, Texas for the Sum of Twenty Thousand and 00/100 Dollars (\$20,000) Plus Closing Costs  
**Sponsors:** Joe Smolinski  
**Attachments:** [Resolution](#)
- [16-1990](#) Resolution - A Resolution Authorizing a Construction Contract to Northstar Construction, LLC in the Amount of \$3,396,326.13 for the Construction of Phase II Improvements to Clayton W. Chandler Park  
**Sponsors:** Shelly Lanners and Matt Young  
**Attachments:** [Resolution](#)
- [16-1991](#) Resolution - A Resolution to Consider Awarding an Annual Contract to Earthworks, Inc. in the Amount of \$164,770 for Mowing of Developed Parks, Undeveloped Park Sites, and Municipal Sites and Properties

**Sponsors:** Shelly Lanners and Matt Young

**Attachments:** [Resolution](#)

[16-1992](#)

Resolution - A Resolution to Consider Awarding an Annual Contract to Terracare Associates in the Amount of \$248,650 for Mowing of Medians, Rights-of-Way, and Municipal Sites and Properties

**Sponsors:** Shelly Lanners and Matt Young

**Attachments:** [Resolution](#)

[16-1996](#)

Request for Special Event Permit: Mansfield Wurstfest

**Sponsors:** Joe Smolinski and The Applicant

**Attachments:** [Wurstfest SE & Tent App](#)

[Approvals & Comments](#)

[16-1979](#)

Minutes - Approval of the August 8, 2016 Regular City Council Meeting Minutes

**Sponsors:** Shelly Lanners and Jeanne Heard

**Attachments:** [8-8-16 DRAFT Meeting Minutes](#)

### **END OF CONSENT AGENDA**

## **14. OLD BUSINESS**

[16-1943](#)

Ordinance - Third and Final Reading of an Ordinance for the Modification of the Mansfield Starcenter Lease and Operating Agreement Between the City of Mansfield and DSE Hockey Centers, L.P.

**Sponsors:** Shelly Lanners and Peter Phillis

**Attachments:** [Ordinance](#)

[16-1945](#)

Ordinance - Third and Final Reading of an Ordinance Authorizing the Conveyance of Approximately 4.22 Acres of City Owned Real Property; Authorizing the City Manager to Execute all Documents Necessary to Complete the Transaction; and Providing an Effective Date.

**Sponsors:** Shelly Lanners and Peter Phillis

**Attachments:** [Ordinance](#)

[Exhibits A & B](#)

[16-1946](#)

Resolution - A Resolution Approving a Modification to the Development Agreement for Mansfield StarCenter Sports Facility between the City of Mansfield, the Mansfield Park Facilities Development Corporation and DSE Hockey Centers, L.P.

**Sponsors:** Shelly Lanners and Matt Young

**Attachments:** [Resolution](#)

**15. PUBLIC HEARING**

[16-1985](#) Public Hearing and Consideration of a Request for Industrial Use Permit for Indoor Commercial Amusement on Approximately 2.5 Acres Located at 201 Sentry Drive; Peyco Southwest Realty, Inc. (ZC#16-012)

**Sponsors:** Joe Smolinski and Felix Wong

**Attachments:** [Maps & Supporting Info](#)

[Permitted Use Table](#)

[IUP - DBAT](#)

[16-1993](#) Public Hearing - First Public Hearing on the Tax Rate, Levying the Ad Valorem Taxes for the Fiscal Year 2017 at a Rate of \$0.7100 per One Hundred Dollars (\$100.00) Assessed Valuation on all Taxable Property Within the Corporate Limits of the City as of January 1, 2016, to Provide Revenues for the Payment of Current Expenditures and to Provide an Interest and Sinking Fund on all Outstanding Debts of the City, and Providing for Due and Delinquent Dates Together With Penalties and Interest

**Sponsors:** Peter Phillis

[16-1994](#) Public Hearing - First Public Hearing on the Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017, in Accordance with the Charter of the City of Mansfield, and the Appropriation of Various Amounts Thereof

**Sponsors:** Peter Phillis

[16-1995](#) Public Hearing - First Public Hearing on the Use of Hotel/Motel Tax for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017

**Sponsors:** Peter Phillis

**16. PUBLIC HEARING AND FIRST READING**

[16-1978](#) Ordinance - Public Hearing and First Reading on an Ordinance Approving a Zoning Change from OP, Office Park to SF-12/22, Single-Family Residential on Approximately 1.9 Acres Located at 828 S Holland Road; A Child's Growing Mind (ZC#16-009)

**Sponsors:** Joe Smolinski and Felix Wong

**Attachments:** [Maps & Supporting Info](#)

[Ordinance](#)

[Exhibit A](#)

**17. NEW BUSINESS**

[16-1934](#) Resolution - A Resolution Authorizing a Performance Agreement by and between the Mansfield Economic Development Corporation ("MEDC") and FTI Industries, LP, and Authorizing its Execution by the President of

the MEDC; and Providing an Effective Date

**Sponsors:** Clayton Chandler and Scott Welmaker

**Attachments:** [Resolution](#)

[FTI EcoDevo FINAL](#)

[16-1988](#)

Ordinance - Authorizing the Issuance of the Sale of City of Mansfield, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A in an Aggregate Principal Amount not to Exceed \$3,500,000 in Accordance with Specified Parameters; Levying a Tax in Payment Thereof; Prescribing the Form of Said Certificates; Approving Execution and Delivery of a Purchase Agreement; Approving Official Statement; and Enacting Other Provisions Relating Thereto

**Sponsors:** Peter Phillis

**Attachments:** [Ordinance](#)

[Preliminary Official Statement](#)

[16-1989](#)

Resolution - Resolution Approving a Resolution Adopted by the Board of Directors of the Mansfield Parks Facilities Development Corporation Authorizing the Issuance of Mansfield Parks Development Corporation Sales Tax Revenue Bonds, Taxable New Series 2016A; Approving the Issuance of the Bonds and the Plan of Financing Authorized Thereby and the Financing Documents

**Sponsors:** Peter Phillis

**Attachments:** [Resolution](#)

[Preliminary Official Statement](#)

[16-1997](#)

Resolution - Authorizing the City of Mansfield, Texas and the Mansfield Economic Development Corporation to Enter into a Development Agreement with the Shops at Broad, LLC, a Texas Limited Liability Company for the Purposes of Funding Public Infrastructure to Service the Multi-Use Development

**Sponsors:** Peter Phillis

18. **ADJOURN**

**CERTIFICATION**

THIS IS TO CERTIFY THAT A COPY OF THE NOTICE OF the August 22, 2016 Regular City Council Agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, mansfieldtexas.gov, on Thursday, August 18, 2016, prior to 5:00 p.m., in compliance with Chapter 551, Texas Government Code.

\_\_\_\_\_  
Jeanne Heard, City Secretary

Approved as to form:

\_\_\_\_\_  
City Attorney

DATE OF POSTING: \_\_\_\_\_ TIME: \_\_\_\_\_ am/pm  
DATE TAKEN DOWN: \_\_\_\_\_ TIME: \_\_\_\_\_ am/pm

This facility is ADA compliant. If you plan to attend this public meeting and have a disability that requires special arrangements, please call (817) 473-0211 at least 48 hours in advance. Reasonable accommodation will be made to assist your needs. PLEASE SILENCE ALL PAGERS, CELL PHONES & OTHER ELECTRONIC EQUIPMENT WHILE THE CITY COUNCIL MEETING IS IN SESSION.



# CITY OF MANSFIELD

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Mansfield, TX 76063  
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## STAFF REPORT

File Number: 16-1913

**Agenda Date:** 8/22/2016

**Version:** 4

**Status:** Third and Final  
Reading

**In Control:** City Council

**File Type:** Ordinance

**Agenda Number:**

**Title**

Ordinance - Third and Final Reading on an Ordinance for Zoning Change from C-1 to PD for Professional Office on Approximately .33 Acres, Located at 500 S. Main Street; Eubanks Appraisals (ZC#16-004)

**Requested Action**

To consider the subject zoning change request

**Recommendation**

The Planning and Zoning Commission held a public hearing on June 20, 2016 and voted by 5-0 to recommend approval. Commissioners Knight and Polozola were absent.

**Description/History**

The applicant intends to occupy the building as a real estate appraisal office. Despite the current C-1 zoning, the property has been occupied as a single-family residence. The applicant is requesting the following modifications to accommodate the office use and related parking:

- Reduce the landscape buffer width bordering the adjacent residential lots from 20' to 3.5'
- Substitute the 8' masonry screening wall bordering the adjacent residential lots with a 6' board-on-board wood fence
- Maintain the existing wood siding structure in lieu of providing a masonry structure

There is no immediate plan for on-site signage; however if signage is needed in the future, it will comply with C-1 sign requirements.

This project is a good example of adaptive reuse of an existing residential structure by a low-intensity commercial use on the edge of a neighborhood in Historic Mansfield.

**Prepared By**

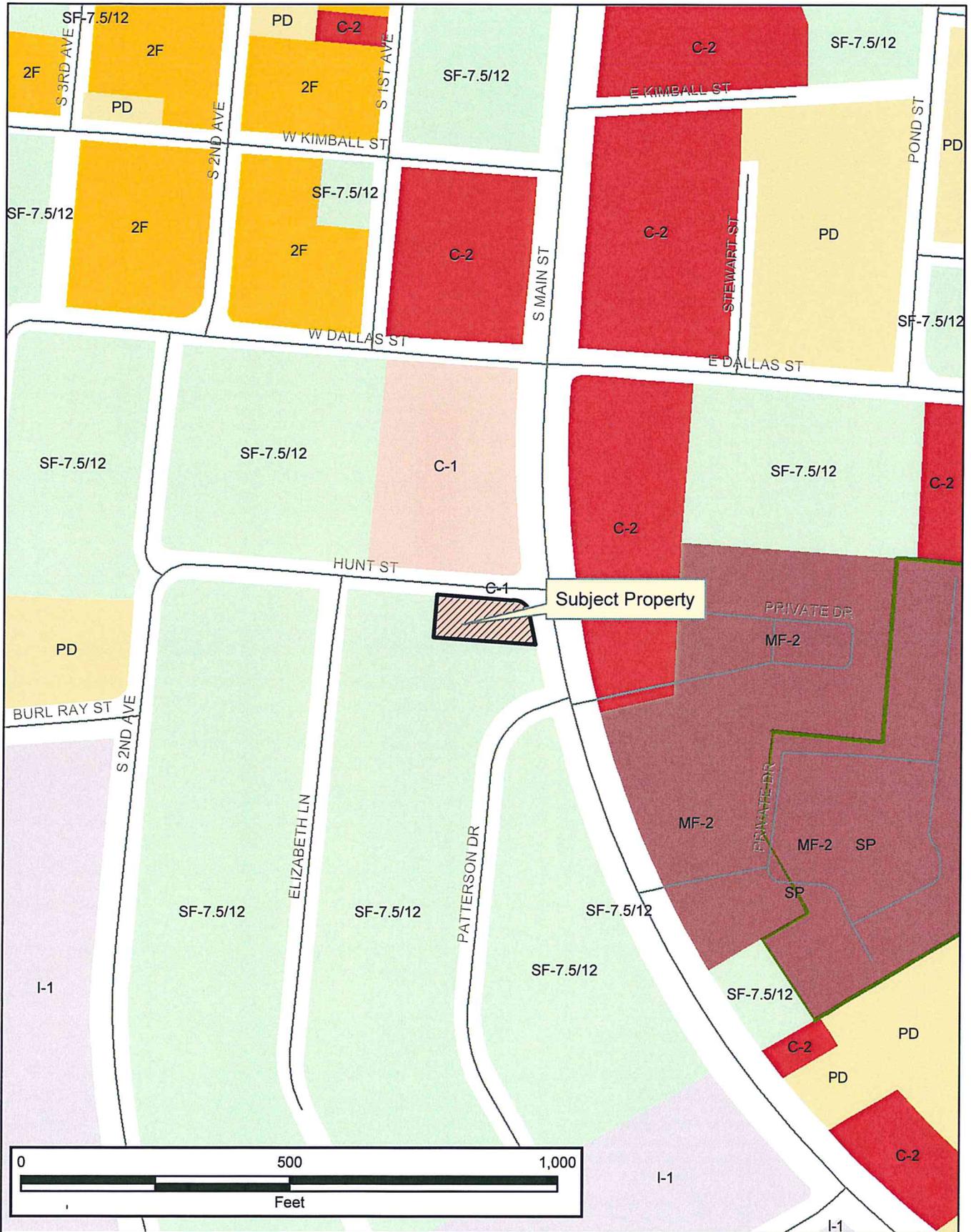
Felix Wong, Director of Planning  
817-276-4228



**ZC# 16-004**

This information is for illustrative purposes only. Not for design or development purposes. Site-specific studies may be required to obtain accurate feature locations. Every effort is made to ensure the information displayed here is accurate; however, the City of Mansfield makes no claims to its accuracy or completeness.

06/08/2016



**ZC# 16-004**

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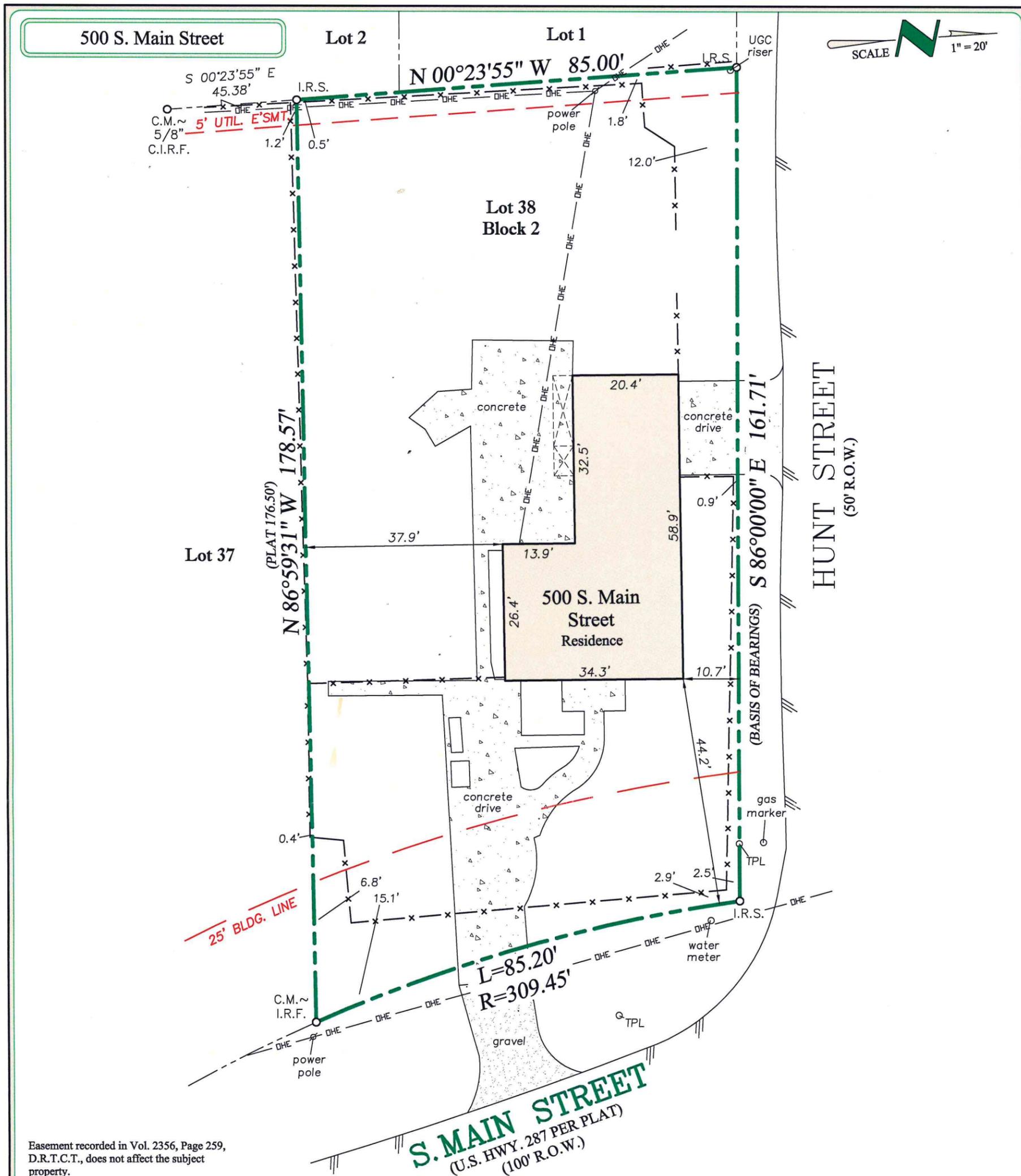
06/08/2016

## Property Owner Notification for ZC# 16-004

<b>LEGAL DESC 1</b>	<b>LEGAL DESC 2</b>	<b>OWNER NAME</b>	<b>OWNER ADDRESS</b>	<b>CITY</b>	<b>ZIP</b>
JALALI FAMILY TRUST	BLK 1	JALALI FAMILY TRUST	PO BOX 14552	ARLINGTON, TX	76094-1552
MANSFIELD, CITY OF	BLK 48	RAY, CLIFTON J	1100 CYPRESS CT	MANSFIELD, TX	76063-2608
MANSFIELD, CITY OF	BLK 48	ZSCHIESCHE, EDWARD C	PO BOX 662	MANSFIELD, TX	76063-0662
MANSFIELD, CITY OF	BLK 48	SHELTON, KATHERINE LOUISE	3201 COUNTY ROAD 607	ALVARADO, TX	76009-6582
MANSFIELD, CITY OF	BLK 48	CORNETT, RONALD D	1406 COMANCHE CT	ARLINGTON, TX	76012-4324
MANSFIELD, CITY OF	BLK 48	CORNETT, RONALD D	1406 COMANCHE CT	ARLINGTON, TX	76012-4324
MANSFIELD, CITY OF	BLK 48	JONES COMMERCIAL PROPERTIES LL	PO BOX 380387	DUNCANVILLE, TX	75138
MANSFIELD, CITY OF	BLK 48	LOYA, JOEL A	708 COAL CREEK DR	MANSFIELD, TX	76063-4066
MANSFIELD, CITY OF	BLK 48	SHELTON, KATHERINE LOUISE	3201 COUNTY ROAD 607	ALVARADO, TX	76009-6582
MANSFIELD, CITY OF	BLK 48	CORNETT, RONALD D	1406 COMANCHE CT	ARLINGTON, TX	76012-4324
MANSFIELD, CITY OF	BLK 48	CORNETT, RONALD D	1406 COMANCHE CT	ARLINGTON, TX	76012-4324
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MANSFIELD, CITY OF	BLK 48	JONES COMMERCIAL PROPERTIES LL	PO BOX 380387	DUNCANVILLE, TX	75138
MANSFIELD, CITY OF	BLK 48	JONES COMMERCIAL PROPERTIES LL	PO BOX 380387	DUNCANVILLE, TX	75138
MANSFIELD, CITY OF	BLK 48	SHELTON, KATHERINE LOUISE	3201 COUNTY ROAD 607	ALVARADO, TX	76009-6582
MANSFIELD, CITY OF	BLK 48	SHELTON, KATHERINE LOUISE	3201 COUNTY ROAD 607	ALVARADO, TX	76009-6582

## Property Owner Notification for ZC# 16-004

<b>LEGAL DESC 1</b>	<b>LEGAL DESC 2</b>	<b>OWNER NAME</b>	<b>OWNER ADDRESS</b>	<b>CITY</b>	<b>ZIP</b>
MANSFIELD, CITY OF	BLK 48	SHELTON, KATHERINE LOUISE	3201 COUNTY ROAD 607	ALVARADO, TX	76009-6582
MANSFIELD, CITY OF	BLK 48	HERNANDEZ, ANTONIO	404 S MAIN ST	MANSFIELD, TX	76063-3107
MANSFIELD, CITY OF	BLK 48	HERNANDEZ, ANTONIO	404 S MAIN ST	MANSFIELD, TX	76063-3107
MANSFIELD, CITY OF	BLK 55	ZSCHIESCHE, EDWARD C	PO BOX 662	MANSFIELD, TX	76063-0662
PATTERSON ADDITION (MANSFIELD)	BLK 1	SCARTH, MICHAEL W	509 PATTERSON DR	MANSFIELD, TX	76063-1965
PATTERSON ADDITION (MANSFIELD)	BLK 2	CORNETT, RONALD D	1406 COMANCHE CT	ARLINGTON, TX	76012-4324
PATTERSON ADDITION (MANSFIELD)	BLK 2	EUBANKS, WILL	PO BOX 542168	GRAND PRAIRIE, TX	75054
PATTERSON ADDITION (MANSFIELD)	BLK 2	DISHONG, FRANCES E P	503 ELIZABETH LN	MANSFIELD, TX	76063-1945
PATTERSON ADDITION (MANSFIELD)	BLK 2	ALLEN, DONNA JO	211 N WISTERIA ST	MANSFIELD, TX	76063-1837
PATTERSON ADDITION (MANSFIELD)	BLK 2	KWETU LLC	1604 VALLEYWOOD TR	MANSFIELD, TX	76063-5458
PATTERSON ADDITION (MANSFIELD)	BLK 2	EUBANKS, DANNY E	504 PATTERSON DR	MANSFIELD, TX	76063-1966
PATTERSON ADDITION (MANSFIELD)	BLK 2	RICO-NUNEZ, ANTONIO	507 ELIZABETH LN	MANSFIELD, TX	76063
PATTERSON ADDITION (MANSFIELD)	BLK 2	ELDREDGE INVESTMENT PROPERTIES	990 HWY 287 N STE 109-199	MANSFIELD, TX	76063
PATTERSON ADDITION (MANSFIELD)	BLK 2	HALL, VIRGINIA	509 ELIZABETH LN	MANSFIELD, TX	76063-1945
SELLS, TROY	LOT 1	MANSFIELD PLAZA LTD	PO BOX 3144	BRYAN, TX	77805-3144



Easement recorded in Vol. 2356, Page 259, D.R.T.C.T., does not affect the subject property.

**PROPERTY DESCRIPTION:** Lot 38, Block 2, Patterson Addition to the City of Mansfield, Tarrant County, Texas, according to the Plat recorded in Volume 388-G, Page 101, Plat Records, Tarrant County, Texas.

The undersigned have/has received and reviewed a copy of this survey.

x \_\_\_\_\_

x \_\_\_\_\_

Date: \_\_\_\_\_

Date:	12/1/15
ASC No.	1511350
Drawn/Chk	TER/FHW
Client	Alamo Title
G.F. No.	ATD-03-6000031501757-AM

**LEGEND** - C.M.= Controlling Monument; I.R.F.= Iron Rod Found; I.P.F.= Iron Pipe Found; F.C.P.= Fence Corner Post. OHE=Overhead Electric. I.R.S.= Iron Rod Set 1/2" diameter with yellow cap stamped "Arthur Surveying Company". All found iron rods are 1/2" diameter unless otherwise noted. — x — (fence / ¼ fence post) — DHE — (overhead power)

**FLOOD NOTE:** It is my opinion that the property described hereon is not within the 100-year flood zone area according to the Federal Emergency Management Agency Flood Insurance Rate Map Community-Panel No. 480606 0470 K, present effective date of map, Sept. 25, 2009, herein property situated within Zone "X".

**SURVEYORS CERTIFICATION:**  
The undersigned does hereby certify that this survey was this day made on the ground of the property legally described hereon and is correct, and to the best of my knowledge, there are no visible discrepancies, conflicts, shortages in area, boundary line conflicts, encroachments, overlapping of improvements, easements or rights of way that I have been advised of except as shown hereon. The bearings shown hereon are based on the above referenced recorded map or plat unless otherwise noted.



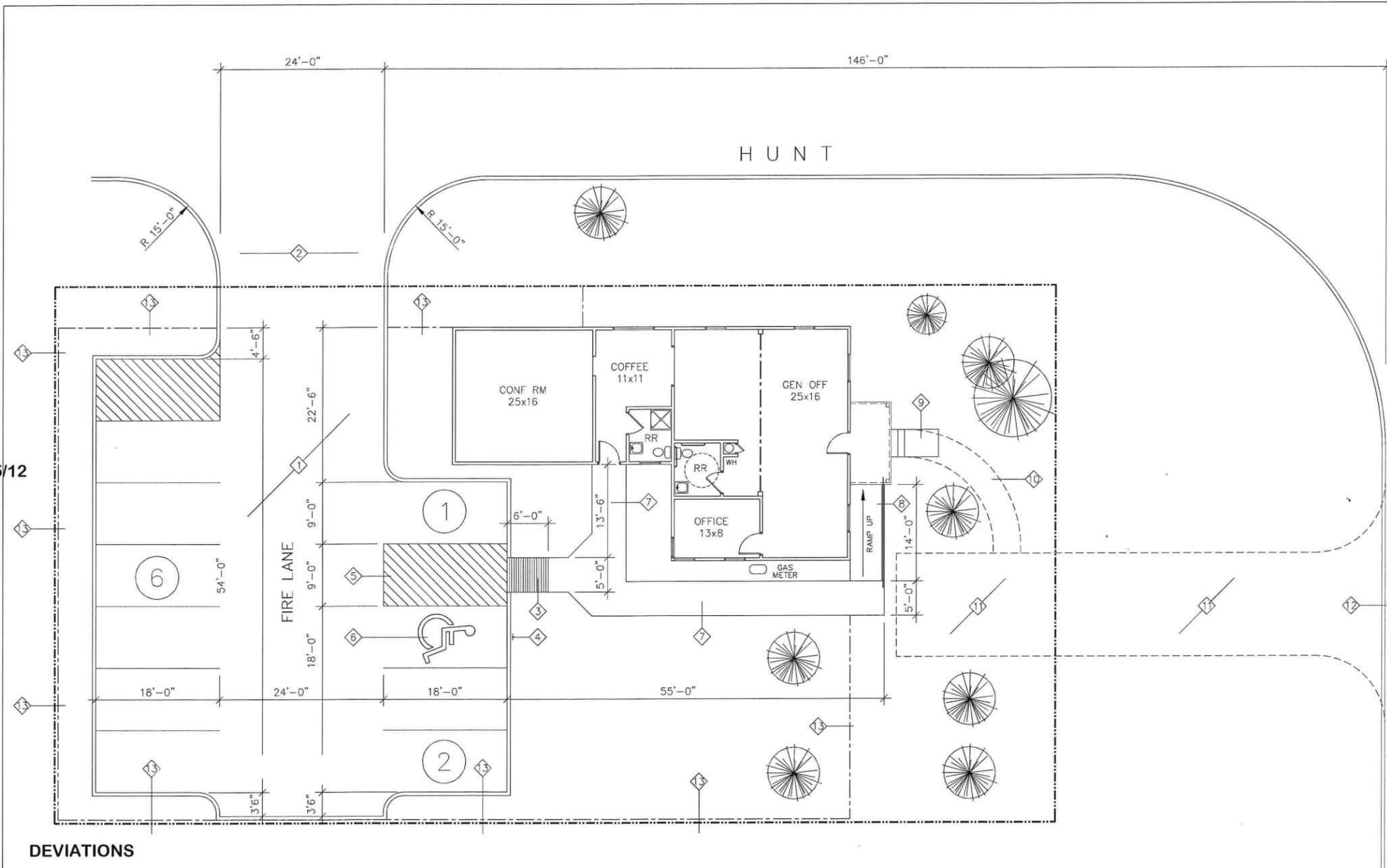
*F.H. Westphall*



500 S. Main Street  
Mansfield, Texas

**ALAMO TITLE COMPANY**  
6200 Colleyville Blvd.,  
Colleyville, Texas 76034  
Ph. (817) 428-6996  
Fax (817) 498-6146

**Arthur Surveying Co.**  
Professional Land Surveyors  
220 Elm St., # 200 - Lewisville, TX 75057  
Ph. 972.221.9439 - TFRN# 10063800  
arthursurveying.com Established 1986



- SITE NOTES:** ( NUMBERS IN DIAMONDS )
1. NEW CONCRETE PAVING W/ 6" CONCRETE CURB - SEE CIVIL ENGINEER PLANS FOR EXACT PAVING SPECS
  2. PROVIDE NEW CONCRETE APPROACH PER CITY SPEC - PROVIDE 6" CURB TO TAPER TO GRADE AT STREET
  3. PROVIDE NEW CONCRETE RAMP AT SIDEWALK - PROVIDE GROOVES IN RAMP - GROOVES TO EXTEND FULL WIDTH AND LENGTH OF RAMP - SLOPE OF RAMP NOT TO EXCEED 8% OR 1"/1' - SURFACE OF RAMP TO RECEIVE HEAVY BROOM FINISH - PROVIDE CONTRASTING COLOR ON RAMP SURFACE - COLOR TO BE BLUE OR APPROVED EQUAL
  4. PROVIDE A SIGN DESIGNATING ACCESSIBLE PARKING SPACE - SIGN TO BE MTD A MINIMUM OF 5'0" ABOVE THE SURFACE OF THE GROUND - SIGN TO SHOW THE SYMBOL OF ACCESSIBILITY
  5. PROVIDE 5'0" WIDE STRIPED AREA FOR WHEELCHAIR ACCESS TO RAMP
  6. PROVIDE ACCESSIBILITY SYMBOL IN ACCESSIBLE PARKING SPACE
  7. PROVIDE NEW CONCRETE SIDEWALK - SEE CIVIL ENGINEER PLANS FOR EXACT SPECS - FIELD VERIFY EXACT SIDEWALK LOCATION
  8. PROVIDE HANDICAPPED RAMP FROM GRADE TO FRONT PORCH - PROVIDE 4"x4" CONCRETE CURB - PROVIDE 1 1/2" DIAMETER HANDRAIL MTD 34" ABOVE GRADE OF RAMP - HANDRAIL TO EXTEND 12" BEYOND END OF RAMP AT TOP AND BOTTOM OF RAMP - SLOPE OF RAMP NOT TO EXCEED 8% OR 1"/1' - PROVIDE A MINIMUM OF 5' LONG FLAT SECTION AT TOP AND BOTTOM ENDS OF RAMP - SURFACE OF RAMP TO BE HEAVY BROOM FINISH - HANDRAILS TO BE PAINTED TO MATCH BLDG STD
  9. PROVIDE NEW 5'0"x5'0" CONCRETE LANDING AT EXISTING CONCRETE STEPS
  10. DEMO EXISTING CONCRETE SIDEWALK
  11. DEMO EXISTING GRAVEL DRIVEWAY
  12. PROVIDE NEW CONCRETE CURB TO MATCH CITY SPEC
  13. PROVIDE 6' HIGH BOARD ON BOARD FENCE - VERIFY EXACT SPEC W/ OWNER

SF 7.5/12

**DEVIATIONS**

20' Buffer yard and 8' Screening Wall - South and West  
70% Masonry - Existing Structure is 0%

**NOTES**

The Base Zoning for this PD is C-1  
AC equipment will be screened with a low screening wall consisting of wood picket fencing.  
The proposed development will be in complete accordance with the provisions of the approved Planned Development District and that all Development Plans recorded hereunder shall be binding upon the applicant thereof, his successors and assigns, and shall limit and control all building permits.



**A SITE PLAN**  
SCALE : 1/8" = 1'0"

SF 7.5/12

**EXHIBIT B  
DEVELOPMENT PLAN  
ZC#16-004**

**LOT 2 BLOCK 38 OF THE PATTERSON ADDITION  
MANSFIELD, TARRANT COUNTY, TEXAS  
MAY 2016  
1 LOT**

**500 S MAIN  
MANSFIELD, TX**

**BUILDING SUMMARY**

OFFICE	1,524 SF
<b>TOTAL</b>	<b>1,524 SF</b>

Revised:				

**GTS PLANNERS**  
2917 Shannon Lane  
Grand Prairie, Tx 75052  
(972) 602-9041  
gordonstone@gtsplanners.com

Date:	Revised:	Revised:	Revised:	Sheet Number
03/08/16	03/24/16	06/03/16	06/06/16	A-1
<b>16-068</b>			STONE	

EAST SIDE



EXHIBIT C  
ZC#16-004



WEST SIDE

EXHIBIT C  
ZC#16-004

NORTH SIDE



EXHIBIT C  
ZC#16-004



SOUTH SIDE

EXHIBIT C  
ZC#16-004

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTIES TO A PD, PLANNED DEVELOPMENT DISTRICT FOR PROFESSIONAL OFFICE, PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Planning and Zoning Commission and the governing body of the City of Mansfield, Texas, in compliance with the laws of the State of Texas with reference to the amendment of the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing opportunity to all property owners generally and to owners of the affected properties, the governing body of the City is of the opinion and finds that the Comprehensive Zoning Ordinance and Map should be amended;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS:**

**SECTION 1.**

That the Comprehensive Zoning Ordinance of the City of Mansfield, Texas, be, and the same is hereby, amended by amending the Zoning Map of the City of Mansfield, to give the hereinafter described property a new zoning district classification of PD, Planned Development for professional office use; said property being described in Exhibit "A" attached hereto and made a part hereof for all purposes.

**SECTION 2.**

That the use and development of the hereinabove described property shall be in accordance with the development plan shown on Exhibit "B" attached hereto and made a part hereof for all purposes.

**SECTION 3.**

That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby, repealed and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 4.**

That the above described properties shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification.

**SECTION 5.**

Should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part so declared to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

**SECTION 6.**

Any person, firm or corporation violating any of the provisions of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be deemed guilty of a misdemeanor and, upon conviction in the Municipal Court of the City of Mansfield, Texas, shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

**SECTION 7.**

This ordinance shall take effect immediately from and after its passage on third and final reading and the publication of the caption, as the law and charter in such cases provide.

First reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Second reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**DULY PASSED** on the third and final reading by the City Council of the City of Mansfield, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

ATTEST:

\_\_\_\_\_  
**Jeanne Heard, City Secretary**

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_  
**Allen Taylor, City Attorney**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1930

**Agenda Date:** 8/22/2016

**Version:** 3

**Status:** Third and Final Reading

**In Control:** City Council

**File Type:** Ordinance

**Agenda Number:**

**Title**

Ordinance - Third and Final Reading on an Ordinance Approving a Zoning Change from C-2, Community Business to PD, Planned Development for Auto Parts Store on Approximately 1.2 Acres Located at 631 W Debbie Lane; Buddy Webb & Company Inc (ZC#16-007)

**Requested Action**

To consider the subject zoning change request

**Recommendation**

The Planning and Zoning Commission held a public hearing on 7/5/16 and voted 6-0 to recommend approval. Commissioner Knight was absent.

**Description/History**

**First Reading**

The existing O'Reilly Auto Parts on W Debbie Lane is proposing a 3,400 sf addition in the back of the store. Pursuant to a recent amendment, a Specific Use Permit or Planned Development is required for an auto parts store. The same requirement applies to an expansion of an existing store.

For consistency, O'Reilly plans to continue the existing metal panel building facade on the new addition - Shadow Wall by Butler Mfg

([http://buttermfg.com/en/products\\_systems/wall\\_systems/shadowwall](http://buttermfg.com/en/products_systems/wall_systems/shadowwall)).

A PD is required to deviate from the masonry construction requirement.

**Second Reading**

The applicant revised the screening for the AC units as discussed at the last meeting.

**Prepared By**

Felix Wong, Director of Planning  
817-276-4228



# Buddy D. Webb, NCARB

**Architect - Consultant**

3057 E. Cairo  
Springfield, Missouri 65802  
(417) 877-1385 Phone  
(417) 877-9736 Fax

June 23, 2016

Mrs. Kerin Maquire, Planner  
City of Mansfield  
1200 East Broad Street  
Mansfield, Texas 76063

Re: Addition O'Reilly Auto Parts Store  
631 West Debbie Lane  
Mansfield, Texas

Dear Mrs. Kerin Maquire:

This letter is to explain the position of Buddy Webb and Company, Architecture firm, designing the addition to the existing O'Reilly Auto Part Store in Mansfield, Texas. After reviewing the local ordinances, we are formally requesting a deviation from Section 4600- Community Design Standards regarding the exterior materials for building Zoned C2. We are requesting this due to the fact this is an addition to an existing building that was constructed prior to the Design Standards came into effect.

Buddy Webb and Company believes that the following addition and modifications to the existing store will not only enhance but improve the quality of the local area. The items Buddy Webb and Company are offering include an addition of 3,400 SQ FT to the rear of the building, remove the existing trash enclose and replaced with a larger one to include a recycle area and finally new roof top units to be placed on the ground next to the existing units. Buddy Webb and Company believes that these items will not only improve the facility but improve the service that the store can provide to the local community.

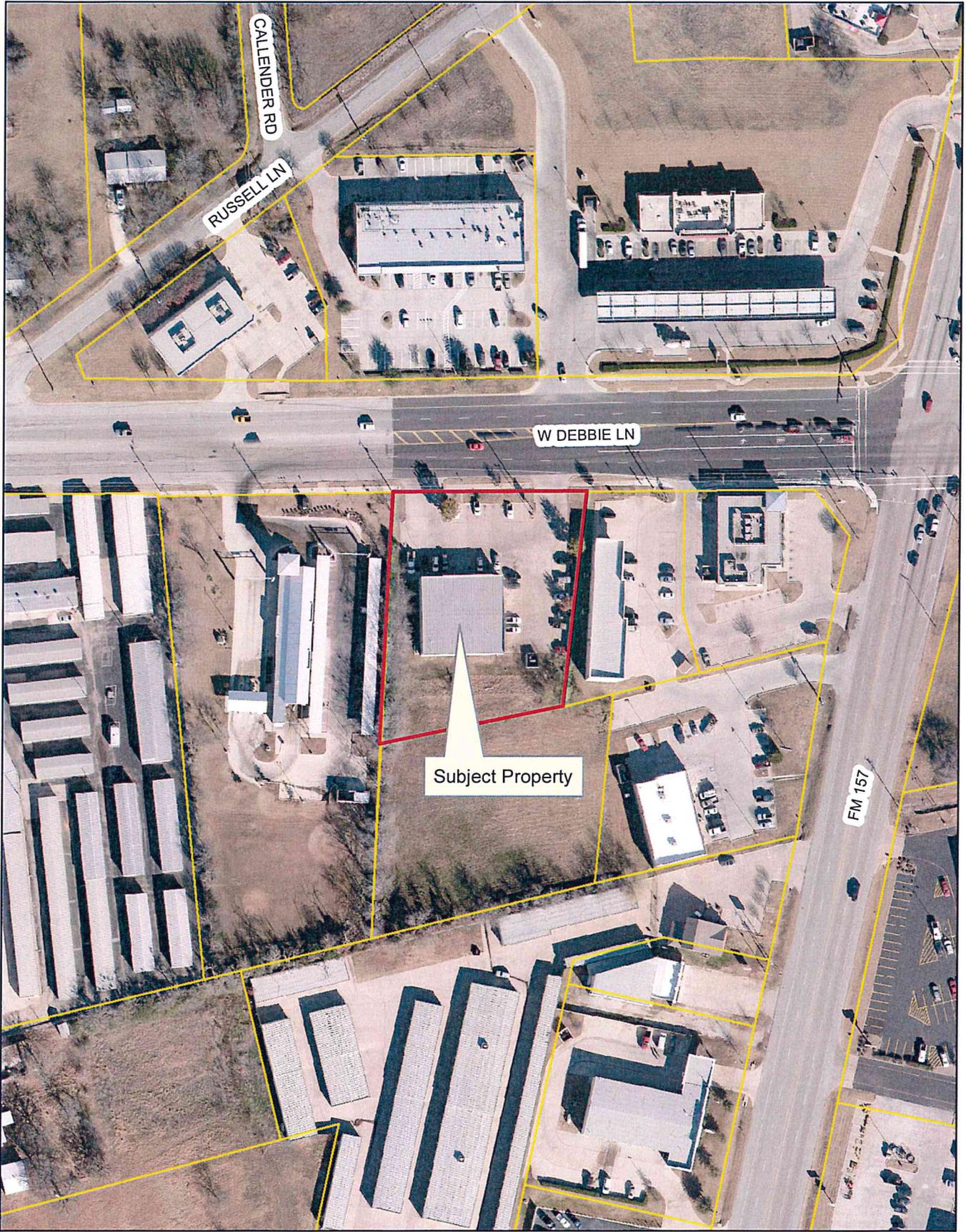
Thank you for your time and consideration on our proposal.

Respectfully,

Robert J. Deal, LEED GA  
Project Designer  
Buddy Webb and Company

attachment

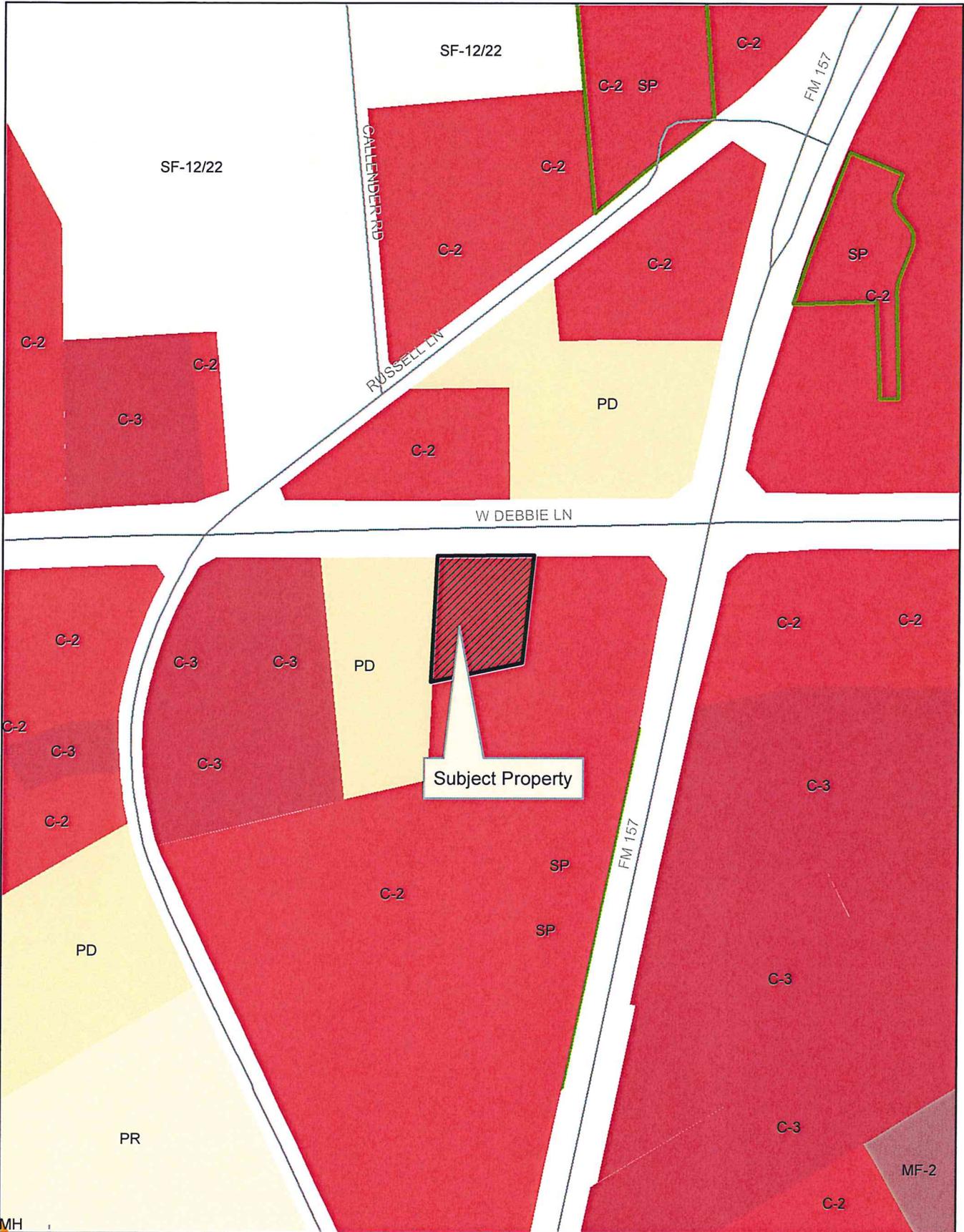
Cc: Steve Peterie  
file



**ZC# 16-007**

This information is for illustrative purposes only. Not for design or development purposes. Site-specific studies may be required to obtain accurate feature locations. Every effort is made to ensure the information displayed here is accurate; however, the City of Mansfield makes no claims to its accuracy or completeness.

06/24/2016



**ZC# 16-007**

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06/24/2016

## Property Owner Notification for ZC# 16-007

<b>LEGAL DESC 1</b>	<b>LEGAL DESC 2</b>	<b>OWNER NAME</b>	<b>OWNER ADDRESS</b>	<b>CITY</b>	<b>ZIP</b>
GENTRY, NORMAN L ADDITION	BLK 1	MANSFIELD SELF STORAGE LTD	2539 S GESSNER RD STE 13	HOUSTON, TX	77063-2028
OAKDALE ADDITION-MANSFIELD	BLK 3	MUTUAL PROJECTS INC	PO BOX 7766	FORT WORTH, TX	76111-0766
OAKDALE ADDITION-MANSFIELD	BLK 3	RANDAL INV GROUP LLC	2627 HOPKINS DR	GRAND PRAIRIE, TX	75052
OAKDALE ADDITION-MANSFIELD	BLK 3	QUIKTRIP CORPORATION	PO BOX 3475	TULSA, OK	74101-3475
OAKDALE ADDITION-MANSFIELD	BLK 5	O'REILLY AUTO ENTERPRISES LLC	233 S PATTERSON AVE	SPRINGFIELD, MO	65802-2298
OAKDALE ADDITION-MANSFIELD	BLK 5	AUTOZONE TEXAS L P	PO BOX 2198	MEMPHIS, TN	38101-2198
OAKDALE ADDITION-MANSFIELD	BLK 5	PHILLIPS, DOROTHY F	PO BOX 42	MANSFIELD, TX	76063-0042
OAKDALE ADDITION-MANSFIELD	BLK 5	HART SYSTEMS INC	PO BOX 40888	FORT WORTH, TX	76140-0888
OAKDALE ADDITION-MANSFIELD	BLK 5	JALALI FAMILY TRUST	PO BOX 14552	ARLINGTON, TX	76094-1552
OAKDALE ADDITION-MANSFIELD	BLK 5	JETT EXPRESS CAR WASHES LLC	363 AVIATOR DR	FORT WORTH, TX	76179-5437

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTIES TO A PD, PLANNED DEVELOPMENT DISTRICT FOR AUTO PARTS STORE, PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.**

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**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS:**

**SECTION 1.**

That the Comprehensive Zoning Ordinance of the City of Mansfield, Texas, be, and the same is hereby, amended by amending the Zoning Map of the City of Mansfield, to give Lot 5-R, Block 5, Oakdale Addition a new zoning district classification of PD, Planned Development for auto parts store; said Lot 5-R being described in Exhibit "A" attached hereto and made a part hereof for all purposes.

**SECTION 2.**

That the use and development of the hereinabove described property shall be in accordance with the development plan shown on Exhibit "B" attached hereto and made a part hereof for all purposes.

**SECTION 3.**

That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby, repealed and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 4.**

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**SECTION 6.**

Any person, firm or corporation violating any of the provisions of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be deemed guilty of a misdemeanor and, upon conviction in the Municipal Court of the City of Mansfield, Texas, shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

**SECTION 7.**

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First reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Second reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**DULY PASSED** on the third and final reading by the City Council of the City of Mansfield, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

ATTEST:

\_\_\_\_\_  
**Jeanne Heard, City Secretary**

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_  
**Allen Taylor, City Attorney**

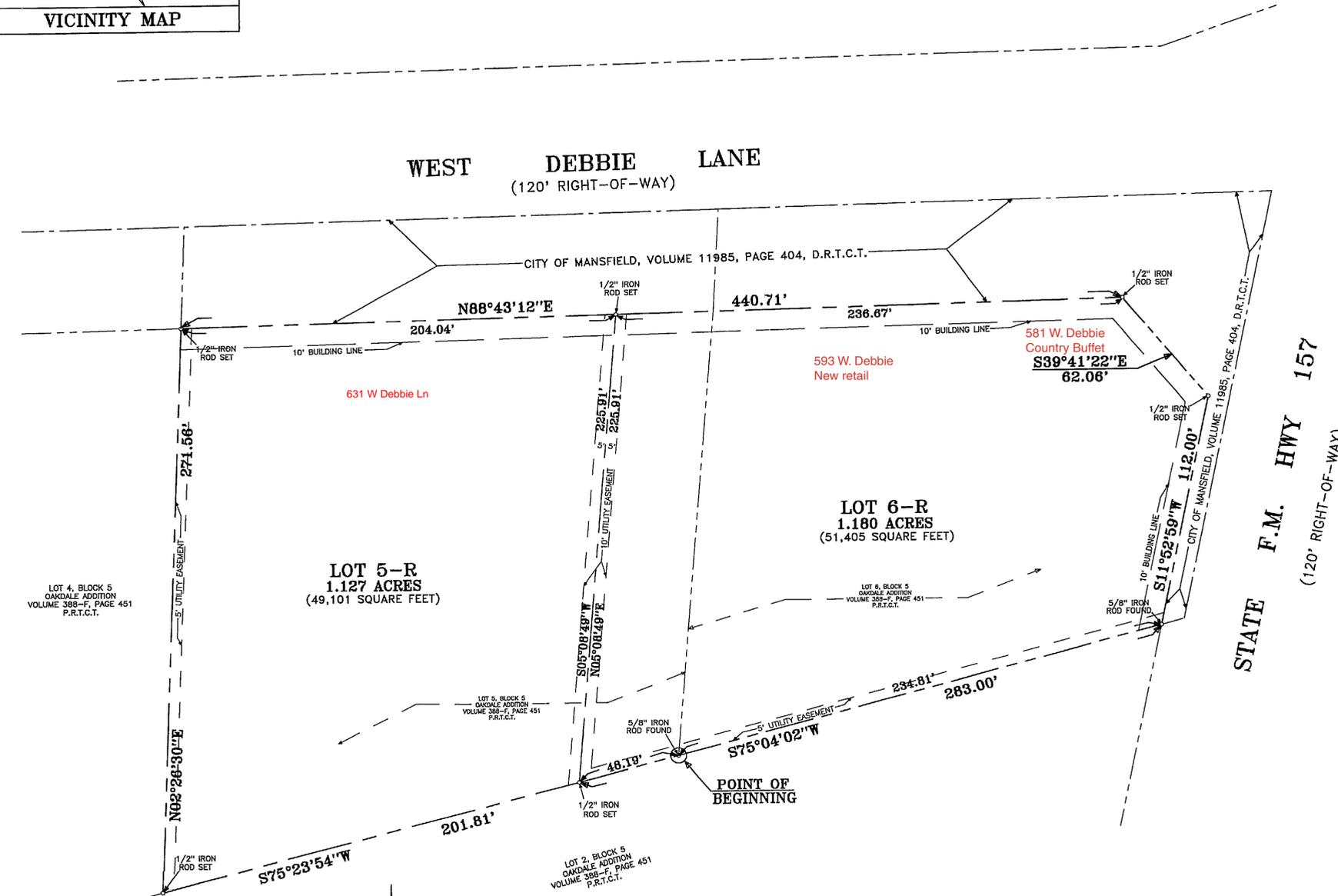
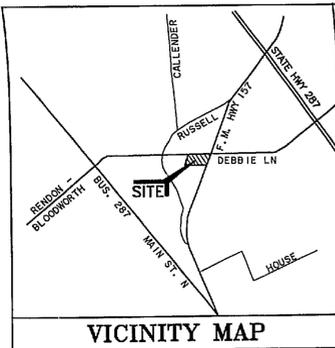
Ordinance No. \_\_\_\_\_

Page 3

# EXHIBIT A ZC#16-007

D197162965

**BRITTAIN & CRAWFORD**  
LAND SURVEYING &  
TOPOGRAPHIC MAPPING  
(817) 926-0211 - METRO (817) 429-5112  
FAX No. (817) 926-9347  
P.O. BOX 11374 \* 3908 SOUTH FREEWAY  
FORT WORTH, TEXAS 76110



STATE OF TEXAS  
COUNTY OF TARRANT

WHEREAS, VIRGINIA R. ELLIOTT, DOROTHY FAYE PHILLIPS, and CHRISTOPHER REZA JALALI, are the sole owners of a tract of land situated in the S.S. CALLENDER SURVEY, Abstract No. 359, Tarrant County, Texas, according to the deeds recorded in Volume 4975, Page 564 and Volume 12941, Page 222 of the Deed Records of Tarrant County, Texas, and being more particularly described as follows:

**LEGAL DESCRIPTION**

BEING 2.307 acres of land located in Lot 5 and Lot 6, Block 5, OAKDALE ADDITION, to the City of Mansfield, Tarrant County, Texas, according to the plat recorded in Volume 388-F, Page 451, of the plat records of Tarrant County, Texas. Said 2.307 acres being more particularly described by metes and bounds, as follows:

- BEGINNING at a 5/8" iron rod found, at the Southwest corner of said Lot 6, being the Southeast corner of said Lot 5;
- THENCE S 75° 04' 02" W 48.19 feet, running along the South boundary line of said Lot 5 to a 1/2" iron rod set;
- THENCE S 75° 23' 54" W 201.81 feet, along the South boundary line of said Lot 5;
- THENCE N 02° 26' 30" E 271.56 feet, along the West boundary line of said Lot 5, to a 1/2" iron rod set, in the South right-of-way line of Debbie Lane, as conveyed to the City of Mansfield, by the deed recorded in Volume 11985, Page 404 of the Deed Records of Tarrant County, Texas;
- THENCE N 88° 43' 12" E 440.71 feet, running along the South boundary line of said Mansfield Tract, being the South right-of-way line of said Debbie Lane, to a 1/2" iron rod set, at the West end of a corner clip at the intersection of the West right-of-way line of F.M. Highway No. 157, also conveyed to the City of Mansfield by the deed recorded in Volume 11985, Page 404 of the Deed Records of Tarrant County, Texas;
- THENCE along the West right-of-way line of said F.M. Highway No. 157, being the West boundary line of said City of Mansfield Tract as follows:
  1. S 39° 41' 22" E 62.06 feet, along the Southwest boundary line of said corner clip to a 1/2" iron rod set, at the East end of said corner clip;
  2. S 11° 52' 59" W 112.00 feet, to a 5/8" iron rod found, in the South boundary line of said Lot 6;
- THENCE S 75° 04' 02" W 234.81 feet, along the South boundary line of said Lot 6, to THE PLACE OF BEGINNING, containing 2.307 acres (100,506 square feet) of land.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: THAT, VIRGINIA R. ELLIOTT, DOROTHY FAYE PHILLIPS, and CHRISTOPHER REZA JALALI, do hereby adopt this plat designating the hereinabove described property as Lots 5-R and 6-R, Block 5, OAKDALE ADDITION, an addition to the City of Mansfield, Tarrant County, Texas, and do hereby dedicate to the public's use, the streets and easements shown hereon.

WITNESS OUR HANDS at Mansfield, Tarrant County, Texas, this 18th day of August, 1997.

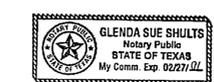
Virginia R. Elliott  
DOROTHY FAYE PHILLIPS

Mohammad Reza Jalali  
as custodian for  
CHRISTOPHER REZA JALALI

STATE OF TEXAS  
COUNTY OF TARRANT

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared VIRGINIA R. ELLIOTT, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11th day of August, 1997.

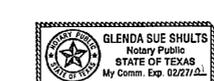


Glenda Sue Shults  
Notary Public in and for  
The State of Texas  
My Commission Expires: 2/27/01

STATE OF TEXAS  
COUNTY OF TARRANT

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared DOROTHY FAYE PHILLIPS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 18th day of August, 1997.

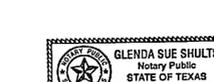


Glenda Sue Shults  
Notary Public in and for  
The State of Texas  
My Commission Expires: 2/27/01

STATE OF TEXAS  
COUNTY OF TARRANT

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared MOHAMMAD REZA JALALI, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 18th day of August, 1997.

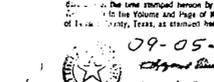


Glenda Sue Shults  
Notary Public in and for  
The State of Texas  
My Commission Expires: 2/27/01

STATE OF TEXAS  
COUNTY OF TARRANT

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared MOHAMMAD REZA JALALI, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

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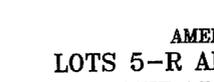


Glenda Sue Shults  
Notary Public in and for  
The State of Texas  
My Commission Expires: 2/27/01

STATE OF TEXAS  
COUNTY OF TARRANT

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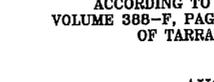


Glenda Sue Shults  
Notary Public in and for  
The State of Texas  
My Commission Expires: 2/27/01

STATE OF TEXAS  
COUNTY OF TARRANT

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GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 18th day of August, 1997.



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The State of Texas  
My Commission Expires: 2/27/01

STATE OF TEXAS  
COUNTY OF TARRANT

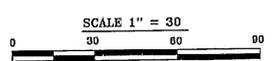
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GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 18th day of August, 1997.



Glenda Sue Shults  
Notary Public in and for  
The State of Texas  
My Commission Expires: 2/27/01

AFTER RECORDING RETURN TO:  
CITY OF MANSFIELD  
1305 E. BROAD STREET  
MANSFIELD, TEXAS 76063



APPROVED BY THE CITY OF MANSFIELD

APPROVED: [Signature]  
CHAIRMAN, PLANNING & ZONING COMMISSION

ATTESTED: [Signature]  
PLANNING & ZONING SECRETARY

APPROVED: [Signature]  
TEXAS UTILITIES

APPROVED: [Signature]  
MARCUS CABLE

APPROVED: [Signature]  
SOUTHWESTERN BELL TELEPHONE

APPROVED: [Signature]  
LONE STAR GAS

DATE: 8-18-97

DATE: 8-18-97

DATE: 8-8-97

DATE: 8/8/97

DATE: 8-8-97

DATE: 8-8-97

James L. Brittain  
JAMES L. BRITTAIN, R.P.L.S.  
State of Texas No. 1674



THIS PLAT FILED IN CABINET A, SLIDE 3726, DATE 9-5-97.

**AMENDING PLAT**  
**LOTS 5-R AND 6-R, BLOCK 5**  
**OAKDALE ADDITION**  
AN ADDITION TO THE CITY OF  
MANSFIELD, TARRANT COUNTY, TEXAS  
BEING A REVISION OF  
LOTS 5 AND 6, BLOCK 5  
OAKDALE ADDITION  
TO THE CITY OF MANSFIELD, TARRANT COUNTY, TEXAS  
ACCORDING TO THE PLAT RECORDED IN  
VOLUME 388-F, PAGE 451 OF THE PLAT RECORDS  
OF TARRANT COUNTY, TEXAS

AUGUST 1997

97-37  
SIN. FIN. #  
97-37

PRELIMINARY  
NOT FOR  
CONSTRUCTION  
OR PERMIT

SHEETS BEARING THIS SEAL ARE AUTHENTICATED. RESPONSIBILITY FOR ALL OTHER PLANS, SPECIFICATIONS OR INSTRUMENTS ARE DISCLAIMED.

**O'Reilly AUTO PARTS**  
CORPORATE OFFICES  
233 SOUTH PATTERSON  
SPRINGFIELD, MISSOURI 65802  
(417) 862-2674 TELEPHONE

PROJECT: (ADDITION)  
**O'REILLY AUTO PARTS STORE**  
631 WEST DEBBIE LANE  
MANSFIELD, TEXAS  
**EXHIBIT B**

**Buddy D. Webb**  
Architect - Consultant  
3057 EAST CAIRO  
SPRINGFIELD, MISSOURI 65802  
(417) 877-1385 TELEPHONE  
(417) 877-9736 FAX

DRAWN BY: RJD  
CHECKED BY: LDG  
DATE: 02/23/2016  
REVISION: C 16-00  
PROJECT NUMBER: MFD  
SHEET NUMBER

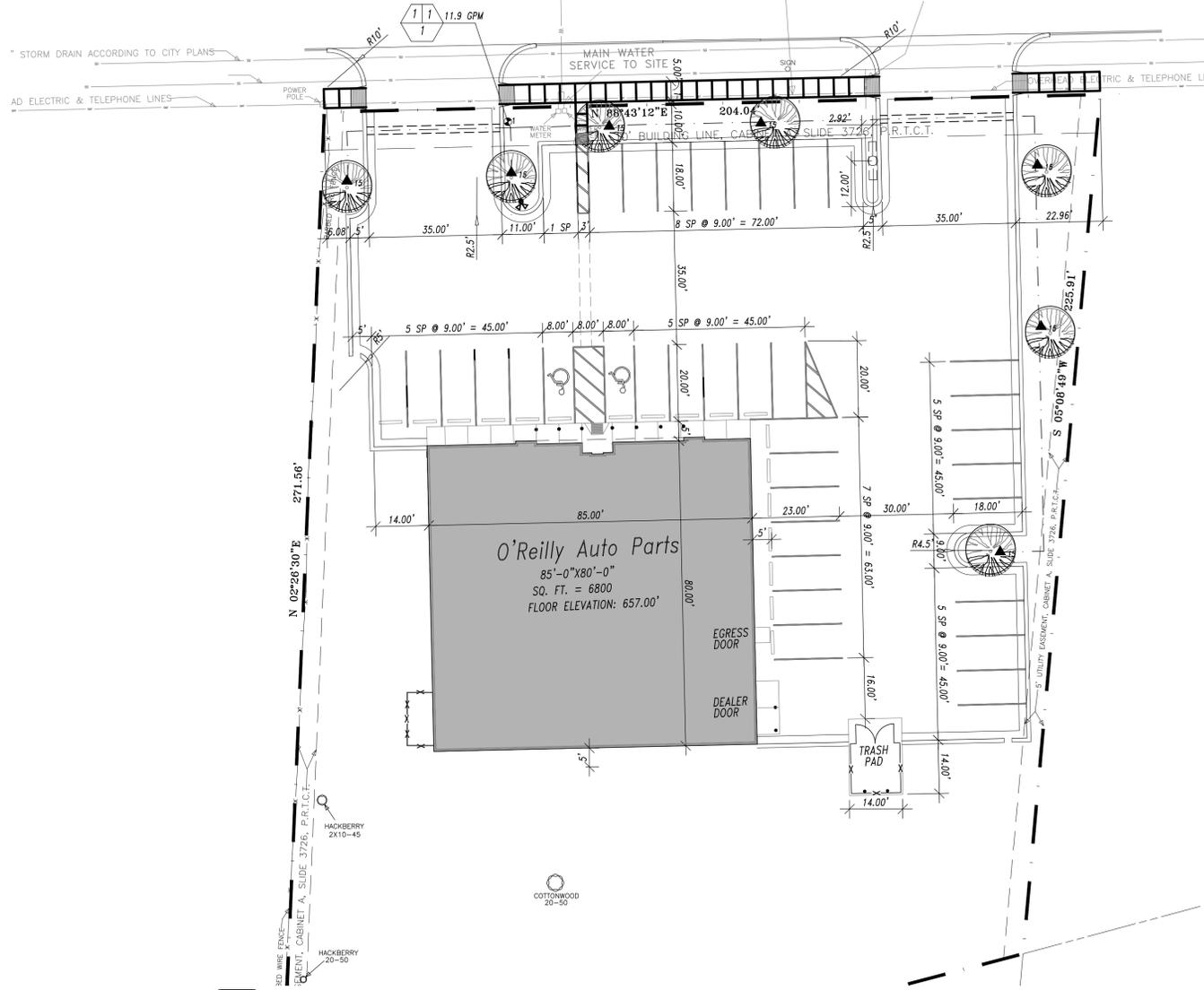
**C2**

NOTE: ALL ELECTRIC & TELEPHONE SERVICES ARE OVERHEAD LINES. NO UNDERGROUND ELECTRIC, CABLE-TV, TELEPHONE, OR GAS LINES WERE LOCATED ON THIS SITE BY "DIGTESS" LOCATOR SERVICE COMPANY. LOWEST WIRE ELEV = 19 FEET (4 ELECTRIC WIRES, 1 TELEPHONE WIRE, & 0 CABLE TV WIRES)

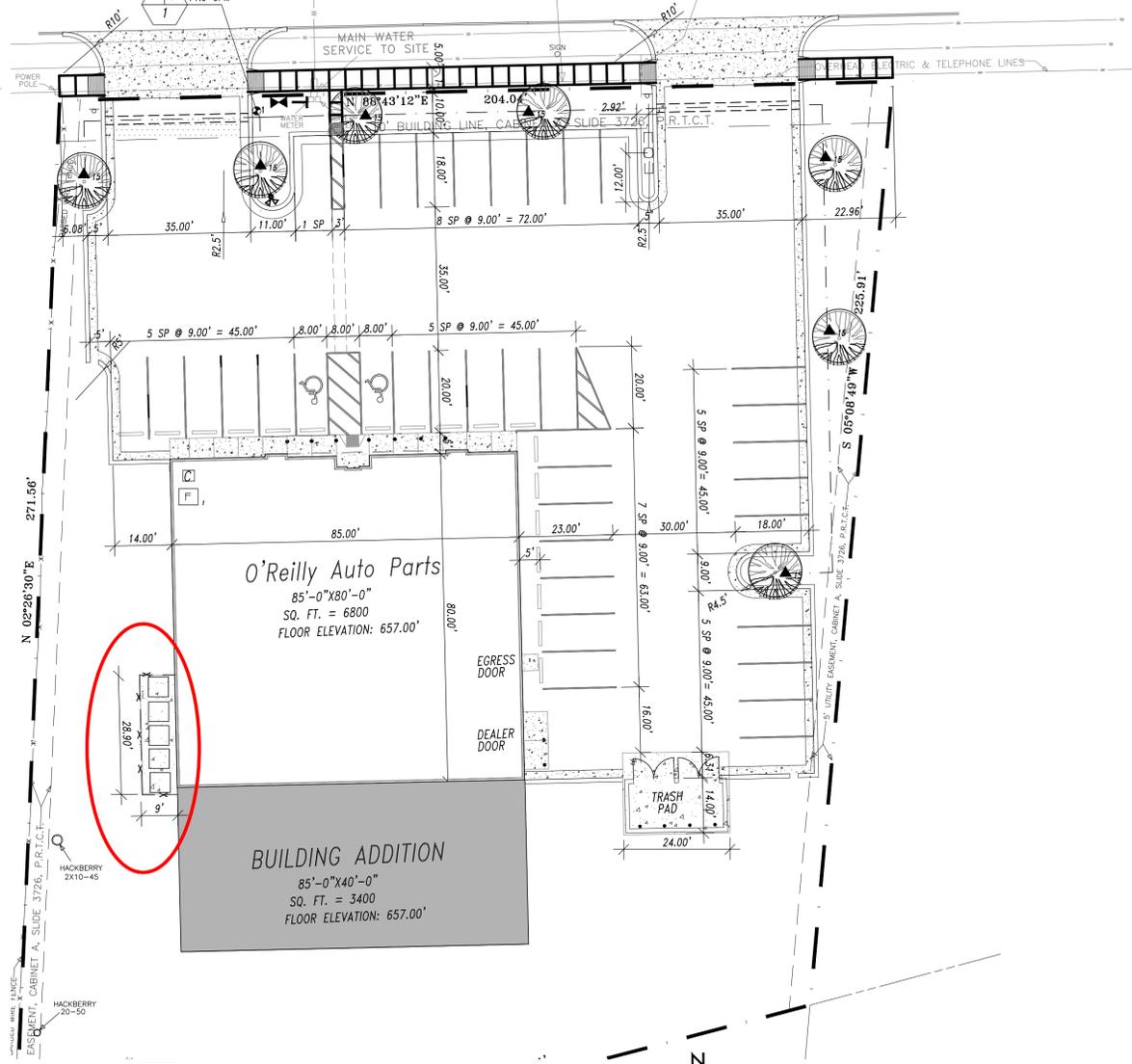
6" SANITARY SEWER SERVICE STUB APPROXIMATE FLOWLINE AT SEWER MAIN ELEV. = 646.00

NOTE: ALL ELECTRIC & TELEPHONE SERVICES ARE OVERHEAD LINES. NO UNDERGROUND ELECTRIC, CABLE-TV, TELEPHONE, OR GAS LINES WERE LOCATED ON THIS SITE BY "DIGTESS" LOCATOR SERVICE COMPANY. LOWEST WIRE ELEV = 19 FEET (4 ELECTRIC WIRES, 1 TELEPHONE WIRE, & 0 CABLE TV WIRES)

6" SANITARY SEWER SERVICE STUB APPROXIMATE FLOWLINE AT SEWER MAIN ELEV. = 646.00



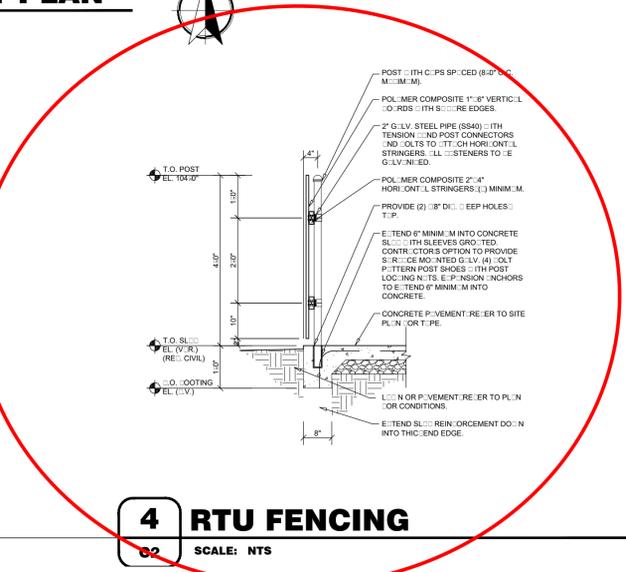
**1 EXISTING SITE DEVELOPMENT PLAN**  
SCALE: 1" = 20'



**2 SITE DEVELOPMENT PLAN**  
SCALE: 1" = 20'



**3 PHOTOS OF THE SITE BEHIND EXISTING O'REILLY'S**  
SCALE: 1" = 20'



**4 RTU FENCING**  
SCALE: NTS

COPYRIGHT 2016 BY DESIGN. DRAWINGS AND SPECIFICATIONS ARE INSTRUMENTS OF SERVICE AND ARE THE PROPERTY OF THE DESIGN PROFESSIONAL. REPRODUCTION, PROHIBITED WITHOUT THE EXPRESSED WRITTEN CONSENT OF THE DESIGN PROFESSIONAL.

PRELIMINARY  
NOT FOR  
CONSTRUCTION  
OR PERMIT

SHEETS BEARING THIS SEAL ARE  
AUTHENTICATED. RESPONSIBILITY FOR  
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OR INSTRUMENTS ARE DISCLAIMED.

**O'Reilly AUTO PARTS**  
CORPORATE OFFICES  
233 SOUTH PATTERSON  
SPRINGFIELD, MISSOURI 65802  
(417) 862-2674 TELEPHONE

PROJECT: (ADDITION)  
**O'REILLY AUTO PARTS STORE**  
WEST DEBBIE LANE  
MANSFIELD, TEXAS  
**EXHIBIT**

**Buddy D. Webb**  
Architect - Consultant  
3057 EAST CAIRO  
SPRINGFIELD, MISSOURI 65802  
(417) 877-1385 TELEPHONE  
(417) 877-9736 FAX

DRAWN BY: RJD CHECKED BY: LDG

DATE: 02/23/2016

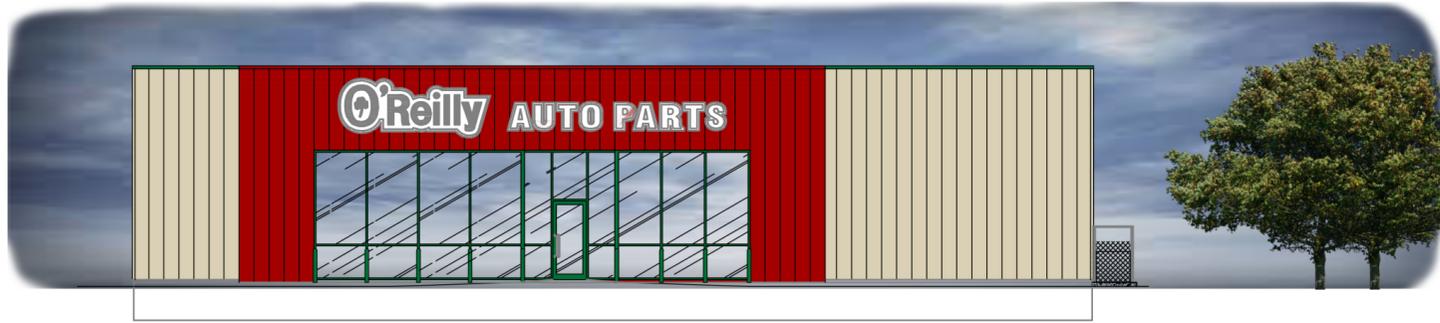
REVISION:

PROJECT NUMBER: MFD

SHEET NUMBER: A2

**A2**

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**1 FRONT ELEVATION**

A2 SCALE: 1/8" = 1'-0"



**2 SIDE ELEVATION**

A2 SCALE: 1/8" = 1'-0"



**3 REAR ELEVATION**

A2 SCALE: 1/8" = 1'-0"



**4 SIDE ELEVATION**

A2 SCALE: 1/8" = 1'-0"



**5 EXISTING SIDE PHOTOS**

A2 SCALE: 1/8" = 1'-0"

EXTERIOR FINISH SCHEDULE		
TYPE:	COMPANY TYPE:	COLOR:
PRE - ENGINEERED METAL BUILDING PANELS	"SHADOWALL" BY BUTLER MFG. OR SIMILAR COMPANY	COOL BIRCH WHITE
PRE - FINISHED GUTTERS AND DOWNSPOUTS	BY BUTLER MFG. OR SIMILAR COMPANY	COOL BIRCH WHITE
PRE - FINISHED SHEET METAL CAP FLASHING	BY BUTLER MFG. OR SIMILAR COMPANY	COOL EMERALD GREEN

ZC #16-007

**GENERAL NOTES**

- (A) REFER TO PROJECT MANUAL FOR ADDITIONAL REQUIREMENTS.
- (B) DIMENSIONS ARE TO FACE UNLESS OTHERWISE INDICATED.
- (C) REFER TO CIVIL AND STRUCTURAL DRAWINGS FOR ADDITIONAL REQUIREMENTS.
- (D) REFER TO ARCHITECTURAL EXTERIOR FINISH SCHEDULE FOR MATERIAL TYPES, COLORS AND FINISHES. UNLESS OTHERWISE INDICATED, PROVIDE FINISHES AS FOLLOWS:

1. ALL MASONRY SURFACES TO MATCH TEXTURES AND COLORS OF BUILDING. EXPOSED MASONRY INSIDE ENCLOSURE TO BE PRIMED AND PAINTED (2) COATS OF COLOR TO MATCH ENCLOSURE EXTERIOR MASONRY.
2. ALL EXPOSED ARCHITECTURAL PRECAST TO BE NOTED CONCRETE COLOR IN SMOOTH FORM FINISH.
3. ALL NON-GALVANIZED METAL PARTS TO BE PRIMED AND PAINTED (2) COATS SHERWIN WILLIAMS S-6488 "HUNT CLOUT".
4. POLYMER COMPOSITE MATERIAL COLOR TO BE EQUAL TO "TREE" SELECT SERIES "PEBBLE GREEN" FINISH COLOR TO BE SELECTED COLOR FROM MANUFACTURER'S STANDARD SAMPLES.



SHEETS BEARING THIS SEAL ARE AUTHENTICATED. RESPONSIBILITY FOR ALL OTHER PLANS, SPECIFICATIONS OR INSTRUMENTS ARE DISCLAIMED.

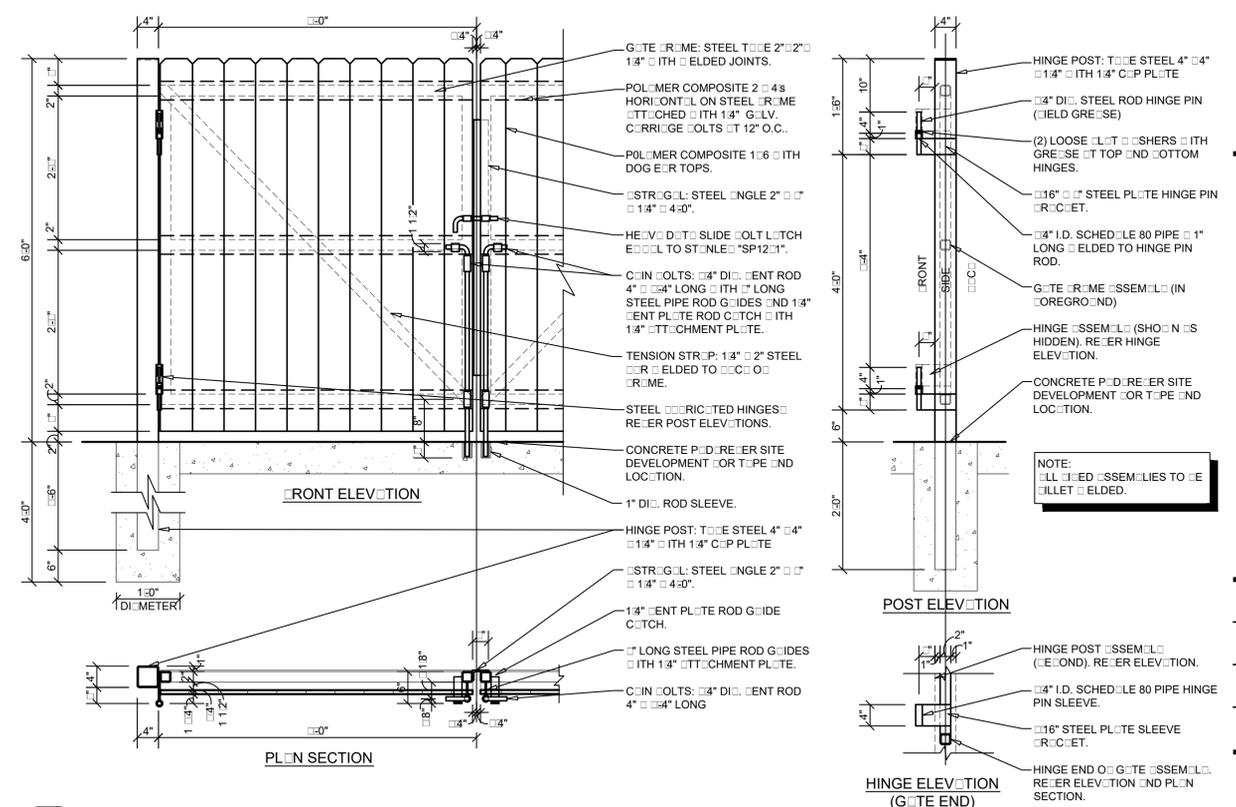
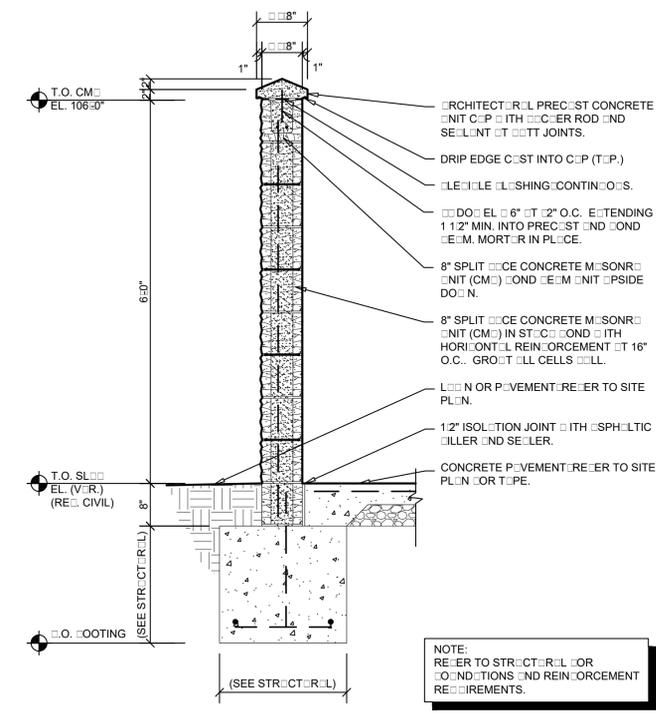
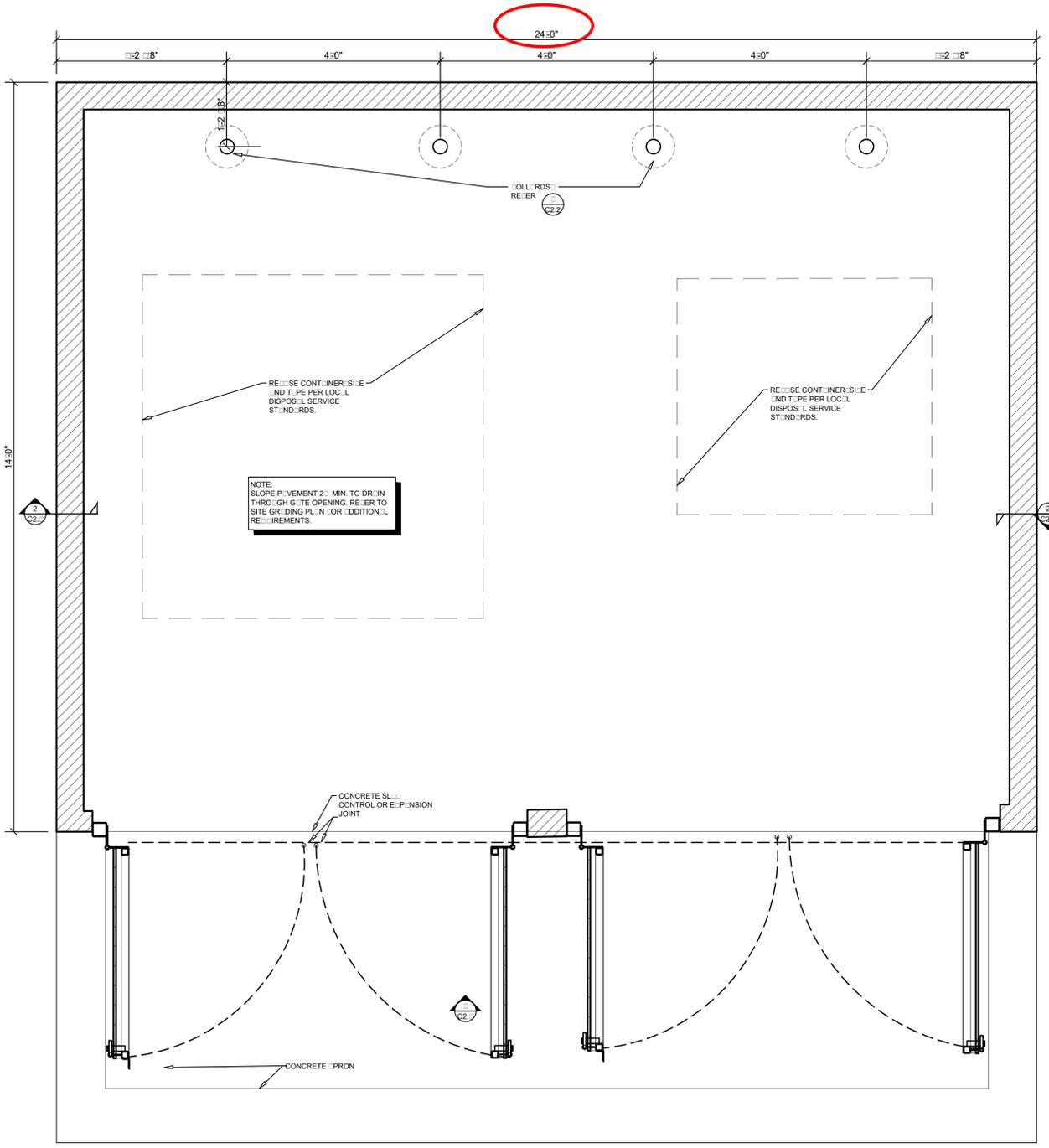
**O'Reilly AUTO PARTS**  
 CORPORATE OFFICES  
 233 SOUTH PATTERSON  
 SPRINGFIELD, MISSOURI 65802  
 (417) 862-2674 TELEPHONE

PROJECT: (ADDITION)  
**O'REILLY AUTO PARTS STORE**  
 631 WEST DEBBIE LANE  
 MANSFIELD, TEXAS  
**TRASH ENCLOSURE**

**Buddy D. Webb**  
 Architect - Consultant  
 3057 EAST CAIRO  
 SPRINGFIELD, MISSOURI 65802  
 (417) 877-1385 TELEPHONE  
 (417) 877-9736 FAX

DRAWN BY: RJD      CHECKED BY: LDG  
 DATE: 02/23/2016  
 REVISION: C 16-00  
 PROJECT NUMBER: MFD  
 SHEET NUMBER

**C2.3**



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# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1955

**Agenda Date:** 8/22/2016

**Version:** 3

**Status:** Third and Final Reading

**In Control:** City Council

**File Type:** Ordinance

**Agenda Number:**

**Title**

Ordinance - Third and Final Reading of an Ordinance Approving a Contract of Sale with Mansfield Independent School District; Authorizing the City Manager to Execute the Same and All Other Documents Necessary to Complete the Transaction; and Providing an Effective Date

**Requested Action**

Consider approving ordinance

**Recommendation**

Approve ordinance

**Description/History**

The property located at 1004 Magnolia Street was originally built to serve as a field operations service center for the Water Utilities Department. Upon their move to the Chris Burkett Service Center, the Parks and Recreation Department converted the facility into a service center for the park operations division. In 2015, the Mansfield Independent School District (MISD) approached the City about the possibility of acquiring a portion of the property for expanded parking at R.L. Anderson Stadium.

After research and evaluation, it was determined that the property could be sub-divided with the service center remaining intact and active if a portion of the property were to be sold. The City commissioned an appraisal and survey to determine the fair market value of the land in 2016. The survey determined that the portion of the property to be sold includes 27,736 square feet. The sales price of \$105,396.80 represents the value determined by the appraisal at \$3.80 per square foot. MISD will also be responsible for paying the cost of the survey upon completion of the sale.

**Justification**

The property sale will strengthen the partnership between the City and MISD and allow for expanded parking opportunities for current and future events held at R.L. Anderson Stadium, Katherine Rose Memorial Park and Hardy Allmon Soccer Complex.

**Funding Source**

N/A

**Prepared By**

James Fish, RLA, ASLA, Sr. Park Planner, Parks and Recreation Department  
817-804-5794

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE APPROVING A CONTRACT OF SALE WITH MANSFIELD INDEPENDENT SCHOOL DISTRICT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME AND ALL OTHER DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Mansfield is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City of Mansfield (“City”) has entered into a proposed contract of sale providing for the sale of an approximate 27,736 sq. ft. portion of the existing City Magnolia Street Service Center property located at 1004 Magnolia Street, Mansfield, Texas, to the Mansfield Independent School District (“MISD”), upon the terms and conditions set forth in the attached Contract of Sale; and

**WHEREAS**, Section 3.13 of the City Charter requires that the conveyance of any City owned property must be authorized by the City Council by ordinance.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS:**

**SECTION 1**

The City approves the Contract of Sale with MISD, attached hereto as Exhibit A.

**SECTION 2**

Pursuant to Section 3.13 of the City’s Charter, the City Council authorizes the conveyance of the designated portion of City property to MISD in accordance with the attached Contract of Sale.

**SECTION 3**

The City Manager of the City of Mansfield, Texas, is hereby authorized and empowered to execute the Contract of Sale, the deed, and all other documents necessary to complete the transaction.

**SECTION 4**

This ordinance shall take effect immediately from and after its passage on third and final reading and the publication of the caption, as the law and charter in such cases provide.

First reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Second reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

DULY PASSED on the third and final reading by the City Council of the City of Mansfield, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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**David L. Cook, Mayor**

ATTEST:

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**Jeanne Heard, City Secretary**

APPROVED AS TO FORM AND LEGALITY

---

**Allen Taylor, City Attorney**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1953

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

### Title

Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 217 Sycamore Street by the Mansfield Park Facilities Corporation (MPFDC) for Right of Way for Pond Branch Linear Trail in the Amount of \$60,000

### Requested Action

Approve a Resolution to Purchase a Portion of Property Located at 217 Sycamore Street in the Amount of \$60,000 for Right of Way for Pond Branch Linear Trail

### Recommendation

Approve Resolution

### Description/History

The 2009 Parks, Recreation, Trails and Open Space Master Plan included a spine trail phasing and prioritization plan with the Pond Branch Creek corridor shown on the map. However, it was not delineated as an improved linear trail. The on-street connection with Town Park is shown as segment 12 in the spine trail phasing and prioritization plan and has been submitted as a Transportation Alternatives Program funding request.

With an increased focus on development in the downtown area, staff was directed by the downtown TIRZ sub-committee to explore a feasibility analysis and provide an opinion of costs to develop a connection from Katherine Rose Memorial Park to the east side of the Historic Downtown area along the Pond Branch Creek corridor. This connection would utilize an existing drainage culvert under the Union Pacific Railroad as pedestrian-only access. The trail would then follow the west upper bank of the creek and terminate at Dallas Street.

As development occurs along the creek, the trail will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access. The report proved that the trail option was viable and the committee then directed staff to begin planning, design and land acquisition for the trail in anticipation of future downtown development.

### Justification

This private property is in the floodway/floodplain along Pond Branch in downtown Mansfield. The property acquisition is necessary for the progression and development of the Pond Branch Linear Park trail extension from Katherine Rose Memorial Park to Historic Downtown Mansfield. This purchase was approved with a vote of 6-0 at the July 21, 2016 MPFDC board

meeting.

**Funding Source**

MPFDC ½ cent sales tax

**Prepared By**

Matt Young, Director of Parks and Recreation

Matt.young@mansfieldtexas.gov

817-804-5798

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION'S (MPFDC) PURCHASE A PORTION OF PROPERTY LOCATED AT 217 SYCAMORE STREET FOR RIGHT OF WAY FOR POND BRANCH LINEAR TRAIL IN THE AMOUNT OF \$60,000**

**WHEREAS**, the 2009 Parks, Recreation, Open Spaces & Trails Master Plan included a spine trail phasing and prioritization plan for the Pond Branch Creek corridor; and

**WHEREAS**, the MPFDC is interested in acquiring land along Pond Branch Creek that will allow for the furtherance of the linear trail system; and

**WHEREAS**, the purchase of this property will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access; and

**WHEREAS**, the MPFDC approved the purchase of this property with a vote of 6-0 at their July 21, 2016 Regular Meeting;

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

The City Council shall approve the MPFDC's purchase of a portion of property located at 217 Sycamore Street in the amount of Sixty-Thousand Dollars and 00/100 (\$60,000).

**RESOLVED AND PASSED** this 22<sup>nd</sup> day of August, 2016.

---

**David L. Cook**, Mayor

ATTEST:

---

**Jeanne Heard**, City Secretary



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1961

Agenda Date: 8/22/2016

Version: 1

Status: Consent

In Control: City Council

File Type: Resolution

### Title

Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 115 Depot Street by the Mansfield Park Facilities Corporation for Right of Way for Pond Branch Linear Trail in the Amount of \$30,000

### Requested Action

Approve a Resolution to Purchase a Portion of Property Located at 115 Depot Street in the Amount of \$30,000 for Right of Way for Pond Branch Linear Trail

### Recommendation

Approve resolution

### Description/History

The 2009 Parks, Recreation, Trails and Open Space Master Plan included a spine trail phasing and prioritization plan with the Pond Branch Creek corridor shown on the map. However, it was not delineated as an improved linear trail. The on-street connection with Town Park is shown as segment 12 in the spine trail phasing and prioritization plan and has been submitted as a Transportation Alternatives Program funding request.

With an increased focus on development in the downtown area, staff was directed by the downtown TIRZ sub-committee to explore a feasibility analysis and provide an opinion of costs to develop a connection from Katherine Rose Memorial Park to the east side of the Historic Downtown area along the Pond Branch Creek corridor. This connection would utilize an existing drainage culvert under the Union Pacific Railroad as pedestrian-only access. The trail would then follow the west upper bank of the creek and terminate at Dallas Street.

As development occurs along the creek, the trail will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access. The report proved that the trail option was viable and the committee then directed staff to begin planning, design and land acquisition for the trail in anticipation of future downtown development.

### Justification

This private property is in the floodway/floodplain along Pond Branch in downtown Mansfield. The property acquisition is necessary for the progression and development of the Pond Branch Linear Park trail extension from Katherine Rose Memorial Park to Historic Downtown Mansfield. This purchase was approved with a vote of 5 Ayes and 1 Abstention at the July 21,

2016 MPFDC board meeting.

**Funding Source**

MPFDC ½ cent sales tax

**Prepared By**

Matt Young, Director of Parks and Recreation

[Matt.Young@mansfieldtexas.gov](mailto:Matt.Young@mansfieldtexas.gov)

817-804-5798

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING THE MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION'S (MPFDC) PURCHASE A PORTION OF PROPERTY LOCATED AT 115 DEPOT STREET FOR RIGHT OF WAY FOR POND BRANCH LINEAR TRAIL IN THE AMOUNT OF \$30,000**

**WHEREAS**, the 2009 Parks, Recreation, Open Spaces & Trails Master Plan included a spine trail phasing and prioritization plan for the Pond Branch Creek corridor; and

**WHEREAS**, the MPFDC is interested in acquiring land along Pond Branch Creek that will allow for the furtherance of the linear trail system; and

**WHEREAS**, the purchase of this property will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access; and

**WHEREAS**, the MPFDC approved the purchase of this property with a vote of 5 Ayes and 1 Abstention at their July 21, 2016 Regular Meeting;

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

The City Council shall approve the MPFDC's purchase of a portion of property located at 115 Depot Street in the amount of Thirty-Thousand Dollars and 00/100 (\$30,000).

**RESOLVED AND PASSED** this 22<sup>nd</sup> day of August, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

ATTEST:

\_\_\_\_\_  
**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1965

Agenda Date: 8/22/2016

Version: 1

Status: Consent

In Control: City Council

File Type: Resolution

### Title

Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 208 E. Broad Street by the Mansfield Park Facilities Corporation for Right of Way for Pond Branch Linear Trail in the Amount of \$4,238

### Requested Action

Approve a Resolution to Purchase a Portion of Property Located at 208 E. Broad Street in the Amount of \$4,238 for Right of Way for Pond Branch Linear Trail

### Recommendation

Approve resolution

### Description/History

The 2009 Parks, Recreation, Trails and Open Space Master Plan included a spine trail phasing and prioritization plan with the Pond Branch Creek corridor shown on the map. However, it was not delineated as an improved linear trail. The on-street connection with Town Park is shown as segment 12 in the spine trail phasing and prioritization plan and has been submitted as a Transportation Alternatives Program funding request.

With an increased focus on development in the downtown area, staff was directed by the downtown TIRZ sub-committee to explore a feasibility analysis and provide an opinion of costs to develop a connection from Katherine Rose Memorial Park to the east side of the Historic Downtown area along the Pond Branch Creek corridor. This connection would utilize an existing drainage culvert under the Union Pacific Railroad as pedestrian-only access. The trail would then follow the west upper bank of the creek and terminate at Dallas Street.

As development occurs along the creek, the trail will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access. The report proved that the trail option was viable and the committee then directed staff to begin planning, design and land acquisition for the trail in anticipation of future downtown development.

### Justification

This private property is in the floodway/floodplain along Pond Branch in downtown Mansfield. The property acquisition is necessary for the progression and development of the Pond Branch Linear Park trail extension from Katherine Rose Memorial Park to Historic Downtown Mansfield. This purchase was approved with a vote of 6-0 at the July 21, 2016 MPFDC board

meeting.

**Funding Source**

MPFDC ½ cent sales tax

**Prepared By**

Matt Young, Director of Parks and Recreation

[Matt.Young@mansfieldtexas.gov](mailto:Matt.Young@mansfieldtexas.gov)

817-804-5798

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION'S (MPFDC) PURCHASE A PORTION OF PROPERTY LOCATED AT 208 E. BROAD STREET FOR RIGHT OF WAY FOR POND BRANCH LINEAR TRAIL IN THE AMOUNT OF \$4,238**

**WHEREAS**, the 2009 Parks, Recreation, Open Spaces & Trails Master Plan included a spine trail phasing and prioritization plan for the Pond Branch Creek corridor; and

**WHEREAS**, the MPFDC is interested in acquiring land along Pond Branch Creek that will allow for the furtherance of the linear trail system; and

**WHEREAS**, the purchase of this property will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access; and

**WHEREAS**, the MPFDC approved the purchase of this property with a vote of 6-0 at their July 21, 2016 Regular Meeting;

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

The City Council shall approve the MPFDC's purchase of a portion of property located at 208 E. Broad Street in the amount of Four Thousand Two Hundred Thirty-Eight Dollars and 00/100 (\$4,238).

**RESOLVED AND PASSED** this 22<sup>nd</sup> day of August, 2016.

---

**David L. Cook, Mayor**

ATTEST:

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**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1969

Agenda Date: 8/22/2016

Version: 2

Status: Consent

In Control: City Council

File Type: Resolution

Agenda Number:

### Title

Resolution - A Resolution of the City of Mansfield Authorizing the City Manager and the Police Department to Apply, Receive and Expend Grant Funds from State Farm Insurance Group to Implement a Teen Driver Safety Program. The Total Grant Award will not Exceed \$15,000 with no Match Required from the City.

### Requested Action

Approval of Resolution

### Recommendation

Approval of Resolution

### Description/History

Distracted driving is any activity that could divert a person's attention away from the primary task of driving. All distractions endanger the driver, passenger, other drivers and bystanders. Several types of distractions include: texting, using a cell phone, eating and drinking, grooming, reading, using a navigation system, or simply adjusting a radio. The most dangerous of all these is texting as that action requires visual, manual, and cognitive attention from the driver. The best way to end distracted driving is to educate drivers about the dangers. The National Highway Transportation Safety Administration reports that "ten percent of all drivers 15 to 19 years old involved in fatal crashes were reported as distracted at the time of the crashes. This age group has the largest proportion of drivers who were distracted at the time of the crashes."

By special invitation, State Farm Insurance Group has invited the City of Mansfield to apply for a corporation grant not to exceed \$15,000 specifically to educate teen drivers within our community on the dangers of distracted driving. If awarded, the Mansfield Police Department will focus on activity based learning using distorted vision goggles, and pedal karts.

### Justification

Young, inexperienced drivers, under 20 years old have the highest proportion of distraction-related fatal crashes. Their lack of driving experience can contribute to critical misjudgments if they become distracted, yet they text more than any other age group. It's a trend that poses a growing danger, so it's important to address this issue now.

**Funding Source**

State Farm Insurance Group

**Prepared By**

Alma Roden, Grant Mgr 817 276 4710

Tracy Aaron, Chief of Police 817 804 5782

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING THE CITY MANAGER AND THE POLICE DEPARTMENT TO MAKE APPLICATION, RECEIVE, AND EXPEND GRANT FUNDING FROM STATE FARM INSURANCE GROUP FOR THE IMPLEMENTATION OF A TEEN DRIVER SAFETY PROGRAM. THE AMOUNT, IF AWARDED, WILL NOT EXCEED \$15,000 AND WILL NOT REQUIRE A MATCH FROM THE CITY.**

**WHEREAS**, the City of Mansfield and the police department is a unit of local government that has received an invitation to apply for a grant from the State Farm Insurance Group to implement a teen driver safety program; and

**WHEREAS**, the City of Mansfield and the police department is eligible for an amount not to exceed \$15,000 in grant program funding with no match required to purchase equipment and educational instruction documents for this program; and

**WHEREAS**, the City of Mansfield and the police department agrees to comply with all program rules as set out in the grant program guidelines; and

**WHEREAS**, the City of Mansfield designates Clayton W. Chandler (City Manager) as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

**WHEREAS**, the City Council desires to ratify and authorize the City Manager and the police department to make application, receive and expend the above mentioned grant allocation, if awarded.

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

1. The City Manager or designee is authorized to execute all documents and make application for obtaining grant funds from State Farm Insurance Group in an amount not to exceed \$15,000 to be used to purchase equipment and educational items to implement a teen driver safety program.
2. The City Manager or designee is authorized to receive and expend the grant funding, if awarded, by State Farm Insurance Group grant program.

**PASSED AND APPROVED THIS THE 22<sup>nd</sup> DAY OF AUGUST, 2016.**

\_\_\_\_\_  
David L. Cook, Mayor

ATTEST:

\_\_\_\_\_  
Jeanne Heard, City Secretary



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1983

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

### Title

Resolution - A Resolution Authorizing the Purchase of a Portion of Property Located at 216 Sycamore Street by the Mansfield Park Facilities Corporation for Right of Way for Pond Branch Linear Trail in the Amount of \$33,500

### Requested Action

Approve a Resolution to Purchase a Portion of Property Located at 216 Sycamore Street in the Amount of \$33,500 for Right of Way for Pond Branch Linear Trail

### Recommendation

Approve resolution

### Description/History

The 2009 Parks, Recreation, Trails and Open Space Master Plan included a spine trail phasing and prioritization plan with the Pond Branch Creek corridor shown on the map. However, it was not delineated as an improved linear trail. The on-street connection with Town Park is shown as segment 12 in the spine trail phasing and prioritization plan and has been submitted as a Transportation Alternatives Program funding request.

With an increased focus on development in the downtown area, staff was directed by the downtown TIRZ sub-committee to explore a feasibility analysis and provide an opinion of costs to develop a connection from Katherine Rose Memorial Park to the east side of the Historic Downtown area along the Pond Branch Creek corridor. This connection would utilize an existing drainage culvert under the Union Pacific Railroad as pedestrian-only access. The trail would then follow the west upper bank of the creek and terminate at Dallas Street.

As development occurs along the creek, the trail will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access. The report proved that the trail option was viable and the committee then directed staff to begin planning, design and land acquisition for the trail in anticipation of future downtown development.

### Justification

This private property is in the floodway/floodplain along Pond Branch in downtown Mansfield. The property acquisition is necessary for the progression and development of the Pond Branch Linear Park trail extension from Katherine Rose Memorial Park to Historic Downtown Mansfield. This purchase was approved with a vote of 5 Ayes and 1 Abstention at the August

18, 2016 MPFDC board meeting.

**Funding Source**

MPFDC ½ cent sales tax

**Prepared By**

Matt Young, Director of Parks and Recreation

[Matt.Young@mansfieldtexas.gov](mailto:Matt.Young@mansfieldtexas.gov)

817-804-5798

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION'S (MPFDC) PURCHASE A PORTION OF PROPERTY LOCATED AT 216 SYCAMORE STREET FOR RIGHT OF WAY FOR POND BRANCH LINEAR TRAIL IN THE AMOUNT OF \$33,500**

**WHEREAS**, the 2009 Parks, Recreation, Open Spaces & Trails Master Plan included a spine trail phasing and prioritization plan for the Pond Branch Creek corridor; and

**WHEREAS**, the MPFDC is interested in acquiring land along Pond Branch Creek that will allow for the furtherance of the linear trail system; and

**WHEREAS**, the purchase of this property will provide additional benefit for outside patio dining areas and connections to other venues in the downtown area with improved pedestrian access; and

**WHEREAS**, the MPFDC approved the purchase of this property with a vote of 6-0 at their August 18, 2016 Regular Meeting;

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

The City Council shall approve the MPFDC's purchase of a portion of property located at 216 Sycamore Street in the amount of Thirty-Three Thousand Five Hundred Dollars and 00/100 (\$33,500).

**RESOLVED AND PASSED** this 22<sup>nd</sup> day of August, 2016.

---

**David L. Cook, Mayor**

ATTEST:

---

**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1987

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**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - A Resolution Authorizing the Acquisition of Real Property Located at 801 Stell Avenue, Also Legally Described as Hillcrest Addition - Mansfield Block 5, Lot 18, City of Mansfield, Tarrant County, Texas for the Sum of Twenty Thousand and 00/100 Dollars (\$20,000) Plus Closing Costs

**Requested Action**

Consider approval of the resolution authorizing the city manager or his designee to purchase 801 Stell Avenue for the sum of twenty thousand dollars (\$20,000) plus closing costs.

**Recommendation**

Approval of the attached resolution.

**Description/History**

The aforementioned property has been deemed unfit for human occupation by the city's building official. This determination was made during an involuntary abatement of multiple code violations. All applicable warrants were obtained prior to abatement and entry into the home by the city's building official.

**Justification**

After consulting with the city attorney, it was determined by staff that purchasing the property for the purpose of demolition was in the best interests of the city, nearby residents, and the current property owners.

**Funding Source**

General Fund

**Prepared By**

Joe Smolinski, Deputy City Manager, City of Mansfield  
817-728-3601



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF MANSFIELD, TEXAS AUTHORIZING THE ACQUISITION OF REAL PROPERTY LOCATED AT 801 STELL AVENUE, ALSO LEGALLY DESCRIBED AS HILLCREST ADDITION – MANSFIELD BLOCK 5, LOT 18, CITY OF MANSFIELD, TARRANT COUNTY, TEXAS.**

**WHEREAS**, the City Council has received the recommendation of the Administration to purchase real property located at 801 Stell Avenue, also legally described as Hillcrest Addition – Mansfield Block 5, Lot 18, City of Mansfield, Tarrant County, Texas; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

That the City Council of the City of Mansfield, Texas, hereby desires to acquire property located at 801 Stell Avenue, also legally described as Hillcrest Addition – Mansfield Block 5, Lot 18, City of Mansfield, Tarrant County, Texas.

**SECTION 2.**

The City Manager or his designee is hereby authorized and empowered to execute contractual agreements with Jeffrey S. Mixon for the purchase of said property.

**SECTION 3.**

That the City Manager or his designee, is hereby authorized and empowered to offer the property owner the sum of Twenty Thousand and 00/100 Dollars (\$20,000) plus all closing costs.

**SECTION 3.**

That the owner claiming an interest in said property is Jeffery S. Mixon whose mailing address is 801 Stell Avenue, Mansfield, Texas 76063.

PASSED AND APPROVED THIS THE 22<sup>nd</sup> day of August, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1990

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**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - A Resolution Authorizing a Construction Contract to Northstar Construction, LLC in the Amount of \$3,396,326.13 for the Construction of Phase II Improvements to Clayton W. Chandler Park

**Requested Action**

Approve a Resolution to Award a Construction Contract to Northstar Construction, LLC, of Fort Worth, Texas in the amount of \$3,396,326.13 for the Construction of Phase II Improvements to Clayton W. Chandler Park

**Recommendation**

Approve resolution

**Description/History**

Clayton W. Chandler Park is a 13-acre community park located in the northeast quadrant of the city. It is surrounded by single family housing and two Mansfield ISD schools. Originally named "North Park," the park was constructed in 1976 with the assistance of grant funds from the United States Department of Interior and Texas Parks and Wildlife Department. Renovations funded by the Mansfield Park Facilities Development Corporation were completed in May 2004, including a new restroom/concession/announcer's area, two new football fields with lights, four new t-ball fields, entry/drop off area, accessible parking, pavilion, landscaping, irrigation and fencing. The existing large baseball field was left intact at that time.

The scope of phase two renovations includes construction of a new parking lot, restroom building, looped concrete trail, playground for 2-5yrs and 5-12yrs, splash pad, basketball court, sand volleyball court, skate spot, pond, pavilions, fitness equipment, tennis court improvements, landscaping, benches, picnic tables, park monument sign and irrigated open space.

The bid opening was held on August 9th, with 10 firms submitting bids. Northstar Construction, LLC is the recommended low bidder. The contract includes the base bid (\$3,377,777.77) and one alternate (\$18,548.36) to provide sod in lieu of hydro-mulching for turf establishment. Funding for the construction is included in the MPFDC FY2016-2017 budget and the construction contract was approved with a vote of 5-0 at the August 18, 2016 MPFDC board meeting.

**Justification**

Completion of phase II of Clayton W. Chandler Park will provide citizens with a much needed community park in the northeast quadrant of the City as indicated by the master plan.

**Funding Source**

MPFDC ½ Cent Sales Tax

**Prepared By**

Matt Young, Director of Parks and Recreation

[Matt.Young@mansfieldtexas.gov](mailto:Matt.Young@mansfieldtexas.gov)

817-804-5798

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO CONSIDER AWARDING A CONSTRUCTION CONTRACT TO NORTHSTAR CONSTRUCTION, LLC IN THE AMOUNT OF \$3,396,326.13 FOR THE CONSTRUCTION OF PHASE II IMPROVEMENTS TO CLAYTON W. CHANDLER PARK**

**WHEREAS**, the Mansfield Park Facilities Development Corporation (MPFDC) approved the Parks, Recreation, Open Space & Trails Master Plan in 2009; and

**WHEREAS**, the Master Plan determined the need for a community park in the northeast quadrant of the city;

**WHEREAS**, the MPFDC allocated funds for improvements to Clayton W. Chandler Park in the FY2015-2016 budget; and

**WHEREAS**, the MPFDC has determined that constructing Phase II improvements at Clayton W. Chandler Park will fulfill the need as indicated in the Master Plan for a park of this type; and

**WHEREAS**, the MPFDC voted 6 – 0 to approve the contract at their August 18<sup>th</sup> meeting.

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

**Section 1.**

That the City Council approves awarding a construction contract to Northstar Construction, LLC for site improvements to Clayton W. Chandler Park in the amount of Three Million Three Hundred Ninety-Six Thousand Three Hundred Twenty Six Dollars and 13/100 (\$3,396,326.13).

**RESOLVED AND PASSED** this 22<sup>nd</sup> day of August, 2016.

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**David L. Cook, Mayor**

ATTEST:

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**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1991

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - A Resolution to Consider Awarding an Annual Contract to Earthworks, Inc. in the Amount of \$164,770 for Mowing of Developed Parks, Undeveloped Park Sites, and Municipal Sites and Properties

**Requested Action**

Approve a Resolution to Award an Annual Contract to Earthworks, Inc. of Lillian, Texas in the Amount of \$164,770 for Mowing of Developed Parks, Undeveloped Park Sites, and Municipal Sites and Properties

**Recommendation**

Approve resolution

**Description/History**

In a continuing effort to provide grounds maintenance services for City property in the most cost effective manner, the Parks and Recreation Department has gradually outsourced grounds maintenance services for park and municipal properties since 2005. The contract mowing program has allowed the City to increase the level of service to the citizens by using contractors to mow, edge, and blow turf area while in-house staff concentrates on high end maintenance such as chemical applications, fertilization, botanical, and irrigation.

This contract is for weekly/bi-weekly grounds maintenance of 24 developed and undeveloped parks, city properties, and municipal sites. The full contract amount is \$164,770, with \$67,320 covering 13 properties funded in the General Fund and \$97,450 covering nine parks funded by the Mansfield Park Facilities Development Corporation. Services include mowing, trimming, edging and litter removal services. City staff will be responsible for monitoring contractor performance on a daily basis to ensure compliance with maintenance standards and specifications.

Requests for bids were advertised in the Star Telegram on July 13, 2016 and July 20, 2016. Three professional landscape maintenance companies attended the mandatory pre-bid meeting on July 28, 2016, with two companies submitting sealed bids on August 11, 2016. Staff reviewed and evaluated the bids and worked with the Legal Department to ensure all bid requirements were met. It was determined that Earthworks, Inc. was the successful "best value" bidder. The initial contract term is for one year and will be reviewed annually to determine subsequent renewal terms. At the City's option, this contract shall be renewable for four (4) additional one-year renewal periods. The MPFDC board approved their portion of the contract award with a vote of 5-0 at the August 18, 2016 MPFDC board meeting.

**Justification**

Contracting with Earthworks, Inc. to maintain developed and undeveloped park sites will free up staff and allow them to concentrate on other high end maintenance areas. This allows the City to be able to maintain current and future facilities without the cost of adding personnel and equipment.

**Funding Source**

General Fund	\$67,320
MPFDC ½ Cent Sales Tax	\$97,450

**Prepared By**

Matt Young, Director of Parks and Recreation  
[Matt.Young@mansfieldtexas.gov](mailto:Matt.Young@mansfieldtexas.gov)  
817-804-5798

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO CONSIDER AWARDING AN ANNUAL CONTRACT TO EARTHWORKS, INC. IN THE AMOUNT OF \$164,770 FOR MOWING OF DEVELOPED PARKS, UNDEVELOPED PARK SITES, AND MUNICIPAL SITES AND PROPERTIES**

**WHEREAS**, the City continues to improve its roadways with medians and sidewalks and the addition of park facilities to enhance the aesthetics of the community; and

**WHEREAS**, these improved areas must be maintained and hiring this service out will allow staff to concentrate on high end maintenance areas; and

**WHEREAS**, the City of Mansfield has publicly advertised and requested competitive bids for contract mowing in July, 2016; and

**WHEREAS**, after review of the bids received, City Council has determined that it is in the best interest of the citizens of Mansfield to award a contract to Earthworks, Inc. for contract mowing.

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

**Section 1.**

That the City Council directs and authorizes the City Manager or his designee to execute a contract with Earthworks, Inc. for the mowing of developed parks, undeveloped park sites and municipal sites and properties in the amount of One Hundred Sixty-Four Thousand Seven Hundred Seventy Dollars and 00/100 (\$164,770).

**RESOLVED AND PASSED** this 18<sup>th</sup> day of August, 2016.

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**David L. Cook, Mayor**

ATTEST:

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**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1992

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - A Resolution to Consider Awarding an Annual Contract to Terracare Associates in the Amount of \$248,650 for Mowing of Medians, Rights-of-Way, and Municipal Sites and Properties

**Requested Action**

Approve a Resolution to Consider Awarding an Annual Contract to Terracare Associates of Dallas, Texas in the Amount of \$248,650 for Mowing of Medians, Rights-of-Way, and Municipal Sites and Properties

**Recommendation**

Approve resolution

**Description/History**

In a continuing effort to provide grounds maintenance services for City property in the most cost effective manner, the Parks and Recreation Department has gradually outsourced grounds maintenance services for park and municipal properties since 2005. The contract mowing program has allowed the City to increase the level of service to the citizens by using contractors to mow, edge, and blow turf areas while in-house staff concentrates on high end maintenance such as chemical applications, fertilization, botanical, and irrigation.

This contract is for weekly/bi-weekly grounds maintenance of approximately 72 miles of medians and rights-of-way. Services include mowing, trimming, edging and litter removal, as well as bi-weekly maintenance of landscape beds on eight thoroughfares. City staff will be responsible for monitoring contractor performance on a daily basis to ensure compliance with maintenance standards and specifications.

Requests for bids were advertised in the Star Telegram on July 13, 2016 and July 20, 2016. Five professional landscape maintenance companies attended the mandatory pre-bid meeting on July 28, 2016, with two companies submitting sealed bids on August 11, 2016. Staff reviewed and evaluated the bids and worked with the Legal Department to ensure all bid requirements were met. It was determined that Terracare Associates was the successful "best value" bidder. The initial contract term is for one year and will be reviewed annually to determine subsequent renewal terms. At the City's option, this contract shall be renewable for four (4) additional one-year renewal periods.

**Justification**

Contracting with Terracare Associates to maintain medians and rights-of-way will free up staff and allow them to concentrate on other high end maintenance areas. This allows the City to be able to maintain current and future facilities without the cost of adding personnel and equipment.

**Funding Source**

General Fund

**Prepared By**

Matt Young, Director of Parks and Recreation

[Matt.Young@mansfieldtexas.gov](mailto:Matt.Young@mansfieldtexas.gov)

817-804-5798

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO CONSIDER AWARDING AN ANNUAL CONTRACT TO TERRACARE ASSOCIATES IN THE AMOUNT OF \$248,650 FOR MOWING OF MEDIANS, RIGHTS-OF-WAY, AND MUNICIPAL SITES AND PROPERTIES**

**WHEREAS**, the City continues to improve its roadways with medians and sidewalks and the addition of municipal facilities to enhance the aesthetics of the community; and

**WHEREAS**, these improved areas must be maintained and hiring this service out will allow staff to concentrate on high end maintenance areas; and

**WHEREAS**, the City of Mansfield has publicly advertised and requested competitive bids for contract mowing in July, 2016; and

**WHEREAS**, after review of the bids received, City Council has determined that it is in the best interest of the citizens of Mansfield to award a contract to Terracare Associates for contract mowing.

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

**Section 1.**

That the City Council directs and authorizes the City Manager or his designee to execute a contract with Terracare Associates for the mowing of medians, rights-of-way, and municipal sites and properties in the amount of Two Hundred Forty-Eight Thousand Six Hundred Fifty Dollars and 00/100 (\$248,650).

**RESOLVED AND PASSED** this 18<sup>th</sup> day of August, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

ATTEST:

\_\_\_\_\_  
**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1996

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**Agenda Date:**

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Special Event

**Agenda Number:**

**Title**

Request for Special Event Permit: Mansfield Wurstfest

**Requested Action**

Approval of the Special Event Permit for the Mansfield Wurstfest.

**Recommendation**

City staff has reviewed the application and recommends the same.

**Description/History**

This is an annual event.

**Justification**

N/A

**Funding Source**

N/A

**Prepared By**

Lynn Brown, Code Compliance Coordinator  
817-728-3609

Applicant:

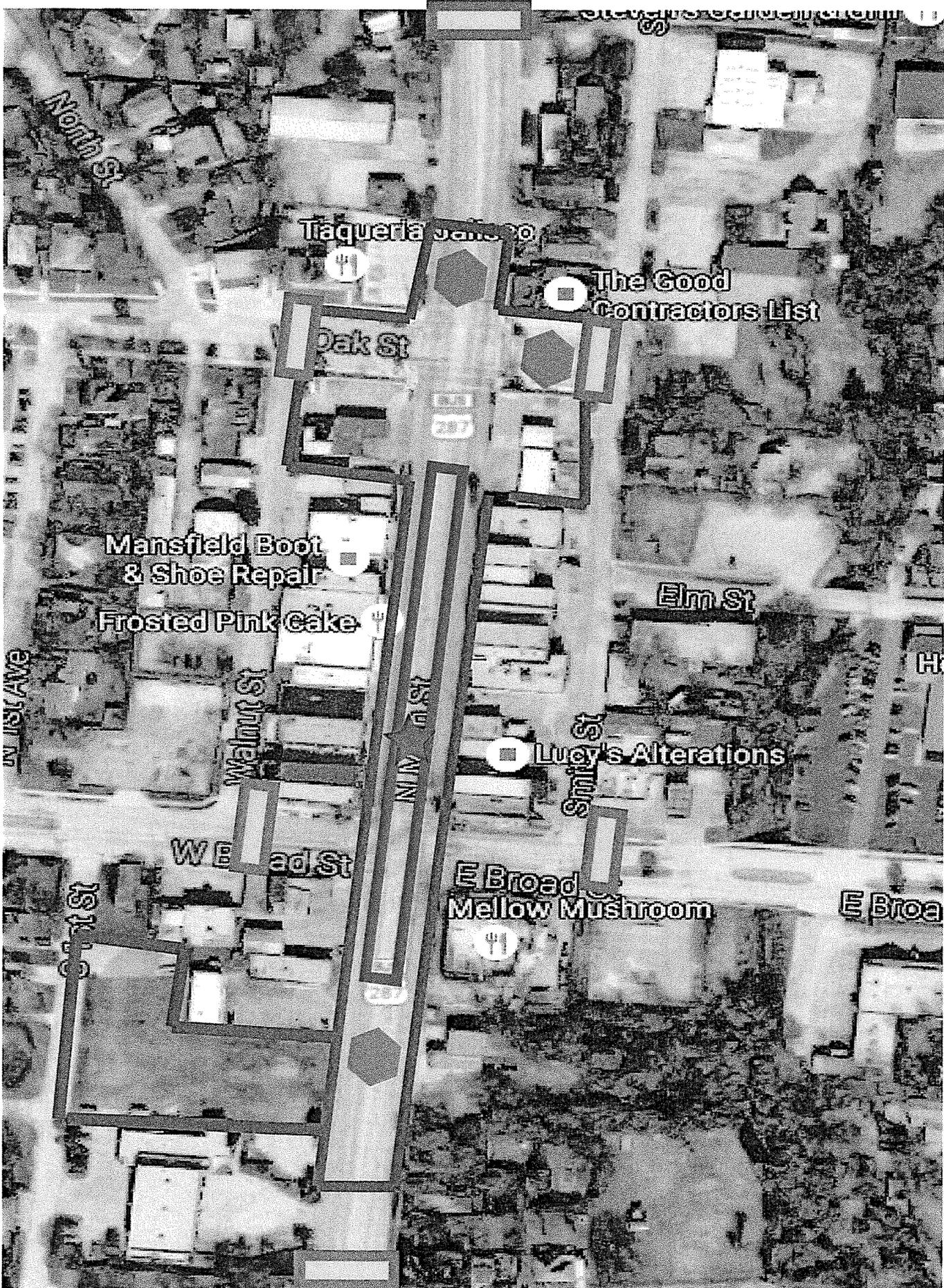
Angie Henley 817-804-5795

Attachments:

Application & Site Plan  
Approvals & Comments

**Special Event Application**

Organization/Group: <u>City of Mansfield</u>	Date: <u>8-15-16</u>
Applicant: <u>Angie Henley</u>	
Applicant's Address: <u>210 Smith Street</u>	Phone No. <u>817-804-5795</u>
*Will be called or emailed for more information needed and/or when the permit is ready for pick-up	Email: <u>Angie.henley@mansfield.tx.gov</u>
Address of Event: <u>Main Street</u>	
Description & Activities: <u>LIVE music, food + beverage, art show, kids activities</u>	
Date of Event: <u>9-10-16</u>	Hours of Event: <u>2-10pm</u>
Public Invited or Private Party? <u>YES</u>	Estimated Number of Attendees <u>5000-10,000</u>
Is the event in a Mansfield Park? <u>NO</u>	*If yes, Insurance is required
Do you plan to Temporarily Close a Public Street? <u>YES</u>	*If yes, Insurance is required <u>n/a</u>
Is the event on Private Property other than your own? <u>NO</u>	*If yes, signed permission is required
Will there be any new or temporary electric lines installed? <u>NO</u>	
*If yes, a registered Electrician must obtain a permit. Indicate the line locations on the site plan.	
Will you be using generators? <u>YES</u>	*If yes, show location on the site plan
Do you plan to have any Tents? <u>YES</u>	*If yes, a separate permit is required.
Do you plan to have any pop-up canopies? <u>YES</u>	
Do you plan to have any Promotional Signs? (banners, streamers, balloons) <u>NO</u>	*If yes, a separate permit is required
City of Mansfield Assistance Requested:	
Barricades/ Street Closure? <u>YES</u>	*If yes, show on site plan where you want to have barricades. A resident roster must be submitted for a block party.
Police/Traffic Control/Security? <u>Daniel Sherman</u>	*If yes, attach an explanation and the name of the person you are working with
<p align="center"><b>Please Read and Include the Following Information With This Application</b></p> <ul style="list-style-type: none"> <li>• <u>For all outdoor activities, a site plan must be attached.</u> One can be provided if requested. You need to show where all items will be located on the site plan.</li> <li>• If Insurance is required, the City of Mansfield must be listed as "Additional Insured".</li> <li>• All documents must be turned in at the same time. Please allow enough time for review and approval before the date of your event.</li> </ul>	
Applicant's Printed Name:	Applicant's Signature:
<u>Angie Henley</u>	<u>Angie Henley</u>



-  TABC Line
-  Vendor Booths
-  Barricades
-  Tents
-  Generator

**AGREEMENT TO ASSIST AT SPECIAL EVENT**

Special Event Name and Date: Wurst fest

Name of Group Assisting:

Mansfield Police

MISD Police

Constable Office

Other \_\_\_\_\_

**Please check all that apply:**

We have an agreement to be Traffic Officers for this Special Event.

We have an agreement to be Security Officers for this Special Event.

Other:

Angie Henley  
Signature

Angie Henley / Special Events  
Printed Name/ Job Title

210 Smith Street  
Mailing Address

817-804-5795 /  
Contact Phone Number E-mail



**MANSFIELD**  
T E X A S  
1200 East Broad Street, Mansfield, TX 76063  
www.mansfieldtexas.gov Fax: 817-477-1416

### Temporary Tent Application

<b>Tent location Address</b>		Main Street		<b>Suite No.</b>		
<b>Tenant/Business</b>						
<b>Applicant*</b>		City of Mansfield		<b>Phone</b>		817-804-5795
<b>Applicant Address</b>				<b>E-mail</b>		
20 Smith Street				Angie.Henley@mansfield.tx.gov		
*Will be called for questions and/or when the permit is ready for pick-up						
<b>Tent Company</b>						
Rental Stop						
<b>Tent Company Name</b>		Rental Stop		<b>Contact Number</b>		972-336-0059
<b>Company Address</b>						
2935 Eagle Dr. Grand Prairie, TX 75052						
<b>Purpose of Tent:</b>						
<b>Special Event</b> <input checked="" type="checkbox"/>		Sale or Promotion <input type="checkbox"/>		Assembly <input type="checkbox"/>		Other <input type="checkbox"/>
<b>Dates Tent will be on the Property</b>			<b>Erected:</b>		<b>Removed:</b>	
<b>Size and Height of Tent (in feet at tallest peak)</b>						
#1 Tent Size		10 x 10		Height in feet		8'
#2 Tent Size		20 x 20		Height in feet		8'
#3 Tent Size		20 x 40		Height in feet		8'
<b>Please read and Include the Following Information With This Application</b>						<b>Permit Fee \$60</b>
1. <b>SITE PLAN:</b> You must include a site plan showing where the Tent(s) will be located on the property. You need to indicate the distance from any structures and the property lines.						
2. <b>FLOOR PLAN:</b> Provide a simple floor plan for each tent showing the tables, chairs, stages, width of aisles, exits, etc. Note if the Tent sides will be Up or Down.						
3. <b>FLAME RESISTANT CERTIFICATE:</b> You must attach a Flame Resistant Certificate for the specific tent you are renting. The Tent Company can provide this.						
4. <b>NOTE:</b> Temporary tent sales by retail establishments or tent assemblies may be permitted for a period not to exceed thirty (30) days and no more than once a year. No tents or similar structures shall be erected in any required yard setbacks or designated easements.						
<b>Applicant's Printed Name &amp; Date</b>			Angie Henley			
<b>Applicant's Signature</b>			Angie Henley			
<b>Property Owner/Manager Printed Name</b>						
<b>Property Owner/Manager Signature</b>			<b>*REQUIRED</b>			

# Certificate of Flame Resistance



REGISTERED APPLICATION CONCERN No.

F419.01

ISSUED BY

California Combining Corporation  
5607 S Santa Fe Ave  
Los Angeles, CA 90058 USA

Date treated or manufactured

1/30/2015

This is to certify that the materials described on the reverse side hereof have been flame-retardant treated (or are inherently nonflammable).

FOR ~~Ideal Canopy Tent & Structures~~ ADDRESS ~~Unit 2 5500 River Rd~~  
CITY ~~Delta, BC~~ STATE ~~V4G 1B5~~ Canada

Certification is hereby made that: (Check "a" or "b")

(a) The articles described on the reverse side of this Certificate have been treated with a flame-retardant chemical approved and registered by the State Fire Marshal and that the application of said chemical was done in conformance with the laws of the State of California and the Rules and Regulations of the State Fire Marshal.

Name of chemical used.....Chem. Reg. No.....

Method of application.....

(b) The articles described on the reverse side hereof are made from a flame-resistant fabric or material registered and approved by the State Fire Marshal for such use.

Trade name of flame-resistant fabric or material used: Lam-Tex Reg. No. F419.01

The Flame Retardant Process Used Will not Be Removed By Washing  
(will or will not)

Jim Lucato  
Name of Applicator or Production Superintendent

By Cathy Neary  
Title



**SPECIAL EVENT REVIEW APPROVALS & COMMENTS**

EVENT:	Mansfield Wurstfest
DATE OF EVENTS:	<b>Saturday, September 10, 2016</b>
*ANDY BINZ (RECREATION)	<b>Approved</b>
Comments:	no
*KERIN MAGUIRE (PLANNING)	<b>Approved</b>
Comments:	<b>no</b>
Promotional Signs?	
*DAVID BOSKI (STREETS)	<b>Approved</b>
Comments:	Crossroads will provide barricades and street closure.
Street Closures?	<b>yes</b>
*PAUL COKER (DEVELOPMENT SERVICES)	<b>Approved</b>
HOWARD REDFEARN (ENVIRONMENTAL)	<b>Approved</b>
Comments:	no
*ERIC PETERSON (FIRE)	<b>Approved</b>
Comments:	Fire is working with the applicant on emergency responses from Fire Station 1. Access to Broad St to be maintained to allow east/west travel of emergency vehicles. Lanes must be maintained for Fire Response to Broad St. from Station 1
*W. KYLE LANIER (POLICE)	<b>Approved</b>
Comments:	no
City Council Approval Required?	<b>Yes</b>
Agenda Date:	<b>8/22/2016</b>
Special Event Number	<b>Legistar #16-1996</b>
Additional Comments	



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1979

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**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Approval of Minutes

**In Control:** City Council

**File Type:** Meeting Minutes

**Agenda Number:**

**Title**

Minutes - Approval of the August 8, 2016 Regular City Council Meeting Minutes

**Requested Action**

Action to be taken by the Council to approve the minutes.

**Recommendation**

Approval of the minutes by the Council.

**Description/History**

The minutes of the August 8, 2016 Regular City Council Meeting are in DRAFT form and will not become effective until approved by the Council at this meeting.

**Justification**

Permanent Record

**Funding Source**

N/A

**Prepared By**

Susana Marin, Assistant City Secretary, City Secretary's Office  
817-276-4203



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## Meeting Minutes - Draft

### City Council

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Monday, August 8, 2016

5:00 PM

Council Chambers

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#### **5:00 P.M. - CALL MEETING TO ORDER**

*Mayor Cook called the meeting to order at 5:00 p.m.*

**Absent** 1 - Stephen Lindsey

**Present** 6 - David Cook; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

#### **RECESS INTO EXECUTIVE SESSION**

*In accordance with the Texas Government Code, Chapter 551, Mayor Cook recessed the meeting into executive session at 5:03 p.m. Mayor Cook called the executive session to order in the Council Conference Room at 5:13 p.m. Council Member Lindsey arrived at 6:30 p.m. Mayor Cook recessed executive session at 7:15 p.m.*

**Present** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

#### **Pending or Contemplated Litigation or to Seek the Advice of the City Attorney Pursuant to Section 551.071**

Seek Advice of City Attorney Regarding Pending Litigation - Cause No. 348-270155-14

Seek Advice of City Attorney Regarding Modification to the Lease and Operating Agreement with DSE Hockey Centers, L.P.

Seek Advice of City Attorney Regarding Modification to the Development Agreement with DSE Hockey Centers, L.P.

Seek Advice of City Attorney Regarding South Main Street Reconstruction and North Main Trail Improvements

Seek Advice of City Attorney Regarding Proposed Public Memorial

Seek Advice of City Attorney Regarding Mineral Lease Agreement with Newark Core Barnett, LLC/GHA Barnett, LLC

#### **Discussion Regarding Possible Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072**

Consider Possible Purchase/Lease/Exchange of Certain Properties for Future Development/Use:  
1416 Holley Creek Lane

**Personnel Matters Pursuant to Section 551.074**

Board Appointments

**Deliberation Regarding Commercial or Financial Information Received From or the Offer of a Financial or Other Incentive Made to a Business Prospect Seeking to Locate, Stay or Expand in or Near the Territory of the City and with which the City is Conducting Economic Development Negotiations Pursuant to Section 551.087**

Project #15-02 - Business Prospect Briefing

Project #15-14 - Business Prospect Briefing

**7:00 PM OR IMMEDIATELY FOLLOWING EXECUTIVE SESSION - RECONVENE INTO REGULAR BUSINESS SESSION**

*Mayor Cook reconvened into regular business session at 7:25 p.m.*

**INVOCATION**

*First United Methodist Church Pastor David Alexander led the Invocation.*

**PLEDGE OF ALLEGIANCE**

*Council Member Burgess led the Pledge of Allegiance.*

**TEXAS PLEDGE**

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State Under God; One and Indivisible"

*Council Member Hoffman led the Texas Pledge.*

**PRESENTATIONS**

Key Club Presentation to Tiffany Hang, International Trustee

*Mayor Cook presented Kiwanis Key Club International Trustee Tiffany Hang a proclamation in appreciation of her hard work and dedication. Ms. Hang made brief comments.*

MMMC Medic of the Year Award Presentation by MMMCH

Methodist Mansfield Medical Center President John Phillips presented the Medic of the Year Award to Mansfield Paramedic Kenneth Price.

### **CITIZEN COMMENTS**

Mayor Cook recognized the following non-speakers:

In support of agenda item 16-1943:  
Pam Thomas - 1607 McGaughn

In opposition of agenda item 16-1943:  
Sara Lewis - 1313 Waterwood Drive  
Theresa Waldron - 1100 Brook Arbor Drive  
Ryan Waldron - 2208 Hodges Place  
Casey Lewis - 1313 Waterwood Drive  
Tamera J. Bounds - 1009 Meriwether Street  
Lance Irwin - 1208 Killian Drive  
Erika Schmidt - 2 Waterwood Court  
Ben Cramer - 13 Park Place  
Julie Cramer - 13 Park Place  
Bruce Roy - 2103 Crestwood Trail  
Sileste Roy - 2103 Crestwood Trail  
Phillip Worobey - 13 Willowstone Court  
Karen Pope - 108 Carlin Road  
Jordan Doty - 253 Carlin Road  
Nathan Doty - 253 Carlin Road  
Guy Pope - 253 Carlin Road  
Linda Letts - 3 Brookway Court

In opposition of agenda items 16-1943, 16-1955, and 16-1975:  
Deena Walker - 1117 Saint Andrews Drive

In opposition of agenda item 16-1975:  
Lance Irwin - 1208 Killian Drive  
Tamera Bounds - 1009 Meriwether Street  
Bruce Roy - 2103 Crestwood Trail  
Sileste Roy - 2103 Crestwood Trail  
Phillip Worobey - 13 Willowstone Court  
Karen Pope - 108 Carlin Road  
Guy Pope - 108 Carlin Road  
Jordan Doty - 253 Carlin Road  
Nathan Doty - 253 Carlin Road

In opposition of agenda item 16-1945:  
Sara Lewis - 1313 Waterwood Drive  
Casey Lewis - 1313 Waterwood Drive

In opposition of agenda items 16-1914 and 16-1945:  
W.M. Wiggins - 1404 Wheeler Drive

### **COUNCIL ANNOUNCEMENTS**

Council Member Lindsey had no announcements.

Council Member Hoffman had no announcements.

*Council Member Haynes had no announcements.*

*Council Member Burgess acknowledged her wedding anniversary and husband.*

*Council Member Newsom had no announcements.*

*Mayor Pro Tem Broseh had no announcements.*

*Mayor Cook welcomed his father sitting in the audience.*

**STAFF COMMENTS**

**City Manager Report or Authorized Representative**

Current/Future Agenda Items

*There were no staff comments.*

**TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION**

No action was taken by the Council.

**CONSENT AGENDA**

**ITEMS TO BE REMOVED FROM THE CONSENT AGENDA**

[16-1914](#)

Ordinance - Third and Final Reading for a Specific Use Permit for Discount Store on Approximately 3.8 Acres, Located at 120 N. Walnut Creek Drive; Grossman Design Build (ZC#16-005)

*City Secretary Jeanne Heard read the caption into the record.*

**A motion was made by Council Member Burgess to approve the following ordinance:**

**AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO GRANT A SPECIFIC USE PERMIT FOR A DISCOUNT STORE ON THE HEREINAFTER DESCRIBED PROPERTIES; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE**

**(Ordinance in its entirety located in the City Secretary's Office)**

**Seconded by Council Member Hoffman. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

Enactment No: OR-2010-16

[16-1975](#)

Resolution - A Resolution Authorizing Funding in an Amount Not to Exceed \$124,425.00 and Approval of a Contract for Design Services with Kimley-Horn and Associates, Inc. to Prepare the StarCenter Project for Construction of Off-Site Infrastructure (MEDC Funds)

**A motion was made by Council Member Burgess to approve the following resolution:**

**A RESOLUTION AUTHORIZING FUNDING IN AN AMOUNT NOT TO EXCEED \$124,425.00 AND APPROVAL OF A CONTRACT FOR DESIGN SERVICES WITH KIMLEY-HORN AND ASSOCIATES, INC. TO PREPARE THE STARCENTER PROJECT FOR CONSTRUCTION OF OFF-SITE INFRASTRUCTURE (MEDC FUNDS)**

**(Resolution in its entirety located in the City Secretary's Office)**

**Seconded by Council Member Hoffman. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

Enactment No: RE-3273-16

[16-1973](#)

Request for Special Event Permit: Mansfield High School Band Boosters Tiger Trek

**A motion was made by Council Member Burgess to approve the request for special event permit. Seconded by Council Member Hoffman. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

[16-1971](#)

Minutes - Approval of the July 25, 2016 Regular City Council Meeting Minutes

**A motion was made by Council Member Burgess to approve the minutes of the July 25, 2016 Regular City Council Meeting as presented. Seconded by Council Member Hoffman. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

Nay: 0

Abstain: 0

[16-1974](#)

Minutes - Approval of the July 27, 2016 Special City Council Meeting Minutes

**A motion was made by Council Member Burgess to approve the minutes of the July 27, 2016 Special City Council Meeting as presented. Seconded by Council Member Hoffman. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

Nay: 0

Abstain: 0

**END OF CONSENT AGENDA**

**OLD BUSINESS**

[16-1943](#)

Ordinance - Second Reading of an Ordinance for the Modification of the Mansfield Starcenter Lease and Operating Agreement Between the City of Mansfield and DSE Hockey Centers, L.P.

*Deputy City Manager Shelly Lanners made brief comments. Deputy City Manager Peter Phillis made a brief power point presentation.*

**A motion was made by Council Member Hoffman to approve the second reading of "AN ORDINANCE APPROVING A MODIFICATION OF THE MANSFIELD STARCENTER LEASE AND OPERATING AGREEMENT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME AND ALL OTHER DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION; AND PROVIDING AN EFFECTIVE DATE." Seconded by Council Member Newsom. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

Nay: 0

Abstain: 0

[16-1945](#)

Ordinance - Second Reading of an Ordinance Authorizing the Conveyance of Approximately 4.22 Acres of City Owned Real Property

*Shelly Lanners made brief comments.*

**A motion was made by Council Member Hoffman to approve the second reading of "AN ORDINANCE AUTHORIZING THE CONVEYANCE OF APPROXIMATELY 4.22 ACRES OF CITY OWNED PROPERTY; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION; AND PROVIDING AN EFFECTIVE DATE." Seconded by Council Member Newsom. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Larry Broseh;Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

[16-1955](#)

Ordinance - Second Reading of an Ordinance Approving a Contract of Sale with Mansfield Independent School District; Authorizing the City Manager to Execute the Same and All Other Documents Necessary to Complete the Transaction; and Providing an Effective Date

*Shelly Lanners made brief comments. Director of Parks and Community Services Matt Young answered Council questions.*

**A motion was made by Mayor Pro Tem Broseh to approve the second reading of "AN ORDINANCE APPROVING A CONTRACT OF SALE WITH MANSFIELD INDEPENDENT SCHOOL DISTRICT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME AND ALL OTHER DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION; AND PROVIDING AN EFFECTIVE DATE." Seconded by Council Member Burgess. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Larry Broseh;Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

**PUBLIC HEARING CONTINUATION AND SECOND READING**

[16-1913](#)

Ordinance - Public Hearing Continuation and Second Reading on an Ordinance for Zoning Change from C-1 to PD for Professional Office on Zpproximately .33 Acres, Located at 500 S. Main Street; Eubanks Appraisals (ZC#16-004)

*Mayor Cook continued the public hearing at 7:55 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 7:55 p.m.*

**A motion was made by Council Member Burgess to approve the second reading of "AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTIES TO A PD, PLANNED DEVELOPMENT DISTRICT FOR PROFESSIONAL OFFICE, PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE." Seconded by Council Member Newsom. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Larry Broseh;Darryl Haynes and Brent Newsom

**Nay:** 0

Abstain: 0

[16-1930](#)

Ordinance - Public Hearing Continuation and Second Reading on an Ordinance Approving a Zoning Change from C-2, Community Business to PD, Planned Development for Auto Parts Store on Approximately 1.2 Acres Located at 631 W Debbie Lane; Buddy Webb & Company Inc (ZC#16-007)

*Mayor Cook continued the public hearing at 7:57 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 7:57 p.m.*

**A motion was made by Council Member Hoffman to approve the second reading of "AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HERINAFTER DESCRIBED PROPERTIES TO A PD, PLANNED DEVELOPMENT DISTRICT FOR AUTO PARTS STORE, PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE." Seconded by Council Member Lindsey. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

**Nay:** 0

Abstain: 0

**PUBLIC HEARING CONTINUATION AND THIRD READING**

[16-1915](#)

Ordinance - Public Hearing Continuation and Third and Final Reading on an Ordinance Approving a Zoning Change from PD, Planned Development District, C-2, Community Business District, and PR, Pre-Development District to PD for Shopping Center, General Retail, General Service and Office Type Uses, Sports Facilities, and Multi-Family Residential Uses on Approximately 86 Acres, Generally Located East of Hwy 287, West of Carlin Road, North of E. Broad Street and South of McKnight Park East; Shops at Broad, LLC (ZC#16-008)

*Jeanne Heard read the caption into the record. Mayor Cook noted this was a public hearing and third reading. Geyer Morris Company representative Tyler Morris made a brief power point presentation and answered Council questions. Kimley-Horn and Associates representative Kevin Gaskey made brief comments regarding drainage issues and answered Council questions. Mayor Cook continued the public hearing at 8:42 p.m. The following people spoke during the public hearing:*

*Roger Kendrick - 322 Carlin Road  
James Sellers - 2201 Heritage Parkway - Opposed  
Dianna Seller - 401 Carlin Road - Opposed  
Bill Gooch - 240 Carlin Road - Opposed  
Lance Irwin - 1208 Killian Drive - Opposed  
Tamera Bounds - 1009 Meriwether Street - Opposed  
Susan Miller - 318 Carlin Road - Opposed  
Jack Miller - 318 Carlin Road - Opposed  
Gino Fenoglio - 316 Carlin Road - Opposed*

*Catherine Fenoglio - 316 Carlin Road - Opposed  
Paul Buckley - 1406 Creekside Drive -  
Dan Banks - 3318 Abbey Road - Opposed  
Greg Kunasek - 405 Carlin Road -*

*Mayor Cook recognized the following non-speakers in support of this agenda item:*

*Paul Jovais - 4213 Calloway Drive  
Jackie Ellstad - 1706 Yarmouth Lane  
Michael Ellstad - 1706 Yarmouth Lane  
Emma Ellstad - 1706 Yarmouth Lane  
Michael Ellstad - 1706 Yarmouth Lane  
Julie Jovais - 4213 Calloway Drive  
Haley Conrad - 1401 Norwegian Wood Court  
Maddie Jovais - 4213 Calloway Drive  
Shin Lei Case - 5018 Toftrees Drive  
Cody Tarpley - 2403 Wood River Parkway  
Comia Harrell - 5722 Vandalia Trail  
Xavier Guerin - 5722 Vandalia Trail  
Reese Guerin - 5722 Vandalia Trail  
Dawna Guerin - 5722 Vandalia Trail  
Dennis Dupuis - 708 Parkhill Drive  
Rafael Molina - 404 Summer Trail  
Angie Ganss - 4 Velvet Court  
Stoney Short - 5 Calloway Court  
Colin Gent - 5855 Silver Sage Lane  
Rob Conrad - 3650 Oak Tree Lane  
Pam Thomas - 1607 McGarry Lane  
Russell Morrison - 213 Ghost Rider Road  
Mandy Gent - 5855 Silver Sage Lane  
Conner Gent - 5855 Silver Sage Lane  
Chris Gent - 5855 Silver Sage Lane  
Gavin Brown - 1402 Ivy Creek Drive  
Leslie Riley - 1402 Ivy Creek Drive  
Nathan Brown - 1402 Ivy Creek Drive  
McKayla Riley - 1402 Ivy Creek Drive  
Jason Conrad - 1401 Norwegian Wood Court  
Kammie Taylor - 2615 Elliott Avenue  
Matthew Taylor - 2615 Elliott Avenue  
Erick Zandt - 153 Spring Grove Drive  
Jennifer Conrad - 1401 Norwegian Wood Court  
Rylee Scott - 2647 Bridgewater Drive  
Candy Conrad - 3650 Oak Tree Lane  
Phoebe Scott - 2647 Bridgewater Drive  
Chloe Scott - 2647 Bridgewater Drive  
Harlee Scott - 2647 Bridgewater Drive  
Jordan Tanabsim - 2647 Bridgewater Drive  
Angelina Scott - 2647 Bridgewater Drive  
Dan Scott - 2647 Bridgewater Drive  
Valerie Dillard - 5 Briarwood Court  
Jeff Brown - 704 Saint Robby Drive  
Samuel Brown - 704 Saint Robby Drive  
Lisa Brown - 704 Saint Robby Drive  
Madison Dillard - 5 Briarwood Court  
Tyler Conrad - 1401 Norwegian Wood Court  
Ryan Shinoberry - 202 S. Cummings Drive*

Jennifer Baydon - 6940 Ponzano  
Spencer Brown - 704 Saint Robby Drive  
Joe Bagdon - 6940 Ponzano  
Amber Melby - 6201 Weaver Drive  
Brock Melby - 6201 Weaver Drive  
Paula Highfill - 11932 CR 528  
Phillip Quinnan - 924 Trailwood Court  
Alisa Chernomashentsev - 924 Trailwood Court  
Maxim Zharkov - 924 Trailwood Court  
Andrei Zharkov - 924 Tailwood Court  
Svetlana Serkeli - 924 Trailwood Court  
Christeen Nguyen - 2947 England Parkway  
Parris-Lynn Case - 5018 Toftrees Drive  
Heather Elliot - 3501 Jasmine Trail  
Alex Bilozertchev - 924 Trailwood Court  
Carissa Barnett - 1212 Deuce Drive #308  
Julie Short - 5 Calloway Court

Mayor Cook recognized the following non-speakers in opposition of this agenda item:

Patrick Sherlock - 2101 Kingsbury Road  
Eva Troha - 2005 Wellington Drive  
Jeff Troha - 2005 Wellington Drive  
Gary Montana - 2001 Wellington Drive  
Ginger Justice - 2108 Castle View Road  
Jake Scicluna - 2306 Castle Creek Drive  
Leigh Ann Scicluna - 2306 Castle Creek Drive  
Stacia Montana - 2001 Wellington Drive  
Blaine Parker - 2003 Stonebridge Court  
Tony Justice - 2108 Castle View Road  
Lisa Eubanks - 2008 Royal Crest  
Matt Eubanks - 2008 Royal Crest  
Katy Parker - 2003 Stonebridge Court  
Melissa Pond - 2113 Castle Creek Drive  
Liz Motes - 2318 Castle Creek Drive  
Bill Ladwig - 2300 Stonebridge Lane  
Kim Ladwig - 2300 Stonebridge Lane  
Michael Pond - 2113 Castel Creek Drive  
Diana Kondrativk - 2302 Stonebridge Lane  
Shawn Kondrativk - 2302 Stonebridge Lane  
Mary Elyn Worsham - 2006 Royal Crest  
Cory Worsham - 2006 Royal Crest  
Sibelle Pinedo - 2609 Brookwood Drive  
E. Richard Jordan - 1301 Brook Arbor Drive  
Lisa Tyree - 1406 Waterwood Drive  
Shauna Friend - 13 Willowstone Court  
Laurie Gray, MD - 703 Montclair Drive  
Erika Schmidt - 2 Waterwood Court  
Ben Cramer - 13 Park Place  
Julie Cramer - 13 Park Place  
Phillip Worobey - 13 Willowstone Court  
Chrissy Smith - 3328 Vista Lake Circle  
Matt Smith - 3328 Vista Lake Circle  
Ryan Waldron - 2208 Hodges Place  
Theresa Waldron - 1100 Brook Arbor Drive  
Casey Lewis - 1313 Waterwood Drive

Jace Stukey - 333 Carlin Road  
Amanda Stukey - 333 Carlin Road  
W.M. Wiggins - 1404 Wheeler Drive  
Moises Pinedo - 2609 Brookwood Drive  
Ann Robertson - 315 Carlin Road  
Thomas Meacham - 320 Carlin Road  
Sara Lewis - 1313 Waterwood Drive  
Nathan Doty - 253 Carlin Road  
Jordan Doty - 253 Carlin Road  
Karen Pope - 108 Carlin Road  
Guy Pope - 108 Carlin Road  
Lynda Lotman - 1006 Tremont Street  
Jonene Marchant - 2633 Morgan Ann Avenue  
Johnathan W. Gray - 703 Montclair Drive  
Georgana Battles - 261 Carlin Road  
Danny Battles - 261 Carlin Road  
Maria Lopez - 609 S. Waxahachie Street  
Lucia Lopez - 609 S. Waxahachie Street  
Katherine Sherlock - 2101 Kingsbury Road  
Theresa Newlin - 501 Montclair Drive  
Christine Bennett - 323 Carlin Road  
Wallace Bennett - 323 Carlin Road  
Karen Evans - 2614 Brookwood Drive  
Linda Letts - 3 Brookway Court  
Carroll Brune - 1105 Pebble Beach Drive  
Dixie Brune - 1105 Pebble Beach Drive  
Sileste Roy - 2103 Crestwood Trail  
Bruce Roy - 2103 Crestwood Trail  
Linda Gooch - 240 Carlin Road  
Erica Bekerman - 1504 Creekside Court  
Travis Kralicke - 2608 Brookwood Drive  
Jenny Kralicke - 2608 Brookwood Drive  
Dylan Kralicke - 2608 Brookwood Drive  
Bryn Kralicke - 2608 Brookwood Drive  
Meggan Fletcher - 3209 High Ridge Court  
Trent Fletcher - 3209 High Ridge Court  
David Stenftenagel - 1407 Long and Winding Road  
David Bekerman - 1504 Creekside Court  
Keith Uplinger - 707 Walnut Hollow Drive  
Ronnie Price - 2506 Bowman Avenue  
Brei Silvia - 2005 Manor Way Drive  
Emily Silvia - 2005 Manor Way Drive  
Rich Sauer - 2508 Bowman Avenue  
Mary Silvia - 2508 Bowman Avenue  
Kristine Steely - 2007 Wellington Drive  
Chris Steely - 2007 Wellington Drive  
Ian MacLeod - 200 Wellington Drive  
Giovanna MacLeod - 2003 Wellington Drive  
Ray Hall - 1927 Manor Way Drive  
Paula Hall - 1927 Manor Way Drive  
Randy Giles - 1929 Manor Way Drive  
Antonio Giles - 1929 Manor Way Drive  
Susan N. Zillman - 2106 Castle Creek Drive  
Chandler R. Zillman - 2106 Castle Creek Drive  
Deborah Price - 2506 Bowman Avenue  
Scott Filipi - 2009 Wellington Drive

*Kayla Filipi - 2009 Wellington Drive  
James Bounds - 1009 Meriwether Street*

*With no one else wishing to speak, Mayor Cook closed the public hearing at 9:53 p.m.*

*City Manager Clayton Chandler, Deputy City Manager Joe Smolinski, Director of Public Works Steve Freeman, Police Chief Tracy Aaron and Peter Phillis made brief comments and answered Council questions. Bridgeview Real Estate representative Steve May made brief comments and answered Council questions.*

**A motion was made by Council Member Hoffman to approve the following ordinance with the following modifications:**

**Exhibit D, Item 4 "Development Plan", Subsection C shall read "Development of Tract 2 & 3 shall be subject to site plan approval by the City Council";**

**Exhibit D, Item 5 "Development Tracts", shall read "For purposes of this planned development, the Property is divided into three development tracts as shown on the Development Plan", with Subsection A reflecting 68 acres, and a new Subsection C stating "Tract 3 consists of approximately 4.2 acres along the frontage road of Highway 287";**

**Exhibit D, Item 7 "Density", Subsection B shall read "The maximum number of multi-family residential units is 330 with a minimum of 65% one-bedroom units and a maximum of 5% three-bedroom units;**

**Exhibit D, Item 10 "Landscaping and Screening Standards", shall read "Landscape and screening standards shall be those required for development in the MF Multi-Family District and C-2 Community Business District as set forth in Article 7. Section 7300 of the City of Mansfield Zoning Ordinance except as follows: a) Setbacks for landscaping shall be provided as set forth on the Development Plan; and b) Enhanced landscaping consists of shade trees, ornamental trees and shrubs measuring 6-feet at maturity, shall be planted along landscape strips adjacent to service drives and loading and unloading areas at the rear of buildings on Tract 1 where such areas are in view from adjacent properties, with the existing Subsection D and Subsection E to be deleted, and the existing Subsection A to be renumbered as Item 10.1 and amended to state that the undergrowth shall also be preserved.**

**AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTIES TO A PD, PLANNED DEVELOPMENT DISTRICT FOR A SHOPPING CENTER, GENERAL RETAIL, GENERAL SERVICE AND OFFICE TYPE USES, SPORTS FACILITIES, AND MULTI-FAMILY RESIDENTIAL USE, PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE**

**(Ordinance in its entirety located in the City Secretary's Office)**

**Seconded by Council Member Newsom. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Larry Broseh;Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

Enactment No: OR-2011-16

## **NEW BUSINESS**

### **16-1972**

Resolution - A Resolution Recognizing that the City Council of the City of Mansfield, Texas is Proposing to Adopt a Tax Rate on a Future Agenda

*Peter Phillis made brief comments.*

**A motion was made by Council Member Newsom to approve the following resolution:**

**A RESOLUTION RECOGNIZING THAT THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS IS PROPOSING TO ADOPT A TAX RATE ON A FUTURE AGENDA, THE PROPOSED TAX RATE ON THE FUTURE AGENDA IS CURRENTLY EXPECTED TO BE 71 CENTS PER ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY AS OF JANUARY 1, 2016. THE CITY COUNCIL WILL HAVE PUBLIC HEARINGS ON THE EXPECTED TAX RATE OF 71 CENTS PER ONE HUNDRED DOLLARS OF ASSESSED VALUATION AT THE NEXT REGULARLY SCHEDULED MEETING AND A SPECIAL MEETING BEFORE THE ADOPTION OF A TAX RATE**

**(Resolution in its entirety located in the City Secretary's Office)**

**Seconded by Council Member Hoffman. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Larry Broseh;Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

Enactment No: RE-3274-16

## **RECESS INTO EXECUTIVE SESSION**

*In accordance with the Texas Government Code, Chapter 551, Mayor Cook recessed the meeting into executive session at 12:05 a.m. Mayor Cook called the executive session to order in the Council Conference Room at 12:15 a.m. Mayor Cook adjourned executive session at 1:32 a.m.*

## **RECONVENE INTO REGULAR BUSINESS SESSION**

*Mayor Cook reconvened into regular business session at 1:35 a.m.*

**ADJOURN**

**A motion was made by Council Member Hoffman to adjourn the meeting at 1:35 a.m. Seconded by Council Member Burgess. The motion CARRIED by the following vote:**

**Aye:** 7 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh; Darryl Haynes and Brent Newsom

**Nay:** 0

**Abstain:** 0

\_\_\_\_\_ David L. Cook, Mayor

ATTEST:

\_\_\_\_\_ Jeanne Heard, City Secretary



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1943

Agenda Date: 8/8/2016

Version: 3

Status: Third and Final  
Reading

In Control: City Council

File Type: Ordinance

### Title

Ordinance - Third and Final Reading of an Ordinance for the Modification of the Mansfield Starcenter Lease and Operating Agreement Between the City of Mansfield and DSE Hockey Centers, L.P.

### Requested Action

Consider approving the Ordinance for the modification of the Lease and Operating Agreement for Mansfield StarCenter Sports Facility

### Recommendation

Approve Ordinance

### Description/History

In 2015, Dallas StarCenter's representatives contacted the City to discuss the possibility of creating a public/private partnership for the construction and operation of a facility called Mansfield StarCenter Sports Facility.

The City Council approved the Lease and Operating Agreement at the City Council meeting at the February 8, 2016, meeting contingent on funding participation from other entities. The additional funding was never secured so the lease agreement was not executed.

The City has determined a better site for the facility might be to locate it on land near or adjacent to the 4.22 acres of property currently owned by the City. The City published notice of bids for the purchase and exchange of real property to find a more suitable site.

Geyer Morris Company, the retail developer for the Shops at Broad submitted a bid to exchange approximately 6.5 acres of land currently owned by the Company along with \$2 million.

The modification to the Lease Agreement includes the new site location to be leased and adjusts the construction and opening dates. The Lease Agreement remains a 30 year term lease with annual rent payments and guidelines on how the facility is to be maintained and operated.

### Justification

This facility will add an additional indoor element to our parks and recreation system that could operate year-round focusing on ice hockey leagues and tournaments and ice dancing. This facility will provide sports opportunities to our local youth and adults as well as out-of-town visitors. An economic and feasibility study was conducted on this project by Conventions Sport and Leisure, International. The new location provides an opportunity for the facility to be a key element in a mixed-use development.

**Funding Source**

N/A

**Prepared By**

Shelly Lanners, Deputy City Manager

shelly.lanners@mansfieldtexas.gov

817-276-4265

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE APPROVING A MODIFICATION OF THE MANSFIELD STARCENTER LEASE AND OPERATING AGREEMENT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME AND ALL OTHER DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Mansfield is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City has agreed to lease the Leased Premises (as defined in the attached Mansfield StarCenter Lease and Operating Agreement, hereafter the "Lease Agreement") to DSE Hockey Centers, L.P. on the terms and conditions set forth in the attached Lease Agreement; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS:**

**SECTION 1**

The City approves the Lease Agreement, attached hereto as Exhibit A.

**SECTION 2**

Pursuant to Section 3.13 of the City's Charter, the City authorizes the lease of the Leased Premises in accordance with the Lease Agreement.

**SECTION 3**

The City Manager of the City of Mansfield, Texas, is hereby authorized and empowered to execute the Lease Agreement and all other documents necessary to complete the transaction.

**SECTION 4**

This ordinance shall take effect immediately from and after its passage on third and final reading and the publication of the caption, as the law and charter in such cases provide.

First reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Second reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

DULY PASSED on the third and final reading by the City Council of the City of Mansfield, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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**David L. Cook, Mayor**

ATTEST:

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**Vicki Collins, City Secretary**

APPROVED AS TO FORM AND LEGALITY

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**Allen Taylor, City Attorney**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1945

**Agenda Date:** 8/22/2016

**Version:** 3

**Status:** Third and Final Reading

**In Control:** City Council

**File Type:** Ordinance

### **Title**

Ordinance - Third and Final Reading of an Ordinance Authorizing the Conveyance of Approximately 4.22 Acres of City Owned Real Property; Authorizing the City Manager to Execute all Documents Necessary to Complete the Transaction; and Providing an Effective Date.

### **Requested Action**

Consider approving the Ordinance to convey City-owned property

### **Recommendation**

Approve Ordinance

### **Description/History**

The City owns approximately 4.22 acres along HWY 287 that had been considered as a site on which to build a Dallas StarCenter.

The City determined a better site for the facility might be the land near or adjacent to the City's property. The City published a bid notice for the purchase or exchange of real property to find a more suitable site. The bids were publicly opened on July 14, 2016.

Shops at Broad, LLC submitted a bid to exchange approximately 5.13 acres of real property currently owned by the Company and provide additional consideration of \$2 million.

### **Justification**

The exchange of properties along with the additional consideration has been determined to be a reasonable consideration for both parties.

### **Funding Source**

N/A

### **Prepared By**

Shelly Lanners, Deputy City Manager  
shelly.lanners@mansfieldtexas.gov  
817-276-4265

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING THE CONVEYANCE OF APPROXIMATELY 4.22 ACRES OF CITY OWNED REAL PROPERTY; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THE TRANSACTION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Mansfield is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the City owns approximately 4.22 acres of real property, as shown described and shown on the attached Exhibit A (the “City Property”), upon which it intended to build a facility as a portion of its park and recreation program; and

**WHEREAS**, the City after careful study and deliberation has determined that a better site for the facility might result from placing the facility on land near or adjacent to the City Property; and

**WHEREAS**, pursuant to Section 272.001 of the Texas Local Government Code, the City published notice of bids for the purchase or exchange of real property to find a more suitable site; and

**WHEREAS**, Shops at Broad, LLC currently owns approximately 5.14 acres of real property, as shown on the attached Exhibit B (the “SAB Property”); and

**WHEREAS**, Geyer Morris Company, LLC, an affiliate of SAB, submitted a bid responsive to the City’s notice of bids offering to (i) exchange the SAB Property for the City Property; and (ii) provide additional consideration of \$2,000,000; and

**WHEREAS**, the parties believe that the SAB Property with the additional consideration is of comparable value to the City Property and an even exchange might be reasonable to accommodate the needs of both parties; and

**WHEREAS**, the City Council of the City of Mansfield, Texas after due and careful consideration, has determined the conveyance and exchange of the City Property for the SAB Property is in the best interest of the City.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS:**

**SECTION 1**

The City pursuant to Section 3.13 of the City’s Charter, authorizes the conveyance of the City Property to Shops at Broad, LLC.

**SECTION 2**

The City Manager of the City of Mansfield, Texas, is hereby authorized and empowered to execute all documents necessary to complete the conveyance of the City Property in exchange for the SAB Property.

**SECTION 3**

This ordinance shall take effect immediately from and after its passage on third and final reading and the publication of the caption, as the law and charter in such cases provide.

First reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Second reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

DULY PASSED on the third and final reading by the City Council of the City of Mansfield, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

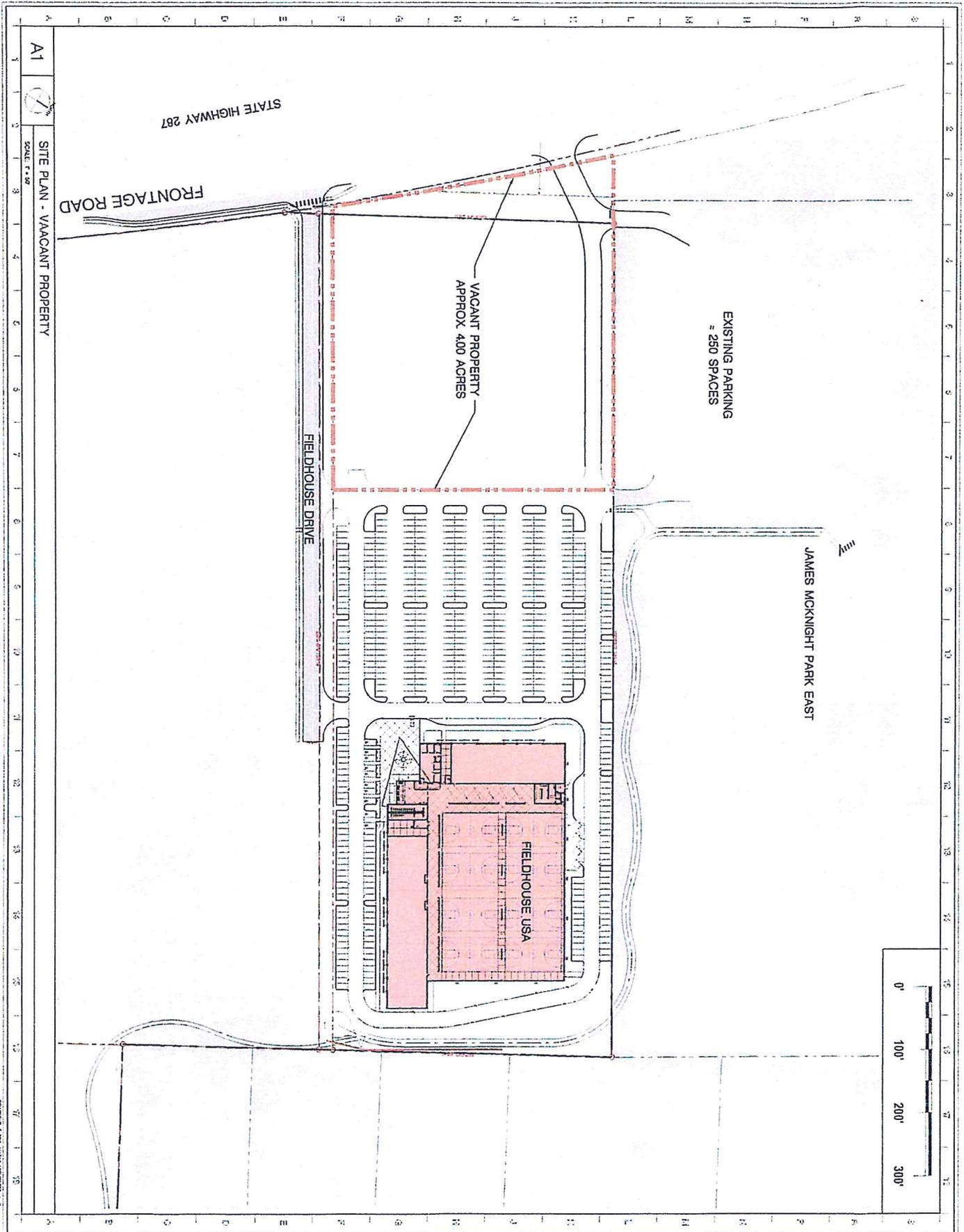
ATTEST:

\_\_\_\_\_  
**Jeanne Heard, City Secretary**

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_  
**Allen Taylor, City Attorney**

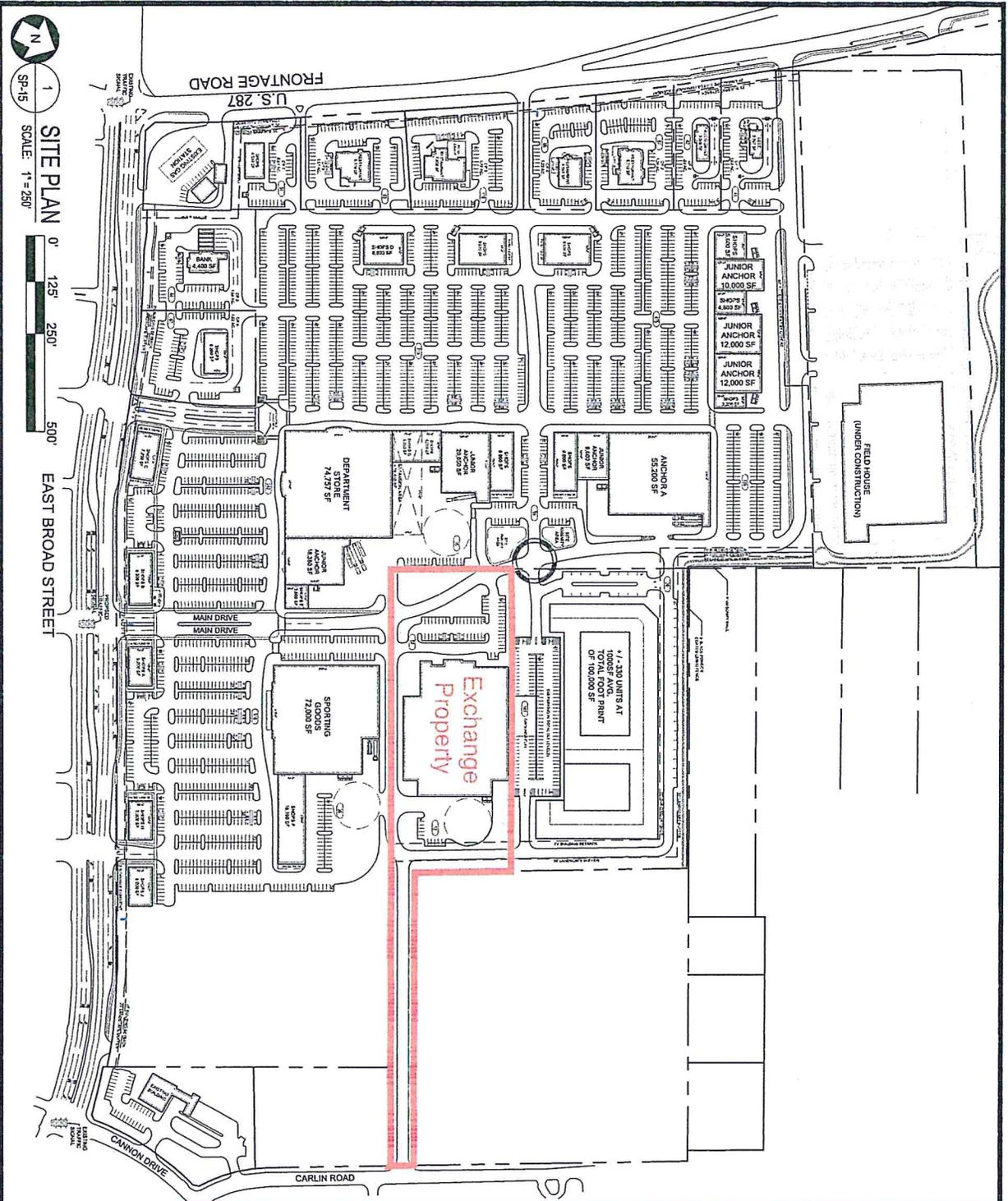
# Exhibit A



Copyright © 2004 Magee Architects, L.P.

<p>SP101</p>	<p>DATE: 05/11/04          SHEET NO. 11          OF 12</p>	<p>PROJECT NO.: 04-001          TITLE: Mansfield Property Study          (REVISED)</p>	<p><b>MANSFIELD PROPERTY STUDY</b>          600 N. U. S. 287          MANSFIELD, TEXAS</p>	<p><b>MAGEE ARCHITECTS, L. P.</b>          DESIGNERS • PLANNERS • INTERIORS          FORT WORTH, TEXAS</p>
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# Exhibit B



**PROJECT**  
 1540715  
 SHOPS AT BROAD  
 WANSFIELD, TX

**VERSION**  
 SP-15  
 07.11.16

**GEYER MORRIS COMPANY**



**PHILLIPS**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1946

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Consent

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - A Resolution Approving a Modification to the Development Agreement for Mansfield StarCenter Sports Facility between the City of Mansfield, the Mansfield Park Facilities Development Corporation and DSE Hockey Centers, L.P.

**Requested Action**

Consider approving a resolution approving a modification to the development agreement for Mansfield StarCenter Sports Facility

**Recommendation**

Approve the resolution

**Description/History**

Dallas StarCenter's representatives contacted the City to discuss the possibility of creating a public/private partnership for the construction and operation of a sports facility called Mansfield StarCenter Sports Facility.

The City Council approved the Development Agreement at the City Council meeting at the February 8, 2016, meeting contingent on funding participation from other entities. The additional funding was never secured so the Development Agreement was not executed.

The City has determined a better site for the facility might be to locate it on land near or adjacent to the 4.22 acres of property currently owned by the City. The City published notice of bids for the purchase and exchange of real property to find a more suitable site.

Geyer Morris Company, the retail developer for the Shops at Broad submitted a bid to exchange approximately 5.13 acres of land currently owned by the Company along with \$2 million.

The modification to the Development Agreement includes the new site location to be leased and adjusts the construction and opening dates.

The development agreement outlines the scope of the project to include design, development and construction of an indoor skating rink approximately 82,500 square foot facility with two ice surfaces, locker rooms, programming space, viewing area, party and meetings, retail area, concession area, on-site parking and off-site shared parking and infrastructure. The estimated cost of the project is \$15.1 million and will be completed through the Construction Manager At-Risk (CMAR) delivery method. Pete Durant and Associates, Inc. was awarded the CMAR contract by City Council at their July 11, 2016 meeting.

The construction of the facility will be paid in part by MPFDC allocating \$8.5 million to the project. The facility will be built on City-owned land and will be a public facility. DSE Hockey Centers, L.P. will operate the facility through a lease and operating agreement between the City and DSE Hockey Centers L.P. This modification was approved with a vote of 5-0 at the August 18, 2016 MPFDC board meeting.

**Justification**

This facility will add an additional indoor element to our parks and recreation system that could operate year-round focusing on ice hockey leagues and tournaments and ice dancing. This facility will provide sports opportunities to our local youth and adults as well as out-of-town visitors. An economic and feasibility study was conducted on this project by Conventions Sport and Leisure, International.

**Funding Source**

MPFDC ½ Cent Sales Tax  
General Fund

**Prepared By**

Shelly Lanners, Deputy City Manager  
shelly.lanner@mansfield-tx.gov  
817-276-4265

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING A MODIFICATION TO THE DEVELOPMENT AGREEMENT FOR MANSFIELD STARCENTER SPORTS FACILITY AND RELATED IMPROVEMENTS BETWEEN THE CITY OF MANSFIELD, THE MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION, AND DSE HOCKEY CENTERS, L.P.**

**WHEREAS**, DSE Hockey Centers, L.P. (DSE) desires to create a partnership with the City of Mansfield for the construction and operation of an indoor skating rink facility; and

**WHEREAS**, the facility will be built on City-owned property; and

**WHEREAS**, the facility will be a public facility and will be operated through a lease and operating agreement between the City and DSE; and

**WHEREAS**, the Board of Directors of the Mansfield Park Facilities Development Corporation approved the modification of the Development Agreement at a Regular Meeting on August 18, 2016.

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

**Section 1.**

That the Development Agreement between the City, the Mansfield Park Facilities Development Corporation, and DSE Hockey Centers, L.P. is hereby approved.

**Section 2.**

That the City Manager or his designee is hereby authorized to execute the modification of the Development Agreement.

RESOLVED AND PASSED this 22<sup>nd</sup> day of August, 2016.

\_\_\_\_\_  
**David L. Cook, Mayor**

ATTEST:

\_\_\_\_\_  
**Jeanne Heard, City Secretary**



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1985

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**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Public Hearing

**In Control:** City Council

**File Type:** Consideration Item

**Agenda Number:**

**Title**

Public Hearing and Consideration of a Request for Industrial Use Permit for Indoor Commercial Amusement on Approximately 2.5 Acres Located at 201 Sentry Drive; Peyco Southwest Realty, Inc. (ZC#16-012)

**Requested Action**

To consider the subject request.

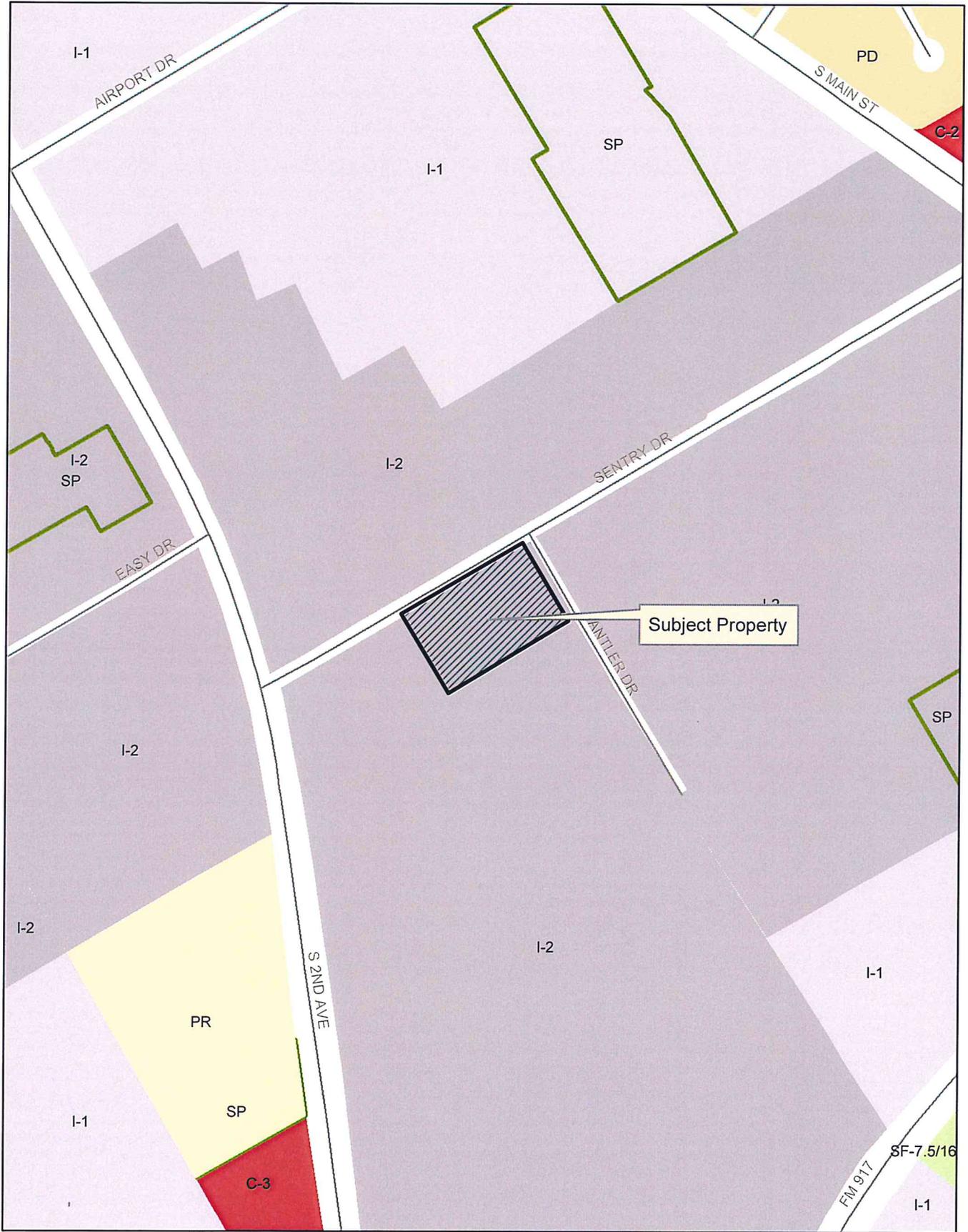
**Description/History**

The Industrial Use Permit is intended for D-Bat, a baseball/softball training facility, that recently moved to the subject property from S. Wisteria Street. The property is zoned I-2 Heavy Industrial. An Industrial Use Permit is required pursuant to recent amendments of permitted uses in I-2 zoning.

**Prepared By**

Felix Wong, Director of Planning  
817-276-4228





**ZC# 16-012**

This information is for illustrative purposes only. Not for design or development purposes. Site-specific studies may be required to obtain accurate feature locations. Every effort is made to ensure the information displayed here is accurate; however, the City of Mansfield makes no claims to its accuracy or completeness.

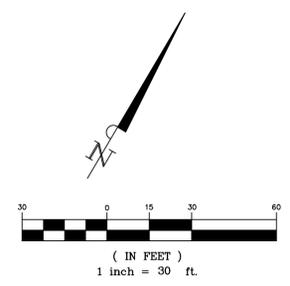
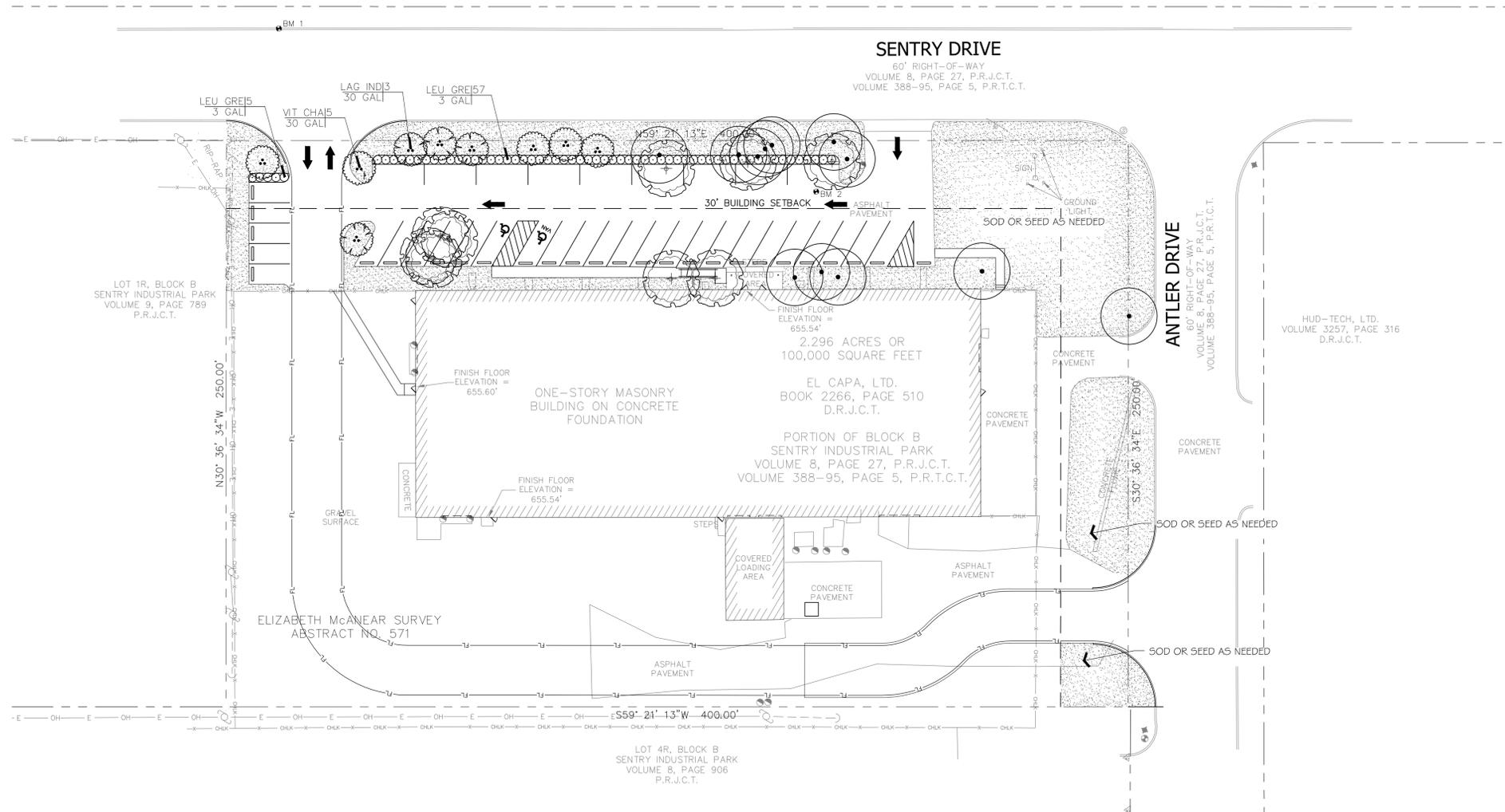
07/20/2016

## Property Owner Notification for ZC# 16-012

<b>LEGAL DESC 1</b>	<b>LEGAL DESC 2</b>	<b>OWNER NAME</b>	<b>OWNER ADDRESS</b>	<b>CITY</b>	<b>ZIP</b>
SENTRY INDUDSTRIAL PARK	BLK A	MURPHY RANDY W ETUX DEBORA L	2602 WOODBRIDGE TR	MANSFIELD, TX	76063
SENTRY INDUDSTRIAL PARK	BLK A	HOFFMAN HOLDINGS LTD	204 SENTRY DR	MANSFIELD, TX	76063
SENTRY INDUDSTRIAL PARK	BLK A	HOFFMAN HOLDINGS LTD	204 SENTRY DR	MANSFIELD, TX	76063
SENTRY INDUDSTRIAL PARK	BLK A	SOLVENTS ON-SITE RECYCLING	206 SENTRY DR	MANSFIELD, TX	76063
SENTRY INDUDSTRIAL PARK	BLK A	STEPP WCJ INVESTMENTS LLC	2525 RIDGMAR BLVD STE 420	FT WORTH, TX	76116
SENTRY INDUDSTRIAL PARK	BLK B	GOOD NANCY C	1202 ANTLER DR	MANSFIELD, TX	76063
SENTRY INDUSTRIAL PARK	BLK B	EL CAPA ASSOCIATES A TEXAS LLP	1703 N PEYCO DR	ARLINGTON, TX	76001
SENTRY INDUSTRIAL PARK	BLK B	BAR-B-K LTD	106 SENTRY DR	MANSFIELD, TX	76063
SENTRY INDUSTRIAL PARK	BLK C	HUD TECH LTD	P O BOX 833	MANSFIELD, TX	76063

Residential Districts													Permitted Primary Uses	Nonresidential Districts							Parking Group Table, Sec. 7200	Special Conditions, Sec. 7800	
A	SF-5AC/24	SF-12/22	SF-9.6/20	SF-8.4/18	SF-8.4/16	SF-7.5/18	SF-7.5/16	SF-7.5/12	SF-6/12	2F	MF-1	MF-2		OP	C-1	C-2	C-3	I-1	I-2	PD			
													M. Recreation and Entertainment Uses										
													1. Amusement, Commercial (Indoor)			P	P	P	I	P		3c	21
													2. Amusement, Commercial (Outdoor)			S	S			P		3d	21
													3. Bar, Dance Hall or Night Club			S	S			P		5b	21
													4. Bowling Alley			P	P	P		P		3b	21
													5. Campground or Recreational Vehicle Park							P			
													6. Coin-Operated Amusement Devices			P	P			P		3c	
													7. Commercial Sport, Ballpark, Stadium or Athletic Field			S	P	P		P		3e	
S	S	S	S	S	S	S	S	S	S	S	S	S	8. Country Club	P	P	P	P			P		3g	
													9. Driving Range or Miniature Golf Course			P	P			P		3h	
													10. Go-Cart Track							P		3d	
P	P	P	P	P	P	P	P	P	P	P	P	P	11. Golf Course	P	P	P	P	P	P	P		3g	
													12. Gun Club, Skeet or Target Range			S	S	S	S	P			
													13. Membership Sport or Recreation Club			P	P	P		P			
P	P	P	P	P	P	P	P	P	P	P	P	P	14. Parks	P	P	P	P	P	P	P			
													15. Pool or Billiard Hall							P		3c	21
													16. Rodeo Ground							P		3d	21
													17. Roller or Ice Skating Rink			P	P	P		P		3d	
													18. Stable, Commercial, Rental or Boarding							P			14
													19. Stable, Riding Club							P			13
													20. Swimming Pool, Commercial			P	P			P			9
													21. Theatre, Drive-In							P			
													22. Theatre, Other Than Drive-In			P	P	P		P		3a	





ZC#16-012

**PLANT SCHEDULE**

TREES	QTY	BOTANICAL NAME / COMMON NAME	CONT	CAL	SIZE	NOTES
		Existing Crape Myrtle Tree to be Removed				
		Existing Crape Myrtle Tree To Remain				
	4	Lagerstroemia indica / Crape Myrtle	30 GAL	3"	6'-8'	3 CANES MIN. MATCHING FULL
	5	Vitex agnus-castus / Chaste Tree	30 GAL	3"	6'-8'	3 CANES MIN. MATCHING FULL
SHRUBS	QTY	BOTANICAL NAME / COMMON NAME	CONT	SIZE	SPACING	NOTES
	62	Leucophyllum frutescens 'Green Cloud' TM / Green Cloud Texas Ranger	3 GAL	24" HT.	30" O.C.	TRIANGULAR SPACING, FULL, MATCHING
GROUND COVERS		BOTANICAL NAME / COMMON NAME	CONT			
		Cynodon dactylon 'Tif 419' / Bermuda Grass				Sod or Hydromulch as needed

**NOTE**

- The property owner, tenant or agent shall be responsible for the maintenance of all required landscaping in a healthy, neat, orderly and live-growing condition at all times. This shall include watering, pruning, fertilizing, irrigation, weeding and other such activities consistent with the maintenance of landscaping. Landscaped areas shall be kept free of trash, litter, weeds and other such materials not a part of the landscaping. Plant materials that die shall be replaced with plant materials of similar variety and size.
- All areas disturbed by construction shall be fine graded and re-established by sod. These areas shall be irrigated and maintained until a permanent stand of grass is achieved with a minimum of 70% coverage. This is to include all areas to the back of curbs and the property.



**Know what's below.**  
**Call before you dig.**  
(@ least 48 hours prior to digging)

No.	Date	Revision Description



SHEET NO.

**L-1.0**

PROJECT NO.: 024-16-08



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1993

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Public Hearing

**In Control:** City Council

**File Type:** Consideration Item

**Agenda Number:**

### **Title**

Public Hearing - First Public Hearing on the Tax Rate, Levying the Ad Valorem Taxes for the Fiscal Year 2017 at a Rate of \$0.7100 per One Hundred Dollars (\$100.00) Assessed Valuation on all Taxable Property Within the Corporate Limits of the City as of January 1, 2016, to Provide Revenues for the Payment of Current Expenditures and to Provide an Interest and Sinking Fund on all Outstanding Debts of the City, and Providing for Due and Delinquent Dates Together With Penalties and Interest

### **Requested Action**

Provide opportunity for the citizens of Mansfield, Texas to offer their ideas regarding the FY 2016/2017 tax rate.

### **Recommendation**

Receive citizen input regarding the tax rate.

### **Description/History**

The City of Mansfield, Texas has announced a tax rate of \$0.71 to support the budget for fiscal year 2017. The public hearing is to receive input from the public about the tax rate.

### **Justification**

Provide for the annual service program to the City of Mansfield, Texas for fiscal year 2017.

### **Funding Source**

N/A

### **Prepared By**

Peter K. Phillis, Deputy City Manager  
817-276-4261



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1994

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**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** Public Hearing

**In Control:** City Council

**File Type:** Consideration Item

**Agenda Number:**

**Title**

Public Hearing - First Public Hearing on the Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017, in Accordance with the Charter of the City of Mansfield, and the Appropriation of Various Amounts Thereof

**Requested Action**

Provide opportunity for the citizens of Mansfield to offer their ideas regarding the FY 2016/2017 proposed budget.

**Recommendation**

Receive citizen input regarding the FY 2016/2017 proposed budget.

**Description/History**

The public hearing regarding the proposed FY 2016/2017 budget to receive citizen input.

Please note that a vote to adopt the budget ordinance will be presented at the special Council meetings scheduled for September 6, September 7, and September 8, 2016.

**Justification**

Provide for the annual service program for the City of Mansfield, Texas for fiscal year 2017.

**Funding Source**

N/A

**Prepared By**

Peter K. Phillis, Deputy City Manager  
817-276-4261



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1995

**Agenda Date:**

**Version:** 1

**Status:** Public Hearing

**In Control:** City Council

**File Type:** Consideration Item

**Agenda Number:**

### **Title**

Public Hearing - First Public Hearing on the Use of Hotel/Motel Tax for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017

### **Requested Action**

Provide an opportunity for the citizens of Mansfield to offer their ideas regarding the use of Hotel/Motel Tax for FY 2016/2017.

### **Recommendation**

Receive citizens input regarding the use of Hotel/Motel Tax for FY 2016/2017.

### **Description/History**

Annually, the City of Mansfield, Texas adopts a service/work plan for the department of the City. Accordingly, during the process the City of Mansfield, Texas also adopts a budget for the use of administration of the Hotel/Motel Tax Funds as defined by the City Council of Mansfield.

The Texas Legislature has defined the use of the funds by legislating guidelines found in Chapter 351 of the Texas Tax Code. Historically, the City Council has allocated certain percentages of the expected revenue collection from the Hotel/Motel tax in the upcoming year. The allocations of the proceeds to the organizations are defined by the City Council. Use or purpose of the funds is to be determined by the City Council within the parameters of the law.

- Council may choose not to allocate any funds;
- Council may choose to allocate a portion of the funds;
- Council may choose to allocate all the funds.

Guidance on use or allocation of funds can be found in Chapter 351 of the Texas Tax Code.

The City anticipates collecting \$713,300.

### **Justification**

As permitted by State Law and Charter.

### **Funding Source**

Hotel/Motel in City

### **Prepared By**

Peter K. Phillis, Deputy City Manager  
817-276-4261



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1978

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**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** First Reading

**In Control:** City Council

**File Type:** Ordinance

**Agenda Number:**

**Title**

Ordinance - Public Hearing and First Reading on an Ordinance Approving a Zoning Change from OP, Office Park to SF-12/22, Single-Family Residential on Approximately 1.9 Acres Located at 828 S Holland Road; A Child's Growing Mind (ZC#16-009)

**Requested Action**

To consider the subject zoning change request

**Recommendation**

The Planning and Zoning Commission held a public hearing on August 1, 2016, and voted 6-0 to recommend approval. Commissioner Hudson was absent.

**Description/History**

In 2005, the property owner received a change in zoning from PR to OP to allow a day care center. The day care facility was never built and the single-family home remained. At this time, the same property owner is requesting the property be rezoned back to residential, SF-12/22.

**Prepared By**

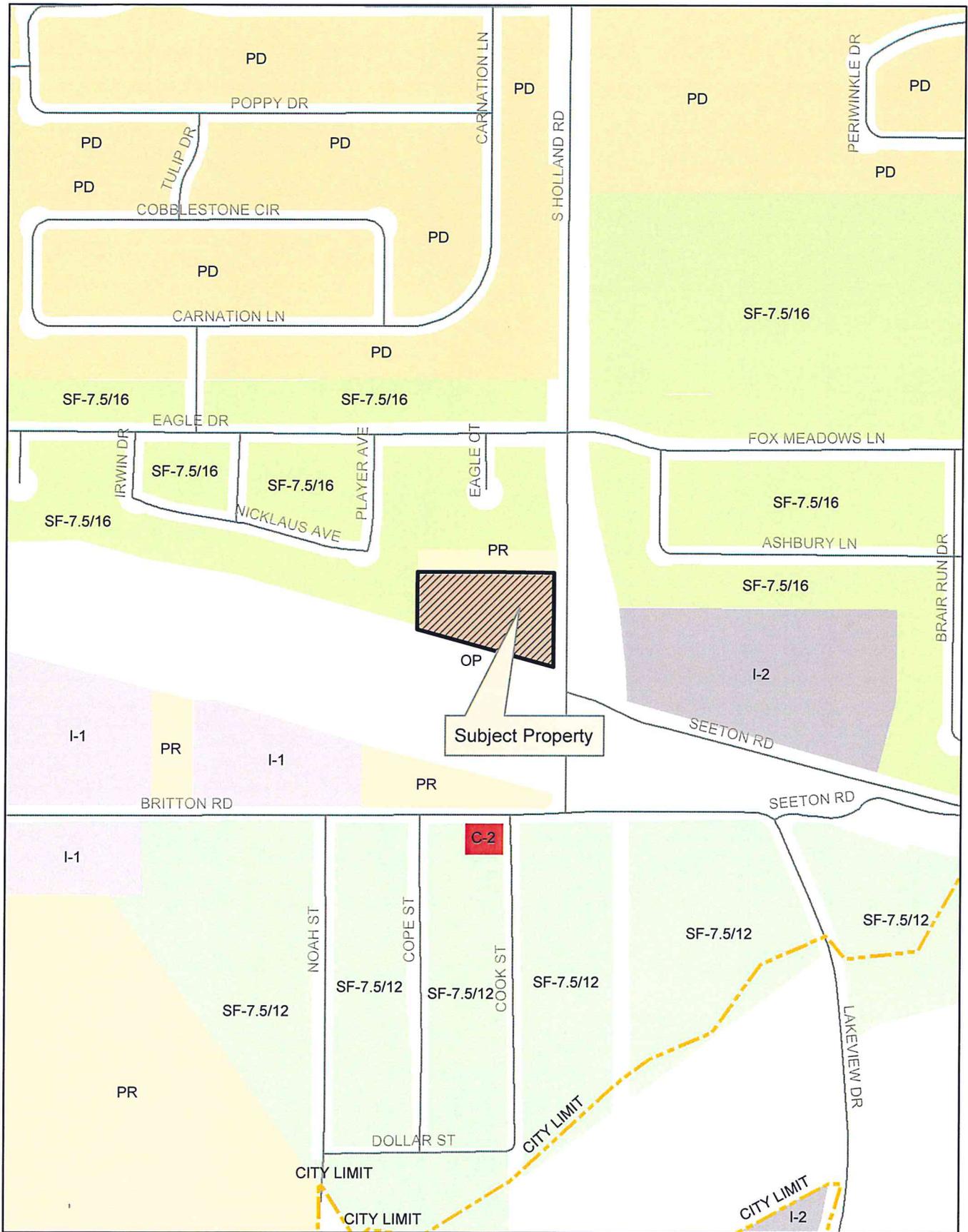
Felix Wong, Director of Planning  
817-276-4228



ZC# 16-009

This information is for illustrative purposes only. Not for design or development purposes. Site-specific studies may be required to obtain accurate feature locations. Every effort is made to ensure the information displayed here is accurate; however, the City of Mansfield makes no claims to its accuracy or completeness.

07/20/2016



Subject Property

C-2



ZC# 16-009

This information is for illustrative purposes only. Not for design or development purposes. Site-specific studies may be required to obtain accurate feature locations. Every effort is made to ensure the information displayed here is accurate; however, the City of Mansfield makes no claims to its accuracy or completeness.

07/20/2016

## Property Owner Notification for ZC# 16-009

<b>LEGAL DESC 1</b>	<b>LEGAL DESC 2</b>	<b>OWNER NAME</b>	<b>OWNER ADDRESS</b>	<b>CITY</b>	<b>ZIP</b>
GUZMAN ADDITION	BLK 1	GUZMAN HOLDINGS LLC	1275 PROFIT DR	DALLAS, TX	75247-3919
HOLLAND MEADOWS ADDITION	BLK 4	DOHERTY, TODD P	4404 ASHBURY LN	MANSFIELD, TX	76063-6702
HOLLAND MEADOWS ADDITION	BLK 4	WALSTON, BRIAN	4408 ASHBURY LN	MANSFIELD, TX	76063-6702
HOLLAND MEADOWS ADDITION	BLK 4	DANIELS, MARK	1110 PEBBLE BEACH CT	MANSFIELD, TX	76063-2647
MANSFIELD NATL SECTION A & B	BLK 1	KHAN, MOHAMMED	4208 NICKLAUS AVE	MANSFIELD, TX	76063-7366
MANSFIELD NATL SECTION A & B	BLK 1	AVERETT, MARGARET A	4210 NICKLAUS AVE	MANSFIELD, TX	76063-5872
MANSFIELD NATL SECTION A & B	BLK 1	HUDSON, EDWARD	705 PLAYER AVE	MANSFIELD, TX	76063-5881
MANSFIELD NATL SECTION A & B	BLK 1	COLEMAN, NICOLE M	707 PLAYER AVE	MANSFIELD, TX	76063-5881
MANSFIELD NATL SECTION A & B	BLK 1	O'NEAL, EDWARD C	709 PLAYER AVE	MANSFIELD, TX	76063-5881
MANSFIELD NATL SECTION A & B	BLK 1	BURRIS, RICKY	711 PLAYER AVE	MANSFIELD, TX	76063-5881
MANSFIELD NATL SECTION A & B	BLK 1	SERATT, JIMMY	702 EAGLE CT	MANSFIELD, TX	76063-5866
MANSFIELD NATL SECTION A & B	BLK 1	HARDEN, DONALD G	703 EAGLE CT	MANSFIELD, TX	76063-5866
MANSFIELD NATL SECTION A & B	BLK 1	BARRETT-TIPTON, TERESA	704 EAGLE CT	MANSFIELD, TX	76063-5866
MANSFIELD NATL SECTION A & B	BLK 1	REMILLARD, AMANDA	705 EAGLE CT	MANSFIELD, TX	76063-5866
MANSFIELD NATL SECTION A & B	BLK 1	BUTLER, RICARDO A	706 EAGLE CT	MANSFIELD, TX	76063
MANSFIELD NATL SECTION A & B	BLK 3	OKWARA, LILIAN	4209 NICKLAUS AVE	MANSFIELD, TX	76063-5873
NEILL, SAMUEL C SURVEY	A 1159	RODRIGUEZ, JAVIER	820 S HOLLAND RD	MANSFIELD, TX	76063-6704
NEILL, SAMUEL C SURVEY	A 1159	CHILD'S GROWING MIND INC	4606 SPRING LAKE PKWY	MANSFIELD, TX	76063-5590
NEILL, SAMUEL C SURVEY	A 1159	CHILD'S GROWING MIND INC	4606 SPRING LAKE PKWY	MANSFIELD, TX	76063-5590

Property Owner Notification for ZC# 16-009

<b>LEGAL DESC 1</b>	<b>LEGAL DESC 2</b>	<b>OWNER NAME</b>	<b>OWNER ADDRESS</b>	<b>CITY</b>	<b>ZIP</b>
NEILL, SAMUEL C SURVEY	A 1159	SOUTHERN PACIFIC RR CO	1400 DOUGLAS STOP 1640 ST	OMAHA, NE	68179-1001

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF MANSFIELD, AS HERETOFORE AMENDED, SO AS TO CHANGE THE ZONING ON THE HEREINAFTER DESCRIBED PROPERTIES TO SF-12/22 SINGLE-FAMILY DISTRICT CLASSIFICATION, PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Planning and Zoning Commission and the governing body of the City of Mansfield, Texas, in compliance with the laws of the State of Texas with reference to the amendment of the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally and to owners of the affected properties, the governing body of the City is of the opinion and finds that the Comprehensive Zoning Ordinance and Map should be amended;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS:**

**SECTION 1.**

That the Comprehensive Zoning Ordinance of the City of Mansfield, Texas, be, and the same is hereby, amended by amending the Zoning Map of the City of Mansfield, to give the hereinafter described property a new zoning classification of SF-12/22 Single Family Residential District Classification, said property being described in Exhibit "A" attached hereto and made a part hereof for all purposes.

**SECTION 2.**

That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby, repealed and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

**SECTION 3.**

That the above described properties shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City, as amended herein by the granting of this zoning classification.

**SECTION 4.**

Should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part so declared to be

invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

**SECTION 5.**

Any person, firm or corporation violating any of the provisions of this ordinance or the Comprehensive Zoning Ordinance, as amended hereby, shall be deemed guilty of a misdemeanor and, upon conviction in the Municipal Court of the City of Mansfield, Texas, shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

**SECTION 6.**

This ordinance shall take effect immediately from and after its passage on third and final reading and the publication of the caption, as the law and charter in such cases provide.

First reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Second reading approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**DULY PASSED** on the third and final reading by the City Council of the City of Mansfield, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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**David L. Cook, Mayor**

ATTEST:

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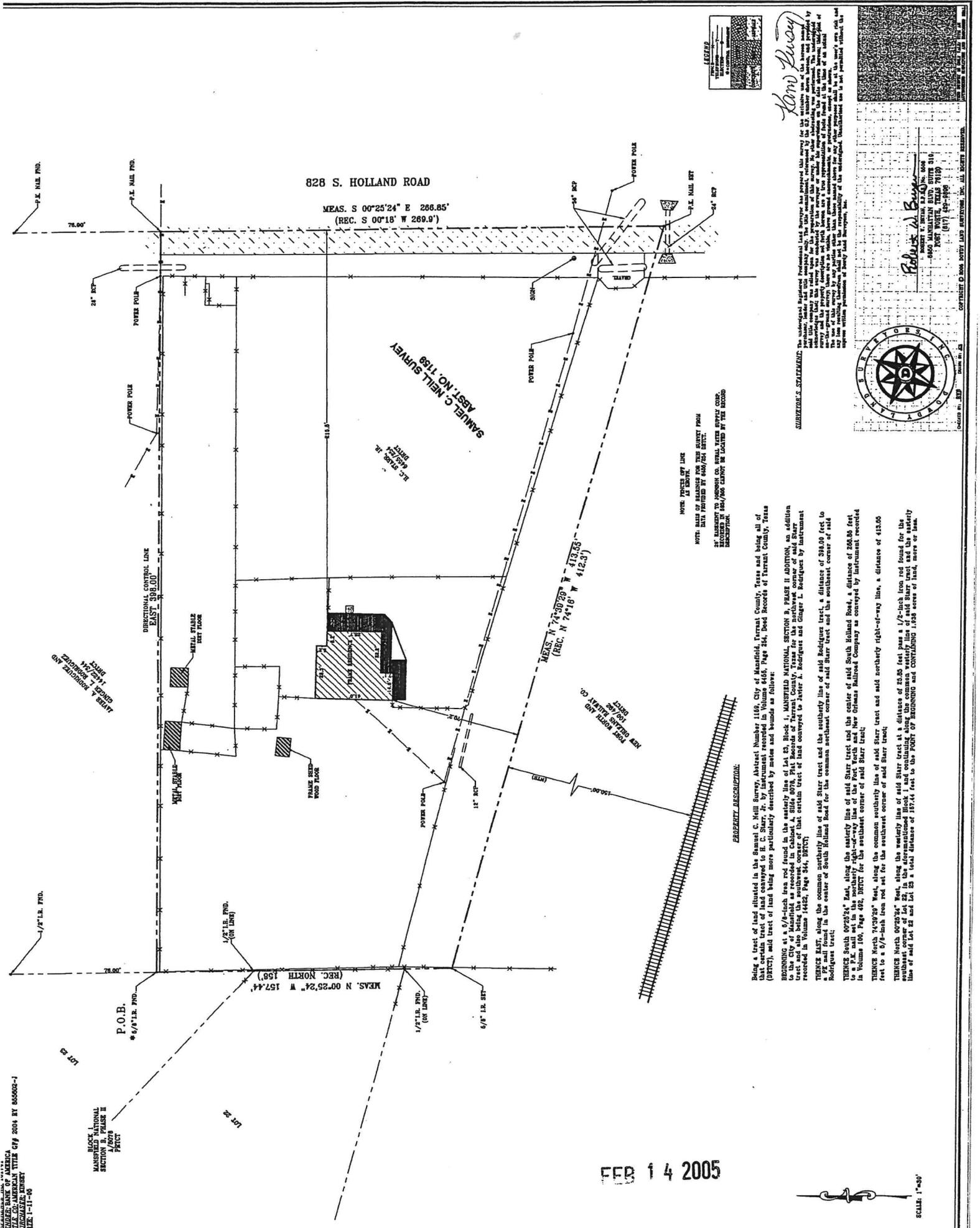
**Jeanne Heard, City Secretary**

APPROVED AS TO FORM AND LEGALITY

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**Allen Taylor, City Attorney**

EXHIBIT "A"



828 S. HOLLAND ROAD

MEAS. S 00°25'24" E 266.85'  
(REC. S 00°18' W 269.9')

SAUEL C. NEILL SURVEY  
ABST. NO. 1188

MEAS. N 74°30'29" W 413.55'  
(REC. N 74°18' W 412.3')

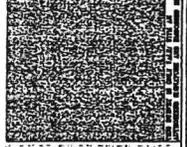
NOTE: VERTICES OF LINE  
NOTE: BASE OF MEASURE FOR THIS SURVEY FROM  
DATA PROVIDED BY AAM/704 SURVEY.  
24' SURVEY TO XEROX CO. SMALL WATER SUPPLY CORP.  
RECORDED BY 864/706 CANNOT BE LOCATED BY THE 800000  
DESCRIPTION.

PROPERTY DESCRIPTION:

Being a tract of land situated in the Samuel C. Neill Survey, Abstract Number 1188, City of Mansfield, Tarrant County, Texas and being all of that certain tract of land conveyed to E. C. Starr, Jr. by instrument recorded in Volume 4455, Page 254, Deed Records of Tarrant County, Texas (DISTRICT), said tract of land being more particularly described by metes and bounds as follows:  
 BEGINNING at a 5/8-inch iron rod found in the easterly line of Lot 23, Block 1, MANSHFIELD NATIONAL SECTION B, PLATS II ADDITION, as addition to the City of Mansfield as recorded in Cabinet A, BILLS 8076, Plat Records of Tarrant County, Texas for the northwesterly corner of said Starr tract; and the southerly line of that certain tract of land conveyed to Javier A. Rodriguez and Glage L. Rodriguez by instrument recorded in Volume 4442, Page 244, DISTRICT;  
 THENCE East, along the common southerly line of said Starr tract and the southerly line of said Rodriguez tract, a distance of 398.00 feet to a 1/2-inch iron rod found in the center of South Holland Road for the common northwest corner of said Starr tract and the southeast corner of said Rodriguez tract;  
 THENCE South 09°25'14" East, along the easterly line of said Starr tract and the easterly line of said South Holland Road, a distance of 200.85 feet to a 1/2-inch iron rod found in the northwesterly right-of-way line of the Port North and New Orleans Railroad Company as conveyed by instrument recorded in Volume 190, Page 482, DISTRICT for the southeast corner of said Starr tract;  
 THENCE North 74°30'29" West, along the common southerly line of said Starr tract and said northwesterly right-of-way line, a distance of 413.05 feet to a 5/8-inch iron rod set for the southwest corner of said Starr tract;  
 THENCE North 09°25'14" West, along the westerly line of said Starr tract at a distance of 23.85 feet past a 1/2-inch iron rod found for the southwest corner of Lot 22, in the center of said South Holland Road, a distance of 157.44 feet to the POINT OF BEGINNING and CONTAINING 1,034 square feet of land, more or less.



*Sam Lucero*  
 I, the undersigned, Professional Land Surveyor, have prepared this survey for the purposes stated herein. I am a duly licensed Professional Land Surveyor in the State of Texas and I am duly qualified to perform the duties of a Professional Land Surveyor. I have personally supervised the execution of this survey and I am a duly qualified Professional Land Surveyor. I have personally supervised the execution of this survey and I am a duly qualified Professional Land Surveyor. I have personally supervised the execution of this survey and I am a duly qualified Professional Land Surveyor.



*Robust & Bruce*  
 ROBERT C. BRUCE, L.S.  
 6800 MANHATTAN BLVD., SUITE 310  
 FORT WORTH, TEXAS 76119  
 (817) 491-4400

CONTRACTOR: © BOSS SURVEY LAMP SURVEYING, INC. ALL RIGHTS RESERVED.

MANHATTAN NATIONAL SECTION B, PLATS II ADDITION  
 BLOCK 1, MANSHFIELD NATIONAL SECTION B, PLATS II ADDITION  
 DISTRICT

FEB 14 2005

SCALE: 1"=50'



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1934

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** New Business

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - A Resolution Authorizing a Performance Agreement by and between the Mansfield Economic Development Corporation ("MEDC") and FTI Industries, LP, and Authorizing its Execution by the President of the MEDC; and Providing an Effective Date

**Requested Action**

Consider request for assistance from Fluidic Techniques

**Recommendation**

Recommend actual cost, not to exceed \$300,000, for fire suppression, fire alarm system and fire lane.

**Description/History**

FTI Industries, Inc., a division of WIKA, has been a member of the Mansfield industrial community since 1973. They are an industry leader in the manufacture of flow elements for worldwide distribution including Power Generation, Chemical, Petrochemical, Refineries and LNG plants, as well as, Pulp and Paper Mills. At present, FTI employs 58 people in Mansfield with an annual payroll of \$3.8 million dollars.

The current FTI facility includes a 30,000 SF manufacturing facility and 6,000 SF office building located at 1213 Antler Dr., and a 20,000 SF manufacturing facility and 5,000 SF of office space at 155 Sentry Dr. FTI plans to expand its current facility located at 1213 Antler Dr. by 11,000 SF, and bring the existing facilities at both addresses up to City code. FTI plans to bring Flow Lab operations to the 155 Sentry building once those operations are moved to Antler. It is anticipated that the Flow Lab will test current FTI products and those of their competitors as well. The total committed investment is \$5,400,000.00.

These additions are estimated to generate 20 new jobs over the next 5 years, with potential to add up to 50 new jobs. Approximately 80% of these newly created jobs will earn an average wage of \$39,000 per year. The remaining 20% is estimated to earn an average wage of \$67,700 per year.

FTI is requesting assistance to cover the following infrastructure items:

- Fire Protection (site work) - \$36,168.75
- Fire Protection (building) - \$107,368.88
- Fire Alarms - \$41,836.50
- Fire Lanes - \$166,700.00
- TOTAL requested = \$352,073.13

At the July 5, 2016 MEDC Board meeting, the Board recommended actual cost, not to exceed \$300,000, for the items listed above.

**Justification**

By providing assistance to FTI, Mansfield will gain a minimum of 20 new jobs over the next 5 years, additional tax revenue generated from the additional square footage and bringing more industrial buildings up to current City code requirements. FTI has stated the possibility of opening the Flow Lab operations in Houston if assistance is not granted.

**Funding Source**

4A

**Prepared By**

Scott Welmaker, Director MEDC, 817-728-3651

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, APPROVING AN ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT BY AND BETWEEN THE MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (“MEDC”) AND FTI INDUSTRIES, LP, AND AUTHORIZING ITS EXECUTION BY THE PRESIDENT OF THE MEDC; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Council has been presented a proposed Economic Development and Performance Agreement by and between FTI Industries, LP, a copy of which is attached hereto as Exhibit “A”: and incorporated herein by reference; and

**WHEREAS**, upon full review and consideration of the Economic Development and Performance Agreement and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and the MEDC President shall be authorized to execute on behalf of the MEDC.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, THAT:**

**SECTION 1.**

The terms and conditions of the Economic Development and Performance Agreement attached hereto as exhibit “A” have been reviewed by the City Council of the City of Mansfield, and found to be acceptable and in the best interest of the City of Mansfield and its citizens, and is hereby in all things approved.

**SECTION 2.**

The President of the MEDC is hereby authorized to execute the Economic Development and Performance Agreement, and all other documents in connection therewith, on behalf of the MEDC, substantially according to the terms and conditions set forth in the Agreement.

**SECTION 3.**

This Resolution shall become effective from and after its passage.

**PASSED AND APPROVED ON THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016**

\_\_\_\_\_  
Mayor David L Cook

ATTEST:

\_\_\_\_\_  
City Secretary

**ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT BETWEEN THE  
MANSFIELD ECONOMIC DEVELOPMENT CORPORATION AND  
FTI INDUSTRIES, LP**

This Economic Development Agreement (“**Agreement**”) is made and entered into by and between the MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (“**Corporation**”), a nonprofit corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code (“**Act**”), and FTI INDUSTRIES, LP (“**FTI**”), a Georgia limited partnership. FTI and the Corporation may sometimes hereafter be referred to individually as a “party” or collectively as the “parties.”

**RECITALS:**

**WHEREAS**, FTI operates its business on property at 1213 Antler Drive (“**Antler Property**”) on which an existing 36,000 square foot industrial office/warehouse building is located (“**Antler Facility**”);

**WHEREAS**, FTI also operates its business on property at 155 Sentry Drive (“**Sentry Property**”) on which an existing 25,000 square foot industrial office/warehouse building is located (“**Sentry Facility**”);

**WHEREAS**, the Antler Facility and the Sentry Facility are owned by an affiliate of FTI, UNAM Corporation, a Georgia corporation;

**WHEREAS**, FTI, with the assistance of its affiliate, intends to expand the Antler Facility by 11,000 square feet (“**Antler Addition**”) and remodel both the Antler Facility and the Sentry Facility in order to update and modernize each facility (“**Facilities Remodel**”);

**WHEREAS**, Once the Antler Addition and the Facilities Remodel are completed, FTI intends on installing and operating a flow lab in the Sentry Facility to test FTI products (“**Flow Lab**”);

**WHEREAS**, as a component of the Facilities Remodel, FTI or an affiliate will be making the Eligible Improvements (as defined below) in order to provide the facilities with capable and code compliant fire suppression abilities;

**WHEREAS**, FTI has requested financial assistance from the Corporation for a portion of the foregoing improvements and expenditures, and the Corporation has determined and found that the requested grant will be used to fund a “project” as defined in Section 501.101 of the Act; specifically, that the expenditure of the Corporation is required or suitable for manufacturing, industrial or warehouse use, or other qualifying use under Section 501.101 of the Act;

**WHEREAS**, the Corporation also finds that the requested grant will be used to fund a “project” as defined in Section 501.103 of the Act and that such grant is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises.

NOW THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## ARTICLE 1 DEFINITIONS

“Agreement,” “Corporation,” “FTI,” “Antler Property,” “Antler Facility,” “Sentry Property,” “Sentry Facility,” “Antler Addition,” “Facilities Remodel,” and “Flow Lab” have the meanings set forth above in the preamble and recitals of this Agreement.

“Capital Investment” means the actual cost incurred by FTI or its affiliate attributable to the construction and installation of the Improvements.

“Certificate of Occupancy” means the document issued by the City of Mansfield certifying a building’s compliance with applicable building codes and other laws, and indicating it to be in a condition suitable for occupying.

“Director” means the Corporation’s Economic Development Director.

“Effective Date” means the date this Agreement is fully executed by both the Corporation and FTI.

“Eligible Improvements” are a component of the Improvements and mean the fire protection, building fire protections systems, fire alarm systems, and fire lanes constructed and installed at the Sentry Property and Antler Property, and as listed on the attached Exhibit A.

“Grant” means the payment to be made by the Corporation to FTI pursuant to this Agreement as a partial reimbursement for the cost of the Eligible Improvements and upon the terms, conditions and provisions set forth herein, such payment to a sum calculated as follows: the lesser of: (i) 100% of the actual costs of the Eligible Improvements, or (ii) \$300,000.

“Impositions” mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on FTI or any property or any business owned by FTI within the City of Mansfield, including, regardless of ownership, the Antler Property and Sentry Property.

“Improvements” mean the Antler Addition, the Facilities Remodel, and the Eligible Improvements.

“**Primary Jobs**” means any employee on a forty (40) hour or more per week schedule or the combination of two (2) or more employees on part-time schedules equaling at least forty (40) hours and falling under the definition of primary jobs in Section 501.002(12) of the Act.

“**Term**” means the term of this Agreement as described in Article 2 of this Agreement.

**ARTICLE 2  
TERM**

The Term of this Agreement will begin on the Effective Date and continue until December 31, 2021, unless terminated earlier under the terms of this Agreement.

**ARTICLE 3  
COVENANTS OF FTI**

3.01 FTI Obligations. In consideration of Corporation agreeing to pay FTI the Grant in accordance with the terms and conditions of this Agreement, FTI, with the assistance of an affiliate company, agrees to:

- (a) Make a total Capital Investment in an amount of no less than \$5,400,000 on or before March 18, 2018;
- (b) Make the Improvements;
- (c) Obtain a Certificate of Occupancy for the Flow Lab within the Sentry Facility no later than March 31, 2018;
- (d) Create a minimum of twenty (20) Primary Jobs at the Antler Facility and Sentry Facility by December 31, 2021 and retain them for the Term of this Agreement according to the following schedule:

<u>No later than</u>	<u>Number of Primary Jobs</u>
12-31-2017	3
12-31-2018	6
12-31-2019	5
12-31-2020	5
12-31-2021	1

- (e) Provide documentation to the Corporation evidencing the achievement of the Capital Investment (including separate detailed evidence of the actual cost of the Eligible Improvements) in a manner acceptable to the Corporation.

3.02 Undocumented Workers. FTI covenants and certifies that it does not and will not knowingly employ an undocumented worker as that term is defined by Section 2264.001(4) of the Texas Government Code. In accordance with Section 2264.052 of the Texas Government

Code, if FTI is convicted of a violation under 8 U.S.C. Section 1324a (f), FTI shall repay to the Corporation the full amount of all payments made under Section 5 of this Agreement, plus ten percent (10%) interest per annum from the date such payment was made until the date of full repayment. Repayment shall be paid within one hundred twenty (120) days after the date FTI receives a notice of violation from the Corporation.

#### **ARTICLE 4 GRANT BY CORPORATION**

Provided that FTI is in compliance with the terms of this Agreement, and upon full satisfaction by FTI of the conditions set forth above in Section 3.01 (a), (b), (c), and (e), FTI may send a written request to the Corporation for the Grant, whereupon the Corporation shall pay the Grant to FTI within thirty (30) days.

#### **ARTICLE 5 IMPROVEMENTS**

FTI shall be solely responsible for the design of the Improvements and shall comply with all building codes and other ordinances of the City applicable to the construction of the Improvements.

#### **ARTICLE 6 TERMINATION AND REPAYMENT**

6.01 Termination. This Agreement may be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties;
- (b) upon written notice by either party, if the other party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) upon written notice by Corporation, if FTI suffers an event of bankruptcy or insolvency;
- (d) upon written notice by Corporation, if any Impositions owed to the City of Mansfield by Company become delinquent; or
- (e) upon written notice by either party if any subsequent federal or state legislation or any decision of a court of competent jurisdiction renders this Agreement invalid, illegal, or unenforceable.

6.02 Repayment. In the event the Agreement is terminated by Corporation pursuant to Section 6.01(b), (c), or (d), FTI shall immediately refund to Corporation an amount equal to the amount of the Grant that has been provided by Corporation to FTI prior to the date of such termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime

or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by Corporation) as its prime or base commercial lending rate, from the Effective Date until paid.

6.03 Offset. Corporation may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to City of Mansfield by FTI or the owner of the Antler Property or Sentry Property, regardless of whether the amount due arises pursuant to the terms of this Agreement, or otherwise, and regardless of whether or not the debt due to the City of Mansfield has been reduced to judgment by a court.

## **ARTICLE 7 INDEMNIFICATION**

**FTI, IN PERFORMING THE OBLIGATIONS UNDER THIS AGREEMENT, IS ACTING INDEPENDENTLY, AND THE CORPORATION ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH THE ANTLER PROPERTY, SENTRY PROPERTY OR THE IMPROVEMENTS. FTI AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CORPORATION, ITS DIRECTORS, OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR OFFICIAL AND INDIVIDUAL CAPACITIES, FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING, BUT NOT LIMITED TO, EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, AND ATTORNEYS FEES WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF USE, OR DAMAGE TO PROPERTY, ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE PERFORMANCE BY FTI OF THE OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS, OR NEGLIGENT ACT OR OMISSION OF FTI, OR ITS OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS.**

## **ARTICLE 8 ACCESS TO INFORMATION**

Upon the corporation's request, FTI agrees to provide the Corporation access to information, documents, invoices, receipts or other records to verify FTI's compliance with this Agreement.

## **ARTICLE 9 GENERAL PROVISIONS**

9.01 Mutual Assistance. FTI and the Corporation shall do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

9.02 Representations and Warranties. FTI represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement. FTI represents and warrants to the Corporation that it will not violate any federal, state or local laws in operating the business, that all proposed Improvements shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations.

9.03 Section or Other Headings. Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

9.04 Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein.

9.05 Amendment. This Agreement may only be amended, altered, or revoked by written instrument signed by FTI and the Corporation.

9.06 Successors and Assigns.

(a) Assignment. This Agreement shall be binding on and insure to the benefit of the parties, their respective successors and assigns. FTI may assign all or part of its rights and obligations hereunder only upon prior written approval of the Corporation.

(b) Collateral Assignment. Notwithstanding Section 9.06(a), FTI shall have the right to collaterally assign, pledge, or encumber, in whole or in part, to any lender as security for any loan in connection with construction of the Improvements, all rights, title, and interests of FTI to receive the Grant under this Agreement. Such collateral assignments: (i) shall require the prior written consent of the Corporation, which shall not be unreasonably delayed or withheld, and Corporation agrees to execute such reasonable consent forms as may be required to evidence such consent, (ii) shall require notice to the Corporation together with full contact information for such lenders, (iii) shall not create any liability for any lender under this Agreement by reason of such collateral assignment unless the lender agrees, in writing, to be bound by this Agreement; and (iv) may give lenders the right, but not the obligation, to cure any failure of FTI to perform under this Agreement. No collateral assignment may relieve FTI from any obligations or liabilities under this Agreement. The Director has the authority to give the written consent under this subsection after review and consultation with the Corporation's legal counsel; provided, however, the Director may, in his or her sole discretion, present the assignment request to the Corporation's board of directors for approval.

9.07 Notice. Any notice required or permitted to be delivered by this Agreement shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

FTI:

Steve McCullough

Chief Financial Officer  
WIKA Americas  
1000 Wiegand Blvd.  
Lawrenceville, GA 30043

CORPORATION: Mansfield Economic Development Corporation  
301 South Main Street  
Mansfield, Texas 76063  
Attn: Director

With a copy to: Drew Larkin  
Taylor, Olson, Adkins, Sralla & Elam, LLP  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107

9.08 Interpretation. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

9.09 Applicable Law/Venue. This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas; exclusive venue for any legal action regarding this Agreement shall lie in Tarrant County, Texas.

9.10 Severability. In the event any provision of this Agreement is ruled illegal, invalid, or unenforceable by any court of proper jurisdiction, under present or future laws, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

9.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

9.12 No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.

9.13 Force Majeure. If either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder (other than the payment of money) by reason of strikes, lockouts, inability to procure materials, failure of power, governmental moratorium or other governmental action or inaction (including, failure, refusal or delay in issuing permits,

approvals or authorizations), injunction or court order, terrorist attacks, riots, insurrection, war, fire, earthquake, flood or other natural disaster or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Agreement (but excluding delays due to financial inability), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided that the foregoing shall not be applicable to any payment obligation of either party under this Agreement.

9.14 Attorney's Fees. In the event it should become necessary to take legal action to interpret or enforce the terms of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party reasonable attorney's fees and costs of court.

9.15 Limitation of Liability. The parties further agree that neither party will be liable to the other under this Agreement for consequential damages (including lost profits) or exemplary damages.

**MANSFIELD ECONOMIC  
DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Larry Klos, Board President

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Board Secretary

**FTI INDUSTRIES, LP,**  
a Georgia limited partnership

By: WIKA Management, Inc., its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**  
The Eligible Improvements



**Proposed Fluidic Techniques Life Safety Upgrades**

6/10/2016

<b>1 Fire Protection (Site Work)</b>		<b>\$ 36,168.75</b>
New 6" Tap at ROW for Fireline	1 EA	
6" Fire Line to Building	165 LF	
Onsite Fire Connection Stand Pipe (4" Wet)	1 EA	
4" Site Fire Line to Standpipe	45 LF	
New FDC @ BFP	1 EA	
6" Fire Line BFP	1 EA	
<b>2 Building Fire Protection Systems</b>		<b>\$ 107,368.88</b>
New Machine Shop (Wet) Ordinary Hazard System	10,350 SF	
Existing Buildings (Wet) Ordinary Hazard System	15,430 SF	
Existing Building (Canopy) (Dry) Ordinary Hazard System	14,300 SF	
<b>3 Fire Alarm Systems</b>		<b>\$ 41,836.50</b>
New Machine Shop	10,350 SF	
Existing Buildings	35,430 SF	
Existing Building (Canopy)	14,300 SF	
<b>4 Fire Lines</b>		<b>\$ 166,700.00</b>
Install Fire Line (7" thick reinforced concrete)	23,900 SF	
<b>Total Upgrades During Construction for Life Safety</b>		<b>\$ 352,074.13</b>



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1988

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** New Business

**In Control:** City Council

**File Type:** Ordinance

**Agenda Number:**

**Title**

Ordinance - Authorizing the Issuance of the Sale of City of Mansfield, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A in an Aggregate Principal Amount not to Exceed \$3,500,000 in Accordance with Specified Parameters; Levying a Tax in Payment Thereof; Prescribing the Form of Said Certificates; Approving Execution and Delivery of a Purchase Agreement; Approving Official Statement; and Enacting Other Provisions Relating Thereto

**Requested Action**

Approval of the Ordinance authorizing the issuance of the sale of city of Mansfield, Texas combination tax and revenue certificates of obligation, taxable series 2016A in an aggregate amount not to exceed \$3,500,000 in accordance with specified parameters.

**Recommendation**

Staff recommends the approval of the Ordinance.

**Description/History**

The City has been considering a comprehensive use development at the corner of the highway 287 and Broad Street for many years. GuyerMorris, the property owner, has submitted a comprehensive land development for the land which includes the integration of a recreational ice skating facility within the development that will be owned by the City. The City is issuing debt to build this facility within development which has been called the Shops at Broad, LLC. The amount of debt the City will be issuing is \$3,500,000 for the recreational amenity.

**Justification**

The funds will be used to construct the recreational amenity for the citizens within the Shops at Broad which will improve the livability of the City.

**Funding Source**

Ad Valorem taxes; the cost of this issuance is not expected to raise the tax rate. MPFDC and the Dallas Stars will fund the remainder of the project cost.

**Prepared By**

Peter K. Phillis, Deputy City Manager  
817-276-4261

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ORDINANCE NO. OR-\_\_\_\_\_

AUTHORIZING THE ISSUANCE OF

CITY OF MANSFIELD, TEXAS  
COMBINATION TAX AND REVENUE  
CERTIFICATES OF OBLIGATION  
TAXABLE SERIES 2016A

Adopted: August 22, 2016

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AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MANSFIELD, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2016A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$3,500,000 IN ACCORDANCE WITH SPECIFIED PARAMETERS; LEVYING A TAX IN PAYMENT THEREOF; PRESCRIBING THE FORM OF SAID CERTIFICATES; APPROVING EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT; APPROVING THE OFFICIAL STATEMENT; APPROVING AN ENGAGEMENT LETTER; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, under the provisions of Chapter 271, Subchapter C, Texas Local Government Code, as amended, the City of Mansfield, Texas (the "City"), is authorized to issue certificates of obligation for the purposes specified in this Ordinance and for the payment of all or a portion of the contractual obligations for professional services, including that of engineers, attorneys, and financial advisors in connection therewith, and to sell the same for cash as herein provided; and

WHEREAS, the City is authorized to provide that such obligations will be payable from and secured by the levy of a direct and continuing ad valorem tax against all taxable property within the City, in combination with a part of certain revenues of the City's waterworks and sewer system (the "System") remaining after payment of any obligations of the City payable in whole or in part from a lien or pledge of such revenues that would be superior to the obligations to be authorized herein; and

WHEREAS, the City Council of the City (the "City Council") has found and determined that it is necessary and in the best interests of the City and its citizens that it issue such certificates of obligation authorized by this Ordinance in accordance with the parameters set forth herein in a principal amount not to exceed \$3,500,000; and

WHEREAS, pursuant to a resolution heretofore passed by this governing body, notice of intention to issue Certificates of the City payable as provided in this Ordinance was published in a newspaper of general circulation in the City in accordance with the requirements of law (the "Notice of Intention"); and

WHEREAS, the Notice of Intention stated that the City Council intended to pass an ordinance authorizing the issuance of the certificates of obligation at the regularly scheduled August 22, 2016 City Council meeting; and

WHEREAS, no petition of any kind has been filed with the City Secretary, any member of the City Council or any other official of the City, protesting the issuance of such certificates of obligation; and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said Certificates and to sell the same for cash; and

WHEREAS, the City has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore qualifies as an “Issuer” under Chapter 1371 of the Texas Government Code, as amended (“Chapter 1371”); and

WHEREAS, pursuant to Chapter 1371, the City desires to delegate the authority to effect the sale of the Certificates from time to time to the Authorized Officer; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANSFIELD:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

#### Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

“Applicable Law” means the duly adopted home rule charter of the City, and all other laws or statutes, rules or regulations, and any amendments thereto, of the State or of the United States by which the City and its powers, securities, credit agreement, operations and procedures are, or may be, governed or from which its powers may be derived.

“Authorized Officer” means the Mayor or the City Manager of the City.

“Certificate” means any of the Certificates.

“Certificates” means any of the City’s certificates of obligation authorized to be issued by Section 3.01.

“Closing Date” means the date of the initial delivery of and payment for the Certificates.

“Chapter 1371” means Chapter 1371, Texas Government Code, as amended.

“Code” means the Internal Revenue Code of 1986, as amended.

“Construction Fund” means the construction fund established by Section 8.01(a).

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its office in Dallas, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means Electronic Municipal Market Access System.

“Event of Default” means any Event of Default as defined in Section 10.01.

“Initial Certificate” means the Certificate described in Section 3.04(d) and 6.02(d).

“Interest and Sinking Fund” means the interest and sinking fund established by Section 8.01(a).

“Interest Payment Date” means the date or dates upon which interest on the Certificates is scheduled to be paid as designated in the Pricing Certificate.

“MSRB” means the Municipal Securities Rulemaking Board.

“Net Revenues” means the gross revenues of the System less the expenses of operation and maintenance as said expenses are defined by Chapter 1502, Texas Government Code, as amended.

“Ordinance” means this Ordinance.

“Owner” means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

“Paying Agent/Registrar” means initially, unless otherwise designated in the Pricing Certificate, U.S. Bank National Association, Dallas Texas, or any successor thereto as provided in this Ordinance.

“Paying Agent/Registrar Agreement” means the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar relating to the Certificates.

“Pricing Certificate” means a certificate or certificates to be signed by the Authorized Officer.

“Prior Lien Bonds” means any and all bonds or other obligations of the City presently outstanding or that may be hereafter issued, payable from and secured by a first lien on and pledge of the Net Revenues or by a lien on and pledge of the Net Revenues subordinate to a first lien and pledge of such Net Revenues but superior to the lien and pledge of the Surplus Revenues made for the Certificates.

“Purchase Contract” means the purchase contract between the City and the Underwriters pertaining to the sale of the Certificates.

“Record Date” means the last business day of the month next preceding an Interest Payment Date.

“Register” means the Register specified in Section 3.06(a).

“Representation Letter” means the Blanket Letter of Representations between the City and DTC.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b).

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“Surplus Revenues” means the revenues of the System remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with the City’s Prior Lien Bonds; provided, however, that the amount of such surplus revenues pledged to the payment of the Certificates shall be limited to \$1,000.

“System” as used in this Ordinance means the City’s waterworks and sewer system, including all present and future additions, extensions, replacements, and improvements thereto.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of the principal of or interest on Certificates as the same become due and payable and remaining unclaimed by the Owners of such Certificates for 90 days after the applicable payment or redemption date.

“Underwriters” mean the underwriters named in the Pricing Certificate.

#### Section 1.02. Other Definitions.

The terms “City Council” and “City” shall have the meaning assigned in the preamble to this Ordinance.

#### Section 1.03. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance 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 and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and Section references shall mean references to articles and sections of this Ordinance unless designated otherwise.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

ARTICLE II

SECURITY FOR THE CERTIFICATES

Section 2.01. Payment of the Certificates.

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there is hereby levied for the current year and for each succeeding year hereafter while any of the Certificates or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars' valuation of taxable property within the City, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Certificates, being (i) the interest on the Certificates, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent per annum (whichever amount is the greater), when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the City most recently approved in accordance with law, and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Certificates when and as due and payable in accordance with their terms and this Ordinance.

(d) The amount of taxes to be provided annually for the payment of principal of and interest on the Certificates shall be determined and accomplished in the following manner:

(i) The City's annual budget shall reflect (i) the amount of debt service requirements to become due on the Certificates in the next succeeding Fiscal Year of the City, (ii) the amount on deposit in the Interest and Sinking Fund, as of the date such budget is prepared (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year), and (iii) the amount of Surplus Revenues estimated and budgeted to be available for the payment of such debt service requirements on the Certificates during the next succeeding Fiscal Year of the City.

(ii) The amount required to be provided in the succeeding Fiscal Year of the City from ad valorem taxes shall be the amount, if any, the debt service requirements to be paid on the Certificates in the next succeeding Fiscal Year of the City exceeds the sum of (i) the amount shown to be on deposit in the Interest and Sinking Fund (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year) at the time the annual budget is prepared, and (ii) the Surplus Revenues shown to be budgeted and available for payment of said debt service requirements.

(iii) Following the final approval of the annual budget of the City, the governing body of the City shall, by ordinance, levy an ad valorem tax at a rate sufficient to produce taxes in the amount determined in paragraph (b) above, to be utilized for purposes of paying the principal of and interest on the Certificates in the next succeeding Fiscal Year of the City.

(e) The City hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of, redemption premium, if any, and interest on the Certificates, as the same become due.

(f) If the liens and provisions of this Ordinance shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Certificates, there shall be subtracted the amount of any Certificates that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

### ARTICLE III

#### AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

##### Section 3.01. Authorization.

The City's certificates of obligation to be designated "City of Mansfield, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A," or such other title as may be specified in the Pricing Certificate, are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, particularly Chapter 271, Subchapter C, Texas Local Government Code, as amended, Chapter 1371, Texas Government Code, as amended, and Section 9.13 of the City's Home-Rule Charter. The

Certificates shall be issued as set forth in the Pricing Certificate in an aggregate principal amount not to exceed \$3,500,000 (including any premium on the Certificates allocated to the Construction Fund for the Project) for the purpose of paying contractual obligations to be incurred for the following purposes, to wit: (a) designing, developing, constructing, and equipping a public recreational ice skating facility, including related parking, streets and water and sewer utilities (the "Project"); and (b) paying professional services of attorneys, financial advisors and other professionals in connection with the Project and the issuance of the Certificates.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Certificates shall be dated the date set forth in the Pricing Certificate, shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Certificate, which shall be numbered T-1.

(b) The Certificates shall mature on the dates and in the principal amounts set forth in the Pricing Certificate.

(c) Interest shall accrue and be paid on each Certificate, respectively, until the payment of the principal amount thereof shall have been paid or provided for, from the later of the date of their delivery to the Underwriters (the "Delivery Date"), unless otherwise provided in the Pricing Certificate, or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable semiannually on the dates set forth in the Pricing Certificate, until maturity or prior redemption. Interest on the Certificates shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of, premium, if any, and interest on the Certificates shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Certificates shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Certificates shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment,

United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Certificate shall be paid to the person in whose name such Certificate is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Certificates is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to any applicable escheat, unclaimed property, or similar law, including Title 6 of the Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be paid to the City and thereafter neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates.

#### Section 3.04. Execution and Initial Registration.

(a) The Certificates shall be executed on behalf of the City by the Mayor and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the official seal of the City had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public

Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of the Certificates, payable in stated installments to the initial purchaser or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Purchaser registered definitive Certificates as described in Section 3.10(a).

#### Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Certificate is registered on the Record Date), and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Certificate in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

#### Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Certificates remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Ordinance.

(b) The ownership of a Certificate may be transferred only upon the presentation and surrender of the Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Certificate shall be effective until entered in the Register.

(c) The Certificates shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Certificates presented for exchange. The Paying

Agent/Registrar is hereby authorized to authenticate and deliver Certificates exchanged for other Certificates in accordance with this Section.

(d) Each exchange Certificate delivered by the Paying Agent/ Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such exchange Certificate is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for any different denomination of any of the Certificates. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Certificate.

(f) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Certificate called for redemption, in whole or in part, where such redemption is scheduled to occur within forty-five (45) calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Certificate.

#### Section 3.07. Cancellation and Authentication.

All Certificates paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Ordinance, shall be cancelled upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of the cancelled Certificates in accordance with the Securities Exchange Act of 1934.

#### Section 3.08. Temporary Certificates.

(a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

(b) Until exchanged for Certificates in definitive form, such Certificates in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Certificates in definitive form; thereupon, upon the presentation and surrender of the Certificate or Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Certificates in temporary form and authenticate and deliver in exchange therefor a Certificate or Certificates of the same maturity and series, in

definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificate or Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Certificates.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate 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 City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate.

(e) Each replacement Certificate delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and

security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such replacement Certificate is delivered.

Section 3.10. Book-Entry Only System.

(a) The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the register, shall receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter previously executed and delivered by the City, and applicable to the City's obligations delivered in book-entry-only form to DTC as securities depository for said obligations, is hereby ratified and approved for the Certificates.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts, as identified by DTC. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representation Letter.

## ARTICLE IV

### REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Certificates shall be subject to redemption before Stated Maturity only as provided in this Article IV and in the Pricing Certificate.

Section 4.02. Optional Redemption.

(a) The Certificates shall be subject to redemption at the option of the City at such times, in such amounts, in such manner and at such redemption prices as may be designated and provided for in the Pricing Certificate.

(b) The City, at least 45 days before any redemption date for the Certificates, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption and of the principal amount of Certificates to be redeemed.

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Certificates designated as “Term Certificates” in the Pricing Certificate (“Term Certificates”), if any, are subject to scheduled mandatory redemption and will be redeemed by the City, in part, at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund, on the dates and in the respective principal amounts as set forth in the Pricing Certificate.

(b) Prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed, shall call such Term Certificates for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Certificates required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) If less than all of the Certificates are to be redeemed pursuant to Section 4.02, the City shall determine the maturities and the principal amount thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot or any other customary random selection method.

(b) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of such Certificate as though it were a single Certificate for purposes of selection for redemption.

(c) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver exchange Certificates in an aggregate principal amount equal to the unredeemed principal amount of the Certificate so surrendered, such exchange being without charge.

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Certificates are to be surrendered for payment, and, if less than all the Certificates outstanding are to be redeemed, an identification of the Certificates or portions thereof to be redeemed.

(c) The City reserves the right to give notice of its election or direction to redeem Certificates under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

(d) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

#### Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust an amount from the interest and sinking fund or otherwise received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Certificates being redeemed.

(b) Upon presentation and surrender of any Certificate called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Certificate to the date of redemption from the money set aside for such purpose.

#### Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance and subject, in the case of an optional redemption under Section 4.02, to any conditions or rights reserved by the City under Section 4.05(b), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in its obligation to make provision for the payment of the principal

thereof, redemption premium, if any, or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the City fails to make provision for payment of all sums due on a redemption date, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same.

Section 4.08. Lapse of Payment.

Money set aside for the redemption of the Certificates and remaining unclaimed by the Owners thereof shall be subject to the provisions of Section 3.03(f) hereof.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

U.S. Bank National Association, Dallas, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Certificates, unless otherwise designated in the Pricing Certificate.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Certificates.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar in substantially the form presented to and hereby approved by the City Council. The signature of the Mayor shall be attested to by the City Secretary.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination.

The City, upon not less than 60 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.05. Notice of Change.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner and any Certificate insurer by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar, and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and the Pricing Certificate, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Certificates, as evidenced by their execution thereof.

(b) Any portion of the text of any Certificates may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Certificates.

(c) The Certificates, including the Initial Certificate submitted to the Attorney General of Texas and any temporary Certificates, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

Section 6.02. Form of Certificates.

The form of Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

(a) [Form of Certificate]

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

United States of America  
State of Texas

CITY OF MANSFIELD, TEXAS  
COMBINATION TAX AND REVENUE  
CERTIFICATE OF OBLIGATION  
TAXABLE SERIES 2016A<sup>(1)</sup>

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DELIVERY DATE</u>	<u>CUSIP NO.</u>
_____ %	_____, ____ <sup>(2)</sup>	_____, 2016 <sup>(3)</sup>	_____

The City of Mansfield (the "City") in the Counties of Tarrant, Johnson and Ellis, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless this Certificate shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Delivery Date specified above or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest

<sup>(1)</sup> Insert from Pricing Certificate.  
<sup>(2)</sup> Insert from Pricing Certificate.  
<sup>(3)</sup> Insert from Pricing Certificate.

to be paid semiannually [on February 15 and August 15 of each year, commencing August 15, 2017.](<sup>4</sup>)

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the corporate trust office in Dallas, Texas (the “Designated Payment/Transfer Office”), of U.S. Bank National Association as initial Paying Agent/Registrar, or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this Certificate is registered at the close of business on the “Record Date,” which shall be the last business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “Special Payment Date,” which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Certificates is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Certificate is dated \_\_\_\_\_, 2016(<sup>5</sup>) and is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$\_\_\_\_\_ (<sup>6</sup>) (herein referred to as the “Certificates”) pursuant to a certain ordinance of the City Council of the City (the “Ordinance”) for the public purpose of providing funds for authorized public improvements for and within the City, as provided in the Ordinance, and to pay the costs of issuance related to the Certificates.

The Certificates and the interest thereon are payable from the levy of a direct and continuing ad valorem tax, within the limit prescribed by law, against all taxable property in the

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(<sup>4</sup>) Insert from Pricing Certificate.

(<sup>5</sup>) Insert from Pricing Certificate.

(<sup>6</sup>) Insert from Pricing Certificate.

City and from a pledge of certain surplus revenues (not to exceed \$1,000) of the City's Waterworks and Sewer System, all as described and provided in the Ordinance.

The City has reserved the option to redeem the Certificates maturing on or after February 15, 20\_\_<sup>(7)</sup>, in whole or part, in principal amount equal to \$5,000 or any integral multiple thereof, before their respective scheduled maturity dates, on February 15, 2025, or on any date thereafter, at a price equal to the principal amount of the Certificates so called for redemption plus accrued interest to the date fixed for redemption. If less than all of the Certificates are to be redeemed, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption.

The Certificates maturing on February 15, 20\_\_<sup>(8)</sup> (the "Term Certificates"), are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts as set forth below.

\$ <u>                    </u> Certificates Maturing February 15, 20__ <sup>(9)</sup>	
<u>Year</u> <sup>(10)</sup>	<u>Amount</u> <sup>(11)</sup>
February 15, 20__	
February 15, 20__ (maturity)	

The Paying Agent/Registrar will select by lot the specific Term Certificates (or with respect to Term Certificates having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Certificates required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Certificates to be redeemed in whole or in part. Notice having been so given, the Certificates or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; from and after such date, notwithstanding that any of

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<sup>(7)</sup> Insert from Pricing Certificate.  
<sup>(8)</sup> Insert from Pricing Certificate.  
<sup>(9)</sup> Insert from Pricing Certificate.  
<sup>(10)</sup> Insert from Pricing Certificate.  
<sup>(11)</sup> Insert from Pricing Certificate.

the Certificates or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Certificates or portions thereof shall cease to accrue.

The City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to conditional redemption and such redemption has been rescinded shall remain Outstanding and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the City to make moneys and or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Certificate called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Certificate.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Certificate is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Certificate is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Certificate be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions, and things required to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form, and manner as required by law; that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Certificates within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt

service requirements of the Certificates by pledging to such purpose, a limited amount of the Surplus Revenues, as defined in the Ordinance, derived by the City from the operation of the waterworks and sewer system; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Certificate has been duly executed on behalf of the City, under its official seal, in accordance with law.

\_\_\_\_\_  
City Secretary,  
City of Mansfield, Texas

\_\_\_\_\_  
Mayor  
City of Mansfield, Texas

[SEAL]

(b) Form of Comptroller’s Registration Certificate.

The following Comptroller’s Registration Certificate may be deleted from the definitive Certificates if such Certificate on the Initial Certificate is fully executed.

OFFICE OF THE COMPTROLLER           §  
OF PUBLIC ACCOUNTS                   §     REGISTER NO. \_\_\_\_\_  
OF THE STATE OF TEXAS               §

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that said Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts of  
the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Certificate if the Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Certificates referred to in the within mentioned Ordinance. The series of Certificates of which this Certificate is a part was originally issued as one Initial Certificate which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

U.S. BANK NATIONAL ASSOCIATION  
as Paying Agent/Registrar

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and Zip Code of transferee): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Social Security or other identifying number: \_\_\_\_\_) the within Certificate and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Certificate on the books kept for registration hereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(e) Initial Certificate Insertions.

(i) The Initial Certificate shall be in the form set forth in paragraph (a) of this Section, except that:

(ii) immediately under the name of the Certificate, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As Shown Below” and “CUSIP NO. \_\_\_\_\_” deleted;

(iii) in the first paragraph:

the words “on the Maturity Date specified above” shall be deleted and the following will be inserted: “on \_\_\_\_\_ in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(Information to be inserted from Pricing Certificate).

(iv) the Initial Certificate shall be numbered T-1.

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Services Bureau managed by Standard & Poor’s Financial Services LLC on behalf of the American Bankers Association, and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion.

The approving legal opinion of Bracewell LLP, Bond Counsel, may be printed on each Certificate over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Municipal Certificate Insurance.

If municipal bond guaranty insurance is obtained with respect to the Certificates, the Certificates, including the Initial Certificate, may bear an appropriate legend, as provided by the insurer. To the extent permitted by applicable law, the City will comply with all notice and other applicable requirements of the insurer in connection with the issuance of the Certificates, as such requirements may be in effect and transmitted to the City with the insurer’s commitment to issue such insurance.

## ARTICLE VII

### SALE OF THE CERTIFICATES; CONTROL AND DELIVERY OF THE CERTIFICATES

#### Section 7.01. Sale of Certificates; Official Statement; Engagement Letter.

(a) The Certificates shall be sold to the Underwriters in one or more series or subseries from time to time in accordance with the terms of this Ordinance. As authorized by Chapter 1371, Texas Government Code, the Authorized Officer is hereby authorized to act on behalf of the City in selling and delivering the Certificates and in carrying out the other procedures specified in this Ordinance, including determining the price at which each of the Certificates will be sold, the number and designation of each series or subseries of Certificates to be issued, from time to time, the form in which the Certificates shall be issued, the years and dates on which the Certificates will mature, the principal amount to mature in each of such years, the aggregate principal amount of Certificates to be issued by the City, the rate of interest to be borne by each maturity of the Certificates, the Interest Payment Dates, the dates, prices and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the City and shall be subject to mandatory sinking fund redemption, and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Pricing Certificate; subject to the following conditions:

- (i) the Certificates shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, Texas Government Code, as amended;
- (ii) the aggregate principal amount, including any premium generated on the Certificates and allocated to the construction fund for the Project, to be issued for the purposes described in Section 3.01 hereof, shall not exceed \$3,500,000;
- (iii) the Certificates shall mature not later than August 15, 2042; and
- (iv) the Certificates must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long-term obligations.

The Authorized Officer is hereby authorized and directed to execute and deliver on behalf of the City one or more Purchase Contracts, providing for the sale of the Certificates to the Underwriters, in such form as determined by the Authorized Officer. The Authorized Officer is hereby authorized and directed to approve the final terms and provisions of each Purchase Contract in accordance with the terms of the Pricing Certificate and this Ordinance, which final terms shall be determined to be the most advantageous reasonably attainable by the City, such approval and determination being evidenced by its execution thereof by the Authorized Officer. All officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates. The Initial Certificates shall initially be registered in the name of the

Underwriter named in the Pricing Certificate as the Representative (the “Representative”), or its designee, or such other entity as may be specified in the Purchase Contract.

(b) The authority granted to the Authorized Officer under Section 7.01(a) shall expire on a date 180 days from the date of this Ordinance, unless otherwise extended by the City Council by separate action.

(c) The City hereby approves the preparation and distribution of one or more Preliminary Official Statements for use in the initial offering and sale of the Certificates and each such Preliminary Official Statement is confirmed (in the form and with such addenda, supplements or amendments as may be approved by the Authorized Officer and the Underwriters) as deemed final within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities and Exchange Act of 1934. The City hereby authorizes the preparation of a final Official Statement reflecting the terms of the Purchase Contract and other relevant information. The use of such final Official Statement by the Underwriters (in the form and with such appropriate variations as shall be approved by the Authorized Officer and the Underwriters) is hereby approved and authorized and the proper officials of the City are authorized to sign such Official Statement. The use and distribution of the Preliminary Official Statement for the Certificates and the preliminary public offering of the Certificates by the Underwriters is hereby ratified, approved and confirmed.

(d) All officers of the City are authorized to take such actions and to execute such documents, certificates and receipts, as they may deem necessary and appropriate in Ordinance to consummate the delivery of the Certificates.

(e) The obligation of the Underwriters to accept delivery of the Certificates is subject to the Underwriters being furnished with the final, approving opinion of Bracewell LLP, Dallas, Texas, Bond Counsel for the City, which opinion shall be dated as of and delivered on the Closing Date. The Mayor or any Authorized Officer is hereby authorized and directed to execute the engagement letter with Bracewell LLP, setting forth such firm’s duties as Bond Counsel for the City, and such engagement letter and the terms thereof in the form presented at this meeting is hereby approved and accepted.

#### Section 7.02. Control and Delivery of Certificates.

(a) The Authorized Officer or Mayor is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar. Further, in connection with the submission of the record of proceedings for the Certificates to the Attorney General of the State of Texas for examination and approval of such Certificates, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount not to exceed \$9,500).

(b) After registration by the Comptroller of Public Accounts, delivery of the Certificates shall be made to the Underwriters under and subject to the general supervision and direction of the Authorized Officer or Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

## ARTICLE VIII

### CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

#### Section 8.01. Creation of Funds.

(a) The City hereby establishes the following special funds or accounts, which accounts may be renamed as appropriate in the Pricing Certificate:

(i) The City of Mansfield, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A, Interest and Sinking Fund; and

(ii) The City of Mansfield, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A, Construction Fund.

(b) Each of said funds or accounts shall be maintained at an official depository of the City.

#### Section 8.02. Interest and Sinking Fund.

(a) The taxes levied under Section 2.01 shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Certificates.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Certificates plus the aggregate amount of interest due and that will become due and payable on such Certificates, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Certificates as such become due and payable.

Section 8.03. Construction Fund.

(a) Money on deposit in the Construction Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

(b) All amounts remaining in the Construction Fund after the accomplishment of the purposes for which the Certificates are hereby issued, including investment earnings of the Construction Fund, shall be deposited into the Interest and Sinking Fund.

Section 8.04. Security of Funds.

All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Deposit of Proceeds.

The proceeds from the sale of the Certificates shall be deposited as set forth in the Pricing Certificate.

Section 8.06. Investments.

(a) Money in the Interest and Sinking Fund and the Construction Fund, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income.

Interest and income derived from investment of any fund created by this Ordinance shall be credited to such fund.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Certificates.

While any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Certificates, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Certificate; the City will promptly pay or cause to be paid the principal of, interest on, and premium, if any, with respect to, each Certificate on the dates and at the places and manner prescribed in such Certificate; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Certificates; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an “Event of Default,” to-wit:

(a) the failure to make payment of the principal of, redemption premium, if any, or interest on any of the Certificates when the same becomes due and payable; or

(b) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 30 days after notice of such default is given by any Owner to the City; or

(c) An order of relief shall be issued by the Bankruptcy Court of the United States District Court having jurisdiction, granting the City any relief under any Applicable Law, or any other court having valid jurisdiction shall issue an order or decree under applicable federal or state law providing for the appointment of a receiver, liquidator, assignee, trustee, sequestrator, or other similar official for the City of any substantial part of its property, affairs or assets, and the continuance of any such decree or order unstayed and in effect for a period of 90 consecutive days.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act

or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge.

The City may only defease, refund or discharge the Certificates (i) by irrevocably depositing with the Paying Agent/Registrar or other lawfully authorized escrow agent, a sum of money equal to the principal and all interest to accrue on the Certificates to their due date thereof (whether such date be by reason of maturity, redemption, or otherwise), and/or (ii) by irrevocably depositing with the Paying Agent/Registrar, or other lawfully authorized escrow agent, amounts sufficient, together with the investments earnings thereon, to provide for the payment of such Certificates. Such deposits may be invested and reinvested only in (a) direct, non-callable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America and (b) non-callable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; or (iii) by any combination of (i) and (ii) above.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports.

(a) The City shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the City, financial information and operating data with respect to the City of the general type included in the final Official Statement, being information described in the

Appendix A as Tables numbered 1 through 6 and 8 through 15 (unless otherwise specifically identified in the Pricing Certificate), including financial statements of the City if audited financial statements of the City are then available, and (2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles appended to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such financial 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 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

(b) If the City changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB. Financial information and operating data to be provided pursuant to 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) available to the public on the MSRB's Internet Web site or filed with the SEC.

#### Section 12.02. Notice of Certain Events.

(a) The City shall provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Certificates:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;

- (vii) Modifications to rights of the holders of the Certificates, if material;
- (viii) Certificate calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;

Note to paragraph (xii): For the purposes of the event identified in paragraph (xii) of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(xiv) Appointment of successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material.

(b) The City shall provide to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, notice of a failure by the City to provide required annual financial information and notices of material events in accordance with Section 12.01 and section (a) above. All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information, as prescribed by the MSRB, and will be available via EMMA at [www.emma.msrb.org](http://www.emma.msrb.org).

#### Section 12.03. Limitations, Disclaimers and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will

give notice of any deposit made in accordance with Article XI that causes Certificates no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Certificates, 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 City 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 City'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 City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, 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.

(c) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(e) The provisions of this Article may be amended by the City 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 City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized Certificate counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Changes to Ordinance.

The Mayor, City Manager and any Deputy City Manager, in consultation with Certificate Counsel, are each hereby authorized to make changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Certificates by the Attorney General of Texas.

Section 13.02. Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance 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 the Ordinance.

Section 13.03. No Personal Liability.

No recourse shall be had for payment of the principal of or interest on any Certificates or for any claim based thereon, or on this Ordinance, against any official or employee of the City or any person executing any Certificates.

ARTICLE XIV

EFFECTIVE IMMEDIATELY

Section 14.01. Effectiveness.

Notwithstanding the provisions of Article III, Section 3.13(c) of the City Charter, this Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

APPROVED this 22<sup>nd</sup> day of August, 2016.

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Mayor, City of Mansfield, Texas

ATTEST:

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City Secretary, City of Mansfield, Texas

APPROVED AS TO FORM:

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City Attorney, City of Mansfield, Texas

*Signature Page for Ordinance  
Taxable Series 2016A Combination Tax and Revenue Certificates of Obligation*

## EXHIBIT A

### DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance.

#### **Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the City to be provided annually in accordance with such Article are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The audited financial statements of the City for the most recently concluded fiscal year.
2. Statistical and financial data set forth in Tables 1-6 and 8-15 in the Official Statement.

#### **Accounting Principles**

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements set forth in Appendix B to the Official Statement.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

FSC Continuing Disclosure Services   
A Division of Hilltop Securities.  
(See "Continuing Disclosure of Information"  
herein)

**PRELIMINARY OFFICIAL STATEMENT**  
Dated \_\_\_\_\_, 2016

**Ratings:**  
**Moody's: Applied for**  
**S&P: Applied for**  
**Fitch: Applied for**  
(See "Other Information-  
Ratings" herein)

**NEW ISSUE - Book-Entry-Only**

Interest on the Certificates is not excludable from gross income for federal income tax purposes under existing law. See "Tax Matters" herein.

**\$2,925,000\***  
**CITY OF MANSFIELD, TEXAS**  
(Tarrant, Johnson and Ellis Counties, Texas)  
**COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2016A**

**Dated Date: August 15, 2016**

**Due: February 15, as shown on Page 2**

**Interest to accrue from Date of Delivery (defined below)**

**PAYMENT TERMS . . .** Interest on the \$2,925,000\* City of Mansfield, Texas, Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A (the "Certificates") will accrue from the date of their delivery to the Underwriter (the "Date of Delivery") and will be payable February 15 and August 15 of each year commencing August 15, 2017, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Certificates may be acquired in denominations of \$5,000 or integral multiples thereof. **No physical delivery of the Certificates will be made to the owners thereof.** Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates. See "The Obligations - Book-Entry-Only System" herein. The initial Paying Agent/Registrar is U.S. Bank National Association, Dallas, Texas (see "The Certificates - Paying Agent/Registrar").

**AUTHORITY FOR ISSUANCE . . .** The Certificates are issued pursuant to the Constitution and general law of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, Section 9.13 of the City's Home Rule Charter, and an ordinance (the "Certificate Ordinance") to be adopted by the City Council of the City (the "City Council") in which the City Council delegated pricing of the Certificates and certain other matters to an "Authorized Officer" who will approve a pricing certificate (the "Pricing Certificate" and together with the Certificate Ordinance, the "Ordinance") which will contain the final terms of sale and complete the sale of the Certificates, and are direct obligations of the City of Mansfield, Texas (the "City"), payable from a combination of (i) the levy and collection of a direct and continuing ad valorem tax levied on all taxable property in the City, within the limits prescribed by law, and (ii) surplus revenue (not to exceed \$1,000) of the City's Waterworks and Sewer System (the "System") remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with any of the City's revenue bonds or other obligations (now or hereafter issued) which are payable from all or any part of the net revenues of the System, as provided in the Ordinance (see "The Certificates - Authority for Issuance").

**PURPOSE . . .** Proceeds from the sale of the Certificates will be used for the purpose of (i) designing, developing, constructing, and equipping a public recreational ice skating facility, including related parking, streets and water and sewer utilities (the "Project"), and (ii) paying the costs of the issuance of the Certificates (see "The Certificates - Authority for Issuance").

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**CUSIP PREFIX: 564377**

**MATURITY SCHEDULE & 9 DIGIT CUSIP**  
**See Schedule on Page 2**

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**LEGALITY . . .** The Certificates are offered for delivery when, as and if issued and received by the Underwriter and subject to the approving opinion of the Attorney General of Texas and the opinion of Bracewell LLP, Bond Counsel, Dallas, Texas (see Appendix C, "Form of Bond Counsel's Opinion"). Certain legal matters will be passed upon for the Underwriter by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Counsel for the Underwriter.

**DELIVERY . . .** It is expected that the Certificates will be available for delivery through DTC on \_\_\_\_\_, 2016.

**RBC CAPITAL MARKETS**

\* Preliminary, subject to change.

## MATURITY SCHEDULE\*

15-Feb Year	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix
2018	\$ 85,000			
2019	90,000			
2020	90,000			
2021	90,000			
2022	95,000			
2023	95,000			
2024	100,000			
2025	100,000			
2026	105,000			
2027	105,000			
2028	110,000			
2029	115,000			
2030	120,000			
2031	120,000			
2032	125,000			
2033	130,000			
2034	135,000			
2035	140,000			
2036	145,000			
2037	155,000			
2038	160,000			
2039	165,000			
2040	170,000			
2041	180,000			

(Interest to accrue from the Date of Delivery)

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the City, the Financial Advisor, nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

**OPTIONAL REDEMPTION . . .** The City reserves the right, at its option, to redeem the Certificates having stated maturities on and after February 15, 2027, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "The Certificates - Optional Redemption").

\* Preliminary, subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), this document constitutes an Official Statement of the City with respect to the Certificates that has been or will be "deemed final" by the City as of its date except for the omission of no more than the information permitted by the Rule.

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell Certificates in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction.

Certain information set forth herein has been obtained from the City and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Financial Advisor or the Underwriter. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described herein since the date hereof. See "Continuing Disclosure of Information" for a description of the City's undertaking to provide certain information on a continuing basis.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Neither the City, its Financial Advisor nor the Underwriter make any representation or warranty with respect to the information contained in this Official Statement regarding the Depository Trust Company ("DTC") or its book-entry-only system, as such information has been provided by DTC.

The Certificates are exempt from registration with the Securities and Exchange Commission and consequently have not been registered therewith. The registration, qualification, or exemption of the Certificates in accordance with applicable securities law provisions of the jurisdiction in which the Certificates have been registered, qualified or exempted should not be regarded as a recommendation thereof.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE CERTIFICATES, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE RESPECTIVE CERTIFICATES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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The cover page hereof, this page, the appendices included herein and any addenda, supplement or amendment hereto, are part of the Official Statement.

## OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Obligations to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

- THE CITY**..... The City of Mansfield, Texas (the "City") is a political subdivision and home rule municipal corporation of the State, located in Tarrant, Johnson and Ellis Counties, Texas. The City covers approximately 38.6 square miles (see "Introduction – Description of the City").
- THE CERTIFICATES** ..... The Certificates will be issued as \$2,925,000\* Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A. The Certificates are issued as serial certificates maturing on February 15 in the years 2018 through 2041 (see "The Certificates – Description of the Certificates").
- PAYMENT OF INTEREST** ..... Interest on the Certificates accrues from the Date of Delivery and is payable August 15, 2017, and each February 15 and August 15 thereafter until maturity or prior redemption (see "The Certificates – Description of the Certificates" and "The Certificates – Optional Redemption").
- AUTHORITY FOR ISSUANCE**..... The Certificates are issued pursuant to the Constitution and general law of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, Section 9.13 of the City's Home Rule Charter, and an ordinance (the "Certificate Ordinance") to be adopted by the City Council of the City (the "City Council") in which the City Council delegated pricing of the Certificates and certain other matters to an "Authorized Officer" who will approve a pricing certificate (the "Pricing Certificate" and together with the Certificate Ordinance, the "Ordinance") which will contain the final terms of sale and complete the sale of the Certificates (see "The Certificates – Authority for Issuance").
- SECURITY FOR THE CERTIFICATES**..... The Certificates constitute direct obligations of the City payable from a combination of (i) the levy and collection of a direct and continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property in the City and (ii) revenues (not to exceed \$1,000) of the City's Waterworks and Sewer System (the "System") remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve and other requirements in connection with any of the City's revenue bonds or other obligations (now or hereafter outstanding) which are payable from all or any part of the net revenues of the System, as provided in the Ordinance authorizing the Certificates (see "The Certificates – Security and Source of Payment").
- REDEMPTION** ..... The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2027, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "The Certificates - Optional Redemption").
- TAX MATTERS**..... Interest on the Certificates is not excludable from gross income for federal tax purposes under existing law. See "Tax Matters."
- USE OF PROCEEDS** ..... Proceeds from the sale of the Certificates will be used for the purpose of (i) designing, developing, constructing, and equipping a public recreational ice skating facility, including related parking, streets and water and sewer utilities (the "Project"), and (ii) paying the costs of the issuance of the Certificates.
- RATINGS** ..... The presently outstanding tax-supported debt of the City is rated "Aa2" by Moody's Investors Service, Inc. ("Moody's"), "AA+" by Standard & Poor's Ratings Services, a Standard & Poor's Financial Service LLC business ("S&P") and "AA+" by Fitch Ratings ("Fitch"), without regard to credit enhancement. Applications have been made to Moody's, S&P and Fitch for contract ratings on the Certificates (see "Other Information - Ratings").

\* Preliminary, subject to change.

**BOOK-ENTRY-ONLY**

**SYSTEM** ..... The definitive Certificates will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Certificates may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Certificates will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Obligations will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates (see "The Certificates - Book-Entry-Only System").

**PAYMENT RECORD** ..... The City has never defaulted in payment of its general obligation tax debt.

**SELECTED FINANCIAL INFORMATION**

Fiscal Year Ended 9/30	Estimated City Population <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Per Capita Taxable Assessed Valuation	Total Tax Supported Debt Outstanding at End of Year	Per Capita Tax Debt	Ratio: Tax Debt to Taxable Assessed Valuation	% of Total Tax Collections
2012	57,494	\$ 4,396,696,698	\$ 76,472	\$ 95,290,000	\$ 1,657	2.17%	98.90%
2013	58,106	4,489,615,347	77,266	92,695,000	1,595	2.06%	99.30%
2014	59,230	4,650,415,934	78,515	102,165,000	1,725	2.20%	99.40%
2015	60,180	4,957,521,003	82,378	108,830,000	1,808	2.20%	99.70%
2016	63,248	5,286,927,095	83,590	117,715,000 <sup>(3)</sup>	1,861 <sup>(3)</sup>	2.23% <sup>(3)</sup>	96.12% <sup>(4)</sup>

(1) Source: City Planning Department.

(2) As reported by the Tarrant Appraisal District, Johnson County Central Appraisal District and Ellis Central Appraisal District on City's annual State Property Tax Board Reports; subject to change during ensuing year. The taxable assessed valuation for fiscal year end 2017 is \$5,867,973,330.

(3) Projected. Includes the Certificates. Preliminary, subject to change.

(4) Collections as of June 2016.

**GENERAL FUND CONSOLIDATED STATEMENT SUMMARY**

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
Beginning Fund Balance	\$ 11,657,018	\$ 10,604,212	\$ 10,571,459	\$ 9,032,717	\$ 7,982,940
Total Revenue	45,651,057	42,374,837	39,381,185	38,011,971	36,807,434
Total Expenditures	45,140,875	45,696,585	39,367,874	36,797,730	34,673,419
Total Other Sources (Uses)	(146,818)	4,374,554	19,442	324,501	(1,084,238)
Net Funds Available	363,364	1,052,806	32,753	1,538,742	1,049,777
Ending Fund Balance	<u>\$ 12,020,382</u>	<u>\$ 11,657,018</u>	<u>\$ 10,604,212</u>	<u>\$ 10,571,459</u>	<u>\$ 9,032,717</u>

For additional information regarding the City, please contact:

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Mansfield, Texas 76063  
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or

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Dallas, Texas 75270  
(214) 953-4000

**CITY OFFICIALS, STAFF AND CONSULTANTS**

**ELECTED OFFICIALS**

<u>City Council</u>	<u>Elected</u>	<u>Term Expires</u>	<u>Occupation</u>
David L. Cook Mayor, Place 1	Re-elected May, 2016	May 2019	Attorney
Brent Newsom Councilmember Place 2	Re-elected May, 2016	May 2019	Bank Manager
Stephen Lindsey Councilmember Place 3	Re-elected May, 2015	May 2018	Gas Industry Consultant
Darryl Haynes Councilmember Place 4	Re-elected May, 2015	May 2018	Corporate Risk Manager
Cory Hoffman Councilmember Place 5	Re-elected May, 2015	May 2018	CPA
Wendy Burgess Councilmember Place 6	Re-elected May, 2014	May 2017	Business Owner
Larry Broseh Councilmember Place 7	Re-elected May, 2014	May 2017	President, Cam Tech Inc.

**SELECTED ADMINISTRATIVE STAFF**

<u>Name</u>	<u>Position</u>	<u>Length of Service to City</u>	<u>Total Length of Governmental Service</u>
Clayton W. Chandler, MPA, ABJ Regional Entrepreneur of the Year June 1992, INC. Magazine	City Manager	30 Years	40 Years
Peter K. Phillis, CPA	Deputy City Manager	17 Years	23 Years
Shelly Lanners	Deputy City Manager	15 Years	15 Years
Joe Smolinski	Deputy City Manager	14 Year	14 Years
Jeanne Heard	City Secretary	1 Year	23 Years
E. Allen Taylor, Jr.	City Attorney	18 Years	27 Years
Steve Freeman	Director of Public Works	20 Years	20 Years

**CONSULTANTS AND ADVISORS**

Auditors .....	KPMG LLP Dallas, Texas
Bond Counsel .....	Bracewell LLP Dallas, Texas
Financial Advisor.....	FirstSouthwest, a Division of Hilltop Securities Inc. Dallas, Texas

## PRELIMINARY OFFICIAL STATEMENT

### RELATING TO

\$2,925,000\*

CITY OF MANSFIELD, TEXAS

COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2016A

### INTRODUCTION

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of \$2,925,000\* City of Mansfield, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A (the "Certificates"). Except as otherwise indicated herein, capitalized terms used in this Official Statement have the same meanings assigned to such terms in the ordinance (the "Certificate Ordinance") to be adopted by the City Council in which the City Council delegated pricing of the Certificates and certain other matters to an "Authorized Officer" who will approve a pricing certificate (the "Pricing Certificate" and together with the Certificate Ordinance, the "Ordinance") which will contain the final terms of sale and complete the sale of the Certificates.

There follows in this Official Statement descriptions of the Obligations and certain information regarding the City and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City's Financial Advisor, FirstSouthwest, a Division of Hilltop Securities Inc., Dallas, Texas ("FirstSouthwest").

All financial and other information presented in this Official Statement has been provided by the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future (see "Other Information - Forward-Looking Statements").

**DESCRIPTION OF THE CITY . . .** The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in 1890, and first adopted its Home Rule Charter in 1975 and amended its Home Rule Charter on May 7, 1988. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and six Council members. The term of office is a staggered three-year term. The City Manager is the chief executive officer for the City. Some of the services that the City provides are: public safety (police and fire protection), highways and streets, electric, water and sanitary sewer utilities, health and social services, culture-recreation, public transportation, public improvements, planning and zoning, and general administrative services. The 2010 Census population for the City was 56,368, while the estimated 2016 population is 63,248. The City covers approximately 38.6 square miles.

### THE CERTIFICATES

**DESCRIPTION OF THE CERTIFICATES . . .** The Certificates are dated August 15, 2016, and mature on February 15 in each of the years and in the amounts shown on page 2 hereof. Interest on the Certificates will accrue from the Date of Delivery, will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on February 15 and August 15, commencing August 15, 2017, until maturity or prior redemption. The definitive Certificates will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Certificates will be made to the owners thereof.** Principal of, premium, if any, and interest on the Certificates will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Certificates. See "The Certificates - Book-Entry-Only System" herein.

**PURPOSE . . .** Proceeds from the sale of the Certificates will be used for the purpose of (i) designing, developing, constructing, and equipping a public recreational ice skating facility, including related parking, streets and water and sewer utilities (the "Project"), and (ii) paying the costs of the issuance of the Certificates.

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\* Preliminary, subject to change.

The City expects to enter into a lease and operating agreement (the "Operating Agreement") with DSE Hockey Centers, L.P., a Delaware limited partnership ("DSE Hockey") for the operation and maintenance of the City's public recreational ice skating facility (the "Facility") to be constructed with a portion of the proceeds of the Certificates and a portion of the proceeds of the Mansfield Park Facilities Development Corporation's Sales Tax Revenue Bonds, Taxable New Series 2016A (the "MFPDC Bonds"). The Operating Agreement generally provides for the use and operation of the Facility as a public recreational ice skating facility. Pursuant to the terms of the Operating Agreement, DSE Hockey is required to pay rent to the City on an annual basis during the term of the Operating Agreement which, unless terminated for other reasons under the Operating Agreement, expires on August 31, 2047. **Such rent received by the City for the use of the Facility is NOT pledged to the payment of debt service on the Certificates.**

**AUTHORITY FOR ISSUANCE . . .** The Certificates are being issued pursuant to the Constitution and general laws of the State of Texas, particularly Subchapter C of Chapter 271, Texas Local Government Code (the Certificate of Obligation Act of 1971) as amended, Section 9.13 of the City's Home Rule Charter, and the Ordinance to be adopted by the City Council.

**SECURITY AND SOURCE OF PAYMENT . . .** The Certificates constitute direct obligations of the City and the principal thereof and interest thereon are payable from an annual ad valorem tax levied by the City, within the limits prescribed by law, upon all taxable property in the City, and are additionally secured by and payable from a limited pledge (not to exceed \$1,000) of surplus net revenues of the City's Waterworks and Sewer System (the "System") remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve and other requirements in connection with all of the City's revenue obligations (now or hereafter outstanding) that are payable from all or part of the net revenues of the System, all as provided in the Ordinance.

**TAX RATE LIMITATION . . .** All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 Taxable Assessed Valuation for all City purposes. The Home Rule Charter of the City adopts the constitutionally authorized maximum tax rate of \$2.50 per \$100 Taxable Assessed Valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all tax-supported debt service, as calculated at the time of issuance.

**OPTIONAL REDEMPTION . . .** The City reserves the right, at its option, to redeem Certificates having stated maturities on and after February 15, 2027, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Certificates are to be redeemed, the City may select the maturities of Certificates to be redeemed. If less than all the Certificates of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Certificates are in Book-Entry-Only form) shall determine by lot the Certificates, or portions thereof, within such maturity to be redeemed. If a Certificate (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Certificate (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

**NOTICE OF REDEMPTION . . .** Not less than 30 days prior to a redemption date for the Certificates, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Certificates to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE CERTIFICATES CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY CERTIFICATE OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH CERTIFICATE OR PORTION THEREOF SHALL CEASE TO ACCRUE.

The City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Holders. Any Certificates subject to conditional redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default by the City.

The Paying Agent/Registrar and the City, so long as a book-entry-only system is used for the Certificates will send any notice of redemption or other notices with respect to the Certificates only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the beneficial owner, shall not affect the validity of the redemption of the Certificates called for redemption or any other action premised or any such notice.

Redemption of portions of the Certificates by the City will reduce the outstanding principal amount of such Certificates held by DTC. In such event, DTC may implement, through its book-entry-only system, a redemption of such Certificates held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Certificates from the beneficial owners. Any such selection of Certificates to be redeemed will not be governed by the Ordinance and will not be conducted by the City or the Paying Agent/Registrar. Neither the City nor the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on the Certificates or the providing of notice to DTC participants, indirect participants, or beneficial owners of the selection of portions of the Certificates for redemption. See "The Certificates - Book-Entry-Only System" herein.

**DEFEASANCE . . .** The Ordinance provides that the City may discharge its obligations to the registered owners of any or all of the Certificates to pay principal, interest and redemption price thereon (i) by irrevocably depositing with the Paying Agent/Registrar, or other lawfully authorized escrow agent, in trust a sum of money equal to the principal of, premium, if any, and all interest to accrue on such Certificates to maturity or redemption or (ii) by irrevocably depositing with the Paying Agent/Registrar, or other lawfully authorized escrow agent, in trust amounts sufficient, together with the investment earnings thereon, to provide for the payment and/or redemption of such Certificates; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, and (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding obligations, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; or (iii) any combination of (i) and (ii) above. The foregoing obligations may be in book-entry form, and shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Certificates, as the case may be.

After firm banking and financial arrangements for the discharge and final payment or redemption of the Certificates have been made as described above, all rights of the City to initiate proceedings to call the Certificates for redemption or take any other action amending the terms of the Certificates are extinguished; provided, however, that the right to call the Certificates for redemption is not extinguished if the City: (i) in the proceedings providing for the firm banking arrangements, expressly reserves the right to call Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

*Book-Entry-Only System . . . This section describes how ownership of the Certificates is to be transferred and how the principal of, premium, if any, and interest on the Certificates are to be paid to and credited by The Depository Trust Company ("DTC"), New York, New York, while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City and the Underwriter believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.*

*The City and the Underwriter cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Certificates, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Certificates), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.*

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security certificate will be issued for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of

securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC’s records. The ownership interest of each actual purchaser of each Certificate (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the register and request that copies of the notices be provided directly to them.

Redemption notices for the Certificates shall be sent to DTC. If less than all of the Certificates of a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments on the Certificates to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the City or the respective Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Certificates are required to be printed and delivered.

The City may decide to discontinue the use of the system of book-entry-only transfers through DTC (or a successor depository). In that event, Certificates will be printed and delivered.

**Use of Certain Terms in Other Sections of this Official Statement . . .** In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Ordinance will be given only to DTC.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the City, the Financial Advisor, or the Underwriter.

**Effect of Termination of Book-Entry-Only System . . .** In the event that the Book-Entry-Only System of the Certificates is discontinued, printed certificates will be issued to the DTC Participants or the holder, as the case may be, and such Certificates will be subject to transfer, exchange and registration provisions as set forth in the Ordinance and summarized under "The Certificates - Transfer, Exchange and Registration" below.

**PAYING AGENT/REGISTRAR . . .** The initial Paying Agent/Registrar is U.S. Bank National Association, Dallas, Texas. In the Ordinance, the City retains the right to replace the Paying Agent/Registrar. If the City replaces the Paying Agent/Registrar, such Paying Agent/Registrar shall, promptly upon the appointment of a successor, deliver the Paying Agent/Registrar's records to the successor Paying Agent/Registrar, and the successor Paying Agent/Registrar shall act in the same capacity as the previous Paying Agent/Registrar. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Certificates are duly paid and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Certificates. Upon any change in the Paying Agent/Registrar for the Certificates, the City agrees to promptly cause a written notice thereof to be sent to each registered owner of the Certificates by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

In the event use of the Book-Entry-Only System should be discontinued, interest on the Certificates shall be paid to the registered owners appearing on the registration books of the Paying Agent/Registrar at the close of business on the Record Date (hereinafter defined), and such interest shall be paid (i) by check sent United States Mail, first class postage prepaid to the address of the registered owner recorded in the registration books of the Paying Agent/Registrar or (ii) by such other method, acceptable to the Paying Agent/Registrar requested by, and at the risk and expense of, the registered owner.

Principal of the Certificates will be paid to the registered owner at the stated maturity or earlier redemption, as applicable, upon presentation to the designated payment/transfer office of the Paying Agent/Registrar. Interest on the Certificates will be payable by check, dated as of the interest payment date, and mailed by the Paying Agent/Registrar to registered owners as shown on the records of the Paying Agent/Registrar on the Record Date (see "The Certificates – Record Date for Interest Payment" herein), or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal or interest on the Certificates is a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized to close, then the date for such payment will be the next succeeding day which is not such a day, and payment on such date will have the same force and effect as if made on the date payment as due. So long as Cede & Co. is the registered owner of the Certificates, payment of principal of and interest on the Certificates will be made as described in "The Certificates - Book-Entry-Only- System" above.

**TRANSFER, EXCHANGE AND REGISTRATION . . .** In the event the Book-Entry-Only System should be discontinued, printed certificates will be delivered to the owners of the Certificates and thereafter, the Certificates may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Certificates may be assigned by the execution of an assignment form on the respective Certificates or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Certificates will be delivered by the Paying Agent/Registrar, in lieu of the Certificates being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Certificates issued in an exchange or transfer of Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Certificates to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Certificates registered and delivered in an exchange or transfer shall be in any integral multiple of \$5,000 for any one maturity and for a like aggregate principal amount as the Certificates surrendered for exchange or transfer. See "Book-Entry-Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Certificates. Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Certificate.

**REPLACEMENT CERTIFICATES . . .** If any Certificate is mutilated, destroyed, stolen or lost, a new Certificate in the same principal amount as the Certificate so mutilated, destroyed, stolen or lost will be issued. In the case of a mutilated Certificate, such new Certificate will be delivered only upon surrender and cancellation of such mutilated Certificate. In the case of any Certificate issued in lieu of a substitution for an Certificate which has been destroyed, stolen or lost, such new Certificate will be delivered only (a) upon filing with the City and the Paying Agent/Registrar a certificate to the effect that such Certificate has been destroyed, stolen or lost and proof of the ownership thereof, and (b) upon furnishing the City and the Paying Agent/Registrar with indemnity satisfactory to them. The person requesting the authentication and delivery of a new Certificate must pay such expenses as the Paying Agent/Registrar may incur in connection therewith.

**RECORD DATE FOR INTEREST PAYMENT . . .** The record date ("Record Date") for the interest payable on the Certificates on any interest payment date means the close of business on the last business day of the preceding month.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a Certificate appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

**CERTIFICATEHOLDERS' REMEDIES . . .** The Ordinance does not provide any remedies to a Registered Owner if the City defaults on the payment of the principal of or interest on the Certificates. If a Registered Owner of a Certificate does not receive payment of principal of or interest on the Certificates when due, the Registered owner may seek a writ of mandamus from a court of competent jurisdiction. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance under the Certificates or the Ordinance and the City's obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Certificates in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year.

The Ordinance does not provide for the appointment of a trustee to represent the interest of the Registered Owners of the Certificates upon any failure of the City to perform in accordance with the terms of the Ordinance, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

The Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W. 3rd 325 (Tex. 2006), that a waiver of governmental immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the City's governmental immunity from a suit for money damages, Registered Owners may not be able to bring such a suit against the City for breach of the Certificates or covenants in the Ordinance. Even if a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City's property. Further, the registered owners cannot themselves foreclose on property within the City or sell property within the City to enforce the tax lien on taxable property to pay the principal of and interest on the Certificates.

On April 1, 2016, the Texas Supreme Court ruled in *Wasson Interests, Ltd. v. City of Jacksonville*, 59 Tex. Sup. Ct. J. 524 (Tex. 2016) that governmental immunity does not imbue a city with derivative immunity when it performs proprietary, as opposed to governmental, functions in respect to contracts executed by a city. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under the authority or for the benefit of the state. In *Wasson*, the Court recognized that the distinction between governmental and proprietary functions is not clear. Therefore, in considering municipal breach of contract cases, it is incumbent on the courts to determine whether a function is proprietary or governmental based upon the common law and statutory guidance. Issues related to the applicability of governmental immunity as they relate to the issuance of municipal debt have not been adjudicated. Each situation will be evaluated based on the facts and circumstances surrounding the contract in question.

Furthermore, the City is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or Bondholders of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions with respect to the rights of the Registered Owners of the Certificates are subject to the applicable provisions of federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

USE OF PROCEEDS . . . The proceeds from the sale of the Certificates will be applied approximately as follows:

<b><u>Sources:</u></b>	
Par Amount	\$ -
Reoffering Premium	
TOTAL SOURCES	<u>\$ -</u>
<b><u>Uses:</u></b>	
Deposit to Project Construction Fund	\$ -
Underwriters' Discount	
Costs of Issuance	
TOTAL USES	<u>\$ -</u>

**TAX INFORMATION**

**AD VALOREM TAX LAW . . .** The appraisal of property within the City is the responsibility of the Tarrant Appraisal District, Johnson County Central Appraisal District and Ellis Central Appraisal District (the "Appraisal Districts"). Excluding agricultural and open-space land, which may be taxed on the basis of productive capacity, the Appraisal Districts are required under the Property Tax Code to appraise all property within the Appraisal Districts on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and the method considered most appropriate by the chief appraiser is to be used. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property in the most recent tax year, or (2) 110% of the appraised value of the residence homestead for the preceding tax year plus the market value of all new improvements to the property. The value placed upon property within the Appraisal Districts is subject to review by an Appraisal Review Board, consisting of members appointed by the Board of Directors of the respective Appraisal District. The Appraisal Districts are required to review the value of property within the Appraisal Districts at least every three years. The City may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the City by petition filed with the Appraisal Review Board.

Reference is made to the V.T.C.A., Property Tax Code, for identification of property subject to taxation; property exempt or which may be exempted from taxation, if claimed; the appraisal of property for ad valorem taxation purposes; and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

Article VIII of the State Constitution ("Article VIII") and State law provide for certain exemptions from property taxes, the valuation of agricultural and open-space lands at productivity value, and the exemption of certain personal property from ad valorem taxation.

Under Article VIII, Section 1-b, and State law, the governing body of a political subdivision, at its option, may grant an exemption of not less than \$3,000 of the market value of the residence homestead of persons 65 years of age or older and the disabled from all ad valorem taxes thereafter levied by the political subdivision. Once authorized, such exemption may be repealed or decreased or increased in amount (i) by the governing body of the political subdivision or (ii) by a favorable vote of a majority of the qualified voters at an election called by the governing body of the political subdivision, which election must be called upon receipt of a petition signed by at least 20% of the number of qualified voters who voted in the preceding election of the political subdivision. In the case of a decrease, the amount of the exemption may not be reduced to less than \$3,000 of the market value. Senate Joint Resolution 1 ("SJR1"), passed during the 84th Texas Legislature, proposed a constitutional amendment that allows the Legislature to prohibit a municipality that adopts an optional homestead exemption from reducing or repealing the amount of the exemption. Since SJR1 was approved by the voters in the November 2015 Constitutional election, Senate Bill 1 prohibits municipalities from reducing or repealing the amount of their optional homestead exemption that was in place for the 2014 tax year for a period running through December 31, 2019.

The surviving spouse of an individual who qualifies for the foregoing exemption for the residence homestead of a person 65 or older (but not the disabled) is entitled to an exemption for the same property in an amount equal to that of the exemption for which the deceased spouse qualified if (i) the deceased spouse died in a year in which the deceased spouse qualified for the exemption, (ii) the surviving spouse was at least 55 years of age at the time of the death of the individual's spouse and (iii) the property was the residence homestead of the surviving spouse when the deceased spouse died and remains the residence homestead of the surviving spouse.

In addition to any other exemptions provided by the Property Tax Code, the governing body of a political subdivision, at its option, may grant an exemption of up to 20% of the market value of residence homesteads, with a minimum exemption of \$5,000.

In the case of residence homestead exemptions granted under Section 1-b, Article VIII, ad valorem taxes may continue to be levied against the value of homesteads exempted where ad valorem taxes have previously been pledged for the payment of debt if cessation of the levy would impair the obligation of the contract by which the debt was created.

Article VIII provides that eligible owners of both agricultural land (Section 1-d) and open-space land (Section 1-d-1), including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified under both Section 1-d and 1-d-1.

Nonbusiness personal property, such as automobiles or light trucks, are exempt from ad valorem taxation unless the governing body of a political subdivision elects to tax this property. Boats owned as nonbusiness property are exempt from ad valorem taxation.

State law and Section 2, Article VIII, mandate an additional property tax exemption for disabled veterans or the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces; the exemption applies to either real or personal property with the amount of assessed valuation exempted ranging from \$5,000 to a maximum of \$12,000 depending upon the degree of disability or whether the exemption is applicable to a surviving spouse or children. Notwithstanding the foregoing, a disabled veteran who receives from the United States Department of Veterans Affairs or its successor 100% disability compensation due to a service-connected disability and a rating of 100% disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. House Joint Resolution 75 ("HJR75"), passed during the 84th Texas legislature, proposes a constitutional amendment that allows the Legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran and who would have had qualified for the full exemption veteran before the law authorizing a residence homestead exemption took effect. Since the proposition authorized by HJR75 was approved by voters in the November 2015 Constitutional election, the surviving spouse of a totally disabled veteran who died on or before January 1, 2010 and who would have qualified for the full exemption on the homestead's entire value if it had been available at that time, will be entitled to an exemption from ad valorem taxation of all or part of the market value of the residence homestead if the spouse has not remarried.

Following the approval by the voters at a November 5, 2013 statewide election, a partially disabled veteran or the surviving spouse of a partially disabled veteran is entitled to an exemption equal to the percentage of the veteran's disability, if the residence was donated at no cost to the veteran by a charitable organization.

Also approved by the November 5, 2013 election, was a constitutional amendment providing that the surviving spouse of a member of the armed forces who is killed in action is entitled to a property tax exemption for all or part of the market value of such surviving spouse's residences homestead, if the surviving spouse has not remarried since the service member's death and said property was the service member's residence homestead at the time of death. Such exemption is transferable to a different property of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

Article VIII, Section 1-j, provides for "freeport property" to be exempted from ad valorem taxation. Freeport property is defined as goods detained in Texas for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication. Decisions to continue to tax may be reversed in the future; decisions to exempt freeport property are not subject to reversal.

Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of "goods in transit." Under Section 11.253 of the Texas Tax Code, "Goods-in-Transit" are exempt from taxation unless a taxing unit opts out of the exemption. Goods-in-Transit are defined as tangible personal property that: (i) is acquired in or imported into the state to be forwarded to another location in the state or outside the state; (ii) is detained at a location in the state in which the owner of the property does not have a direct or indirect ownership interest for assembling, storing, manufacturing, processing, or fabricating purposes by the person who acquired or imported the property; (iii) is transported to another location in the state or outside the state not later than 175 days after the date the person acquired the property in or imported the property into the state; and (iv) does not include oil, natural gas, petroleum products, aircraft, dealer's motor vehicle inventory, dealer's vessel and outboard motor inventory, dealer's heavy equipment inventory, or retail manufactured housing inventory. A taxpayer may receive only one of the freeport exemptions or the goods-in-transit exemptions for items of personal property.

The City and the other taxing bodies within its territory may agree to jointly create tax increment financing zones, under which the tax values on property in the zone are "frozen" at the value of the property at the time of creation of the zone (see "Tax Increment Financing Zone" below). Other overlapping taxing units may agree to contribute all or part of future ad valorem taxes levied and collected against the value of property in the zone in excess of the "frozen value" to pay or finance the costs of certain public improvements in the zone. Taxes levied by the City against the values of real property in the zone in excess of the "frozen value" are not available for general city use but are restricted to paying or financing "project costs" within the zone. The City also may enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The City in turn agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years. (See "Tax Abatement Policy" below).

Cities are also authorized, pursuant to Chapter 380, Texas Local Government Code ("Chapter 380") to establish programs to promote state or local economic development and to stimulate business and commercial activity in the City. In accordance with a program established pursuant to Chapter 380, the City may make loans or grant of public fund for economic development purposes, however, no obligations secured by ad valorem taxes may be issued for such purposes unless approved by voters of the City.

Under Article VIII, Section 1-b(h) and State law, the governing body of a county, municipality, or junior college district may provide that the total amount of ad valorem taxes levied on the residence homestead of a disabled person or persons 65 years of age or older will not be increased above the amount of taxes imposed in the year such residence qualified for such limitation. Also, upon receipt of a petition signed by 5% of the registered voters of the county, municipality or junior college district, an election held to determine by majority vote whether to establish such a limitation on taxes paid on residence homestead of persons 65 years of age or older or of persons who are disabled. The above-referenced tax limitation is transferable to (1) a different residence homestead within the city and (2) to a surviving spouse so long as the property was the residence homestead of the surviving spouse when the deceased spouse died and remains the residence homestead of the surviving spouse and the spouse was at least 55 years of age at the time of the death of the individual's spouse. If improvements (other than repairs or improvements required to comply with governmental requirements) are made to the property, the value of the improvements is taxed at the then current tax rate, and the total amount of taxes imposed is increased to reflect the new improvements with the new amount of taxes then serving as the ceiling on taxes for the following years. Once established, the tax limitation may not be repealed or rescinded.

**EFFECTIVE TAX RATE AND ROLLBACK TAX RATE . . .** By each September 1 or as soon thereafter as practicable, the City Council adopts a tax rate per \$100 taxable value for the current year. The City Council will be required to adopt the annual tax rate for the City before the later of September 30 or the 60<sup>th</sup> day after the date the certified appraisal roll is received by the City. If the City Council does not adopt a tax rate by such required date the tax rate for that tax year is the lower of the effective tax rate calculated for that tax year or the tax rate adopted by the City for the preceding tax year. The tax rate consists of two components: (1) a rate for funding of maintenance and operation expenditures, and (2) a rate for debt service.

Under the Property Tax Code, the City must annually calculate and publicize its "effective tax rate" and "rollback tax rate". A tax rate cannot be adopted by the City Council that exceeds the lower of the rollback tax rate or the effective tax rate until two public hearings have been held on the proposed tax rate following notice of such public hearings (including the requirement that notice be posted on the City's website if the City owns, operates or controls an internet website and public notice be given by television if the City has free access to a television channel) and the City Council has otherwise complied with the legal requirements for the adoption of such tax rate. If the adopted tax rate exceeds the rollback tax rate the qualified voters of the City by petition may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate.

"Effective tax rate" means the rate that will produce last year's total tax levy (adjusted) from this year's total taxable values (adjusted). "Adjusted" means lost values are not included in the calculation of last year's taxes and new values are not included in this year's taxable values.

"Rollback tax rate" means the rate that will produce last year's maintenance and operation tax levy (adjusted) from this year's values (adjusted) multiplied by 1.08 plus a rate that will produce this year's debt service from this year's values (unadjusted) divided by the anticipated tax collection rate.

The Property Tax Code provides that certain cities and counties in the State may submit a proposition to the voters to authorize an additional one-half cent sales tax on retail sales of taxable items. If the additional tax is levied, the effective tax rate and the rollback tax rate calculations are required to be offset by the revenue that will be generated by the sales tax in the current year.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

**PROPERTY ASSESSMENT AND TAX PAYMENT . . .** Property within the City is generally assessed as of January 1 of each year. Business inventory may, at the option of the taxpayer, be assessed as of September 1. Oil and gas reserves are assessed on the basis of a valuation process which uses an average of the daily price of oil and gas for the prior year. Taxes become due October 1 of the same year, and become delinquent on February 1 of the following year. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first due on February 1 of each year and the final installment due on August 1.

**PENALTIES AND INTEREST . . .** Charges for penalty and interest on the unpaid balance of delinquent taxes are made as follows:

Month	Cumulative Penalty	Cumulative Interest	Total
February	6%	1%	7%
March	7	2	9
April	8	3	11
May	9	4	13
June	10	5	15
July	12	6	18

After July, penalty remains at 12%, and interest increases at the rate of 1% each month. In addition, if an account is delinquent in July, an attorney's collection fee of up to 20% is added to the total tax penalty and interest charge. Under certain circumstances, taxes which become delinquent on the homestead of a taxpayer 65 years old or older incur a penalty of 8% per annum with no additional penalties or interest assessed. In general, property subject to the City's lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. Federal law does not allow for the collection of penalty and interest against an estate in bankruptcy. Federal bankruptcy law provides that an automatic stay of action by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

Additionally, the owner of a residential homestead property that is a person sixty-five (65) years of age or older is entitled by law to pay current taxes on a residential homestead in installments or to defer the payment of taxes, without penalty during the time of ownership.

**CITY APPLICATION OF PROPERTY TAX CODE . . .** The City grants an exemption to the market value of the residence homestead of persons 65 years of age or older of \$50,000; the disabled are also granted an exemption of \$10,000.

The City has irrevocably established an ad valorem tax freeze on the residence homestead of persons 65 years of age or older.

The City has not granted an additional exemption of 20% of the market value of residence homesteads; with minimum exemption of \$5,000.

Ad valorem taxes are not levied by the City against the exempt value of residence homesteads for the payment of debt.

The City does not tax nonbusiness personal property.

The Tarrant County Tax Assessor and Collector collects taxes for the City.

The City does permit split payments, and discounts are not allowed.

The City does not tax freeport property.

The City does not collect the additional one-half cent sales tax for reduction of ad valorem taxes.

See Table 1 for a listing of the amounts of the exemptions described above.

The City does tax goods-in-transit.

The City currently collects 1% sales tax for the general fund, and the Mansfield Park Facilities Development Corporation and the Mansfield Economic Development Corporation each collect ½ cent sales tax.

**TAX ABATEMENT POLICY . . .** The City has established a tax abatement program to encourage economic development. In order to be considered for tax abatement, a project must meet several criteria pertaining to job creation and property value enhancement. Generally, projects are eligible for a tax abatement of up to 50% for a period of 10 years. The value of property subject to abatement is shown in Table 1.

**TAX INCREMENT FINANCING ZONES . . .** Reinvestment Zone Number One, City of Mansfield (the "Zone") was created in January 2006, by the City with the consent of other taxing units overlapping the Zone. The 3,100-acre zone encompasses undeveloped agricultural and existing residential land. Ad valorem taxes on incremental growth in real property values (levied at the tax rates of each taxing unit assessing real property in the Zone) within the Zone from a base value established on January 1, 2006, are used to contribute to development of the Zone; these tax funds can be used only for public improvements in the Zone or for

payment of debt service on bonds issued to provide funds for public improvements. The Zone terminates December 31, 2030, or at an earlier time designated by subsequent ordinance of the City Council, or at such time, subsequent to the issuance of any tax increment bonds, if any, that tax increment bonds, notes, or other obligations of the Zone, and the interest thereon, have been paid in full. The base taxable assessed value of real property within the Zone is \$81,419,297; the 2015 assessed value is \$171,882,795, representing \$90,463,498 of taxable incremental value. The City participates at 65% of its tax rate.

Reinvestment Zone Number Two (“Zone Two”), was created in calendar 2012 by the City with the participation of another taxing authority overlapping Zone Two. Zone Two encompasses the City downtown area and is 317 acres of land. This land is mostly developed but includes some undeveloped vacant land. The purpose of Zone Two is to revitalize the area by using the new funds or ad valorem taxes generated from the incremental property value growth within the Zone Two. Zone Two’s incremental value is measured by comparing the base year’s taxable property values or the value of the taxable property the year Zone Two was established, January 1, 2012, to the most current year’s taxable property values. The base year’s taxable assessed valuation of property within Zone Two is \$29,117,741; the 2015 taxable assessed value of the property in Zone Two is \$29,261,736, representing \$143,995 in taxable incremental value. The City contributes 100% incremental taxable property value to Zone Two at 100% of its tax rate.

**TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT**

2016/17 Market Valuation Established by the Appraisal Districts (excluding totally exempt property and property in arbitration)		\$ 6,277,196,558
Less Exemptions/Reductions at 100% Market Value:		
Over 65 Exemptions	\$ 125,258,874	
Disability	2,040,300	
Veterans	42,505,147	
Homestead Cap	5,661,654	
Agricultural Use Reductions	54,247,343	
Freeport Exemption	173,058,416	
Pro-rate Absolute	-	
Pollution Control	300,484	
Tax Abatement Reductions	5,587,603	
Other Exemptions	<u>563,407</u>	<u>409,223,228</u>
2016/17 Taxable Assessed Valuation		\$ 5,867,973,330
Tax Supported Debt Payable from Ad Valorem Taxes		
Tax Supported Debt (as of 7/1/16)	\$ 114,790,000	
The Certificates <sup>(1)</sup>	<u>2,925,000</u>	
Tax-Supported Debt Payable from Ad Valorem Taxes		\$ 117,715,000
Interest and Sinking Fund (as of 4/1/16)		\$ 2,766,150
Ratio General Obligation Tax Debt to Taxable Assessed Valuation		2.01%

2016 Estimated Population - 63,248  
Per Capita Taxable Assessed Valuation - \$92,777  
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$1,861

(1) Preliminary, subject to change.

**TABLE 1(a) - ADDITIONAL DEBT LIABILITIES**

Please refer to “Pension Fund”, beginning on page 29, for a complete description of the City’s pension plan liability. Additional information with regard to the City’s pension plan liability is also available via the TMRS website at [www.tmrs.org](http://www.tmrs.org).

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TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year September 30,					
	2017		2016		2015	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 3,696,882,108	57.87%	\$ 3,393,181,190	59.15%	\$ 3,207,262,179	58.26%
Real, Residential, Multi-Family	389,350,682	6.09%	342,666,283	5.97%	268,092,284	4.87%
Real, Vacant Lots/Tracts	182,378,667	2.85%	131,641,569	2.29%	139,575,229	2.54%
Real, Acreage (Land Only)	55,554,195	0.87%	60,132,149	1.05%	133,719,915	2.43%
Real, Farm and Ranch Improvements	19,456,124	0.30%	7,036,424	0.12%	4,926,849	0.09%
Real, Commercial	870,730,749	13.63%	731,976,741	12.76%	734,823,164	13.35%
Real, Industrial	99,985,375	1.57%	123,155,500	2.15%	99,688,939	1.81%
Real and Tangible Personal, Utilities	80,377,305	1.26%	75,197,762	1.31%	79,879,059	1.45%
Tangible Personal, Commercial	717,986,774	11.24%	513,420,906	8.95%	532,435,638	9.67%
Tangible Personal, Industrial	211,785,775	3.32%	193,225,492	3.37%	185,985,518	3.38%
Tangible Personal, Mobile Homes	9,933,003	0.16%	15,406,388	0.27%	14,997,127	0.27%
Real Property, Inventory	15,590,862	0.24%	25,296,086	0.44%	14,221,756	0.26%
Mineral Lease Properties	38,510,844	0.60%	124,684,471	2.17%	89,839,023	1.63%
Total Appraised Value Before Exemptions	\$ 6,388,522,463	100.00%	\$ 5,737,020,961	100.00%	\$ 5,505,446,680	100.00%
Less: Property in Arbitration	111,325,905		36,688,858		5,636,649	
Less: Total Exemptions/Reductions	409,223,228		413,405,008		542,289,028	
Taxable Assessed Value	<u>\$ 5,867,973,330</u>		<u>\$ 5,286,927,095</u>		<u>\$ 4,957,521,003</u>	

Category	Taxable Appraised Value for Fiscal Year September 30,			
	2014		2013	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 3,115,931,508	60.25%	\$ 2,936,585,549	58.05%
Real, Residential, Multi-Family	213,722,525	4.13%	200,042,046	3.95%
Real, Vacant Lots/Tracts	93,499,567	1.81%	103,095,072	2.04%
Real, Acreage (Land Only)	179,159,446	3.46%	184,419,062	3.65%
Real, Farm and Ranch Improvements	4,016,084	0.08%	4,615,029	0.09%
Real, Commercial	675,494,983	13.06%	655,221,427	12.95%
Real, Industrial	93,565,831	1.81%	88,935,435	1.76%
Real and Tangible Personal, Utilities	63,495,925	1.23%	79,971,523	1.58%
Tangible Personal, Commercial	462,604,516	8.94%	430,638,737	8.51%
Tangible Personal, Industrial	160,774,588	3.11%	201,258,032	3.98%
Tangible Personal, Mobile Homes	8,968,172	0.17%	8,798,919	0.17%
Real Property, Inventory	23,310,426	0.45%	28,643,875	0.57%
Mineral Lease Properties	77,161,981	1.49%	136,067,818	2.69%
Total Appraised Value Before Exemptions	\$ 5,171,705,552	100.00%	\$ 5,058,292,524	100.00%
Less: Property in Arbitration	26,375,729		13,234,841	
Less: Total Exemptions/Reductions	494,913,889		555,442,336	
Taxable Assessed Value	<u>\$ 4,650,415,934</u>		<u>\$ 4,489,615,347</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Tarrant Appraisal District, Johnson County Central Appraisal District and Ellis Central Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal Districts updates records.

**TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY**

Fiscal Year Ended 9/30	Estimated Population <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Taxable Assessed Valuation Per Capita	Total Tax Supported Debt Outstanding at End of Year	Ratio of Tax Debt to Taxable Assessed Valuation	Tax Debt Per Capita
2012	57,494	\$ 4,396,696,698	\$ 76,472	\$ 95,290,000	2.17%	\$ 1,657
2013	58,106	4,489,615,347	77,266	92,695,000	2.06%	1,595
2014	59,230	4,650,415,934	78,515	102,165,000	2.20%	1,725
2015	60,180	4,957,521,003	82,378	108,830,000	2.20%	1,808
2016	63,248	5,286,927,095	83,590	117,715,000 <sup>(3)</sup>	2.23% <sup>(3)</sup>	1,861 <sup>(3)</sup>

(1) Source: City Planning Department.

(2) As reported by the Tarrant Appraisal District, Johnson County Central Appraisal District and Ellis Central Appraisal District on City's annual State Property Tax Board Reports; subject to change during ensuing year. The taxable assessed valuation for fiscal year end 2017 is \$5,867,973,330.

(3) Projected. Includes the Certificates. Preliminary, subject to change.

**TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY**

Fiscal Year Ended 9/30	Total Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% of Total Collections
2012	\$ 0.7100	\$ 0.4543	\$ 0.2557	\$ 31,216,546	98.90%	98.90%
2013	0.7100	0.4511	0.2589	31,876,269	99.29%	99.30%
2014	0.7100	0.4625	0.2475	33,017,953	99.36%	99.40%
2015	0.7100	0.4710	0.2390	35,198,399	99.73%	99.70%
2016	0.7100	0.4683	0.2417	37,537,182	98.20% <sup>(1)</sup>	96.12% <sup>(1)</sup>

(1) Collections through June 2016.

**TABLE 5 - TEN LARGEST TAXPAYERS**

Name of Taxpayer	Nature of Property	FYE 2016 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Mouser Electronics	Manufacturing	\$ 222,103,205	4.20%
Mansfield KDC II & III LP Etal	Real Estate	65,196,357	1.23%
Klein Tools, Inc	Manufacturing	56,712,066	1.07%
Mid-America Apartments Lp	Apartments	55,480,000	1.05%
Advenir @ Mansfield LLC	Apartments	37,476,000	0.71%
Wal-Mart Stores Inc.	Retail	36,285,764	0.69%
Oncor Electric Delivery	Utilities	34,596,412	0.65%
Sir Mansfield Landing LLC	Apartments	32,350,000	0.61%
T Villas Di Lucca TX LLC	Apartments	29,429,325	0.56%
Advenir @ Walnut Creek LLC	Apartments	26,174,518	0.50%
		<u>\$ 595,803,647</u>	<u>11.27%</u>

NOTE: Valuations shown are certified taxable assessed values reported by the Tarrant Appraisal District, Johnson County Central Appraisal District and Ellis Central Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal Districts updates records.

**GENERAL OBLIGATION DEBT LIMITATION . . .** No general obligation debt limitation is imposed on the City under current State law or the City's Home Rule Charter. For information on the City's tax rate limitation, see "The Certificates - Tax Rate Limitation".

**TABLE 6 - TAX ADEQUACY<sup>(1)</sup>**

2016 Principal and Interest Requirements	\$	12,597,831
\$0.2169 Tax Rate at 99% Collection Produces	\$	12,600,358
Average Annual Principal and Interest Requirements, 2016 - 2041	\$	6,567,256
\$0.1131 Tax Rate at 99% Collection Produces	\$	6,570,311
Maximum Principal and Interest Requirements, 2017	\$	13,436,816
\$0.2313 Tax Rate at 99% Collection Produces	\$	13,436,896

(1) Includes the Certificates. Preliminary, subject to change.

**TABLE 7 - ESTIMATED OVERLAPPING DEBT**

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax debt ("Tax Debt") was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

Taxing Jurisdiction	2015/16		Total G.O. Tax Debt (5/31/16)	Estimated % Applicable	City's	Authorized But Unissued Debt As Of (5/31/16)
	Taxable Assessed Value	2015/16 Tax Rate			Overlapping G.O. Tax Debt (5/31/16)	
City of Mansfield	\$ 5,286,927,095	\$ 0.71000	\$ 117,715,000 <sup>(1)</sup>	100.00%	\$ 117,715,000 <sup>(1)</sup>	\$ -
Ellis County	12,028,867,796	0.41400	44,796,315	0.12%	53,756	-
Johnson County	10,941,282,750	0.40800	31,860,000	2.27%	723,222	-
Mansfield Independent School District	10,711,144,951	1.51000	764,415,000	46.43%	354,917,885	-
Midlothian Independent School District	3,307,052,541	1.54000	231,874,270	9.58%	22,213,555	-
Tarrant County	142,218,853,069	0.26400	361,420,000	3.54%	12,794,268	31,100,000
Tarrant County Hospital District	132,593,775,668	0.15000	22,335,000	3.54%	790,659	-
Tarrant County College District	142,219,855,709	0.22800	-	3.54%	-	-
Total Direct and Overlapping G. O. Tax Debt					\$ 509,208,344	
Ratio of Direct and Overlapping G.O. Tax Debt to 2015/16 Taxable Assessed Valuation					9.63%	
Per Capita Overlapping G. O. Tax Debt					\$ 8,051	

(1) Includes the Certificates. Preliminary, subject to change.

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**TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION**

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/16		\$ 13,193,074
Interest and Sinking Fund, September 30, 2015	\$ 726,099	
Prior Year Delinquent Taxes	100,340	
Delinquent Penalty & Interest	68,119	
Interest Earnings	432	
Budgeted Interest and Sinking Fund Tax Levy	<u>12,778,503</u>	<u>13,673,493</u>
Estimated Balance, 9/30/16		\$ 480,419

**TABLE 10 - COMPUTATION OF SELF-SUPPORTING DEBT**

The City now levies a tax for all General Obligation Debt and does not consider any ad valorem tax debt to be self-supporting.

**TABLE 11 - AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

As of July 1, 2016, the City does not have any authorized but unissued general obligation bonds

**ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT . . .** The City anticipates issuing \$ \_\_\_\_\_ of additional general obligation debt in the \_\_\_\_\_ of \_\_\_\_\_.

**TABLE 12 – OTHER OBLIGATIONS**

The City has no other unfunded obligations.

**PENSION FUND**

Plan Description – The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS’s defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmr.com](http://www.tmr.com).

All eligible employees of the City are required to participate in TMRS.

Benefits Provided - TMRS provides retirement, disability, and death benefits. Benefits provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee’s contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member’s deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>Plan Year 2013</u>	<u>Plan Year 2014</u>
Employee deposit rate	7%	7%
Matching ratio (City to employee)	2 to 1	2 to 1
Years require for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Employees covered by benefit terms:

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	132
Inactive employees entitled to but not yet receiving benefits	137
Active employees	496
Total	<u>765</u>

Contributions - The contribution rates for employees in TMRS is 7% of employee gross earnings, and the city matching percentages is 14.49%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of the benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Mansfield, Texas, were required to contribute 7% of their gross earnings during the fiscal year. The contribution rates for the City of Mansfield, Texas were 14.84% and 14.49% in calendar years 2014 and 2015 respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2015 were \$4,595,653, and were equal to the required contributions.

Net Pension Liability:

The City's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation:	3.0% per year
Overall payroll growth:	3.0% per year
Investment Rate of Return:	7.0%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.80%
International Equity	17.5%	6.05%
Core Fixed Income	30.0%	1.50%
Non-Core Fixed Income	10.0%	3.50%
Real Return	5.0%	1.75%
Real Estate	10.0%	5.25%
Absolute Return	5.0%	4.25%
Private Equity	5.0%	8.50%
Total	100.0%	

Discount Rate:

The discount rate used to measure the Total Pension Liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in the statute. Based on that assumption, the pension plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
<b>Balance at 12/31/2013</b>	\$111,899,202	\$ 97,979,794	\$13,919,408
Changes for the year:			
Service Cost	5,030,515	-	5,030,515
Interest	7,925,143	-	7,925,143
Change in benefit terms	-	-	-
Difference between expected and actual experience	72,552	-	72,552
Changes of assumptions	-	-	-
Contributions - employer	-	4,469,146	(4,469,146)
Contributions - employee	-	2,108,088	(2,108,088)
Net investment income	-	5,606,309	(5,606,309)
Benefit payments, including refunds of employee contributions	(2,396,267)	(2,396,267)	-
Administrative expense	-	(58,519)	58,519
Other changes	-	(4,811)	4,811
Net changes	10,631,943	9,723,946	907,997
<b>Balance at 12/31/2014</b>	\$122,531,145	\$ 107,703,740	\$14,827,405

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net position liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease in Discount Rate (6.0%)	Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
City's net pension liability	\$ 35,225,137	\$ 14,827,405	\$ (1,698,467)

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at [www.tmr.com](http://www.tmr.com).

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2014, the City recognized expense of \$4,313,284. At September 30, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Employer contributions subsequent to the measurement date	\$ 3,268,368	\$ -
Difference in projected and actual earnings on pension plan investments	1,001,822	-
Difference in expected and actual experience	62,037	-
	<u>\$ 4,332,227</u>	<u>\$ -</u>

\$3,268,368 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the ending September 30, 2015. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Net deferred Outflows/(Inflows) of resources
2015	\$ 260,970
2016	260,970
2017	260,970
2018	260,972
2019	10,515
Thereafter	9,462
Total	<u>\$ 1,063,859</u>

**SUPPLEMENTAL DEATH BENEFITS**

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected by ordinance to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual earnings (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

Contributions - The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers.

The City's contributions to the TMRS SDBF for the fiscal years ended 2015, 2014, and 2013 were \$43,367, \$40,870, and \$36,303, respectively, which equaled the required contributions each year.

**OTHER POST-EMPLOYMENT BENEFITS**

Plan Description - City employees retiring on TMRS will be provided the opportunity to receive health insurance benefits from the City from the City's existing health care plan. The City established by ordinance a single-employer defined benefit postemployment healthcare plan that covers retired employees of the City. The City established an irrevocable trust and contracted with an administrator as well as a custodial bank to manage the plan's assets or the retiree's medical benefits.

The Plan does issue a stand-alone financial report. For inquiries relating to the plan, please contact The City of Mansfield, Business Services Division, 1200 East Broad Street, Mansfield, Texas 76063.

Measurement Focus and Basis of Accounting - The City of Mansfield, Texas Retiree Health Insurance Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the determination of the employer.

Benefits - City employees will be provided the opportunity to elect employer-subsidized health programs until the age of 65. Employees and their dependents who retire before of age of 65 with ten years of service and less than 20 years of service are eligible to receive full health insurance coverage as a life time benefit at the same cost of an active employee. Employees and their dependents who retire with 20 years of service are eligible to receive full health insurance coverage as a life time benefit; while their dependents are eligible for full health insurance coverage they must pay the same cost as an active employee for full insurance coverage of their dependents..

At the time of the actuarial valuation, the City had 477 active plan members and only 53 retired plan members receiving benefits.

Participants included in the actuarial valuation include retirees and survivors, and active employees who may be eligible to participate in the Plan upon retirement. Expenditures for post-retirement healthcare and other benefits are recognized monthly and funded into the irrevocable trust. The City funds 100% of the ARC, which approximates the annual OPEB cost, and totaled \$1,074,045 for the fiscal year ended September 30, 2015. The City also funded 100% of the ARC, which approximates the annual OPEB cost, and totaled \$1,212,510 and \$1,000,959,567 for each of the fiscal years ended September 30, 2014 and 2013, respectively.

Eligible retired employees participating in the City's Retiree Health Insurance Plan pay their premiums directly to the City. The City will pay the ARC, including the employee portions of healthcare premiums directly to the Trust in the amount of \$1,614,551 for fiscal year 2016.

Funding - The City makes an annual contribution to the plan approximately equal to the ARC. The City commissioned an updated actuarial valuation of the plan for October 1, 2015, in fiscal year 2016.

The funded status as of October 1, 2014 (unaudited), the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2015	\$ 6,595,845	\$ 19,001,376	35%	\$ 12,405,531	\$ - *	0.00% *
10/1/2014	5,566,589	12,524,764	44%	6,958,175	30,976,477	22.46%
10/1/2013	4,025,043	13,155,090	31%	9,130,047	28,061,984	32.54%

\* Projections on the City's fiscal year will end on September 30, 2016.

Note: The City modified its other post-employment health insurance benefit plan to include retirees and their dependents with ten years of service at a cost of commensurate of an active employee costs. Additionally, the City modified its other post-employment health insurance benefit plan to include the dependents of retirees with 20 years or more of service at a cost equivalent to an active employees dependent cost. The increase in the actuarial accrued liability is attributable to the expanded coverage and increased subsidized cost of the retirees who are eligible to receive post employments health insurance benefits after meeting the eligibility requirements of retirement.

Actuarial Methods and Assumptions

Actuarial Cost Method - Projected Unit Credit

Actuarial Valuation Date - October 1, 2014

Discount Rate - 7%

Amortization method - 30 years, level dollar open amortization

Open amortization means a fresh-start each year for the cumulative unrecognized amount.

Healthcare Cost Trends Rates 8% initially graded downward 0.05% per year to 5.0% in year 7 and later.

Mortality - IRS 2008 Combined Static Mortality Table

Retirement Rate

<u>Attained Age</u>	<u>Rates per 100 Participants</u>
50	3.00
51	1.50
55	7.50
58	10.00
60	25.00
61	10.00
65	100.00

Withdrawal Rate

<u>Attained Age</u>	<u>Rates per 100 Participants</u>
25	19.50
30	18.80
35	17.68
40	15.90
45	13.42
50	9.74
55	5.18

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities of benefits.

For more information concerning the City's post-employment benefits, see the financial statements of the City, and the notes thereto.

**FINANCIAL INFORMATION**

**TABLE 13 - CHANGES IN NET ASSETS**

	Governmental Activities 2015	Governmental Activities 2014	Governmental Activities 2013	Governmental Activities 2012	Governmental Activities 2011
<b>REVENUES:</b>					
<b>Program Revenues:</b>					
Charges for services	\$ 14,243,888	\$ 14,294,018	\$ 11,549,839	\$ 9,818,836	\$ 8,429,163
Operating grants and contributions	556,952	347,709	187,403	441,893	364,764
Capital grants and contributions	13,380,396	11,962,132	244,787	539,094	1,125,297
<b>General revenues:</b>					
Property taxes	35,306,939	33,243,790	31,389,240	30,823,689	30,513,927
Other taxes	19,275,580	18,063,495	16,331,217	15,845,874	14,947,185
Other	43,688	763,150	1,070,447	592,960	1,288,101
Total Revenues	<u>\$ 82,807,443</u>	<u>\$ 78,674,294</u>	<u>\$ 60,772,933</u>	<u>\$ 58,062,346</u>	<u>\$ 56,668,437</u>
<b>EXPENSES:</b>					
General government	11,647,954	10,759,471	8,397,239	6,685,947	6,196,081
Public safety	28,057,591	26,457,942	24,725,424	22,640,074	21,539,651
Public works	13,765,132	13,681,970	14,851,816	15,114,690	14,578,732
Culture and recreation	8,268,412	8,529,149	8,281,150	8,488,420	7,762,084
Interest on long-term debt	4,843,447	4,504,768	4,316,586	4,461,188	5,137,794
Total Expenses	<u>\$ 66,582,536</u>	<u>\$ 63,933,300</u>	<u>\$ 60,572,215</u>	<u>\$ 57,390,319</u>	<u>\$ 55,214,342</u>
Increase in net assets before transfers	16,224,907	14,740,994	200,718	672,027	1,454,095
Transfers	919,171	810,532	(226,157)	353,583	(558,323)
Increase in net assets	17,144,078	15,551,526	(25,439)	1,025,610	895,772
Beginning Net assets	240,188,088 <sup>(2)</sup>	232,461,533 <sup>(1)</sup>	234,782,424	233,756,814	232,861,042
Ending Net assets	<u>\$ 257,332,166</u>	<u>\$ 248,013,059</u>	<u>\$ 234,756,985</u>	<u>\$ 234,782,424</u>	<u>\$ 233,756,814</u>

(1) Beginning Net Assets Restated for GASB No. 65. The City implemented GASB No. 65 which requires a prior period adjustment be made for certain items previously reported as assets and liabilities.

(2) Beginning Net Assets Restated for GASB No. 68 and GASB No. 71. The City implemented GASB No. 68 and GASB No. 71 which requires a prior period adjustment be made for certain items not previously reported as assets and liabilities.

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TABLE 13-A - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Years Ended September 30,				
	2015	2014	2013	2012	2011
<u>Revenues:</u>					
Taxes, Penalties and Interest	\$ 36,588,049	\$ 34,094,167	\$ 31,485,327	\$ 31,113,871	\$ 30,595,174
Licenses and Permits	1,705,391	1,306,622	1,271,850	1,722,936	1,581,082
Intergovernmental	348,172	301,676	131,216	307,549	220,117
Charges for Services	4,030,611	3,900,711	3,526,534	2,896,301	2,659,754
Fine and Forfeitures	2,239,655	2,051,831	2,466,430	1,593,739	1,439,350
Interest	7,696	11,278	11,715	6,976	3,987
Contributions	-	-	14,500	-	5,333
Miscellaneous	731,483	708,552	473,613	370,599	302,637
Total Revenues	<u>\$ 45,651,057</u>	<u>\$ 42,374,837</u>	<u>\$ 39,381,185</u>	<u>\$ 38,011,971</u>	<u>\$ 36,807,434</u>
<u>Expenditures:</u>					
General Government	\$ 10,845,388	\$ 9,731,149	\$ 6,149,829	\$ 5,984,511	\$ 5,518,720
Public Safety	26,766,659	25,208,963	22,892,027	21,836,378	20,352,292
Public Works	3,603,304	3,387,934	4,868,194	5,067,417	4,724,243
Cultural and Recreation	3,552,113	3,490,299	3,936,716	3,893,969	3,958,746
Capital Outlay	373,411	3,878,240	1,521,108	15,455	119,418
Total Expenditures	<u>\$ 45,140,875</u>	<u>\$ 45,696,585</u>	<u>\$ 39,367,874</u>	<u>\$ 36,797,730</u>	<u>\$ 34,673,419</u>
<u>Other Financing Sources (Uses):</u>					
Unreserved, current	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of City Property	66,368	-	259,453	22,317	33,831
Bond Proceeds	-	3,536,555	-	-	-
Premiums/Discounts, net	-	27,467	-	-	-
Transfers In	810,532	810,532	810,532	662,552	662,552
Transfers Out	(1,023,718)	-	(1,050,543)	(360,368)	(1,780,621)
Total Other Sources (Uses)	<u>\$ (146,818)</u>	<u>\$ 4,374,554</u>	<u>\$ 19,442</u>	<u>\$ 324,501</u>	<u>\$ (1,084,238)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	\$ 363,364	\$ 1,052,806	\$ 32,753	\$ 1,538,742	\$ 1,049,777
Beginning Fund Balance	<u>11,657,018</u>	<u>10,604,212</u>	<u>10,571,459</u>	<u>9,032,717</u>	<u>7,982,940</u>
Ending Fund Balance	<u>\$ 12,020,382</u>	<u>\$ 11,657,018</u>	<u>\$ 10,604,212</u>	<u>\$ 10,571,459</u>	<u>\$ 9,032,717</u>

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**TABLE 14 - MUNICIPAL SALES TAX HISTORY**

The City has adopted the Municipal Sales and Use Tax Act, Texas Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Certificates. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly. In addition to the collections below, the voters of the City approved the imposition of an additional sales and use tax of one-half of one percent (1/2% of 1%) for the purpose of park, downtown and historical improvements and such tax may be pledged to secure payment of sales tax revenue bonds issued by the Mansfield Park Facilities Development Corporation. On January 18, 1997 the voters of the City also approved a sales and use tax of one-half of one percent (1/2% of 1%) solely for the promotion and development of new and expanded business enterprises and such tax may be pledged to the payment of obligations that may be issued by the Mansfield Economic Development Corporation.

In October 1998 Congress passed the Internet Tax Freedom Act. This Act placed a 3-year moratorium on the levy of taxes on internet commerce. The moratorium has been extended several times and on June 9, 2015, the United States House of Representatives voted and approved by voice vote the Permanent Internet Tax Freedom Act which would ban state and local Internet access Taxation. The bill has been sent to the United States Senate. The outcome in the Senate and any additional legislative changes relating to the taxation of Internet sales and services, and any effect of such changes on the Sales Tax received by the City, cannot be predicted at this time.

Fiscal Year Ended 9/30	1% Local Sales Tax Collected For General Fund <sup>(1)</sup>	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita <sup>(2)</sup>
2012	\$ 7,779,719	24.92%	\$ 0.1769	\$ 135.31
2013	8,108,315	25.44%	0.1806	139.54
2014	9,061,964	27.45%	0.1949	153.00
2015	9,708,974	27.58%	0.1958	161.33
2016	7,660,464 <sup>(3)</sup>	20.41%	0.1449	121.12

(1) Excludes (a) one-half cent sales tax collections for Mansfield Economic Development Corporation, collected for the promotion and development of new and expanded business enterprises and (b) one half-cent sales collections for Mansfield Park Facilities Development Corporation collected for park, downtown and historical improvements.

(2) Based on population estimates of City Planning Department.

(3) Collections as of June 2016.

**FINANCIAL POLICIES**

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting and reporting policies used by the City are described below. The audited financial statements of the City for the year ended September 30, 2013, prepared in accordance with the GASB Statements, are included in Appendix B hereto.

Government-wide and Fund Financial Statements . . . The governmental-wide financial statement (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation . . . The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of intergovernmental revenues, which have a one-year period of availability. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, landfill closure/post closure costs, are recorded only when the liability has matured.

Property taxes, sales taxes, franchise fees and licenses, intergovernmental revenues, certain charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives the cash as the resulting receivables are deemed immaterial.

Fund Balances . . . The City has a written fund balance policy requiring the general fund's balance to be at least 25% of the next fiscal year's budget. It is the City's policy to maintain this percentage to assure adequate funding of the general operating fund.

Use of Bond Proceeds . . . The City's policy is to use bond proceeds for capital expenditures only. Such revenues are never to be used to fund normal City operations.

Budgetary Procedures . . . The City Charter establishes the fiscal year as the twelve-month period beginning each October 1. Each year, by the middle of June, the departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year. After review by the Finance Department and the City Manager, a budget of estimated revenues and expenditures is submitted to the City Council. Subsequently, the City Council will hold work sessions to discuss and amend the budget to coincide with their direction of the City. Various public hearings may be held to comply with state statutes. The City Council will adopt a budget prior to September 15. If the Council fails to adopt a budget then the budget proposed by the City Manager is deemed to have been adopted.

During the fiscal year, budgetary control is maintained by the monthly review of departmental appropriation balances. Actual operations are compared to the amounts set forth in the budget. Departmental appropriations that have not been expended lapse at the end of the fiscal year if no disbursement from or encumbrance of the appropriation has been made.

#### INVESTMENTS

The City invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the City Council. Both state law and the City's investment policies are subject to change.

**LEGAL INVESTMENTS** . . . Available City funds are invested as authorized by State law and in accordance with investment policies approved by the City Council. Both state law and the City's investment policies are subject to change. Under State law, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities including obligation that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) certificates of deposit and share certificates (i) issued by a depository institution that has its main office or a branch office in the State of Texas, that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (6) or in any other manner and amount provided by law for City deposits, or (ii) where (a) the funds are invested by the City through (i) a broker that has its main office or branch office in this state and is selected from a list adopted by the City; (ii) a depository institution that has a main office or branch office in this state and that is selected by the City; (b) the broker or depository institution selected by the City arranges for the deposit of funds in one or more federally insured depository institutions, wherever located; (c) the certificates of deposit are insured by the United States or an instrumentality of the United States; and (d) the City appoints the depository institution acts as a custodian for the City with respect to the certificates of deposit, an entity described by 2257.041(d) Government Code, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R., section 240.15c3-3); (8) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1), and are placed through a primary government securities dealer or a financial institution doing business in the State, (9) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (6) above, clauses (11) through (13) below, or an

authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the governmental body or a third party designated by the governmental body; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less, (10) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency, (11) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (12) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that have a dollar weighted average stated maturity of 90 days or less and include in their investment objectives the maintenance of a stable net asset value of \$1 for each share, and (13) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, invest exclusively in obligations described in the this paragraph, and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph.

The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAA-m or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution.

**INVESTMENT POLICIES . . .** Under Texas law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that include a list of authorized investments for City funds, maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the Public Funds Investment Act..

All City funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each funds' investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, City investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the City shall submit an investment report detailing: (1) the investment position of the City, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, the ending market value and fully accrued interest during the reporting period of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest City funds without express written authority from the City Council.

**ADDITIONAL PROVISIONS . . .** Under State law, the City is additionally required to: (1) annually review its adopted policies and strategies, (2) adopt a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution, (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the entity to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (4) require the qualified representative of firms offering to engage in an investment transaction with the City to: (a) receive and review the City's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City's investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards), and (c) deliver a written statement

in a form acceptable to the City and the business organization attesting to these requirements; (5) perform an annual audit of the management controls on investments and adherence to the City’s investment policy; (6) provide specific investment training for the City’s designated Investment Officer; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (8) restrict the investment in non-money market mutual funds in the aggregate to no more than 15% of the City’s monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements, and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

**TABLE 15 - CURRENT INVESTMENTS**

As of June 30, 2016, the City’s invested funds were invested in the following categories:

Description of Investment	Percent of Portfolio	Total Investment <sup>(1)</sup>
AIM Money Market Fund	0.67%	\$ 446,657
Nations Money Market Funds	36.02%	23,908,616
TexSTAR (Investment Pool)	63.31%	42,019,637
	<u>100.00%</u>	<u>\$ 66,374,910</u>

(1) Pooled funds that include the City’s funds and the funds of component units of the City.

## TAX MATTERS

### GENERAL

The following discussion summarizes certain material U.S. federal income tax considerations that may be relevant to the acquisition, ownership and disposition of the Certificates by an initial holder (as described below). This discussion is based upon the provisions of the Code, applicable U.S. Treasury Regulations promulgated thereunder, judicial authority and administrative interpretations, as of the date of this document, all of which are subject to change, possibly with retroactive effect, or are subject to different interpretations. Neither the City nor Bond Counsel offers any assurance that the Service will not challenge one or more of the tax consequences described in this discussion, and neither the City nor Bond Counsel has obtained, nor do the City or Bond Counsel intend to obtain, a ruling from the Service or an opinion of counsel with respect to the U.S. federal tax consequences of acquiring, holding or disposing of the Certificates.

This discussion is limited to holders who purchase the Certificates in this initial offering for a price equal to the issue price of the Certificates (i.e., the first price at which a substantial amount of the Certificates is sold for cash other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers, the “Issue Price”) and who hold the Certificates as capital assets (generally, property held for investment). This discussion does not address the tax considerations arising under the laws of any foreign, state, local or other jurisdiction or income tax treaties or any U.S. federal estate or gift tax considerations. In addition, this discussion does not address all tax considerations that may be important to a particular holder in light of the holder’s circumstances or to certain categories of investors that may be subject to special rules, such as:

- dealers in securities or currencies;
- traders in securities that have elected the mark-to-market method of accounting for their securities;
- U.S. Bondholders (as defined below) whose functional currency is not the U.S. dollar;
- persons holding the Certificates as part of a hedge, straddle, conversion or other “synthetic security” or integrated transaction;
- certain U.S. expatriates;
- financial institutions;
- insurance companies;
- regulated investment companies;

- real estate investment trusts;
- persons subject to the alternative minimum tax;
- entities that are tax-exempt for U.S. federal income tax purposes; and
- partnerships and other pass-through entities and holders of interests therein.

If a partnership (including an entity treated as a partnership for U.S. federal income tax purposes) holds the Certificates, the tax treatment of such partnership or a partner generally will depend upon the status of the partner and the activities of the partnership. Partnerships acquiring Certificates and partners of partnerships acquiring the Certificates should consult their own tax advisors about the U.S. federal income tax consequences of acquiring, holding and disposing of the Certificates.

**INVESTORS CONSIDERING THE PURCHASE OF THE CERTIFICATES ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP OR DISPOSITION OF THE CERTIFICATES UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.**

#### **TAX CONSEQUENCES TO U.S. BONDHOLDERS**

As used herein “U.S. Bondholder” means a beneficial owner of a Certificate and who or that is, for U.S. federal income tax purposes:

- an individual who is a U.S. citizen or U.S. resident alien;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or that has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

#### *Interest on the Certificates*

A U.S. Bondholder will be required to include any stated interest payments in income in accordance with its method of accounting for U.S. federal income tax purposes. If a U.S. Bondholder is a cash method taxpayer, such holder must report interest on the Certificates as ordinary income when it is received. If a U.S. Bondholder is an accrual method taxpayer, such holder must report the interest on the Certificates as ordinary income as it accrues.

#### *Original Issue Discount*

If the Issue Price of the Certificates of any stated maturity is less than their face amount by more than one quarter of one percent times the number of complete years to maturity, the Certificates of such maturity will be treated as being issued with “original issue discount.” The amount of the original issue discount will equal the excess of the principal amount payable on such Certificates at maturity over its Issue Price, and the amount of the original issue discount on such Certificates will be amortized over the life of the Certificates using the “constant yield method” provided in the U.S. Treasury Regulations. As the original issue discount accrues under the constant yield method, the beneficial owners of the Certificates, regardless of their regular method of accounting, will be required to include such accrued amount in their gross income as interest. This can result in taxable income to the beneficial owners of such Certificates that exceeds actual cash interest payments to the beneficial owners in a taxable year.

The amount of the original issue discount that accrues on such Certificates each taxable year will be reported annually to the Service and to the beneficial owners. The portion of the original issue discount included in each beneficial owner’s gross income while the beneficial owner holds such Certificates will increase the adjusted tax basis of such Certificates in the hands of such beneficial owner.

#### *Premium*

If the Issue Price of the Certificates of any stated maturity is greater than its stated redemption price at maturity, such beneficial owner will be considered to have purchased such Certificate with “amortizable Bond premium” equal in amount to such excess. A beneficial owner may elect to amortize such premium using a constant yield method over the remaining term of such

Certificate and may offset interest otherwise required to be included in respect of such Certificate during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on such Certificate held by a beneficial owner that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of such Certificate. However, if such Certificate may be optionally redeemed after the beneficial owner acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the U.S. Treasury Regulations which could result in a deferral of the amortization of some Certificate premium until later in the term of such Certificate. Any election to amortize Certificate premium applies to all taxable debt instruments held by the beneficial owner on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the Service.

#### *Disposition of the Certificates*

A U.S. Bondholder will generally recognize capital gain or loss on the sale, redemption, exchange, retirement or other taxable disposition of a Certificate. This gain or loss will equal the difference between the U.S. Bondholder's adjusted tax basis in the Certificate and the amount realized (excluding any proceeds attributable to accrued but unpaid stated interest which will be recognized as ordinary interest income to the extent any such Bondholder has not previously included such amounts in income) by the Bondholder. A U.S. Bondholder's adjusted tax basis in the Certificates will generally equal the amount the U.S. Bondholder paid for the Certificates increased by any original issue discount previously included in the Bondholder's income and decreased by the amount of the Certificate premium that has been previously amortized. The gain or loss generally will be long-term capital gain or loss if the Bondholder held the Certificates for more than one year at the time of the sale, redemption, exchange, retirement or other taxable disposition. Long-term capital gains of individuals, estates and trusts currently are subject to a reduced rate of U.S. federal income tax. The deductibility of capital losses is subject to certain limitations.

#### **ADDITIONAL TAX ON INVESTMENT INCOME**

An additional 3.8% net investment income tax, or the "NIIT," is imposed on the "net investment income" of certain U.S. Bondholders who are individuals and on the undistributed "net investment income" of certain estates and trusts, to the extent the sum of net investment income and other modified adjusted gross income exceeds specified dollar amounts. Among other items, "net investment income" would generally include interest income and net gain from the disposition of property, such as the Certificates, less certain deductions. U.S. Bondholders should consult their tax advisors with respect to the tax consequences of the NIIT.

#### **TAX CONSEQUENCES TO NON-U.S. BONDHOLDERS**

As used herein, a "non-U.S. Bondholder" means a beneficial owner of Certificates that is an individual, corporation, estate or trust that is not a U.S. Bondholder.

#### *Interest on the Certificates-Portfolio Interest*

Subject to the discussions below under the headings "Information Reporting and Backup Withholding—Non-U.S. Bondholders" and "Information Reporting and Backup Withholding—Foreign Account Tax Compliance," payments to a non-U.S. Bondholder of interest on the Certificates generally will be exempt from withholding of U.S. federal tax under the "portfolio interest" exemption if the non-U.S. Bondholder properly certifies as to the non-U.S. Bondholder's foreign status as described below, and:

- the non-U.S. Bondholder does not own, actually or constructively, 10% or more of the Corporation's voting stock;
- the non-U.S. Bondholder is not a "controlled foreign corporation" for U.S. federal income tax purposes that is related to the Corporation (actually or constructively); and
- the non-U.S. Bondholder is not a bank whose receipt of interest on the Certificates is in connection with an extension of credit made pursuant to a loan agreement entered into in the ordinary course of such Bondholder's trade or business.

The foregoing exemption from withholding tax will not apply unless (i) the non-U.S. Bondholder provides his, her or its name and address on an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form), and certifies under penalties of perjury, that such holder is not a U.S. person, (ii) a financial institution holding the Certificates on a non-U.S. Bondholder's behalf certifies, under penalties of perjury, that it has received an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form) from such holder and provides the Trustee with a copy, or (iii) the non-U.S. Bondholder holds their Certificates directly through a "qualified intermediary," and the qualified intermediary has sufficient information in its files indicating that such holder is not a U.S. Bondholder.

If a non-U.S. Bondholder cannot satisfy the requirements described above, payments of principal and interest made to such holder will be subject to the 30% U.S. federal withholding tax, unless such non-U.S. Bondholder provides the Trustee with a properly executed (a) IRS Form W-8BEN or IRS Form W-8BEN-E or successor form claiming an exemption from or a reduction

of withholding under an applicable tax treaty or (b) IRS Form W-8ECI (or successor form) stating that interest paid on the Certificates is not subject to withholding tax because it is effectively connected with such non-U.S. Bondholder's conduct of a trade or business in the United States.

If a non-U.S. Bondholder is engaged in an active trade or business in the United States and interest on the Certificates is effectively connected with the active conduct of that trade or business (and, in the case of an applicable income tax treaty, is attributable to a U.S. permanent establishment maintained by such holder), such non-U.S. Bondholder will be subject to U.S. federal income tax on the interest on a net income basis (although exempt from the 30% withholding tax) in the same manner as if such non-U.S. Bondholder were a U.S. person as defined under the Code. In addition, if a non-U.S. Bondholder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of such holder's earnings and profits for the taxable year, subject to certain adjustments, including earnings and profits from an investment in the Certificates, that is effectively connected with the active conduct by such non-U.S. Bondholder of a trade or business in the United States.

#### *Disposition of the Certificates*

Subject to the discussions below under the headings "Information Reporting and Backup Withholding-Non-U.S. Bondholders" and "Information Reporting and Backup Withholding-Foreign Account Tax Compliance," a non-U.S. Bondholder generally will not be subject to U.S. federal income tax on any gain realized on the sale, redemption, exchange, retirement or other taxable disposition of a Certificate unless:

- the gain is effectively connected with the conduct by the non-U.S. Bondholder of a U.S. trade or business (and, if required by an applicable income tax treaty, is treated as attributable to a permanent establishment maintained by the Bondholder in the United States);
- the non-U.S. Bondholder is a nonresident alien individual who has been present in the United States for 183 days or more in the taxable year of disposition and certain other requirements are met;
- the gain represents accrued interest, in which case the rules for taxation of interest would apply.

If a non-U.S. Bondholder is described in the first bullet point above, the non-U.S. Bondholder generally will be subject to U.S. federal income tax in the same manner as a U.S. Bondholder. If a non-U.S. Bondholder is described in the second bullet point above, the Bondholder generally will be subject to U.S. federal income tax at a flat rate of 30% or lower applicable treaty rate on the gain derived from the sale or other disposition, which may be offset by U.S. source capital losses.

#### **INFORMATION REPORTING AND BACKUP WITHHOLDING**

##### *U.S. Bondholders*

Information reporting will apply to payments of principal and interest made by the City on, or the proceeds of the sale or other disposition of, the Certificates with respect to U.S. Bondholders (unless such holder is an exempt recipient such as a corporation), and backup withholding, currently at a rate of 28%, may apply unless the recipient of such payment provides the appropriate intermediary with a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise establishes an exemption from backup withholding. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against the U.S. Bondholder's U.S. federal income tax liability, if any, and a refund may be obtained if the amounts withheld exceed the U.S. Bondholder's actual U.S. federal income tax liabilities provided the required information is timely provided to the Service.

##### *Non-U.S. Bondholders*

Payments to non-U.S. Bondholders of interest on their Certificates and any amounts withheld from such payments generally will be reported to the Service and such holder. Backup withholding will not apply to payments of principal and interest on the Certificates if the non-U.S. Bondholder certifies as to his, her or its non-U.S. Bondholder status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form) under penalties of perjury or such non-U.S. Bondholder otherwise qualifies for an exemption (provided that neither the Corporation nor its agent, if any, know or have reason to know that such Bondholder is a U.S. person or that the conditions of any other exemptions are not in fact satisfied).

The payment of the proceeds of the disposition of Certificates to or through the U.S. office of a U.S. or foreign broker will be subject to information reporting and backup withholding unless a non-U.S. Bondholder provides the certification described above or such Bondholder otherwise qualifies for an exemption. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against the non-U.S. Bondholder's U.S. federal income tax liability, if any, and a refund may be obtained if the amounts withheld exceed the non-U.S. Bondholder's actual U.S. federal income tax liabilities provided the required information is timely provided to the Service.

*Foreign Account Tax Compliance*

Pursuant to the Foreign Account Tax Compliance Act (“FATCA”), withholding at a rate of 30% generally will be required in certain circumstances on payments of interest in respect of, and, after December 31, 2018, gross proceeds from the sale or other disposition (including payments of principal) of, Certificates held by or through certain foreign financial institutions (including investment funds) that do not qualify for an exemption from these rules, unless the institution either (i) enters into, and complies with, an agreement with the Service to undertake certain diligence and to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold 30% on certain payments, or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, undertakes such diligence and reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country, or future Treasury Regulations or other guidance, may modify these requirements. Accordingly, the entity through which the Certificates are held will affect the determination of whether such withholding is required. Similarly, in certain circumstances, payments of interest in respect of, and, after December 31, 2018, gross proceeds from the sale or other disposition of, Certificates held by or through a non-financial foreign entity that does not qualify under certain exemptions generally will be subject to withholding at a rate of 30%, unless such entity either (a) certifies that such entity does not have any “substantial United States owners” or (b) provides certain information regarding the entity’s “substantial United States owners,” which will be provided to the Service, as required. Prospective Bondholders should consult their tax advisors regarding the possible implications of these rules on their investment in the Certificates.

**THE PRECEDING DISCUSSION OF CERTAIN U.S. FEDERAL INCOME CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE CERTIFICATES, INCLUDING THE EFFECT AND APPLICABILITY OF (I) U.S. FEDERAL, STATE, LOCAL OR FOREIGN TAX LAWS, (II) GIFT AND ESTATE TAX LAWS, AND (III) ANY INCOME TAX TREATY.**

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## CONTINUING DISCLOSURE OF INFORMATION

In the Ordinance, the City has made the following agreement for the benefit of the holders and beneficial owners of the Certificates. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). This information will be available free of charge from the MSRB via the Electronic Municipal Market Access ("EMMA") system at [www.emma.msrb.org](http://www.emma.msrb.org) <<http://www.emma.msrb.org/>>.

**ANNUAL REPORTS . . .** The City will provide to the MSRB updated financial information and operating data annually. The information to be updated includes quantitative financial information and operating data with respect to the City of the general type included in this Official Statement under the Tables numbered 1 through 6 and 8 through 15 and in Appendix B. The City will update and provide this information in the numbered Tables within six months after the end of each fiscal year ending in or after 2016 and, if then available, audited financial statements of the City. If audited financial statements are not available when the information is provided, the City will provide audited financial statements when and if they become available. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation. The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the United States Securities and Exchange Commission (the "SEC"), as permitted by SEC Rule 15c2-12 (the "Rule").

The City's current fiscal year end is September 30. Accordingly, updated unaudited information included in the above-reference Tables must be provided by March 31 in each year, and audited financial statements for the preceding fiscal year (or unaudited financial statements if the audited financial statements are not yet available) must be provided by September 30 of each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will notify the MSRB of the change.

**EVENT NOTICES . . .** The City shall notify the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, of any of the following events with respect to the Certificates: (1) Principal and interest payment delinquencies; (2) Non-payment related defaults, if material; (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates; (7) modifications to rights of holders of the Certificates, if material; (8) Certificate calls, if material, and tender offers; (9) Defeasances; (10) Release, substitution, or sale of property securing repayment of the Certificates, if material; (11) Rating changes; (12) Bankruptcy, insolvency, receivership or similar event of the City<sup>1</sup>; (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) Appointment of a successor or additional Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material. In addition, the City will provide timely notice of any failure by the City to provide annual financial information in accordance with their agreement described above under "Annual Reports."

**AVAILABILITY OF INFORMATION . . .** All information and documentation filings required to be made by the City in accordance with its undertaking made for the Certificates will be made with the MSRB in electronic format in accordance with MSRB guidelines. Access to such filings will be provided by the MSRB, without charge to the general public, at [www.emma.msrb.org](http://www.emma.msrb.org).

**LIMITATIONS AND AMENDMENTS . . .** The City has agreed to update information and to provide notices of certain events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Certificates at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Certificates may seek a writ of mandamus to compel the City to comply with its agreement.

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<sup>1</sup> For the purposes of the event identified in (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City may amend its continuing disclosure agreement 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 City, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Certificates in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Certificates consent to the amendment or (b) any person unaffiliated with the City (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Certificates. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the SEC Rule 15c2-12 or a court of final jurisdiction enters judgment that such provisions of the SEC Rule 15c2-12 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 Certificates in the primary offering of the Certificates. If the City so amends the agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

**COMPLIANCE WITH PRIOR UNDERTAKINGS.** . . During the last five years, the City has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

## OTHER INFORMATION

### RATINGS

The presently outstanding tax supported debt of the City is rated "Aa2" by Moody's, "AA+" by S&P and "AA+" by Fitch, without regard to credit enhancement. Applications have been made to Moody's, S&P and Fitch for contract ratings on the Certificates. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations and the City makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by any or all of such rating companies, if in the judgment of any or all companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the Certificates.

### LITIGATION

*Mantos v. City of Mansfield.* On May 1, 2008, Valerie Mantos, ("Mantos") a resident of the City, filed a lawsuit in the 352nd Judicial District Court in Tarrant County, Texas (the "Court") against the City. Subsequently, on September 22, 2008 and October 21, 2008, Mantos amended her original petition. Plaintiff's complaints allege that the City violated the Texas Open Meetings Act in entering into a property purchase agreement and the subsequent resale of portions of that tract to a commercial developer. The complaint also alleges that the City did not receive adequate compensation for the sale of the property, and that the City's efforts to enter into an Economic Development Agreement with the developer were unlawful.

On May 30, 2008, the City filed its Answer and on August 11, 2008 filed a Motion for Partial Summary Judgment in the Court. On October 2, 2008, a hearing on the City's Motion for Partial Summary Judgment was held. Subsequent to the hearing, the Court allowed Mantos to amend her pleadings to more specifically state her claims against the City. After Mantos amended her pleadings, the Court granted the City's Motion for Partial Summary Judgment, leaving Mantos' challenge to the validity of the Economic Development Agreement as the only remaining issue pending before the trial court. The City and Mantos then entered into a Rule 11 Agreement to allow the issues covered by the City's Motion for Partial Summary Judgment to be severed from the rest of the case and to be disposed of via a final, appealable judgment. On May 22, 2009, the City filed a Motion to Sever and for Final Judgment which was granted by the Court on June 9, 2009. On September 8, 2009, Mantos filed a Notice of Appeal concerning the Final Judgment. On February 10, 2011, the Court of Appeals upheld an overwhelming portion of the City's Motion for Summary Judgment and remanded a few minor claims to the trial court. On October 7, 2011, the City filed a Summary Judgment Motion with respect to a portion of the remanded claims. The Court granted this motion on January 31, 2012. The City filed a second Summary Judgment Motion on all remaining remanded claims on July 27, 2012. This motion is still pending before the Court.

On October 8, 2015, the Court held a hearing on its own Motion to determine whether this cause of action should be dismissed in its entirety due to the Plaintiff's failure to prosecute the action in a timely manner. Plaintiff appeared at the hearing and requested that the case be retained and promised to move forward in a timely fashion. The Court granted the Motion to Retain the case, but set the matter for trial on the week of January 4, 2016.

The City believes it will prevail on this second Summary Judgment Motion and that it will ultimately prevail on all claims filed against the City by Mantos. If the City should not be successful in its defense of this case, the City would only be facing liability for court costs and attorney's fees in an amount less than \$100,000. No other monetary damages are sought.

*Savering et al. v. City of Mansfield et al.* On August 28, 2014, plaintiffs Josh and Kelli Savering and others filed suit against the City and others to resolve a dispute that has arisen between the plaintiffs and defendants over the construction of a bridge that connects a public park to a walking trail that abuts plaintiffs' property. Plaintiffs alleged causes of action against the City under the Declaratory Judgments Act, and for trespass to try title, trespass, and inverse condemnation under the Texas Constitution. Plaintiffs also sought equitable relief in the form of an injunction to require the City to prohibit members of the public from crossing the bridge. The City timely filed an answer and generally denied the plaintiffs' claims. To date, all of plaintiffs' requests for injunctive relief have been denied by the court. This case is still in the discovery stage and no dispositive motions have been filed with the court.

Plaintiffs' filed their original Motion Requesting a Temporary Injunction which was heard on January 24, 2014, and held a hearing on their Amended Motion on November 17, 2014. After an evidentiary hearing on the matter, the Court denied the Motion and Plaintiffs' gave notion of appeal. The case has been submitted to the Second Court of Appeals for a review of the trial court's decision to deny the Motion for Temporary Injunction. Briefs have been filed and the case was submitted on oral argument on September 1, 2015. The Court of Appeals has not yet returned a ruling on the appeal of the denial of the Temporary Injunction.

Although the plaintiffs are seeking an unspecified amount of damages from the City, the plaintiffs' claims are likely barred by the doctrine of governmental immunity. Such doctrine makes it clear that the City is immune from liability for all alleged torts. Moreover, the plaintiffs have failed to plead a waiver of immunity under the Declaratory Judgments Act. Finally, the plaintiffs have not plead sufficient facts to withstand a motion for summary judgment on the plaintiffs' takings claim. Specifically, plaintiffs have not plead (and cannot reasonably plead) that the City's actions have deprived the plaintiffs of all reasonable use of their property or have resulted in a substantial diminution of over 90% of the value of plaintiffs' property. For these reasons, the City believes that this suit will not have any significant impact on the financial condition of the City.

It is the opinion of the City Attorney and the City Staff that there is no other pending, or to their knowledge, threatened litigation or other proceeding against the City that would have a material adverse financial impact upon the City or its operations.

#### **REGISTRATION AND QUALIFICATION OF CERTIFICATES FOR SALE**

The sale of the Certificates has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2). The Certificates have not been approved or disapproved by the Securities and Exchange Commission, nor has the Securities and Exchange Commission passed upon the accuracy or adequacy of this Official Statement. The Certificates have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Certificates been qualified under the securities acts of any jurisdiction. The City assumes no responsibility for qualification of the Certificates under the securities laws of any jurisdiction in which the Certificates may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Certificates shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

#### **LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS**

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Certificates are negotiable instruments, investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Certificates by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Certificates be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency. See "Other Information - Ratings" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Certificates are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the City has been made of the laws in other states to determine whether the Certificates are legal investments for various institutions in those states.

#### **LEGAL MATTERS**

The City will furnish the Underwriter a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the approving legal opinions of the Attorney General of the State of Texas to the effect that the Initial Certificates are valid and binding obligations of the City, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel to the effect that the Certificates issued in compliance with the provisions of the Ordinance are valid and legally binding obligations of the City. The form of such opinion is attached hereto as Appendix C. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained

therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Certificates in the Official Statement under the captions "The Certificates" (except for the second paragraph under the subcaption "Purpose" and the subcaptions "Book-Entry-Only System," "Certificateholders' Remedies" and "Use of Proceeds"), "Tax Matters" and "Continuing Disclosure of Information" (except for the subcaption "Compliance with Prior Undertakings") and the subcaptions "Registration and Qualification of Certificates for Sale," "Legal Investments and Eligibility to Secure Public Funds in Texas", and "Legal Matters" (except for the last two sentences of the first paragraph) under the caption "Other Information" and is of the opinion that the information relating to the Certificates and the legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Certificates, such information conforms to the Ordinance. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Certificates are contingent on the sale and delivery of the Certificates. The legal opinions will accompany the Certificates deposited with DTC or will be printed on the Certificates in the event of the discontinuance of the Book-Entry-Only System. Certain legal matters will be passed upon for the Underwriter by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Counsel to the Underwriter. The legal fees to be paid to Underwriter's Counsel for services rendered in connection with the issuance of the Certificates are contingent on the sale and delivery of the Certificates.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

#### **FINANCIAL ADVISOR**

FirstSouthwest is employed as Financial Advisor to the City in connection with the issuance of the Certificates. The Financial Advisor's fee for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. FirstSouthwest, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Certificates, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the City has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

#### **UNDERWRITING**

The Underwriter has agreed, subject to certain conditions, to purchase the Certificates from the City, at an underwriting discount of \$\_\_\_\_\_. The Underwriter will be obligated to purchase all of the Certificates if any Certificates are purchased. The Certificates to be offered to the public may be offered and sold to certain dealers (including the Underwriter and other dealers depositing Certificates into investment trusts) at prices lower than the public offering prices of such Certificates, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

RBC Capital Markets, LLC ("RBCCM") has provided the following information for inclusion in this Official Statement. RBCCM and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, RBCCM and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). RBCCM and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offerings of the City. RBCCM and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the City. RBCCM and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future.

#### FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the City, that are not purely historical, are forward-looking statements, including statements regarding the City's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the City on the date hereof, and the City assumes no obligation to update any such forward-looking statements. The City's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

#### MISCELLANEOUS

KPMG LLP, the City's independent auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in this report. KPMG LLP also has not performed any procedures relating to this Official Statement.

The financial data and other information contained herein have been obtained from the City's records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

The Ordinance authorizing the issuance of the Certificates authorized the Authorized Officer to approve the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorize its further use in the reoffering of the Certificates by the Underwriter.

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Authorized Officer  
City of Mansfield, Texas

**APPENDIX A**

GENERAL INFORMATION REGARDING THE CITY

**THE CITY . . .** The City of Mansfield encompasses 38.6 square miles and is located in the southeastern portion of Tarrant County with small areas of the City extending into Johnson and Ellis Counties. The City is bounded by the cities of Arlington on the north, Grand Prairie on the east and Fort Worth on the west. Farm Road 157 is a direct route between the City and Arlington. U.S. Highway 287 passes directly through the City from east to west. Dallas is approximately 25 miles to the northeast via U.S. Highway 287 and U.S. Highway 67 or I-20. Downtown Fort Worth is approximately 20 miles to the northwest via U.S. Highway 287 and I-20. Highway 360 provides direct connection to the cities of Arlington and Grand Prairie and to the Dallas-Fort Worth International Airport.

**POPULATION . . .** The City's 2010 Census population was 56,368, increasing 101.09% since 2000. The City Planning Department estimates the 2016 population at 63,248 reflecting a 125.64% increase since 2000.

**INDUSTRY . . .** The City of Mansfield has five major industrial parks with over 150 businesses and a significant amount of developable land remaining. There are significant water and transportation resources available for future development.

In 1997, the voters passed a half cent sales tax for economic development and the Mansfield Economic Development Corporation was formed to administer the City's economic development program.

Since its inception the Mansfield Economic Development Corporation has assisted over 125 companies in making Mansfield their home by providing over \$15.8 million in economic assistance. These companies have made cumulative capital investments of over \$420 million and created over 3,000 jobs in the City.

Since 2010, the Mansfield Economic Development Corporation (MEDC) has assisted 21 companies with increasing their presence in Mansfield; six expansions and 15 new developments. The new developments include Klein Tools, a company that manufactures high quality hand tools which is creating almost 600 jobs and \$76 million in capital investment, Texas Refinery, which specializes in blending industrial lubricants and is making a \$20 million capital investment and New Tech Systems, which manufactures equipment for the oil and gas industry and which will create 60 high quality jobs. MEDC also assisted in the construction of a new mixed use multi-family and retail development known as Villas De Luca, which will have 173 luxury apartment units and 25,500 sq. ft. of retail space, and Kroger Marketplace, a new 125,000 sq. ft. concept that combined an expanded offering of groceries with jewelry, soft goods and furniture.

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**PRINCIPAL EMPLOYERS**

<u>Company</u>	<u>Product Line</u>	<u>Number of Employees</u>
Mouser Electronics	Distribution of Electronics Parts	1,300
Methodist Mansfield Medical Center	Full Service Hospital	1,207
SJ Louis Construction of TX.	Utility Contractor	450
Wal-Mart Super Center	Superstore	400
Klein Tools	Manufacturer of Hand Tool Products	395
Kroger	Grocery Stores(2)	320
Pier 1 Distibution Center	Home Goods	300
Hoffman Cabinets	Cabinet Manufacturer	260
Super Target	Super center	250
BCB Transport	Transportation Provider	214
Lifetime Fitness	Fitness Center	200
Walnut Creek Country Club	Country Club	190
Best Buy	Electronics Store	180
Intermedix	Medical Billing	180
Kindred Hospital	Treatment Center	155
Sam's Club	Warehouse Store	150
Ramtech Building Systems	Manufacturer of Modular Office Buildings	150
Lowe's	Home Improvement Store	146
Home Depot	Home Improvement Store	145
Conveyors, Inc.	Manufacturer Conveyor Equipment	130
On The Border	Mexican Restaurant	125
B-Way Packaging	Producer of Injection Molded Plastic Buckets	124
Gamma Engineering	CNC Machining	119
Southern Champion Tray	Manufacturer of Paperboard Folding Cartons	103
Skyline Industries	RV Manufacturer	100
Trinity Forge	Drop Forger	90
LyondellBasell/Equistar Chemicals	Manufacturer of Plastic Polymers used in Auto Indust	85
Oldcastle Precast	Manufacturer of Concrete Utility Products	80
Parker Hannifin	Manufacturer of Thermoplastic & Fluoropolymers	62
Chemguard/Tyco	Manufacturer of Fire Fighting Suppression Products	60

**HISTORICAL EMPLOYMENT DATA (ANNUAL AVERAGE DATA) <sup>(1)</sup>**

<u>City of Mansfield</u>	<u>2016<sup>(1)</sup></u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Labor Force	33,055	32,766	32,790	32,299	31,374
Employed	32,029	31,639	31,398	30,647	29,630
Unemployed	1,025	1,127	1,392	1,652	1,744
% Unemployment	3.1%	3.4%	4.2%	5.1%	5.6%
<u>Tarrant County</u>	<u>2016<sup>(1)</sup></u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Labor Force	1,000,926	992,766	998,520	985,073	966,855
Employed	963,270	951,515	948,786	926,106	903,988
Unemployed	37,656	41,251	49,734	58,967	62,867
% Unemployment	3.8%	4.2%	5.0%	6.0%	6.5%

(1) Source: Texas Employment Commission.

(2) Through May 2016.

**SERVICES . . .** The City is served by hospitals within the City and the immediate area including Mansfield Methodist Hospital, Columbia HCA, Arlington Memorial Hospital, Huguley Hospital, Harris Hospital and John Peter Smith Hospital.

The City addresses the needs of its citizens by offering many varied services to its residents. The police and fire departments employ 124 and 83 persons, respectively. Emergency ambulance service is also offered. Park and recreation facilities include 13 City parks consisting of 802 acres, 10 playgrounds, 30 athletic fields and over two miles of running trails. The City also has one public library with approximately 65,527 volumes.

Electric, gas, telephone and cable television services are provided by Texas Utilities, Atmos Energy, AT&T and Charter Communications, respectively.

Several banks serve the City: Frost Bank, American National Bank, Southwest Bank, Bank of America, Mansfield Community Bank, JPMorgan Chase Bank, BBVA Compass Bank, Regions Bank and Wells Fargo Bank.

**TRANSPORTATION . . .** The City is traversed from east to west by U.S. Highway 287. U.S. Highway 360 traverses the City from north to south. The City has easy access to Interstate Highway 20 and Interstate 30. Railroad freight service is provided by Southern Pacific Railroad. The City is located approximately 30 miles south of the Dallas-Fort Worth International Airport.

**EDUCATION . . .** The City is served by the Mansfield Independent School District which consists of 22 elementary schools with grades pre-kindergarten through 4; six intermediate schools with grades 5 and 6; six middle schools for grades 7 and 8; five high schools, with grades 9 through 12; one charter & technology academy and one alternative school campus. Current enrollment for the District is approximately 32,732. The District employs a total of 3,819 personnel, of which 1,963 are classroom teachers or administrators. The District maintains pupil-teacher ratios of 22:1 for elementary, a 27:1 ratio for intermediate, and a 28:1 ratio for secondary education and one career tech center.

Colleges within close proximity to the City include Tarrant and Dallas County Community Colleges, Southern Methodist University, University of Dallas, University of North Texas, Texas Wesleyan, Texas Women's University, University of Texas at Arlington and Texas Christian University.

**BUILDING PERMITS BY CATEGORY**

Fiscal Year Ended 9/30	Commercial and Industrial		Residential		Grand Total
	Number	Amount	Number	Amount	
2012	45	\$ 34,193,161	195	\$ 44,263,442	\$ 78,456,603
2013	46	96,289,168	205	59,260,578	155,549,746
2014	32	57,544,230	214	108,332,311	165,876,541
2015	63	102,367,778	314	147,302,936	249,670,714
2016 <sup>(1)</sup>	39	52,473,308	270	124,735,465	177,208,773

(1) As of June 2016.

The following tables illustrate projects underway in the City.

Estimate of Platted Residential Lots Available for Development

<u>Development</u>	Number of Lots Remaining	Years To Build Out	Total Projected Population
Allen Estates	2	1.0	6
Bankston Meadows	2	1.0	6
Bower Ranch Ph 1	17	1.5	52
Cardinal Park Estates	18	1.5	55
Colby Crossing	1	0.5	3
Five Oaks Crossing Ph 1	16	2.0	49
Garden Heights Phs 1 - 3.5	1	1.0	3
Hunter Oaks Estates Phs 1-4	2	1.0	6
King's Mill, Ph 1 - 3	3	1.0	9
Knightsbridge	6	1.5	18
Ladera Ph 1	68	2.0	209
Lakes of Creekwood, Sec 1 - 3	4	1.0	12
Pemberley Estates, Ph 1	80	2.5	246
Remington Ranch, Ph 1 - 3	4	1.0	12
Southpointe, Phs 1A, Sec 1&2 and 1B	170	4.0	893
Spring Lake, Ph 2	17	1.5	52
Twin Creeks West	6	1.5	18
The Villages of Parkhill	27	3.5	83
Total	<u>444</u>		<u>1,737</u>

Estimate of Preliminary Platted Residential Lots for Future

<u>Development</u>	Number of Lots to be Developed	Total Projected Population
Bower Ranch, Ph 2-4	174	536
Dove Chase	143	440
Five Oaks Creek	10	31
Five Oaks Crossing - Phase 2	77	176
Garden Heights Phs 4	58	403
Ladera (condominiums) Ph 2 & 3	118	374
Lone Star Heights	50	154
Lone Star Ranch, Ph 3	70	216
M3 Ranch Ph 1 Sec 1 & 2	387	1,192
Manchester Heights, Phs 1 & 2	45	139
Pemberely Estates	84	259
Seeton Estates	66	203
Somerset Addition, Phs 1 - 3	1,106	3,403
Southpointe, Ph 2	148	456
Spring Lake Estates, Ph 2	20	62
The Oak Reserve	171	527
The View at the Reserve	346	1,066
	<u>3,073</u>	<u>7,982</u>

Estimate of Platted Commercial and Industrial Acreage Available for Development

<u>Development</u>	<u>Number of Acres</u>	<u>Uses</u>
Cannon Professional Plaza	4.860	Office
Creekside Plaza	2.260	Office
Enclave, The	3.350	Office
Heritage Industrial Park	71.250	Commercial/Industrial
Heritage Estates	15.250	Retail/Commercial
Hillcrest Addition	5.800	Commercial/Industrial
Hillcrest Business Park	12.630	Commercial/Industrial
Jacob Back Addition	4.530	Retail/Commercial
J.M. Thomas	1.360	Retail/Commercial
Knapp Sisters Business Park	3.290	Retail/Commercial
Lowe's Farm Market	2.180	Retail/Commercial
Mansfield 287 Addition	4.580	Retail/Commercial
Mansfield Debbie Lane Addition	1.270	Retail/Commercial
Mansfield Industrial Park East	2.860	Commercial/Industrial
Mansfield Marketplace	15.360	Retail/Commercial
Mansfield Town Center East	5.330	Retail/Commercial
Mansfield Town Center West	8.070	Retail/Commercial
McCaslin Business Park	4.860	Commercial/Industrial
R.T. Ray	5.550	Light Industrial
Sar Medical Plaza	4.430	Office
Sentry Industrial Park	16.290	Heavy Industrial
Tuscany at Walnut Creek	1.730	Office/Commercial
Village Off Broadway	11.560	Retail/Commercial
Walnut Creek Corner	3.360	Retail/Commercial
Walnut Creek Village	1.630	Retail/Commercial
Worldaire Addition	2.180	Light Industrial
Total	<u>215.82</u>	

**APPENDIX B**

EXCERPTS FROM THE

CITY OF MANSFIELD, TEXAS

ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2015

The information contained in this Appendix consists of excerpts from the City of Mansfield, Texas Annual Financial Report for the Year Ended September 30, 2015, and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

**APPENDIX C**

FORM OF BOND COUNSEL'S OPINION



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1989

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** New Business

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

**Title**

Resolution - Resolution Approving a Resolution Adopted by the Board of Directors of the Mansfield Parks Facilities Development Corporation Authorizing the Issuance of Mansfield Parks Development Corporation Sales Tax Revenue Bonds, Taxable New Series 2016A; Approving the Issuance of the Bonds and the Plan of Financing Authorized Thereby and the Financing Documents

**Requested Action**

Consider approving resolution

**Recommendation**

Approve the resolution

**Description/History**

The City has been considering a comprehensive use development at the corner of the Hwy 287 and Broad Street for many years. Geyer Morris, the property owner, has submitted a comprehensive land development for the land which includes the integration of a recreational ice skating facility within the development that will be owned by the City. The MPFDC is issuing debt to fund an amount not to exceed \$8,500,000 for the purposes of constructing the recreational ice skating facility in partnership with the City and the Dallas Stars. The amount of debt the City will issue will be an amount not to exceed \$3,500,000 for the recreational amenity.

**Justification**

The recreational ice skating rink will be owned by the City and used for the enhancement of the recreational venues offered in the city. Fieldhouse facility will be within walking distance of the ice skating facility which is expected to create a unique pedestrian setting for the Shops at Broad site. The venue within the development is designed to create a unique recreational opportunity for residents and users of the facility.

**Funding Source**

MPFDC Half Cent Sales Tax

**Prepared By**

Peter K. Phillis, Deputy City Manager  
peter.phillis@mansfieldtexas.gov  
817-276-4261

RESOLUTION No. RE-\_\_\_\_-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, APPROVING A RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION AUTHORIZING THE ISSUANCE OF MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, TAXABLE NEW SERIES 2016A; APPROVING THE ISSUANCE OF THE BONDS AND THE PLAN OF FINANCING AUTHORIZED THEREBY AND THE FINANCING DOCUMENTS

WHEREAS, the City of Mansfield, Texas (the “City”), has approved and authorized the creation of the Mansfield Park Facilities Development Corporation (the “Corporation”) as a Texas nonprofit corporation, pursuant to Chapters 501, 502 and 505 of the Texas Local Government Code as amended (the “Act”), to act on behalf of the City in its pursuit of economic development to promote and develop projects so as to eliminate unemployment and underemployment and to promote and encourage employment and the public welfare; and

WHEREAS, the levy by the City of an economic development sales and use tax for the benefit of the Corporation under the Act was authorized by a majority of the qualified voters of the City voting at an election called and held for that purpose; and

WHEREAS, the City has established and levies, maintains and collects on behalf of the Corporation the economic development sales and use tax pursuant to the Act; and

WHEREAS, upon receipt of the proceeds of the economic development sales and use tax, the City delivers the proceeds to the Corporation to use in carrying out its functions; and

WHEREAS, the Corporation is authorized by the Act to issue its revenue bonds, to be secured by and payable from the economic development sales and use tax; and

WHEREAS, the Corporation desires to issue revenue bonds for designing, developing, constructing, and equipping a public recreational ice skating facility (the “Project”); and

WHEREAS, the Corporation has concluded that it is in the Corporation’s best interest to issue bonds to finance the costs associated with the Project; and

WHEREAS, the Corporation has determined to issue its Mansfield Park Facilities Development Corporation Sales Tax Revenue Bonds, Taxable New Series 2016A (the “Bonds”) for the purpose of providing funds for the Project and paying the costs of issuing the Bonds; and

WHEREAS, the Board of Directors of the Corporation has approved a Resolution authorizing the issuance of the Bonds (the “New Series Bond Resolution”), dated August 18, 2016; and

WHEREAS, the Act requires that the governing body of the City approve, by written resolution, any agreement to issue bonds approved by the Corporation; and

WHEREAS, this City Council has reviewed the New Series Bond Resolution and, by adoption of this resolution, intends to approve the New Series Bond Resolution and the terms thereof, the issuance of the Bonds, the plan of financing established and approved by the New Series Bond Resolution and the financing documents related thereto; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Resolution has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this resolution, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended;

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

Section 1. Capitalized terms used herein and not otherwise defined shall have the meaning assigned thereto in the New Series Bond Resolution.

Section 2. The City, acting by and through this City Council, hereby approves:

(a) the New Series Bond Resolution and the plan of financing established and approved by the New Series Bond Resolution;

(b) the issuance of the Bonds in the amounts and for the purposes referred to in the preamble hereof and as described in the New Series Bond Resolution and the Bonds; and

(c) the Paying Agent/Registrar Agreement, a copy of which is on file among the records of this meeting.

Section 3. The City agrees to provide any continuing disclosure information required of the City by the New Series Resolution.

Section 4. This Resolution shall take effect immediately from and after its adoption.

PASSED AND APPROVED by the City Council of the City of Mansfield, Texas this  
22nd day of August, 2016.

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Mayor, City of Mansfield, Texas

ATTEST:

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City Secretary, Mansfield, Texas

APPROVED AS TO FORM:

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City Attorney, City of Mansfield, Texas

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

FSC Continuing Disclosure Services   
A Division of Hilltop Securities.  
(See "Continuing Disclosure of Information"  
herein)

**PRELIMINARY OFFICIAL STATEMENT**

Dated: \_\_\_\_\_, 2016

**Ratings:**  
**Moody's: Applied for**  
**S&P: Applied for**  
**Fitch: Applied for**  
**See ("Other Information - Ratings"**  
**herein)**

**NEW ISSUE - Book-Entry-Only**

Interest on the Bonds is not excludable from gross income for federal income tax purposes under existing law. See "Tax Matters" herein.

**\$8,390,000\***

**MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION**  
(Tarrant, Johnson and Ellis Counties, Texas)  
**SALES TAX REVENUE BONDS, TAXABLE NEW SERIES 2016A**

**Dated Date: August 15, 2015**

**Due: August 1, as shown on page 2**

**Interest Accrues: Date of Delivery**

**PAYMENT TERMS.** . . Interest on the \$8,390,000\* Mansfield Park Facilities Development Corporation Sales Tax Revenue Bonds, Taxable New Series 2016A (the "Bonds") will accrue from the date of their delivery to the Underwriter (the "Date of Delivery"), and will be payable February 1 and August 1 of each year commencing August 1, 2017, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds - Book-Entry-Only System" herein. The initial Paying Agent/Registrar is U.S. Bank National Association, Dallas, Texas (see "The Bonds - Paying Agent/Registrar").

**AUTHORITY FOR ISSUANCE.** . . The Bonds are being issued by Mansfield Park Facilities Development Corporation (the "Corporation") pursuant to Chapters 501, 502 and 505, Texas Local Government Code, as amended (the "Act"). The Bonds and their terms are governed by the provisions of a bond resolution (the "Bond Resolution") to be adopted by the Board of Directors of the Corporation. In the Bond Resolution, the Corporation will delegate to certain Corporation officials the authority to complete the sale of the Bonds through the execution of a Pricing Certificate (the "Pricing Certificate"). The Pricing Certificate and the Bond Resolution are referred to herein together as the "New Series 2016A Resolution" (see "The Bonds - Authority for Issuance").

The Bonds are special obligations of the Corporation, payable from, and together with Parity New Series Revenue Obligations, secured by a lien on and pledge of certain Pledged Revenues which include the proceeds of a 1/2 of 1% sales and use tax levied within the City of Mansfield, Texas (the "City") for the benefit of the Corporation (see "Selected Provisions of the New Series 2016A Resolution"); provided, however, such lien on and pledge of the Pledged Revenues is junior and subordinate to the lien on and pledge of the Pledged Revenues made for the security and payment of the Previously Issued Senior Lien Bonds (as defined herein). The Corporation has covenanted in the New Series 2016A Resolution not to issue any additional obligations that are on a parity with the Previously Issued Senior Lien Bonds. At such time as there are no Previously Issued Senior Lien Bonds outstanding, the Parity New Series Revenue Obligations shall be equally and ratably secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues.

*The Bonds are payable solely by a pledge of and lien on the moneys described in the New Series 2016A Resolution and not from any other revenues, properties or income of the Corporation. Neither the State, Tarrant, Johnson or Ellis Counties, the City nor any political corporation, subdivision, or agency of the State shall be obligated to pay the Bonds or the interest thereon, and neither the faith and credit nor the taxing power of the State, Tarrant, Johnson or Ellis Counties, the City, or any political corporation, subdivision, or agency thereof, except as authorized by the Act, is pledged to the payment of the principal of or interest on the Bonds (see "The Bonds - Security and Source of Payment").*

**PURPOSE.** . . Proceeds from the sale of the Bonds will be used for the purpose of (i) designing, developing, constructing, and equipping a public recreational ice skating facility, (ii) funding capitalized interest on the Bonds, (iii) acquiring a New Series Reserve Fund Surety Bond for deposit in the New Series 2016A Taxable Bonds Reserve Fund, and (iv) paying the costs of issuing the Bonds.

**BOND INSURANCE.** . . The Corporation has applied for municipal bond insurance on the Bonds and will consider the purchase of such insurance after an analysis of the bids from such companies has been made. See "Bond Insurance Risk Factors" herein.

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CUSIP PREFIX: 564393

MATURITY SCHEDULE & 9 DIGIT CUSIP

See Schedule on Page 2

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**LEGALITY.** . . The Bonds are offered for delivery when, as and if issued and received by the Underwriter and subject to the approving opinion of the Attorney General of Texas and the opinion of Bracewell LLP, Bond Counsel, Dallas, Texas (see Appendix C, "Form of Bond Counsel's Opinion"). Certain legal matters will be passed upon for the Underwriter by McCall Parkhurst & Horton L.L.P., Dallas, Texas, Counsel to the Underwriter.

**DELIVERY.** . . It is expected that the Bonds will be available for delivery through The DTC on September 21, 2016.

**RBC CAPITAL MARKETS**

\* Preliminary, subject to change.

## MATURITY SCHEDULE\*

<u>1-Aug Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Yield</u>	<u>CUSIP Suffix</u>
2018	\$ 245,000			
2019	245,000			
2020	250,000			
2021	255,000			
2022	265,000			
2023	270,000			
2024	275,000			
2025	285,000			
2026	295,000			
2027	300,000			
2028	315,000			
2029	325,000			
2030	335,000			
2031	350,000			
2032	360,000			
2033	375,000			
2034	395,000			
2035	410,000			
2036	425,000			
2037	445,000			
2038	460,000			
2039	480,000			
2040	505,000			
2041	525,000			

**(Interest accrues from Date of Delivery)**

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services managed by S&P Capital IQ on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the Corporation, the Financial Advisor, nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

**OPTIONAL REDEMPTION . . .** The Corporation reserves the right, at its option, to redeem Bonds having stated maturities on and after August 1, 2027, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on August 1, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "The Bonds - Optional Redemption").

\* Preliminary, subject to change.

For purpose of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected from time to time, may be treated as an Official Statement with respect to the Bonds described herein deemed "final" by the Corporation as of the date hereof (or of any supplement or correction) except for the omission of no more than the information provided by Subsection (b)(1) of Rule 15c2-12.

This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No dealer, broker, salesman or other person has been authorized by the Corporation or the Underwriter to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Corporation or the Underwriter. This Official Statement does not constitute an offer to sell Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction.

Certain information set forth herein has been obtained from the Corporation and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Financial Advisor or the Underwriter. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Corporation or other matters described herein since the date hereof. See "Continuing Disclosure of Information" for a description of the Corporation's undertaking to provide certain information on a continuing basis.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

NEITHER THE CORPORATION, ITS FINANCIAL ADVISOR NOR THE UNDERWRITER MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY OR ITS BOOK-ENTRY-ONLY SYSTEM HEREIN, AS SUCH INFORMATION HAS BEEN PROVIDED BY DTC.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTION IN WHICH THE BONDS HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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The cover page hereof, this page, the appendices included herein and any addenda, supplement or amendment hereto, are part of the Official Statement.

## OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

- THE CORPORATION** ..... The Corporation is a non-profit industrial development corporation of the City of Mansfield, Texas which is located in the City of Mansfield in Tarrant, Johnson and Ellis Counties, Texas (see "Introduction - Description of the Corporation").
- THE BONDS** ..... The Bonds are issued as \$8,390,000\* Sales Tax Revenue Bonds, Taxable New Series 2016A. The Bonds are issued as serial bonds maturing August 1, in the years 2018 through 2041 (see "The Bonds – Description of the Bonds").
- PAYMENT OF INTEREST** ..... Interest on the Bonds accrues from the Date of Delivery, and is payable August 1, 2017, and each February 1 and August 1 thereafter until maturity or prior redemption (see "The Bonds - Description of the Bonds" and "The Bonds - Optional Redemption").
- AUTHORITY FOR ISSUANCE**..... The Bonds are being issued by the Corporation pursuant to Chapters 501, 502 and 505, Texas Local Government Code, as amended. The Bonds and their terms are governed by the provisions of a bond resolution (the "Bond Resolution") to be adopted by the Board of Directors of the Corporation. In the Bond Resolution, the Corporation will delegate to certain Corporation officials the authority to complete the sale of the Bonds through the execution of a Pricing Certificate (the "Pricing Certificate"). The Pricing Certificate and the Bond Resolution are referred to herein together as the "New Series 2016A Resolution" (see "The Bonds - Authority for Issuance").
- SECURITY FOR THE BONDS** ..... The Bonds are special obligations of the Corporation, payable from, and together with Parity New Series Revenue Obligations, secured by a lien on and pledge of certain Pledged Revenues which include the gross proceeds of a 1/2 of 1% sales and use tax levied within the City of Mansfield, Texas for the benefit of the Corporation (see "The Bonds - Security and Source of Payment"); provided, however, such lien on and pledge of the Pledged Revenues is junior and subordinate to the lien on and pledge of the Pledged Revenues made for the security and payment of the Previously Issued Senior Lien Bonds (as defined herein). The Corporation has covenanted in the New Series 2016A Resolution not to issue any additional obligations that are on a parity with the Previously Issued Senior Lien Bonds. At such time as there are no Previously Issued Senior Lien Bonds outstanding, the Parity New Series Revenue Obligations shall be equally and ratably secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues (see "The Bonds – Security and Source of Payment").
- REDEMPTION** ..... The Corporation reserves the right, at its option, to redeem Bonds having stated maturities on and after August 1, 2027 in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on August 1, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "The Bonds - Optional Redemption").
- TAX EXEMPTION** ..... Interest on the Bonds is not excludable from gross income for federal tax income purposes under existing law. See "Tax Matters" herein.
- USE OF PROCEEDS**..... Proceeds from the sale of the Bonds will be used for the purpose of (i) designing, developing, constructing, and equipping a public recreational ice skating facility, (ii) funding capitalized interest on the Bonds, (iii) acquiring a New Series Reserve Fund Surety Bond for deposit in the New Series 2016A Taxable Bonds Reserve Fund, and (iv) paying the costs of issuing the Bonds.
- RATINGS** ..... The presently outstanding Parity New Series Revenue Obligations of the Corporation are rated "Aa3" by Moody's Investors Service, Inc. ("Moody's"), "AA-" by Standard & Poor's Ratings Services, a Standard & Poor's Financial Service LLC business ("S&P"), and "AA+" by Fitch Ratings ("Fitch"), without regard to credit enhancement (see "Other Information - Ratings"). Applications have been made to Moody's, S&P and Fitch for contract ratings on the Bonds.

\* Preliminary, subject to change.

**BOOK-ENTRY-ONLY**

**SYSTEM** ..... The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "The Bonds - Book-Entry-Only System") .

**PAYMENT RECORD** ..... The Corporation has never defaulted in payment of its bonds.

**CORPORATION ADMINISTRATION**

**THE CORPORATION'S OFFICERS AND BOARD OF DIRECTORS**

<u>Member Name</u>	<u>Member Since</u>	<u>Term Expires</u>
Harold Bell President	February, 1996	October, 2016
Wendy Collini Vice President	September, 2000	October, 2017
Wayne Lee Treasurer	October, 2005	October, 2017
Bob Kowalski	October, 2009	October, 2017
Sandra Hightower	November, 2006	October, 2016
Dee Davey	October, 2010	October, 2017
Dan Sides	October, 2008	October, 2016

**CITY OFFICIALS, STAFF AND CONSULTANTS**

**ELECTED OFFICIALS**

<u>City Council</u>	<u>Elected</u>	<u>Term Expires</u>	<u>Occupation</u>
David L. Cook Mayor, Place 1	Re-elected May, 2016	May 2019	Attorney
Brent Newsom Councilmember Place 2	Re-elected May, 2016	May 2019	Bank Manager
Stephen Lindsey Councilmember Place 3	Re-elected May, 2015	May 2018	Gas Industry Consultant
Darryl Haynes Councilmember Place 4	Re-elected May, 2015	May 2018	Corporate Risk Manager
Cory Hoffman Councilmember Place 5	Re-elected May, 2015	May 2018	CPA
Wendy Burgess Councilmember Place 6	Re-elected May, 2014	May 2017	Business Owner
Larry Broseh Councilmember Place 7	Re-elected May, 2014	May 2017	President, Cam Tech Inc.

**SELECTED ADMINISTRATIVE STAFF**

<u>Name</u>	<u>Position</u>	<u>Length of Service to City</u>	<u>Total Length of Governmental Service</u>
Clayton W. Chandler, MPA, ABJ Regional Entrepreneur of the Year June 1992, INC. Magazine	City Manager	30 Years	40 Years
Peter K. Phillis, CPA	Deputy City Manager	17 Years	23 Years
Shelly Lanners	Deputy City Manager	15 Years	15 Years
Joe Smolinski	Deputy City Manager	14 Year	14 Years
Jeanne Heard	City Secretary	1 Year	23 Years
E. Allen Taylor, Jr.	City Attorney	18 Years	27 Years
Steve Freeman	Director of Public Works	20 Years	20 Years

**CONSULTANTS AND ADVISORS**

Auditors ..... KPMG LLP  
Dallas, Texas

Bond Counsel ..... Bracewell LLP  
Dallas, Texas

Financial Advisor..... FirstSouthwest, a Division of Hilltop Securities Inc.  
Dallas, Texas

For additional information regarding the Corporation, please contact:

Clayton W. Chandler	Nick Bulaich	W. Boyd London, Jr.
Peter K. Phillis	FirstSouthwest, a Division	FirstSouthwest, a Division
City of Mansfield	of Hilltop Securities Inc.	of Hilltop Securities Inc.
1200 E. Broad Street	777 Main Street	1201 Elm Street
Mansfield, Texas 76063	Suite 1200	Suite 3500
(817) 276-4200	Fort Worth, Texas 76102	Dallas, Texas 75270
	(817) 332-9710	(214) 953-4000

**PRELIMINARY OFFICIAL STATEMENT**

**RELATING TO**

**\$8,390,000\***

**MANSFIELD PARK FACILITIES DEVELOPMENT CORPORATION  
SALES TAX REVENUE BONDS, TAXABLE NEW SERIES 2016A**

**INTRODUCTION**

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of the \$8,390,000\* Mansfield Park Facilities Development Corporation Sales Tax Revenue Bonds, Taxable New Series 2016A (the "Bonds"). Except as otherwise indicated herein, capitalized terms used in this Official Statement have the same meanings assigned to such terms in the bond resolution (the "Bond Resolution") to be adopted by the Board of Directors of the Corporation (the "Board") in which the Board will delegate pricing of the Bonds and certain other matters to a "Pricing Officer" who will approve a pricing certificate (the "Pricing Certificate" and together with the Bond Resolution, the "New Series 2016A Resolution") which will contain the final terms of sale and complete the sale of the Bonds (see "Selected Provisions of the New Series 2016A Resolution").

There follows in this Official Statement descriptions of the Bonds and certain information regarding the Corporation and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the Corporation's Financial Advisor, FirstSouthwest, a Division of Hilltop Securities Inc., Dallas, Texas ("FirstSouthwest").

All financial and other information presented in this Official Statement has been provided by the Corporation and the City from their records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the Corporation. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future (see "Other Information - Forward-Looking Statements").

**DESCRIPTION OF THE CORPORATION . . .** The Corporation is a non-profit corporation duly organized and operating under the laws of the State of Texas, particularly Chapters 501, 502 and 505, Texas Local Government Code, as amended (the "Act"). The Corporation was created following an election held by the City of Mansfield (the "City") on January 18, 1992, on the question of the levy of a 1/2 of 1% local sales and use tax in the City for the benefit of the Corporation (the "Election"). The Corporation as currently organized is to promote and provide for the economic development within the City and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City by developing, implementing, providing, and financing projects under the Act. The City Council of the City of Mansfield appoints the members of the Board of Directors of the Corporation and under the provisions of the Act and the Corporation's by-laws is required to approve certain actions of the Corporation, including the issuance of the Bonds by the Corporation.

**DESCRIPTION OF THE CITY. . .** The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in 1890, and first adopted its Home Rule Charter in 1975 and amended its Home Rule Charter on May 7, 1988. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and six Council members. The term of office is a staggered three-year term. The City Manager is the chief executive officer for the City. Some of the services that the City provides are: public safety (police and fire protection), highways and streets, electric, water and sanitary sewer utilities, health and social services, culture-recreation, public transportation, public improvements, planning and zoning, and general administrative services. The 2010 Census population for the City was 56,368, while the estimated 2016 population is 63,248. The City covers approximately 38.6 square miles.

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\* Preliminary, subject to change.

## THE BONDS

**DESCRIPTION OF THE BONDS** . . . The Bonds are dated August 15, 2016, and mature on August 1 in each of the years and in the amounts shown on the page 2 hereof. Interest will accrue from the Date of Delivery, and will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on February 1 and August 1, commencing August 1, 2017, until maturity or prior redemption. The definitive Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "Book-Entry-Only System" herein.

**AUTHORITY FOR ISSUANCE.** . . The Bonds are being issued by the Corporation pursuant to the Act. The Bonds and their terms are governed by the provisions of the New Series 2016A Resolution.

**PURPOSE** . . . Proceeds from the sale of the Bonds will be used for the purpose of (i) designing, developing, constructing, and equipping a public recreational ice skating facility (the "Facility"), (ii) funding capitalized interest on the Bonds, (iii) acquiring a New Series Reserve Fund Surety Bond for deposit in the New Series 2016A Taxable Bonds Reserve Fund, and (iv) paying the costs of issuing the Bonds.

The City of Mansfield, Texas (the "City") expects to enter into a lease and operating agreement (the "Operating Agreement") with DSE Hockey Centers, L.P., a Delaware limited partnership ("DSE Hockey") for the operation and maintenance of the Facility to be constructed with a portion of the proceeds of the Bonds and a portion of the proceeds of the City's Combination Tax and Revenue Certificates of Obligation, Taxable Series 2016A (the "City's Certificates"). The Operating Agreement generally provides for the use and operation of the Facility as a public recreational ice skating facility. Pursuant to the terms of the Operating Agreement, DSE Hockey is required to pay rent to the City on an annual basis during the term of the Operating Agreement which, unless terminated for other reasons under the Operating Agreement, expires on August 31, 2047. **Such rent received by the City for the use of the Facility is NOT pledged to the payment of debt service on the Bonds.**

**SECURITY AND SOURCE OF PAYMENT.** . . The Bonds are special obligations of the Corporation payable solely from, and together with New Series Parity Revenue Obligations, secured by a lien on and pledge of the Pledged Revenues, as defined below; provided, however, such lien on and pledge of the Pledged Revenues is junior and subordinate to the lien on and pledge of the Pledged Revenues made for the security and payment of the Previously Issued Senior Lien Bonds (as set out in the table below). The Corporation has covenanted in the New Series 2016A Resolution not to issue any additional bonds that are on a parity with the Previously Issued Senior Lien Bonds. At such time as there are no Previously Issued Senior Lien Bonds outstanding, the Parity New Series Revenue Obligations, shall be equally and ratably secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues. (See "Selected Provisions of the New Series 2016A Resolution").

The Corporation currently has outstanding Previously Issued Senior Lien Bonds secured by and payable from a prior and superior lien on and pledge of the Pledged Revenues, as follows:

Dated Date	Outstanding Debt <sup>(1)</sup>	Issue Description
2/15/2006	\$ 200,000	Sales Tax Revenue Bonds, Series 2006
12/1/2006	215,000	Sales Tax Revenue Bonds, Series 2007
12/1/2007	130,000	Sales Tax Revenue Bonds, Taxable Series 2007A
12/1/2011	2,935,000	Sales Tax Revenue Refunding Bonds, Series 2012
	<u>\$ 3,480,000</u>	

(1) As of August 1, 2016.

The Corporation currently has outstanding Previously Issued Parity New Series Revenue Obligations secured by and payable from a prior and superior lien on and pledge of the Pledged Revenues, as follows:

Dated Date	Outstanding Debt <sup>(1)</sup>	Issue Description
12/1/2015	\$ 6,540,000	Sales Tax Revenue Refunding and Improvement Bonds, New Series 2016
12/1/2015	14,855,000	Sales Tax Revenue Refunding and Improvement Bonds, Taxable New Series 2016
	<u>\$ 21,395,000</u>	

(1) As of August 1, 2016.

**The Bonds do not constitute a debt of the City, the State or any agency, political corporation or subdivision thereof. Neither the full faith and credit of the State, Tarrant, Johnson and Ellis Counties, the City or any agency, political corporation or subdivision thereof, has been pledged for the payment of the Bonds, except as described herein.**

The Act contains no provisions which would allow the voters of the City to either reduce or repeal the Sales Tax. Should the Legislature ever enact such an amendment to the Act to allow for the reduction or repeal of the Sales Tax, the Attorney General of Texas has rendered an Opinion (Opinion No. DM-137) to the effect that a "reduction in the sales tax rate, or a limitation on the amount of time the tax may be collected, may not be applied to any bonds issued prior to the date of the rollback election". In so opining, the Attorney General noted any "subsequent legislation which purports to permit the reduction or other limitation of that tax is ineffective to do so, because such alteration would impair the obligation of the contract between the city and such bondholders", and in effect be a violation of Article 1, Section 10 of the United States Constitution and Article I, Section 16 of the Texas Constitution.

The Sales Tax may not be collected after the last day of the first calendar quarter occurring after notification to the State Comptroller of Public Accounts by the Corporation that all bonds or other obligations of the Corporation that are payable in whole or in part from the proceeds of the Sales Tax, including any refunding bonds or other obligations, have been paid in full or the full amount of money necessary to defease such bonds and other obligations has been set aside in a trust account dedicated to their payment.

**PLEDGE UNDER THE RESOLUTION.** . . In the New Series 2016A Resolution, the Corporation covenants and agrees that the Pledged Revenues, with the exception of those in excess of the amounts required for the payment and security of the Previously Issued Senior Lien Bonds and Parity New Series Revenue Obligations (collectively the Bonds, the Previously Issued New Series Obligations and any Additional New Series Parity Revenue Obligations), are irrevocably pledged to the payment and security of the Parity New Series Revenue Obligations, including the establishment and maintenance of the special funds created and established in the resolutions authorizing Parity New Series Revenue Obligations. Under the New Series 2016A Resolution, the Pledged Revenues consist of (i) Gross Sales Tax Revenues from time to time deposited or owing to the Gross Sales Tax Revenue Fund, and (ii) such other money, income, revenues or other property which the Corporation may expressly and specifically pledge to the payment of the Parity New Series Revenue Obligations. The New Series 2016A Resolution defines "Gross Sales Tax Revenue" as all of the revenues due or owing to, or collected or received by or on behalf of the Corporation, whether by the City or otherwise, pursuant to the Sales Tax Collection Resolution or the resolutions authorizing the Parity New Series Revenue Obligations from the levy of the Sales Tax, less any amounts due or owing to the Comptroller as charges for collection or retention by the Comptroller for refunds and to redeem dishonored checks and drafts, to the extent such charges and retention are authorized or required by law.

**ADDITIONAL PARITY NEW SERIES REVENUE OBLIGATIONS . . .** In the New Series 2016A Resolution, the Corporation reserves the right to issue Additional Parity New Series Revenue Obligations payable from and equally and ratably secured by a parity lien on and pledge of the Pledged Revenues subject to satisfying certain terms and conditions including obtaining a certificate or opinion from a certified public accountant to the effect that the Gross Sales Tax Revenues received by the Corporation for the last completed Fiscal Year or for any twelve consecutive months out of the fifteen months next preceding the adoption of the resolution authorizing the issuance of the Additional Parity New Series Revenue Obligations were equal to at least (i) 1.35 times the combined maximum annual principal and interest requirements on all Previously Issued Senior Lien Bonds and Parity New Series Revenue Obligations to be outstanding after the issuance of the proposed Additional Parity New Series Revenue Obligations and (ii) 1.50 times the combined average annual principal and interest requirements on all Previously Issued Senior Lien Bonds and Parity New Series Revenue Obligations to be outstanding after the issuance of the proposed Additional Parity New Series Revenue Obligations; provided, that in the event of an increase in the rate of the Sales Tax that becomes effective prior to the date of the resolution authorizing the issuance of the Additional Parity New Series Revenue Obligations, such calculation shall be made if such increase were in effect during such period. The Corporation has covenanted in the New Series 2016A Resolution not to issue any additional obligations that are on a parity with the Previously Issued Senior Lien Bonds.

**THE GROSS SALES TAX REVENUE FUND . . .** Under the terms of the Act and a resolution adopted concurrently by the City Council of the City and the Board of Directors of the Corporation (the "Sales Tax Collection Resolution") that relates to the collection, handling and transfer of sales tax revenue due to the Corporation, the Gross Sales Tax Revenues collected by the State Comptroller of Public Accounts and remitted periodically to the City for the benefit of the Corporation shall be deposited by the City as received to the credit of a fund or account of the Corporation to be known as the "Gross Sales Tax Revenue Fund."

As explained below under "Flow of Funds," the Gross Sales Tax Revenues held in the Gross Sales Tax Revenue Fund are first to be used to make payments to the Previously Issued Senior Lien Bonds Debt Service Fund in amounts equal to one hundred percent (100%) of the interest on and principal of the Previously Issued Senior Lien Bonds and then to any amounts required to be made pursuant to the resolutions authorizing the Previously Issued Senior Lien Bonds. Subsequent to such payments for the Previously Issued Senior Lien Bonds, the Gross Sales Tax Revenues held in the Gross Sales Tax Revenue Fund are to be used to make payments to the New Series Debt Service Fund in amounts equal to one hundred percent (100%) of the interest on and principal of the Parity New Series Revenue Obligations then falling due and payable.

**GENERAL COVENANT REGARDING THE SALES TAX . . .** The Municipal Sales and Use Tax Act provides that the Sales Tax does not apply to the sale of a taxable item unless the item is also taxable under the Texas Limited Sales, Excise and Use Tax Act. **The Sales Tax is therefore subject to broadening and reduction in the base against which it is levied by action of the State Legislature without the consent of the City or the Corporation.**

In the New Series 2016A Resolution, the Corporation covenants, agrees and warrants that, while any Parity Revenue Obligations are outstanding, it will take and pursue all action permissible under applicable law to cause the Sales Tax, at its current rate (1/2 of 1%) or at a higher rate if legally permitted, to be levied and collected continuously in the manner and to the maximum extent permitted by applicable law; and to cause no reduction, abatement or exemption in the Sales Tax until all the Parity New Series Revenue Obligations have been paid in full or until they are lawfully defeased in accordance with the New Series 2016A Resolution. The Corporation also covenants and agrees that, if, subsequent to the issuance of the Bonds, the City is authorized by applicable law to impose and levy the Sales Tax on any items or transactions that are not subject to the Sales Tax on the date the New Series 2016A Resolution was adopted, then the Corporation will use its best efforts to cause the City to take such action as may be required by applicable law to subject such items or transactions to the Sales Tax.

**OPTIONAL REDEMPTION. . .** The Corporation reserves the right, at its option, to redeem Bonds having stated maturities on and after August 1, 2027, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on August 1, 2026, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the Corporation may select the maturities of Bonds to be redeemed. If less than all the Bonds of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot the Bonds, or portions thereof, within such maturity and series to be redeemed. If a Bond (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

**NOTICE OF REDEMPTION. . .** Not less than 30 days prior to a redemption date for the Bonds, the Corporation shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Bonds to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. In the New Series 2016A Resolution, the Corporation reserves the right in the case of a redemption to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) the Corporation retains the right to rescind such notice at any time prior to the scheduled redemption date if the Corporation delivers a certificate of the Corporation to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the Corporation to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

**ANY NOTICES SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICES. NOTICES HAVING BEEN SO GIVEN, THE BONDS CALLED FOR OPTIONAL REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATES, AND NOTWITHSTANDING THAT ANY BOND OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BOND OR PORTION THEREOF SHALL CEASE TO ACCRUE.**

The Paying Agent/Registrar and the Corporation, so long as a book-entry-only system is used for the Bonds will send any notice of redemption or other notices with respect to the Bonds only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the beneficial owner, shall not affect the validity of the redemption of the Bonds called for redemption or any other action premised or any such notice.

**DEFEASANCE . . .** The New Series 2016A Resolution provides that the Corporation may discharge its obligations to the registered owners of any or all of the Bonds to pay principal, interest and redemption price thereon (i) by irrevocably depositing with the Paying Agent/Registrar, or other lawfully authorized escrow agent, in trust a sum of money equal to the principal of, premium, if any, and all interest to accrue on such Bonds to maturity or redemption or (ii) by irrevocably depositing with the Paying Agent/Registrar, or other lawfully authorized escrow agent, in trust amounts sufficient, together with the investment earnings thereon, to provide for the payment and/or redemption of such Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, and (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the Corporation adopts or approves the proceedings authorizing the issuance of refunding obligations, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its

equivalent; or (iii) any combination of (i) and (ii) above. The foregoing obligations may be in book-entry form, and shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds, as the case may be.

After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the Corporation to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the Corporation: (i) in the proceedings providing for the firm banking arrangements, expressly reserves the right to call Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

**FLOW OF FUNDS.** . . The New Series 2016A Resolution provides for the establishment and maintenance of the following funds and accounts for the application of the proceeds of the Bonds and for the Pledged Revenues with all revenues flowing first to the Gross Sales Tax Revenue Fund.

Until such time as the Previously Issued Senior Lien Bonds are no longer outstanding, moneys on deposit in the Gross Sales Tax Revenue Fund shall be applied in the following order of priority:

PLEGGED REVENUE FUND	
PRIORITY	FUND <sup>(1)</sup>
First Priority	Previously Issued Senior Lien Bonds Debt Service Fund for the payment of the Previously Issued Senior Lien Bonds,
Second Priority	Previously Issued Senior Lien Bonds Reserve Fund to establish and maintain a Required Reserve for the Previously Issued Senior Lien Bonds,
Third Priority	To pay any amounts due to any bond insurer of Previously Issued Senior Lien Bonds for the Previously Issued Senior Lien Bonds not paid pursuant to the sections above,
Fourth Priority	To pay any amounts due to any issuer of a Previously Issued Senior Lien Bonds Reserve Fund Surety Bond not paid pursuant to the sections above,
Fifth Priority	Any other fund required by any resolution authorizing issuance of Previously Issued Senior Lien Bonds,
Sixth Priority	New Series Debt Service Fund for the payment of the Parity New Series Revenue Obligations,
Seventh Priority	On a pro rata basis, to each debt service reserve fund created by any resolution authorizing the issuance of Parity New Series Revenue Obligations, which contains less than the amount to be accumulated and/or maintained therein, as provided in such resolutions;
Eighth Priority	To pay any amounts due to any bond insurer of Parity New Series Revenue Obligations for the Parity Revenue Obligations not paid pursuant to the sections above,
Ninth Priority	To pay any amounts due to any issuer of a New Series Reserve Fund Surety Bond not paid pursuant to the sections above,
Tenth Priority	Any other fund required by any resolution authorizing issuance of Parity New Series Revenue Obligations,
Eleventh Priority	Any other fund or account held at any place or places, or to any payee, required by any other resolution of the Board which authorized the issuance of obligations or the creation of debt of the Corporation having a lien on the Pledged Revenues subordinate to the lien created herein on behalf of the Parity New Series Revenue Obligations, and
Twelfth Priority	To the Capital Improvement Fund to be used for paying costs of authorized projects the payment of which are not otherwise provided from the proceeds of Parity New Series Revenue Obligations, and for any other lawful purposes permitted under applicable law. The Capital Improvement Fund at all times shall be free of any lien or pledge created by the New Series 2016A Resolution and the resolution or resolutions authorizing the issuance Additional Parity New Series Revenue Obligations.

(1) All funds are held by the Corporation's Depository Bank.

At such time as there are no Previously Issued Senior Lien Bonds outstanding, moneys on deposit in the Gross Sales Tax Revenue Fund shall be applied in the following order of priority:

<u>PLEDGED REVENUE FUND</u>	
<u>PRIORITY</u>	<u>FUND <sup>(1)</sup></u>
First Priority	Debt Service Fund for the payment of the Parity New Series Revenue Obligations,
Second Priority	On a pro rata basis, to each debt service reserve fund created by any resolution authorizing the issuance of Parity New Series Revenue Obligations, which contains less than the amount to be accumulated and/or maintained therein, as provided in such resolutions;
Third Priority	To pay any amounts due to any bond insurer of Parity New Series Revenue Obligations for the Parity New Series Revenue Obligations not paid pursuant to the sections above,
Fourth Priority	To pay any amounts due to any issuer of a New Series Reserve Fund Surety Bond not paid pursuant to the sections above,
Fifth Priority	Any other fund required by any resolution authorizing issuance of Parity New Series Revenue Obligations,
Sixth Priority	Any other fund or account held at any place or places, or to any payee, required by any other resolution of the Board which authorized the issuance of obligations or the creation of debt of the Corporation having a lien on the Pledged Revenues subordinate to the lien created herein on behalf of the Parity New Series Revenue Obligations, and
Seventh Priority	To the Capital Improvement Fund to be used for paying costs of authorized projects the payment of which are not otherwise provided from the proceeds of Parity New Series Revenue Obligations, and for any other lawful purposes permitted under applicable law. The Capital Improvement Fund at all times shall be free of any lien or pledge created by the New Series 2016A Resolution and the resolution or resolutions authorizing the issuance Additional Parity New Series Revenue Obligations.

See “Selected Provisions of the New Series 2016A Resolution” herein for additional information relating to the flow of funds.

**RESERVE FUND REQUIREMENT.** . . In the New Series 2016A Resolution, the Board of Directors has ordered to be created, solely for the benefit of the Bonds, the New Series 2016A Taxable Bonds Reserve Fund. The New Series 2016A Resolution provides that the Corporation may create and establish a debt service reserve fund pursuant to the provisions of any resolution or other instrument authorizing the issuance of Parity New Series Revenue Obligations for the purpose of securing that particular issue or series of Parity New Series Revenue Obligations or any specific group of issues or series of Parity New Series Revenue Obligations, and the amounts once deposited or credited to said debt service reserve funds shall no longer constitute Pledged Revenues and shall be held solely for the benefit of the owners of the particular Parity New Series Revenue Obligations for which such debt service reserve fund was established.

Amounts on deposit in the New Series 2016A Taxable Bonds Reserve Fund shall be used for (i) the payment of the principal of and interest on the Bonds, when and to the extent other funds available for such purposes are insufficient, (ii) to make payments due under a New Series Reserve Fund Surety Bond and (iii) with respect to funds and investments on deposit and credited to the New Series 2016A Taxable Bonds Reserve Fund, to retire the last Stated Maturity or Stated Maturities of or interest on the Bonds. The New Series 2016A Taxable Bonds Reserve Fund shall be maintained in an amount equal to the Required Reserve for the Bonds, which amount shall be equal to the maximum annual debt service requirements of the then outstanding Bonds calculated on the date such Bonds are issued and recalculated each October 1 thereafter.

If the New Series 2016A Taxable Bonds Reserve Fund at any time contains less than the Required Reserve, the Corporation has agreed to cure the deficiency in the New Series 2016A Taxable Bonds Reserve Fund by making monthly deposits and credits to the New Series 2016A Taxable Bonds Reserve Fund in amounts equal to not less than 1/60th of the Required Reserve; provided, however, that no such deposits shall be made into the New Series 2016A Taxable Bonds Reserve Fund during any six month period beginning on February 1 and August 1 until there has been deposited into the Debt Service Fund the full amount required to be deposited therein by the next following February 1 and August 1, as the case may be. The New Series 2016A Resolution further provides that, subject only to the prior deposits and credits to be made for the Previously Issued Senior Lien Bonds and to the Debt Service Fund, the Pledged Revenues shall be applied and appropriated and used to establish and maintain the Required Reserve, including by paying payments under a New Series Reserve Fund Surety Bond when due, and any reserve established for the benefit of any issue or series of Parity New Series Revenue Obligations and to cure any deficiency in such amounts as required by the terms of the New Series 2016A Resolution and any other resolution pertaining to the issuance of Parity New Series Revenue Obligations. Reimbursements to the provider, if any, of a New Series 2016A Reserve Fund Surety Bond shall

constitute the making up of a deficiency in the Reserve Fund to the extent that such reimbursements result in the reinstatement, in whole or in part, as the case may be, of the amount of the New Series Reserve Fund Surety Bond.

The Corporation may at any time deposit, supplement, replace or substitute a New Series Reserve Fund Surety Bond (defined in the New Series 2016A Resolution as any surety bond or insurance policy having a rating in the two highest generic rating categories by Moody's Investors Service, Inc., Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, or Fitch Ratings, Inc., issued to the Corporation for the benefit of the Owners of the Bonds to satisfy any part of the Required Reserve) for cash or investments on deposit in the New Series 2016A Taxable Bonds Reserve Fund or in substitution for or replacement of any existing New Series Reserve Fund Surety Bond. If the Corporation is required to make a withdrawal from the New Series 2016A Taxable Bonds Reserve Fund for any of the purposes described above, the Corporation shall make such withdrawal first from available moneys or investments then on deposit in the New Series 2016A Taxable Bonds Reserve Fund, and next from a drawing under any Reserve Fund Surety Bond to the extent of such deficiency. For a further description of the respective Reserve Funds, see "Selected Provisions of the New Series 2016A Resolution."

**BOOK-ENTRY-ONLY SYSTEM . . .** *This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company ("DTC"), New York, New York, while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Corporation and the Underwriter believes the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.*

*The Corporation and the Underwriter cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption, or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption, or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.*

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and series, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry-only system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the

identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent/Registrar and request that copies of the notices be provided directly to them.

Redemption notices for the Bonds shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity and series to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Corporation or the Paying Agent/Registrar of each series, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar of each series, or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. All payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Corporation or Paying Agent/Registrar of each series, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Corporation or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bonds are required to be printed and delivered.

The Corporation may decide to discontinue the use of the system of book-entry-only transfers through DTC (or a successor depository). In that event, Bonds, as appropriate, will be printed and delivered.

**Use of Certain Terms in Other Sections of this Official Statement . . .** In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the New Series 2016A Resolution will be given only to DTC.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Corporation, the Financial Advisor, or the Underwriter.

**Effect of Termination of Book-Entry-Only System . . .** In the event that the Book-Entry-Only System of one or more series of Bonds is discontinued, printed certificates will be issued to the DTC Participants or the holder, as the case may be, and such Bonds will be subject to transfer, exchange and registration provisions as set forth in the Ordinance and summarized under "The Bonds - Transfer, Exchange and Registration" below.

**PAYING AGENT/REGISTRAR. . .** The initial Paying Agent/Registrar is U.S. Bank National Association, Dallas, Texas. In the New Series 2016A Resolution, the Corporation retains the right to replace the Paying Agent/Registrar. The Corporation covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are duly paid and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Bonds. Upon any change in the Paying Agent/Registrar for the Bonds, the Corporation agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

**TRANSFER, EXCHANGE AND REGISTRATION.** . . In the event the Book-Entry-Only System should be discontinued, printed certificates will be delivered to the owners of the Bonds and thereafter, the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Bonds may be assigned by the execution of an assignment form on the Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be in any integral multiple of \$5,000 for any one maturity and for a like aggregate principal amount as the Bonds surrendered for exchange or transfer. See "Book-Entry-Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds. Neither the Corporation nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond.

**RECORD DATE FOR INTEREST PAYMENT.** . . The record date ("Record Date") for the interest payable on the Bonds on any interest payment date means the close of business on the fifteenth business day of the month next preceding such interest payment date.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Corporation. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

**BONDHOLDERS' REMEDIES** . . . The New Series 2016A Resolution establishes the following as Events of Default with respect to the Bonds: (i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or (ii) default in the performance or observance of any other covenant, agreement or obligation of the Corporation, which default materially and adversely affects the rights of the Owners, including, but not limited to, their prospect or ability to be repaid in accordance with the New Series 2016A Resolution, and the continuation thereof for a period of sixty days after notice of such default is given by any Owner to the Corporation. Upon any happening of any Event of Default and except as otherwise provided in the New Series 2016A Resolution, any Owner or an authorized representative, thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the Corporation for the purpose of protecting and enforcing the rights of the Owners under the New Series 2016A Resolution, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained in the New Series 2016A Resolution, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners under the New Series 2016A Resolution or any combination of such remedies. It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all owners of the Bonds then outstanding. The New Series 2016A Resolution allows, but does not provide for a trustee to enforce the covenants and obligations of the Corporation. In no event will registered owners have the right to have the maturity of the Bonds accelerated as a remedy. The enforcement of any such remedy may be difficult and time consuming and a registered owner could be required to enforce such remedy on a periodic basis. No assurance can be given that a mandamus or other legal action to enforce a default under the New Series 2016A Resolution would be successful.

Furthermore, the Corporation is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Chapter 9 includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or Bondholders of an entity which has sought protection under Chapter 9. Therefore, should the Corporation avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the New Series 2016A Resolution and the Bonds are qualified with respect to the customary rights of debtors relative to their creditors.

USE OF BOND PROCEEDS . . . Proceeds from the sale of the Bonds are expected to be expended as follows:

**Sources:**

Par Amount	\$ -
Reoffering Premium	
<b>TOTAL SOURCES</b>	<b>\$ -</b>

**Uses:**

Deposit to Project Construction Fund	
Costs of Issuance	
Surety Fee for Debt Service Reserve Fund Surety Bond	
Deposit to Capitalized Interest (CIF) Fund	
Total Underwriter's Discount	
<b>TOTAL USES</b>	<b>\$ -</b>

**BOND INSURANCE RISK FACTORS**

**GENERAL . . .** The Corporation has submitted applications to municipal bond insurance companies to have the payment of the principal of and interest on the Bonds insured by a municipal bond insurance policy. If the Corporation obtains a commitment from a bond insurance company (the "Insurer") to provide a municipal bond insurance policy relating to the Bonds (the "Policy"), the final Official Statement shall disclose certain information relating to the Insurer and the Policy.

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the applicable Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy may not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional redemption of the Bonds by the Corporation which is recovered by the Corporation from the Bond owner as a voidable preference under applicable bankruptcy law may be covered by the Policy, however, such payments may be made by the Insurer at such time and in such amounts as would have been due absent such prepayment by the Corporation unless the Insurer chooses to pay such amounts at an earlier date.

Default of payment of principal and interest will not obligate acceleration of the obligations of the Insurer without appropriate consent. The Insurer may require its consent to any remedies and the Insurer's consent may be required in connection with amendments to any applicable Bond documents.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds will be payable solely from the moneys pledged pursuant to the applicable Bond documents. In the event the Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

In the event the Corporation elects to purchase bond insurance, the long-term ratings on the Bonds will be dependent in part on the financial strength of the Insurer and its claims-paying ability. The Insurer's financial strength and claims-paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Bonds insured by the Insurer will not be subject to downgrade, and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See the description under "Other Information - Ratings" herein.

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or State law related to insolvency of insurance companies.

Neither the Corporation, the Financial Advisor nor the Underwriter have made independent investigations into the claims-paying ability of any potential Insurer and no assurance or representation regarding the financial strength or projected financial strength of any potential Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Corporation to pay principal of and interest on the Bonds and the claims-paying ability of the Insurer, particularly over the life of the Bonds.

**CLAIMS-PAYING ABILITY AND FINANCIAL STRENGTH OF MUNICIPAL BOND INSURERS . . .** Moody's Investor Services, Inc., Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and Fitch Ratings (the "Rating Agencies") have downgraded the claims-paying ability and financial strength of most providers of municipal bond insurance. Additional downgrades or negative changes in the rating outlook for all bond insurers is possible. In addition, certain events in the credit markets have had substantial negative effects on the bond insurance business. These developments could be viewed as having a material adverse effect on the claims-paying ability of such bond insurers, including any bond insurer of the Bonds.

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## THE SALES TAX

**SOURCE AND AUTHORIZATION.** . . The Sales Tax is a 1/2 of 1% limited sales and use tax imposed on all taxable transactions within the City as approved at the Election. The Sales Tax is authorized to be levied and collected against the receipts from the sale at retail of taxable items within the City. The Sales Tax also is an excise tax on the use, storage or other consumption of taxable tangible personal property purchased, leased or rented from a retailer within the City. The City currently levies an additional sales and use tax for City purposes totaling 1% in accordance with State law and is restricted by current law. The imposition, computation, administration, governance, abolition and use of the Sales Tax is governed by the Texas Limited Sales, Excise, and Use Tax Act except to the extent that there is conflict with the Act, in which case the provisions of the Act control as to the Bonds, and by the Municipal Sales and Use Tax Act, and reference is made thereto for a more complete description of the Sales Tax.

In general, as applied to the Sales Tax, a taxable item includes any tangible personal property and certain taxable services. "Taxable services" include certain amusement services, cable television services, motor vehicle parking and storage services, the repair, maintenance and restoration of most tangible personal property, certain telecommunication services, credit reporting services, debt collection services, insurance services, information services, real property services, data processing services, real property repair and remodeling and security services. Certain items are exempted by State law from sales and use taxes, including items purchased for resale, food products (except food products which are sold for immediate consumption, e.g. by restaurants, lunch counters, etc.), health care supplies (including medicines, corrective lens and various therapeutic appliances and devices), agricultural items (if the item is to be used exclusively on a farm or ranch or in the production of agricultural products), timber for sale or agricultural aircraft operations, gas and electricity purchased for residential use (unless a city has taken steps to repeal the exemption), certain telecommunications services, newspapers and magazines. In addition, items which are taxed under other State laws are generally exempted from sales taxes. These items include certain natural resources, cement, motor vehicles and insurance premiums. Alcohol and tobacco products are taxed under both State alcohol and tobacco taxes as well as through the sales taxes. In addition, purchases made by various exempt organizations are not subject to the sales and use taxes. Such organizations include the federal and state governments, political subdivisions, Indian tribes, religious institutions and certain charitable organizations and non-profit corporations. Also, State law provides an exemption from sales taxes on items purchased under a contract in effect when the legislation authorizing such tax (or the increase in the rate thereof) is enacted, up to a maximum of three years.

In general, a sale of a taxable item is deemed to occur within the municipality, county or special district in which the sale is consummated. The tax levied on the use, storage or consumption of tangible personal property is considered to be consummated at the location where the item is first stored, used or consumed. Thus, the use is considered to be consummated in a municipality, and the tax is levied there if the item is shipped from outside the state to a point within the municipality.

In addition to the local sales and use taxes levied, as described above, the State levies and collects a 6 ¼% sales and use tax against essentially the same taxable items and transactions as the Sales Tax is levied. Under current State law, the maximum aggregate sales and use tax which may be levied within a given area by an authorized political subdivision within such area, including the State, is 8 ¼%. The current aggregate sales and use tax levied in the City is 8 ¼% of which 6 ¼% is levied by the State, 1% is levied by the City, ½ of 1% is levied by the Mansfield Economic Development Corporation and ½ of 1% is levied as the Sales Tax for the benefit of the Corporation.

The Comptroller administers and enforces all sales tax laws and collects all sales and use taxes levied by the State, and levying counties, municipalities and other special districts having sales tax powers. Certain limited items are taxed for the benefit of the State under nonsales tax statutes, such as certain natural resources and other items described above, and are not subject to the sales tax base available to municipalities and counties, including the tax base against which the Sales Tax is levied. Municipalities may by local option determine to tax certain telecommunication services on the same basis as the State taxes such services (some aspects of telecommunication services, such as interstate telephone calls and broadcasts regulated by the FCC are not subject to either State or local taxation). The City has opted to repeal the local telecommunication services exemption. With respect to the taxation of the residential use of gas and electricity, the State is not authorized to collect a sales tax, while municipalities, on a local option basis, may tax such use. The City has opted to tax the residential use of gas and electricity.

In recent years, several changes in the State sales tax laws have contributed to the growth of local sales tax revenues. These changes have added additional goods and services to the list of taxable items. Other items have been subjected to sales tax on an interim basis or have been taxed pursuant to legislation which includes planned phase-outs of the tax, including sales tax for tangible personal property used in manufacturing, processing, or fabrication operations with a useful life of at least six months that became totally exempt from sales tax in 1995. Subject to the right of the governing body of the City to repeal the sales tax holiday, during a three day period beginning the Friday before eight days prior to the earliest possible first day of school, articles of clothing, footwear, qualifying backpacks and school supplies with a cost less than \$100 are exempt from the sales tax. The first \$25 of a monthly charge for Internet access is exempt from sales tax, as is 20% of the value of information services and data processing services. Sales tax is due on over-the-counter drugs and medicines labeled with a national FDA drug code.

With certain exceptions, sales and use taxes in the State are collected at the point of sale and are remitted to the Comptroller by the "taxpayer" who is, generally speaking, the business that collects the tax resulting from a taxable transaction. Taxpayers owing \$500 or more sales and use tax dollars in a calendar month submit their tax collections to the Comptroller on a monthly basis; taxpayers owing less than \$500 sales and use tax dollars in a calendar month but \$1,500 or more in a calendar quarter submit their tax

collections quarterly; and taxpayers owing less than \$1,500 in a calendar quarter submit their tax collections annually. Taxpayers are required to report and remit to the Comptroller by the 20th day of the month following the end of the reporting period. The reporting period for yearly filers ends each December 31; for quarterly filers, the reporting period ends at the end of each calendar quarter; and monthly filers report and remit by the 20th of each month for the previous month. The Comptroller is required by law to distribute funds to the receiving political subdivisions periodically and as promptly as feasible but, not less frequently than twice during each fiscal year of the State. Historically, and at the present time, the Comptroller distributes the funds monthly with the largest payments being made quarterly in February, May, August and November. In 1989, the Comptroller initiated a direct deposit program using electronic funds transfers to expedite the distribution of monthly allocation checks. If a political subdivision desires to participate in the electronic funds transfers, it may make application to the Comptroller. The City participates in this program. Otherwise, the Comptroller mails the monthly allocation check, which is typically received by the middle of the month following the month in which the taxpayer reports and remits payment on the tax.

The Comptroller is responsible for enforcing the collection of sales and use taxes in the State. Under State law, the Comptroller utilizes sales tax permits, sales tax bonds and audits to encourage timely payment of sales and use taxes. Each entity selling, renting, leasing or otherwise providing taxable goods or services is required to have a sales tax permit. Permits are required for each individual location of a taxpayer and are valid for only one year, requiring an annual renewal. As a general rule, every person who applies for a sales tax permit for the first time, or who becomes delinquent in paying the sales or use tax, is required to post a bond in an amount sufficient to protect against the failure to pay taxes. The Comptroller's audit procedures include auditing the largest 2% of the sales and use tax taxpayers (who report about 65% of all sales and use tax in the State annually), each every three or four years. Other taxpayers are selected at random or upon some other basis for audits. The Comptroller also engages in taxpayer education programs and mails a report to each taxpayer before the last day of the month, quarter or year that it covers.

Once a taxpayer becomes delinquent in the payment of a sales or use tax, the Comptroller may collect the delinquent tax by using one or more of the following methods; (i) collection by an automated collection center or local field office, (ii) estimating the taxpayers' liability based on the highest amount due in the previous 12 months and billing them for it, (iii) filing liens and requiring a new or increased payment bond, (iv) utilizing forced collection procedures such as seizing assets of the taxpayer (e.g., a checking account) or freezing assets of the taxpayer that are in the custody of third parties, (v) removing a taxpayer's sales and use tax permit, and (vi) certifying the account to the Attorney General's Office to file suit for collection. A municipality may not sue for delinquent taxes unless it joins the Attorney General as a plaintiff or unless it first receives the permission of the Attorney General and the Comptroller.

The Comptroller retains 2% of the tax receipts for collection of the tax; additionally, under State law, a taxpayer may deduct and withhold 1/2% of the amount of taxes due on a timely return as reimbursement for the cost of collecting the sales and use taxes. In addition, a taxpayer who prepays its tax liability on the basis of a reasonable estimate of the tax liability for a month or quarter in which a prepayment is made, may deduct and withhold 1 1/4% of the amount of the prepayment in addition to the 1/2% allowed for the cost of collecting the sales and use tax.

**INVESTOR CONSIDERATIONS.** . . The primary source of security for the Bonds will be certain receipts of the Sales Tax received by the City for the benefit of the Corporation. The amount of revenues from the Sales Tax is closely related to the amount of economic activity in the City. Sales and use tax receipts, unlike other taxes levied by municipalities, immediately reflect changes in the economic conditions of a municipality.

Increases in Internet sales may result in a decrease in Sales Tax revenue to the Corporation. The emergence of Internet sales and services and issues related to taxation of such sales and services have been the subject of review and study at the state and national level. In October, 1998, the United States Congress enacted the Internet Tax Freedom Act which provided a three year moratorium on certain aspects of taxation of the Internet (existing taxes imposed by Texas were exempted from the moratorium), and, in late 2001, the moratorium was extended by Congress through November 1, 2003. In 2004, Congress extended the moratorium again until November 1, 2007. On November 1, 2007 the President signed into law a continuation of the moratorium passed by Congress that extends the moratorium until November 1, 2014. On June 9, 2015, the United States House of Representatives approved H.R. 235, the Permanent Internet Tax Freedom Act (PITFA), which would make the moratorium permanent, the bill was sent to the United States Senate, where it was referred to the Committee on Finance. Legislative changes relating to the taxation of Internet sales and services, and any effect of such changes on the Sales Tax received by the Corporation, cannot be predicted at this time.

Historically, the Comptroller has remitted sales and use tax allocation checks to municipalities on a monthly basis, but State law currently requires that such allocation be made at least twice annually and such procedures could change in the future. Additionally, the taxable items and services subject to State and local sales and use taxes are subject to legislative action, and have been changed in recent years by the State Legislature. State law provides that the Sales Tax cannot be levied against any taxable item or service unless such item or service is also subject to the State sales and use tax.

In recent years the State Legislature has enacted laws permitting the State, together with its political subdivisions, to levy sales and use taxes of up to 8 1/4%, which is among the highest sales tax rates in the nation (although the State has no personal or corporate income tax), and the current total sales and use tax rate within the City's boundaries is 8 1/4 % (including State, City and Mansfield Economic Development Corporation taxes as well as the Sales Tax). The rate of the sales and use taxes authorized in the State could be further increased by the State Legislature and the Corporation has no way of predicting any such increase or the effect that would

have on the Sales Tax which secures the Bonds. State leaders have appointed committees to study methods of achieving greater tax equity within the State's tax system. Any changes which may be enacted by the State Legislature could affect the tax base against which the Sales Tax is levied; and the City (and hence the Corporation as the beneficiary of the City's action), except in certain limited instances described below, has no control over the components of the tax base. Neither the City nor the Corporation currently has statutory authority to increase or decrease the maximum authorized rate of the Sales Tax.

Tax receipts received by the Corporation are expected to be subject to seasonal variations and to variations caused by the State laws and administrative practices governing the remittance of sales and use tax receipts which authorize different taxpayers to remit the tax receipts at different times throughout the year.

The Sales Tax is collected by the Comptroller and remitted to the City along with other City sales and use tax receipts. The City allocates a portion of the receipts to the Corporation which represents the 1/2 of 1% tax rate of the Sales Tax. Generally, sales and use taxes in the State are collected at the point of a taxable transaction and remitted by the taxpayer to the Comptroller. The Comptroller has the primary responsibility for enforcing sales and use tax laws and collecting delinquent taxes. The collection efforts of the Comptroller are subject to applicable federal bankruptcy code provisions with respect to the protection of debtors.

**Changes in the tax base against which a sales and use tax is assessed, as well as changes in the rate of such taxes, make projections of future tax revenue collections very uncertain. No independent projections have been made with respect to the revenues available to pay debt service on the Bonds.**

**TABLE 2 - HISTORICAL CITY RECEIPTS OF 1/2% SALES TAX**

Month of Receipt	1/2% Sales Tax Collections Fiscal 2015/16	1/2% Sales Tax Collections Fiscal 2014/15	1/2% Sales Tax Collections Fiscal 2013/14	1/2% Sales Tax Collections Fiscal 2012/13	1/2% Sales Tax Collections Fiscal 2011/12
October	\$ 476,768	\$ 447,096	\$ 399,991	\$ 381,405	\$ 364,912
November	381,567	365,646	317,936	319,784	266,154
December	376,756	368,101	339,868	285,916	286,562
January	575,958	540,885	504,331	429,982	430,183
February	401,827	339,095	303,903	283,179	264,791
March	343,561	311,562	306,823	290,366	281,572
April	501,919	469,795	445,468	393,611	392,620
May	376,065	374,554	378,424	292,236	293,241
June	395,811	356,382	354,488	317,045	304,162
July		491,837	445,819	409,142	383,707
August		390,176	363,033	331,310	316,417
September		387,670	359,488	320,183	305,538
Totals	<u>\$ 3,830,232</u>	<u>\$ 4,842,799</u>	<u>\$ 4,519,573</u>	<u>\$ 4,054,158</u>	<u>\$ 3,889,860</u>

**TABLE 3 - CALCULATION OF COVERAGE FOR THE ISSUANCE OF ADDITIONAL BONDS<sup>(1)</sup>**

Sales Tax Collection for Fiscal Year Ended 9/30/15 .....	\$ 4,842,799
Maximum Annual Debt Service Fiscal Year 2020.....	\$ 2,747,611
Coverage of Maximum Requirements.....	1.76x
Average Annual Debt Service 2016-2041.....	\$ 1,978,931
Coverage of Average Requirements .....	2.45x

(1) Includes the Previously Issued Senior Lien Bonds, the Parity New Series Revenue Obligaitons and the Bonds. Preliminary, subject to change.

**TABLE 4 - HISTORICAL CORPORATION REVENUES AND EXPENDITURES**

	Fiscal Years Ended September 30,				
	2015	2014	2013	2012	2011
<u>Revenues:</u>					
Taxes, Penalties, and Interest	\$ 4,854,487	\$ 4,530,982	\$ 4,065,299	\$ 3,899,868	\$ 3,631,255
Intergovernmental	-	-	-	-	-
Interest Income	4,583	5,100	10,512	6,025	96
Contributions	2,770	29,350	20,856	37,562	31,615
Miscellaneous	2,281,877	2,326,162	2,222,195	1,732,827	1,974,875
Total Revenues	<u>\$ 7,143,717</u>	<u>\$ 6,891,594</u>	<u>\$ 6,318,862</u>	<u>\$ 5,676,282</u>	<u>\$ 5,637,841</u>
<u>Expenditures:</u>					
Cultural and Recreational	\$ 2,824,547	\$ 3,169,583	\$ 2,358,547	\$ 2,066,992	\$ 1,901,919
Debt Service	1,245,374	1,250,410	1,238,918	1,891,754	1,602,936
Capital Outlay	1,954,798	1,456,916	2,694,403	832,434	1,520,084
Total Expenditures	<u>\$ 6,024,719</u>	<u>\$ 5,876,909</u>	<u>\$ 6,291,868</u>	<u>\$ 4,791,180</u>	<u>\$ 5,024,939</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>1,118,998</u>	<u>1,014,685</u>	<u>26,994</u>	<u>885,102</u>	<u>612,902</u>
Bond Proceeds	\$ -	\$ -	\$ -	\$ 4,995,000	\$ -
Bond Payment	-	-	-	(4,690,000)	-
Premiums on Bond Issuance	-	-	-	41,008	-
Discounts on Bond Issuance	-	-	-	(25,826)	-
Sale of City Property	-	-	-	11,822	325
Operating Transfers Out	-	(65,000)	(130,000)	-	-
Operating Transfers In	108,639	-	-	-	-
Total Other Financing Sources (Uses)	<u>\$ 108,639</u>	<u>\$ (65,000)</u>	<u>\$ (130,000)</u>	<u>\$ 332,004</u>	<u>\$ 325</u>
Beginning Fund Balance	<u>8,901,534</u>	<u>7,951,849</u>	<u>8,054,855</u>	<u>6,837,749</u>	<u>6,224,522</u>
Ending Fund Balance	<u>\$ 10,129,171</u>	<u>\$ 8,901,534</u>	<u>\$ 7,951,849</u>	<u>\$ 8,054,855</u>	<u>\$ 6,837,749</u>

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## SELECTED PROVISIONS OF THE NEW SERIES 2016A RESOLUTION

The following are certain provisions of the Resolution. These provisions are not to be considered a full statement of the terms of the Resolution. Accordingly, these selected provisions are qualified in their entirety by reference to the Resolution and are subject to the full text thereof.

### Definitions

“Additional Parity Revenue Obligations” means the additional sales tax revenue bonds the Corporation reserves the right to issue on a parity with the Bonds.

“Authorized Officer” means the President, Vice President, or Secretary of the Corporation or any other officer or employee of the Corporation, or any other person authorized to perform specific acts or duties by the Board or its bylaws.

“Board” means the Board of Directors of the Corporation.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas and any successor officer or official that may be charged by law with the duty of collecting Gross Sales Tax Revenues for the account of, and remitting the same to, the City for the account of the Corporation.

“Corporation Order” means a written order signed in the name of the Corporation by an Authorized Officer and delivered to the Paying Agent, or another party hereunder.

“Costs of the Projects” means all items of costs of or attributable to the Projects and defined as “Costs” in the Act.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its corporate trust office in Dallas, Texas, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the Corporation and such successor.

“Event of Default” means any Event of Default as defined in the Resolution.

“Fiscal Year” means October 1 through September 30.

“Gross Sales Tax Revenue Fund” means the special fund so designated in the Resolution.

“Gross Sales Tax Revenues” means all of the revenues due or owing to, or collected or received by or on behalf of the Corporation, whether by the City or otherwise, pursuant to the Sales Tax Collection Resolution or the Resolution, or the resolutions authorizing the Previously Issued Senior Lien Bonds, or any Additional Parity Revenue Obligations, from or by reason of the levy of the Sales Tax, less any amounts due or owing to the Comptroller as charges for collection or retentions by the Comptroller for refunds and to redeem dishonored checks and drafts, to the extent such charges and retention are authorized or required by law.

“Interest Payment Date” means the date or dates upon which interest on the Bonds is scheduled to be paid until the maturity of the Bonds, such dates being February 1 and August 1 of each year commencing August 1, 2017.

“Bond” means any of the Bonds.

“Bonds” means the Corporation’s bonds entitled “Mansfield Park Facilities Development Corporation Sales Tax Revenue Bonds, Taxable Series 2016A” authorized to be issued by the Resolution.

“Debt Service Fund” means the debt service fund established by the Resolution.

“Reserve Fund” means the reserve funds established by the Resolution.

“Reserve Fund Obligations” means cash or investments securities of any of the type or types permitted under the Resolution.

“Reserve Fund Surety Bond” means any surety bond or insurance policy having a rating in the two highest generic rating categories by Moody’s Investors Service, Inc., Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, or Fitch Ratings, Inc., issued to the Corporation for the benefit of the Owners of the Bonds to satisfy any part of the Required Reserve as provided in the Resolution.

“Resolution” means, the Taxable Series 2016A Resolution and any resolutions authorizing Additional Parity Revenue Obligations.

“Owner” means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

“Parity Revenue Obligations” means the Bonds and any Additional Parity Revenue Obligations.

“Paying Agent/Registrar” means U.S Bank National Association, any successor thereto or an entity which is appointed as and assumes the duties of paying agent/registrar as provided in the Resolution.

“Pledged Funds” means collectively (a) amounts on deposit in the Gross Sales Tax Revenue Fund, (b) amounts on deposit in the Debt Service Fund, (c) amounts on deposit in the Reserve Fund, together with any investments or earnings belonging to said funds, and (d) any additional revenues, other moneys or funds of the Corporation which heretofore have been or hereafter may be expressly and specifically pledged to the payment of the Parity Revenue Obligations.

“Pledged Revenues” means (a) Gross Sales Tax Revenues from time to time deposited or owing to the Gross Sales Tax Revenue Fund, and (b) such other money, income, revenues or other property which the Corporation may expressly and specifically pledge to the payment of Parity Revenue Obligations.

“Previously Issued Senior Lien Bond Resolution” means, collectively, the Resolutions authorizing the Previously Issued Senior Lien Bonds.

“Previously Issued Senior Lien Bonds” means the outstanding and unpaid revenue bonds of the Corporation designated as following: (1) Sales Tax Revenue Bonds, Series 2006, dated as of February 15, 2006; (2) Sales Tax Revenue Bonds, Series 2007, dated as of December 1, 2006; (3) Sales Tax Revenue Bonds, Taxable Series 2007A, dated December 1, 2007; (4) Sales Tax Revenue Refunding Bonds, Series 2012, dated December 1, 2011; (5) Sales Tax Revenue Refunding and Improvement Bonds, New Series 2016, dated December 1, 2015; and (6) Sales Tax Revenue Refunding and Improvement Bonds, Taxable New Series 2016, dated December 1, 2015.

“Previously Issued Senior Lien Bonds Debt Service Fund” means the “Debt Service Fund” created and confirmed in the Previously Issued Senior Lien Bond Resolution.

“Previously Issued Senior Lien Bonds Reserve Fund” means the “Reserve Fund” created and confirmed in the Previously Issued Senior Lien Bond Resolution for the benefit of the Previously Issued Senior Lien Bonds.

“Projects” means all properties, including land, buildings, and equipment of the types added to the definition of “projects” by the Act that are approved by the Board as necessary and appropriate to fulfill and carry out the purposes of the Corporation.

“Sales Tax” means the one-half of one percent local sales and use tax authorized under the Act approved by the voters of the City on January 8, 1992, and heretofore authorized and levied by the City within its existing boundaries, and hereafter required to be levied and collected within any expanded areas included within the City pursuant to the Act, together with any increases in the rate thereof if provided and authorized by applicable law.

“Sales Tax Collection Resolution” means that certain resolution adopted concurrently by the Board and the governing body of the City on the same date, bearing that name.

Confirmation and Levy of Sales Tax. (a) In the Resolution, the Corporation hereby confirms the earlier levy by the City of the Sales Tax at the rate voted at the election held by and within the City on January 8, 1992, and the Corporation hereby warrants and represents that the City has duly and lawfully ordered the imposition and collection of the Sales Tax upon all sales, uses and transactions as are permitted by and described in the Act throughout the boundaries of the City as such boundaries existed on the date of said election and as they may be expanded from time to time.

(b) For so long as any Previously Issued Senior Lien Bonds or Parity Revenue Obligations are outstanding, the Corporation covenants, agrees and warrants to take and pursue all action permissible under applicable law to cause the Sales Tax, at said rate, or at a higher rate if permitted by applicable law, to be levied and collected continuously, in the manner and to the maximum extent permitted by applicable law, and to cause no reduction, abatement or exemption in the Sales Tax or rate of tax below the rate stated, confirmed and ordered in subsection (a) of this Section to be ordered or permitted so long as any Previously Issued Senior Lien Bonds or Parity Revenue Obligations shall remain outstanding.

(c) If the City shall be authorized hereafter by applicable law to apply, impose and levy the Sales Tax on any taxable items or transactions that are not subject to the Sales Tax on the date of the adoption hereof, the Corporation, to the extent it legally may do so, hereby covenants and agrees to use its best efforts to cause the City to take such action as may be required by applicable law to subject such taxable items or transactions to the Sales Tax.

(d) The Corporation agrees to take and pursue all action permissible under applicable law to cause the Sales Tax to be collected and remitted and deposited as herein required and as required by the Act, at the earliest and most frequent times permitted by applicable law.

(e) The Corporation agrees and covenants at all times, and to use its best efforts to cause the City, to comply with the Sales Tax Collection Resolution.

Pledge. (a) In the Resolution, the Corporation irrevocably pledges (i) the Pledged Revenues, and (ii) the Pledged Funds (A) to the payment of the principal of, and the interest and any premiums on, all Parity Revenue Obligations which are or may be outstanding from time to time, and (B) to the establishment and maintenance of the Reserve Fund.

(b) The provisions, covenants, pledge and lien on and against the Pledged Revenues are established and shall be for the equal benefit, protection and security of the Owners of the Parity Revenue Obligations without distinction as to priority and rights.

(c) The Parity Revenue Obligations, including interest payable thereon, shall constitute special obligations of the Corporation, payable solely from and secured by an irrevocable lien on and pledge of the Pledged Revenues and Pledged Funds, and not from any other revenues, properties or income of the Corporation, such lien and pledge, however, being in all things junior and subordinate to the lien on and pledge of the Pledged Revenues and Pledged Funds made for the security and payment of the Previously Issued Senior Lien Bonds and to the deposits required by the Previously Issued Senior Lien Bond Resolution to be made to the various funds and accounts as security for the Previously Issued Senior Lien Bonds. Provided further, however, at such time as all of the Previously Issued Senior Lien Bonds are no longer outstanding, the Parity Revenue Obligations shall be equally and ratably secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues. Parity Revenue Obligations shall not constitute debts or obligations of the State or of the City, and the Owners of the Parity Revenue Obligations shall never have the right to demand payment out of any funds raised or to be raised by ad valorem taxation. The Parity Revenue Obligations do not give rise to a claim for payment against the City except as to Sales Tax Revenues held by the City and required by the Act to be paid over to the Corporation.

Resolution as Security Agreement. (a) An executed copy of the Resolution shall constitute a security agreement pursuant to applicable law, with the Owners as the secured parties. The lien, pledge, and security interest of the Owners created in the Resolution shall become effective immediately upon the Closing Date of the Bonds, and the same shall be continuously effective for so long as any Bonds are outstanding.

(b) A fully executed copy of the Resolution and the proceedings authorizing it shall be filed as a security agreement among the permanent records of the Corporation. Such records shall be open for inspection to any member of the general public and to any person proposing to do or doing business with, or asserting claims against, the Corporation, at all times during regular business hours.

Application of Chapter 1208, Government Code.

(a) Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the revenues granted by the Corporation under the Resolution, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the revenues granted by the Corporation under the Resolution are to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the Corporation agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Creation and Confirmation of Funds.

(a) The Corporation hereby creates, establishes and confirms the following funds to be held at the Corporation's depository bank:

- (i) Mansfield Parks Facilities Development Corporation Previously Issued Senior Lien Bonds Debt Service Fund;
- (ii) Mansfield Parks Facilities Development Corporation Previously Issued Senior Lien Bonds Reserve Fund;
- (iii) Mansfield Parks Facilities Development Corporation Gross Sales Tax Revenue Fund;
- (iv) Mansfield Parks Facilities Development Corporation Debt Service Fund;
- (v) Mansfield Parks Facilities Development Corporation Previously Issued Senior Lien Bonds Project Development Fund;
- (vi) Mansfield Parks Facilities Development Corporation Bonds Project Development Fund;
- (vii) Mansfield Parks Facilities Development Corporation Capital Improvement Fund.

(b) The Previously Issued Senior Lien Bonds Debt Service Fund shall be maintained for the benefit of the Owners of the Previously Issued Senior Lien Bonds. Money on deposit in the Previously Issued Senior Lien Bonds Debt Service Fund shall be used to pay the principal of, premium, if any, and interest on the Previously Issued Senior Lien Bonds when and as the same shall become due and payable.

(c) The Previously Issued Senior Lien Bonds Reserve Fund shall be maintained for the benefit of the Owners of the Previously Issued Senior Lien Bonds. Money on deposit in the Previously Issued Senior Lien Bonds Reserve Fund shall be used to pay principal of, premium of, if any, and interest on Previously Issued Senior Lien Bonds becoming due and payable when there is not sufficient money available in the Previously Issued Senior Lien Bonds Debt Service Fund for such purpose. Money on deposit in the Previously Issued Senior Lien Bonds Reserve Fund may be applied to the acquisition of a Surety Bond as authorized pursuant to the Previously Issued Senior Lien Bond Resolution.

(d) Moneys on deposit in the Previously Issued Senior Lien Bonds Project Development Fund shall be used for paying costs of Corporation Projects for which Previously Issued Senior Lien Bonds were issued.

(e) Moneys on deposit in the Bonds Project Development Fund shall be used for paying costs of Projects for which Parity Revenue Obligations from time to time are issued.

(f) The Gross Sales Tax Revenue Fund, which may also be designated as the "Mansfield Parks Facilities Development Corporation Fund," is hereby established as a special fund comprised of the Gross Sales Tax Revenues, together with all other revenues as from time to time may be determined for deposit therein by the Corporation, and shall be maintained at the Corporation's depository bank for the benefit of the Owners of the Previously Issued Senior Lien Bonds and the Parity Revenue Obligations, subject to the further provisions of the Resolution.

(g) The Debt Service Fund shall be maintained for the benefit of the Owners of the Parity Revenue Obligations. Money deposited in the Debt Service Fund shall be used to pay the principal of, premium, if any, and interest on the Parity Revenue Obligations when and as the same shall become due and payable.

(h) The Reserve Fund shall be maintained for the benefit of the Owners of the Bonds and not any other Parity Revenue Obligations. Money deposited in the Reserve Fund shall be used to pay principal of and/or interest on the Bonds becoming due and payable when there is not sufficient money available in the Debt Service Fund for such purpose. Money deposited in the Reserve Fund shall be used to pay principal of and/or interest on the Bonds becoming due and payable when there is not sufficient money available in the Debt Service Fund for such purpose. Money on deposit in the Reserve Fund may be applied to the acquisition of a Reserve Fund Surety Bond.

(i) Money from time to time on deposit in the Capital Improvement Fund shall be used for paying costs of authorized Projects the payment of which are not otherwise provided from the proceeds of Parity Revenue Obligations, and for any other lawful purposes permitted under applicable law. The Capital Improvement Fund at all times shall be free of any lien or pledge created by the Resolution and the resolution or resolutions authorizing the issuance Additional Parity Revenue Obligations.

Gross Sales Tax Revenue Fund.

(a) All Pledged Revenues shall be deposited and transferred as received to the Gross Sales Tax Revenue Fund.

(b) Until such time as the Previously Issued Senior Lien Bonds are no longer outstanding, moneys deposited in the Gross Sales Tax Revenue Fund shall be pledged and appropriated to the following uses, in the order of priority shown:

(i) First, to the payment, without priority, of all amounts required to be deposited in the Previously Issued Senior Lien Bonds Debt Service Fund established by the Previously Issued Senior Lien Bonds Resolution established for the payment of Previously Issued Senior Lien Bonds;

(ii) Second, to the payment of all amounts required to be deposited in the Previously Issued Senior Lien Bonds Reserve Fund pursuant to the Previously Issued Senior Lien Bonds Resolution;

(iii) Third, to pay any amounts due to any bond insurer of Previously Issued Senior Lien Bonds not paid pursuant to subsections (i) or (ii) above;

(iv) Fourth, to pay any amounts due to any issuer of a Previously Issued Senior Lien Bond Reserve Fund Surety Bond not paid pursuant to subsections (ii) or (iii) above;

(v) Fifth, to any other fund or account required by any Previously Issued Senior Lien Bond Resolution authorizing Previously Issued Senior Lien Bonds, the amounts required to be deposited therein;

(vi) Sixth, to the payment, without priority, of all amounts required to be deposited in the Debt Service Fund herein established for the payment of Parity Revenue Obligations;

(vii) Seventh, on a pro rata basis, to each debt service reserve fund created by any resolution authorizing the issuance of Parity Revenue Obligations, which contains less than the amount to be accumulated and/or maintained therein, as provided in such resolutions;

(viii) Eighth, to pay any amounts due to any bond insurer of Parity Revenue Obligations not paid pursuant to subsections (vi) or (vii) above;

(ix) Ninth, to pay any amounts due to any issuer of a Reserve Fund Surety Bond not paid pursuant to subsections (vii) of (viii) above;

(x) Tenth, to any other fund or account required by any resolution authorizing Parity Revenue Obligations, the amounts required to be deposited therein;

(xi) Eleventh, to any fund or account, or to any payee, required by any other resolution of the Board which authorizes the issuance of obligations or the creation of debt of the Corporation having a lien on the Pledged Revenues subordinate to the lien and pledge created herein with respect to the Parity Revenue Obligations;

(xii) Twelfth, to the Capital Improvement Fund.

(c) At such time as there are no Previously Issued Senior Lien Bonds outstanding, moneys deposited in the Gross Sales Tax Revenue Fund shall be pledged and appropriated to the following uses, in the order of priority shown:

(i) First, to the payment, without priority, of all amounts required to be deposited in the Debt Service Fund herein established for the payment of Parity Revenue Obligations;

(ii) Second, on a pro rata basis, to each debt service reserve fund created by any resolution authorizing the issuance of Parity Revenue Obligations, which contains less than the amount to be accumulated and/or maintained therein, as provided in such resolutions;

(iii) Third, to pay any amounts due to any bond insurer of Parity Revenue Obligations not paid pursuant to subsections (i) or (ii) above;

(iv) Fourth, to pay any amounts due to any issuer of a Reserve Fund Surety Bond not paid pursuant to subsections (ii) or (iii) above;

(v) Fifth, to any other fund or account required by any resolution authorizing Parity Revenue Obligations, the amounts required to be deposited therein;

(vi) Sixth, to any fund or account, or to any payee, required by any other resolution of the Board which authorizes the issuance of obligations or the creation of debt of the Corporation having a lien on the Pledged Revenues subordinate to the lien and pledge created herein with respect to the Parity Revenue Obligations;

(vii) Seventh, to the Capital Improvement Fund.

#### Debt Service Fund

(a) The Corporation hereby covenants and agrees to make deposits to the Debt Service Fund from moneys in the Gross Sales Tax Revenue Fund, in substantially equal monthly, bi-monthly, quarterly or semi-annual installments as such money is received, to pay the principal of and interest on the Parity Revenue Obligations as follows:

(i) Such amounts, on deposit and received following the Closing Date, as will be sufficient, together with other amounts, if any, then on hand in the Debt Service Fund and available for such purpose, to pay the interest scheduled to accrue and become due and payable with respect to the Parity Revenue Obligations on the next succeeding Interest Payment Date;

(ii) Such amounts, on deposit and received following the Closing Date, as will be sufficient, together with other amounts, if any, on hand in the Debt Service Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Parity Revenue Obligations on the next succeeding Interest Payment Date on which principal of the Bonds is to be payable.

(b) The deposits to the Debt Service Fund for the payment of principal of and interest on the Parity Revenue Obligations shall continue to be made as hereinabove provided until such time as (i) the total amount on deposit in the Debt Service Fund and Reserve Fund is equal to the amount required to pay all outstanding obligations (principal and/or interest) for

which said Fund was created and established to pay or (ii) the Parity Revenue Obligations are no longer outstanding, i.e., fully paid as to principal and interest on all of the Parity Revenue Obligations have been refunded.

(c) Any proceeds of the Bonds not required for the purposes for which the Bonds are issued shall be deposited to the Debt Service Fund.

Reserve Fund.

(a) There is hereby created and ordered held at a depository bank of the Corporation, for the benefit of the Bonds, the Reserve Fund. As provided in the Resolution, the Corporation shall deposit and credit to the Reserve Fund amounts required to maintain the balance in the Reserve Fund in an amount equal to the maximum annual debt service requirements of the Bonds (the "Required Reserve"). The maximum annual debt service requirements of the Bonds shall be calculated by the Corporation on the date of issuance of the Bonds and on each October 1 thereafter, and the Required Reserve to be maintained in the Reserve Fund after each such calculation shall be the amount determined by such calculation.

(b) All funds, investments and Reserve Fund Surety Bonds on deposit and credited to the Reserve Fund shall be used solely for (i) the payment of the principal of and interest on the Bonds, when and to the extent other funds available for such purposes are insufficient, (ii) to make payments due under a Reserve Fund Surety Bond and (iii) with respect to funds and investments on deposit and credited to the Reserve Fund other than Reserve Fund Surety Bonds, to retire the last maturity of or interest on the Bonds.

(c) When and for so long as the cash, investments and Reserve Fund Surety Bonds in the Reserve Fund equal the Required Reserve, no deposits need be made to the credit of the Reserve Fund. If the Reserve Fund at any time contains less than the Required Reserve, the Corporation covenants and agrees that the Corporation shall cure the deficiency in the Reserve Fund by making deposits to such Fund from the Pledged Revenues in accordance with the Resolution by monthly deposits and credits in amounts equal to not less than 1/60th of the Required Reserve with any such deficiency payments being made on or before the last day of each month until the Required Reserve has been fully restored; provided, however, that no such deposits shall be made into the Reserve Fund during any six-month period beginning on February 1 and August 1 until there has been deposited into the Debt Service Fund the full amount required to be deposited therein by the next following February 1 and August 1, as the case may be. In addition, in the event that a portion of the Required Reserve is represented by a Reserve Fund Surety Bond, the Required Reserve and deposits to the Reserve Fund shall take into account such value of the Reserve Fund Surety Bond. The Corporation further covenants and agrees that, subject only to the prior deposits and credits for the Previously Issued Senior Lien Bonds and to be made to the Debt Service Fund, the Pledged Revenues shall be applied, appropriated and used to establish and maintain the Required Reserve, including by paying payments under a Reserve Fund Surety Bond when due, and any reserve established for the benefit of any issue or series of Additional Parity Revenue Obligations and to cure any deficiency in such amounts as required by the terms of this Resolution and any other Resolution pertaining to the issuance of Additional Parity Revenue Obligations. Reimbursements to any provider of a Reserve Fund Surety Bond shall constitute the curing of a deficiency in the Reserve Fund to the extent that such reimbursements result in the reinstatement, in whole or in part, as the case may be, of the amount of the Reserve Fund Surety Bond to the Required Reserve.

(d) Earnings and income derived from the investment of amounts held for the credit of the Reserve Fund shall be retained in the Reserve Fund until the Reserve Fund contains the Required Reserve. During such time as the Reserve Fund contains the Required Reserve or any cash or investment is replaced with a Reserve Fund Surety Bond pursuant to subsection (e) below, the Corporation may, at its option, withdraw funds that are in excess of the Required Reserve and deposit such surplus in the Gross Sales Tax Revenue Fund; provided that the face amount of any Reserve Fund Surety Bond may be reduced at the option of the Corporation in lieu of such withdrawal of excess funds. Notwithstanding the foregoing, any surplus funds in excess of the Required Reserve that consist of gross proceeds of the Bonds or interest thereon shall be used for purposes for which the Bonds were issued or deposited to the Debt Service Fund.

(e) The Corporation may, at any time, deposit, supplement, replace or substitute a Reserve Fund Surety Bond for cash or investments on deposit in the Reserve Fund or in substitution for or replacement of any existing Reserve Fund Surety Bond.

(f) If the Corporation is required to make a withdrawal from the Reserve Fund for any of the purposes described in this Section, the Corporation shall promptly notify the issuer of such Reserve Fund Surety Bond of the necessity for a withdrawal from the Reserve Fund for any such purposes, and shall make such withdrawal first from available moneys or permitted investments then on deposit in the Reserve Fund, and next from a drawing under any Reserve Fund Surety Bond to the extent of any deficiency.

(g) In the event there is a draw upon the Reserve Fund Surety Bond, the Corporation shall reimburse the provider of such Reserve Fund Surety Bond for such draw, in accordance with the terms of any agreement pursuant to which the Reserve Fund Surety Bond is used, from Pledged Revenues; however, such reimbursement from Pledged Revenues shall be in

accordance with the provisions of the Resolution and shall be subordinate and junior in right of payment to the payment of principal of and premium, if any, and interest on the then Outstanding Parity Revenue Obligations.

(h) The Corporation may create and establish a debt service reserve fund pursuant to any resolution or resolutions authorizing the issuance of Parity Revenue Obligations for the purpose of security that series of Parity Revenue Obligations or any specific series of Parity Revenue Obligations; the amounts once deposited or credited to said debt service reserve funds shall no longer constitute Pledged Revenues and shall be held solely for the benefit of the owners of the series of Parity Revenue Obligations for which such debt service reserve fund was established. Each such debt service reserve fund shall be designated in such manner as is necessary to identify the Parity Revenue Obligations it secures and to distinguish such debt service reserve fund from the debt service reserve funds created for the benefit of other Parity Revenue Obligations.

(i) In connection with the issuance of the Bonds Reserve Fund shall be funded with a Reserve Fund Surety Bond.

Deficiencies in Funds. If the Corporation shall, for any reason, fail to pay into the Debt Service Fund or Reserve Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said funds from the first available revenues of the Corporation and such payments shall be in addition to the amounts hereinabove provided to be otherwise paid into said funds.

Security of Funds. All moneys on deposit in the funds referred to in the Resolution shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of funds of the City, and moneys on deposit in such funds shall be used only for the purposes permitted by the Resolution.

Investments. (a) Money in the funds established by the Resolution, or any resolution authorizing the issuance of any Additional Parity Revenue Obligations, at the option of the Corporation, may be invested in such securities or obligations as permitted under the laws of the State of Texas applicable to the City.

(b) Any securities or obligations in which money is so invested shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Investment Income. Interest and income derived from investment of any fund created by the Resolutions shall be credited to such fund.

Issuance of Superior Lien Obligations Prohibited. The Corporation hereby covenants that so long as any principal or interest pertaining to any Parity Revenue Obligations remain outstanding and unpaid, it will not authorize or issue obligations secured by a lien on or pledge of the Pledged Revenues superior to the lien ascribed to the Parity Revenue Obligations.

Issuance of Additional Parity Obligations Authorized.

In addition to the right to issue obligations of inferior lien, the Corporation reserves the right to issue Additional Parity Revenue Obligations which, when duly authorized and issued in compliance with law and the terms and conditions hereinafter appearing, shall be on a parity with the Bonds herein authorized and the Parity Revenue Obligations, payable from and equally and ratably secured by a lien on and pledge of the Pledged Revenues and Pledged Funds; and the Parity Revenue Obligations and Additional Parity Revenue Obligations shall in all respects be of equal dignity. The Additional Parity Revenue Obligations may be issued in one or more installments, provided, however, that none shall be issued unless and until the following conditions have been met:

(a) The Corporation is not then in default as to any covenant, condition or obligation prescribed in a resolution authorizing the issuance of the outstanding Previously Issued Senior Lien Bonds or the Parity Revenue Obligations.

(b) Each of the funds created for the payment, security and benefit of the Previously Issued Senior Lien Bonds and the Parity Revenue Obligations contains the amount of money then required to be on deposit therein.

(c) The Corporation has secured from a Certified Public Accountant a certificate or report reflecting that for the Fiscal Year next preceding the date of the proposed Additional Parity Revenue Obligations, or a consecutive twelve (12) month period out of the fifteen (15) month period next preceding the month in which the resolution authorizing the proposed Additional Parity Revenue Obligations is adopted, the Gross Sales Tax Revenues were equal to at least: (i) 1.35 times the combined maximum annual principal and interest requirements on all Previously Issued Senior Lien Bonds and Parity Revenue Obligations to be outstanding after the issuance of the proposed Additional Parity Revenue Obligations; and (ii) 1.50 times the combined average annual principal and interest requirements on all Previously Issued Senior Lien Bonds and Parity Revenue Obligations to be outstanding after the issuance of the proposed Additional Parity Revenue Obligations; provided, that, in the event of an increase in the rate of the Sales Tax that becomes effective prior to the date of the resolution authorizing the issuance of the Additional Parity Revenue Obligations, such certificate or report shall calculate the Gross Sales Tax Revenues for the calculation period as if such increased rate were in effect during such period.

(d) The Additional Parity Revenue Obligations are made to mature on February 1 or August 1, either or both, of each year in which they are scheduled to mature.

(e) The resolution authorizing the Additional Parity Revenue Obligations provides that: (i) the Debt Service Fund be augmented by amounts adequate to accumulate the sum required to pay the principal and interest on such obligations as the same shall become due; and (ii) the amount to be maintained in the Reserve Fund shall be increased to an amount not less than the Reserve Fund Requirement calculated to include the debt service of the proposed additional obligations; and (iii) any additional amount required to be maintained in the Reserve Fund shall be deposited therein upon delivery of such Additional Parity Revenue Obligations or in not more than 60 months from such date.

(f) Parity Revenue Obligations may be refunded upon such terms and conditions as the Board may deem to be in the best interest of the Corporation; and if less than all such outstanding Parity Revenue Obligations are refunded, the proposed refunding obligations shall be considered as "Additional Parity Revenue Obligations" under the provisions of this Section, and the report or certificate required by paragraph (c) shall give effect to the issuance of the proposed refunding obligations and shall not give effect to the obligations being refunded.

No Further Issuance of Previously Issued Senior Lien Bonds.

The Corporation covenants not to issue any bonds superior in lien and pledge to the Parity Revenue Obligations, including specifically additional bonds or obligations authorized under the Previously Issued Senior Lien Bond Resolution.

Pledged Funds and Pledged Revenues. (a) The Corporation represents and warrants that it is and will be authorized by applicable law and by its articles of incorporation and bylaws to authorize and issue the Bonds, to adopt the Resolution and to pledge the Pledged Funds and Pledged Revenues in the manner and to the extent provided in the Resolution, and that the Pledged Funds and Pledged Revenues so pledged are and will be and remain free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by the Resolution except as expressly provided in the Resolution for Parity Revenue Obligations.

(b) The Bonds and the provisions of the Resolution are and will be the valid and legally enforceable obligations of the Corporation in accordance with the terms of the Resolution, subject only to any applicable bankruptcy or insolvency laws or to any applicable law affecting creditors rights generally.

(c) The Corporation shall at all times, to the extent permitted by applicable law, defend, preserve and protect the pledge of the Pledged Funds and Pledged Revenues and all the rights of the Owners under the Resolution and the resolutions authorizing the issuance of any Additional Parity Obligations, against all claims and demands of all persons whomsoever.

(d) The Corporation will take, and use its best efforts to cause the City to take, all steps reasonably necessary and appropriate to collect all delinquencies in the collection of the Sales Tax to the fullest extent permitted by the Act and other applicable law.

Accounts Periodical Reports and Certificates. The Corporation shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the funds and accounts established by the Resolution and which, together with all other books and papers of the Corporation, shall at all times be subject to the inspection of, the Owner or Owners of not less than 5% in principal amount of the Parity Revenue Obligations then outstanding or their representatives duly authorized in writing.

General. The Directors and Officers of the Corporation shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under the provisions of the Resolution.

Repeal of Power to Collect Sales Tax. Any repeal or amendment of the right and power to levy, collect and apply the Sales Tax pursuant to the Act shall never be effective until all of the principal of and the interest on the Parity Revenue Obligations have been paid in full or they have been lawfully defeased.

Payment of the Bonds. While any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Debt Service Fund, money sufficient to pay the interest on and the principal of the Bonds, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Events of Default. Each of the following occurrences or events for the purpose of the Resolution is hereby declared to be an "Event of Default," to-wit:

(a) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(b) default in the performance or observance of any other covenant, agreement or obligation of the Corporation, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with Resolution, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the Corporation.

Remedies for Default. (a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the Corporation for the purpose of protecting and enforcing the rights of the Owners under the Resolution, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific

performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

Remedies Not Exclusive. (a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of the Resolution, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under the Resolution.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

Discharge. The Corporation reserves the right to defease, discharge or refund the Bonds in any manner permitted by applicable law.

## INVESTMENTS

The Corporation is a nonprofit corporation acting on behalf of the City and is subject to the provisions of the Public Funds Investment Act (V.T.C.A., Government Code, (Ch. 2256) with respect to the investment of its funds. The Corporation invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the Board of Directors of the Corporation. Both state law and the Corporation's investment policies are subject to change.

**LEGAL INVESTMENTS . . .** Under Texas law, the Corporation is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities including obligation that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) certificates of deposit (i) issued by a depository institution that has its main office or a branch office in the State of Texas, that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by Bonds described in clauses (1) through (6) or in any other manner and amount provided by law for Corporation deposits, or (ii) where; (a) the funds are invested by the Corporation through (i) a broker that has its main office or branch office in this state and is selected from a list adopted by the Corporation; (ii) a depository institution that has a main office or branch office in this state and that is selected by the Corporation; (b) the depository institution selected by the Corporation arranges for the deposit of funds in one or more federally insured depository institutions, wherever located; (c) the certificates of deposit are insured by the United States or an instrumentality of the United States; and (d) the Corporation appoints the depository institution acts as a custodian for the Corporation with respect to the certificates of deposit an entity described by 2257.041(d) Government Code, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R., section 240.15c3-3); (8) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1), and are placed through a primary government securities dealer or a financial institution doing business in the State of Texas, (9) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (6) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (6) above, clauses (11) through (13) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the Corporation, held in the Corporation's name and deposited at the time the investment is made with the Corporation or a third party designated by the Corporation; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less, (10) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency, (11) commercial paper with a stated maturity of 270 days or less that is rated at least "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (12) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that have a dollar weighted average stated maturity of 90 days or less and include in their investment objectives the maintenance of a stable net asset value of \$1 for each share and (13) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, invest exclusively in obligations described in this paragraph, and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than "AAA" or its equivalent. In addition, bond proceeds may be invested in guaranteed investment contracts that have a

defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph.

The Corporation may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAAM or an equivalent by at least one nationally recognized rating service. The Corporation is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

**INVESTMENT POLICIES . . .** Under Texas law, the Corporation is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for Corporation funds, maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the Public Funds Investment Act. All Corporation funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each funds' investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, Corporation investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the Corporation shall submit an investment report detailing: (1) the investment position of the Corporation, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, the ending market value and the fully accrued interest for the reporting period of each pooled fund group, (4) the book value and market value of each separately listed asset at the end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest Corporation funds without express written authority from the Board of Directors.

**ADDITIONAL PROVISIONS . . .** Under State law, the Corporation is additionally required to: (1) annually review its adopted policies and strategies, (2) adopt a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution, (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the entity to disclose the relationship and file a statement with the Texas Ethics Commission and the Corporation's Board of Directors; (4) require the qualified representative of firms offering to engage in an investment transaction with the Corporation to: (a) receive and review the Corporation's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the Corporation and the business organization that are not authorized by the Corporation's investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the Corporation's entire portfolio or requires an interpretation of subjective investment standards), and (c) deliver a written statement in a form acceptable to the Corporation and the business organization attesting to these requirements; (5) perform an annual audit of the management controls on investments and adherence to the Corporation's investment policy; (6) provide specific investment training for the Corporation's designated Investment Officer; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (8) restrict the investment in non-money market mutual funds in the aggregate to no more than 15% of the Corporation's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements, and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the Corporation.

## TABLE 5- CURRENT INVESTMENTS

As of June 30, 2016, the Corporation's investable funds were invested in the following categories:

<u>Description of Investment</u>	<u>Total Investment</u>	<u>Percent of Portfolio</u>
Nations Money Market Funds	\$ 3,101,012	41.25%
TexSTAR	4,416,435	58.75%
	<u>\$ 7,517,447</u>	<u>58.75%</u>

## TAX MATTERS

### GENERAL

The following discussion summarizes certain material U.S. federal income tax considerations that may be relevant to the acquisition, ownership and disposition of the Bonds by an initial holder (as described below). This discussion is based upon the provisions of the Code, applicable U.S. Treasury Regulations promulgated thereunder, judicial authority and administrative interpretations, as of the date of this document, all of which are subject to change, possibly with retroactive effect, or are subject to different interpretations. Neither the Corporation nor Bond Counsel offers any assurance that the Service will not challenge one or more of the tax consequences described in this discussion, and neither of the Corporation nor Bond Counsel has obtained, nor do the Corporation or Bond Counsel intend to obtain, a ruling from the Service or an opinion of counsel with respect to the U.S. federal tax consequences of acquiring, holding or disposing of the Bonds.

This discussion is limited to holders who purchase the Bonds in this initial offering for a price equal to the issue price of the Bonds (i.e., the first price at which a substantial amount of the Bonds is sold for cash other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers, the "Issue Price") and who hold the Bonds as capital assets (generally, property held for investment). This discussion does not address the tax considerations arising under the laws of any foreign, state, local or other jurisdiction or income tax treaties or any U.S. federal estate or gift tax considerations. In addition, this discussion does not address all tax considerations that may be important to a particular holder in light of the holder's circumstances or to certain categories of investors that may be subject to special rules, such as:

- dealers in securities or currencies;
- traders in securities that have elected the mark-to-market method of accounting for their securities;
- U.S. Bondholders (as defined below) whose functional currency is not the U.S. dollar;
- persons holding the Bonds as part of a hedge, straddle, conversion or other "synthetic security" or integrated transaction;
- certain U.S. expatriates;
- financial institutions;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- persons subject to the alternative minimum tax;
- entities that are tax-exempt for U.S. federal income tax purposes; and
- partnerships and other pass-through entities and holders of interests therein.

If a partnership (including an entity treated as a partnership for U.S. federal income tax purposes) holds the Bonds, the tax treatment of such partnership or a partner generally will depend upon the status of the partner and the activities of the partnership. Partnerships acquiring Bonds and partners of partnerships acquiring the Bonds should consult their own tax advisors about the U.S. federal income tax consequences of acquiring, holding and disposing of the Bonds.

**INVESTORS CONSIDERING THE PURCHASE OF THE BONDS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP OR DISPOSITION OF THE BONDS UNDER THE LAWS OF ANY STATE, LOCAL OR FOREIGN JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.**

**TAX CONSEQUENCES TO U.S. BONDHOLDERS**

As used herein “U.S. Bondholder” means a beneficial owner of a Bond and who or that is, for U.S. federal income tax purposes:

- an individual who is a U.S. citizen or U.S. resident alien;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or that has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

*Interest on the Bonds*

A U.S. Bondholder will be required to include any stated interest payments in income in accordance with its method of accounting for U.S. federal income tax purposes. If a U.S. Bondholder is a cash method taxpayer, such holder must report interest on the Bonds as ordinary income when it is received. If a U.S. Bondholder is an accrual method taxpayer, such holder must report the interest on the Bonds as ordinary income as it accrues.

*Original Issue Discount*

If the Issue Price of the Bonds of any stated maturity is less than their face amount by more than one quarter of one percent times the number of complete years to maturity, the Bonds of such maturity will be treated as being issued with “original issue discount.” The amount of the original issue discount will equal the excess of the principal amount payable on such Bonds at maturity over its Issue Price, and the amount of the original issue discount on such Bonds will be amortized over the life of the Bonds using the “constant yield method” provided in the U.S. Treasury Regulations. As the original issue discount accrues under the constant yield method, the beneficial owners of the Bonds, regardless of their regular method of accounting, will be required to include such accrued amount in their gross income as interest. This can result in taxable income to the beneficial owners of such Bonds that exceeds actual cash interest payments to the beneficial owners in a taxable year.

The amount of the original issue discount that accrues on such Bonds each taxable year will be reported annually to the Service and to the beneficial owners. The portion of the original issue discount included in each beneficial owner’s gross income while the beneficial owner holds such Bonds will increase the adjusted tax basis of such Bonds in the hands of such beneficial owner.

*Premium*

If the Issue Price of the Bonds of any stated maturity is greater than its stated redemption price at maturity, such beneficial owner will be considered to have purchased such Bond with “amortizable Bond premium” equal in amount to such excess. A beneficial owner may elect to amortize such premium using a constant yield method over the remaining term of such Bond and may offset interest otherwise required to be included in respect of such Bond during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on such Bond held by a beneficial owner that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of such Bond. However, if such Bond may be optionally redeemed after the beneficial owner acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the U.S. Treasury Regulations which could result in a deferral of the amortization of some Bond premium until later in the term of such Bond. Any election to amortize Bond premium applies to all taxable debt instruments held by the beneficial owner on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the Service.

*Disposition of the Bonds*

A U.S. Bondholder will generally recognize capital gain or loss on the sale, redemption, exchange, retirement or other taxable disposition of a Bond. This gain or loss will equal the difference between the U.S. Bondholder’s adjusted tax basis in the Bond and the amount realized (excluding any proceeds attributable to accrued but unpaid stated interest which will be recognized as ordinary interest income to the extent any such Bondholder has not previously included such amounts in income) by the

Bondholder. A U.S. Bondholder's adjusted tax basis in the Bonds will generally equal the amount the U.S. Bondholder paid for the Bonds increased by any original issue discount previously included in the Bondholder's income and decreased by the amount of the Bond premium that has been previously amortized. The gain or loss generally will be long-term capital gain or loss if the Bondholder held the Bonds for more than one year at the time of the sale, redemption, exchange, retirement or other taxable disposition. Long-term capital gains of individuals, estates and trusts currently are subject to a reduced rate of U.S. federal income tax. The deductibility of capital losses is subject to certain limitations.

#### **ADDITIONAL TAX ON INVESTMENT INCOME**

An additional 3.8% net investment income tax, or the "NIIT," is imposed on the "net investment income" of certain U.S. Bondholders who are individuals and on the undistributed "net investment income" of certain estates and trusts, to the extent the sum of net investment income and other modified adjusted gross income exceeds specified dollar amounts. Among other items, "net investment income" would generally include interest income and net gain from the disposition of property, such as the Bonds, less certain deductions. U.S. Bondholders should consult their tax advisors with respect to the tax consequences of the NIIT.

#### **TAX CONSEQUENCES TO NON-U.S. BONDHOLDERS**

As used herein, a "non-U.S. Bondholder" means a beneficial owner of Bonds that is an individual, corporation, estate or trust that is not a U.S. Bondholder.

##### *Interest on the Bonds-Portfolio Interest*

Subject to the discussions below under the headings "Information Reporting and Backup Withholding—Non-U.S. Bondholders" and "Information Reporting and Backup Withholding—Foreign Account Tax Compliance," payments to a non-U.S. Bondholder of interest on the Bonds generally will be exempt from withholding of U.S. federal tax under the "portfolio interest" exemption if the non-U.S. Bondholder properly certifies as to the non-U.S. Bondholder's foreign status as described below, and:

- the non-U.S. Bondholder does not own, actually or constructively, 10% or more of the Corporation's voting stock;
- the non-U.S. Bondholder is not a "controlled foreign corporation" for U.S. federal income tax purposes that is related to the Corporation (actually or constructively); and
- the non-U.S. Bondholder is not a bank whose receipt of interest on the Bonds is in connection with an extension of credit made pursuant to a loan agreement entered into in the ordinary course of such Bondholder's trade or business.

The foregoing exemption from withholding tax will not apply unless (i) the non-U.S. Bondholder provides his, her or its name and address on an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form), and certifies under penalties of perjury, that such holder is not a U.S. person, (ii) a financial institution holding the Bonds on a non-U.S. Bondholder's behalf certifies, under penalties of perjury, that it has received an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form) from such holder and provides the Trustee with a copy, or (iii) the non-U.S. Bondholder holds their Bonds directly through a "qualified intermediary," and the qualified intermediary has sufficient information in its files indicating that such holder is not a U.S. Bondholder.

If a non-U.S. Bondholder cannot satisfy the requirements described above, payments of principal and interest made to such holder will be subject to the 30% U.S. federal withholding tax, unless such non-U.S. Bondholder provides the Trustee with a properly executed (a) IRS Form W-8BEN or IRS Form W-8BEN-E or successor form claiming an exemption from or a reduction of withholding under an applicable tax treaty or (b) IRS Form W-8ECI (or successor form) stating that interest paid on the Bonds is not subject to withholding tax because it is effectively connected with such non-U.S. Bondholder's conduct of a trade or business in the United States.

If a non-U.S. Bondholder is engaged in an active trade or business in the United States and interest on the Bonds is effectively connected with the active conduct of that trade or business (and, in the case of an applicable income tax treaty, is attributable to a U.S. permanent establishment maintained by such holder), such non-U.S. Bondholder will be subject to U.S. federal income tax on the interest on a net income basis (although exempt from the 30% withholding tax) in the same manner as if such non-U.S. Bondholder were a U.S. person as defined under the Code. In addition, if a non-U.S. Bondholder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of such holder's earnings and profits for the taxable year, subject to certain adjustments, including earnings and profits from an investment in the Bonds, that is effectively connected with the active conduct by such non-U.S. Bondholder of a trade or business in the United States.

##### *Disposition of the Bonds*

Subject to the discussions below under the headings “Information Reporting and Backup Withholding-Non-U.S. Bondholders and “Information Reporting and Backup Withholding-Foreign Account Tax Compliance,” a non-U.S. Bondholder generally will not be subject to U.S. federal income tax on any gain realized on the sale, redemption, exchange, retirement or other taxable disposition of a Bond unless:

- the gain is effectively connected with the conduct by the non-U.S. Bondholder of a U.S. trade or business (and, if required by an applicable income tax treaty, is treated as attributable to a permanent establishment maintained by the Bondholder in the United States);
- the non-U.S. Bondholder is a nonresident alien individual who has been present in the United States for 183 days or more in the taxable year of disposition and certain other requirements are met;
- the gain represents accrued interest, in which case the rules for taxation of interest would apply.

If a non-U.S. Bondholder is described in the first bullet point above, the non-U.S. Bondholder generally will be subject to U.S. federal income tax in the same manner as a U.S. Bondholder. If a non-U.S. Bondholder is described in the second bullet point above, the Bondholder generally will be subject to U.S. federal income tax at a flat rate of 30% or lower applicable treaty rate on the gain derived from the sale or other disposition, which may be offset by U.S. source capital losses.

## **INFORMATION REPORTING AND BACKUP WITHHOLDING**

### *U.S. Bondholders*

Information reporting will apply to payments of principal and interest made by the Corporation on, or the proceeds of the sale or other disposition of, the Bonds with respect to U.S. Bondholders (unless such holder is an exempt recipient such as a corporation), and backup withholding, currently at a rate of 28%, may apply unless the recipient of such payment provides the appropriate intermediary with a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise establishes an exemption from backup withholding. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against the U.S. Bondholder’s U.S. federal income tax liability, if any, and a refund may be obtained if the amounts withheld exceed the U.S. Bondholder’s actual U.S. federal income tax liabilities provided the required information is timely provided to the Service.

### *Non-U.S. Bondholders*

Payments to non-U.S. Bondholders of interest on their Bonds and any amounts withheld from such payments generally will be reported to the Service and such holder. Backup withholding will not apply to payments of principal and interest on the Bonds if the non-U.S. Bondholder certifies as to his, her or its non-U.S. Bondholder status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form) under penalties of perjury or such non-U.S. Bondholder otherwise qualifies for an exemption (provided that neither the Corporation nor its agent, if any, know or have reason to know that such Bondholder is a U.S. person or that the conditions of any other exemptions are not in fact satisfied).

The payment of the proceeds of the disposition of Bonds to or through the U.S. office of a U.S. or foreign broker will be subject to information reporting and backup withholding unless a non-U.S. Bondholder provides the certification described above or such Bondholder otherwise qualifies for an exemption. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against the non-U.S. Bondholder’s U.S. federal income tax liability, if any, and a refund may be obtained if the amounts withheld exceed the non-U.S. Bondholder’s actual U.S. federal income tax liabilities provided the required information is timely provided to the Service.

### *Foreign Account Tax Compliance*

Pursuant to the Foreign Account Tax Compliance Act (“FATCA”), withholding at a rate of 30% generally will be required in certain circumstances on payments of interest in respect of, and, after December 31, 2018, gross proceeds from the sale or other disposition (including payments of principal) of, Bonds held by or through certain foreign financial institutions (including investment funds) that do not qualify for an exemption from these rules, unless the institution either (i) enters into, and complies with, an agreement with the Service to undertake certain diligence and to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold 30% on certain payments, or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, undertakes such diligence and reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country, or future Treasury Regulations or other guidance, may modify these requirements. Accordingly, the entity through which the Bonds are held will affect the determination of whether such withholding is required. Similarly, in certain circumstances, payments of interest in respect of, and, after December 31, 2018, gross proceeds from the sale or other disposition of, Bonds held by or through a non-financial foreign entity that does not qualify under certain exemptions generally will be subject to withholding at a rate of 30%, unless such entity either (a) certifies

that such entity does not have any “substantial United States owners” or (b) provides certain information regarding the entity’s “substantial United States owners,” which will be provided to the Service, as required. Prospective Bondholders should consult their tax advisors regarding the possible implications of these rules on their investment in the Bonds.

**THE PRECEDING DISCUSSION OF CERTAIN U.S. FEDERAL INCOME CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE BONDS, INCLUDING THE EFFECT AND APPLICABILITY OF (I) U.S. FEDERAL, STATE, LOCAL OR FOREIGN TAX LAWS, (II) GIFT AND ESTATE TAX LAWS, AND (III) ANY INCOME TAX TREATY.**

#### CONTINUING DISCLOSURE OF INFORMATION

In the Resolution, the Corporation has made the following agreements for the benefit of the holders and beneficial owners of the Bonds. The Corporation is required to observe the agreements for so long as it remains obligated to advance funds to pay the Bonds. Under the agreements, the Corporation will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the Municipal Securities Rulemaking Board (the “MSRB”). This information will be available free of charge from the MSRB via the Electronic Municipal Market Access (“EMMA”) system at [www.emma.msrb.org](http://www.emma.msrb.org) <<http://www.emma.msrb.org/>>.

**ANNUAL REPORTS . . .** The Corporation will provide to the MSRB updated financial information and operating data annually. The information to be updated includes quantitative financial information and operating data with respect to the Corporation of the general type included in this Official Statement under the Tables numbered 1 through 5 and in Appendix B. The Corporation will update and provide this information in the numbered Tables within six months after the end of each fiscal year ending in or after 2016 and, if then available, audited financial statements of the City. If audited financial statements are not available when the information is provided, the Corporation will provide audited financial statements when and if they become available. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Corporation shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation. The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the United States Securities and Exchange Commission (the “SEC”), as permitted by SEC Rule 15c2-12 (the “Rule”).

The Corporation’s current fiscal year end is September 30. Accordingly, updated unaudited information included in the above-reference Tables must be provided by March 31 in each year, and audited financial statements for the preceding fiscal year (or unaudited financial statements if audited financial statements are not yet available) must be provided by September 30 of each year, unless the Corporation changes its fiscal year. If the Corporation changes its fiscal year, it will notify the MSRB of the change.

**EVENT NOTICES . . .** The Corporation shall notify the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, of any of the following events with respect to the Bonds: (1) Principal and interest payment delinquencies; (2) Non-payment related defaults, if material; (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls, if material, and tender offers; (9) Defeasances; (10) Release, substitution, or sale of property securing repayment of the Bonds, if material; (11) Rating changes; (12) Bankruptcy, insolvency, receivership or similar event of the Corporation<sup>1</sup>; (13) The consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) Appointment of a successor or additional Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material. In addition, the Corporation will provide timely notice of any failure by the Corporation to provide annual financial information in accordance with their agreement described above under “Annual Reports.”

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<sup>1</sup> For the purposes of the event identified in (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Corporation in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation.

**AVAILABILITY OF INFORMATION . . .** All information and documentation filings required to be made by the Corporation in accordance with its undertaking made for the Bonds will be made with the MSRB in electronic format in accordance with MSRB guidelines. Access to such filings will be provided by the MSRB, without charge to the general public, at [www.emma.msrb.org](http://www.emma.msrb.org).

**LIMITATIONS AND AMENDMENTS . . .** The Corporation has agreed to update information and to provide notices of certain events only as described above. The Corporation has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The Corporation makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The Corporation disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Bonds may seek a writ of mandamus to compel the Corporation to comply with its agreement.

The Corporation may amend its continuing disclosure agreements 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, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or (b) any person unaffiliated with the Corporation (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Corporation may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the SEC Rule 15c2-12 or a court of final jurisdiction enters judgment that such provisions of the SEC Rule 15c2-12 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 Bonds in the primary offering of the Bonds. If the Corporation so amends the agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

**COMPLIANCE WITH PRIOR UNDERTAKINGS...** During the last five years, the City has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

## **OTHER INFORMATION**

### **RATINGS**

The presently outstanding Parity New Series Revenue Obligations of the Corporation are rated "Aa3" by Moody's, "AA-" by S&P and "AA+" by Fitch, without regard to credit enhancement. Applications have been made to Moody's, S&P and Fitch for contract ratings on the Bonds. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations and the Corporation makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by either of such rating companies, if in the judgment of either company, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the Bonds.

### **LITIGATION**

It is the opinion of Corporation Staff and the City Attorney that there is no pending or to their knowledge, threatened litigation or other proceeding against the Corporation that would have a material adverse financial impact upon the Corporation or its operations.

### **REGISTRATION AND QUALIFICATION OF BONDS FOR SALE**

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any jurisdiction. The Corporation assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

## LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Bonds are negotiable instruments, investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State of Texas, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Bonds be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency. See "Other Information - Ratings" herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the Corporation has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

## LEGAL MATTERS

The Corporation will furnish the Underwriter a complete transcript of proceedings had incident to the authorization and issuance of the Bonds, including the unqualified approving legal opinions of the Attorney General of Texas approving the Initial Bond and to the effect that the Bonds are valid and legally binding special obligations of the Corporation, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Bonds, or which would affect the provision made for their payment or security, or in any manner questioning the validity of said Bonds will also be furnished. Bond Counsel did not take part in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds under the captions, "The Bonds" (except second paragraph under the subcaption "Purpose" and the subcaptions "Book-Entry-Only System," "Bondholders' Remedies" and "Use of Bond Proceeds"), "Selected Provisions of the New Series 2016A Resolution," "Tax Matters," "Continuing Disclosure of Information" (except the subcaption "Compliance with Prior Undertakings") and the subcaptions "Legal Investments and Eligibility to Secure Public Funds in Texas," "Registration and Qualification of Bonds for Sale," and "Legal Matters" (except the last two sentences of the first paragraph) under the caption "Other Information" and such firm is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is a fair and accurate description of the laws and legal issues addressed therein, and, with respect to the Bonds, such information conforms to the Resolution. The legal fee to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds is contingent on the sale and delivery of the Bonds. The legal opinion may accompany the Bonds deposited with DTC or may be printed on the Bonds in the event of the discontinuance of the Book-Entry-Only System. Certain legal matters will be passed upon for the Underwriter by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Counsel to the Underwriter. The fees of Underwriter's Counsel are contingent upon the delivery of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## FINANCIAL ADVISOR

FirstSouthwest, a Division of Hilltop Securities Inc. ("FirstSouthwest") is employed as Financial Advisor to the Corporation in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. FirstSouthwest, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the Corporation for the investment of bond proceeds or other funds of the Corporation upon the request of the Corporation.

The Financial Advisor to the Corporation has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Corporation and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

## UNDERWRITING

The Underwriter has agreed, subject to certain conditions, to purchase the Bonds from the Corporation, at an underwriting discount of \$\_\_\_\_\_. The Underwriter will be obligated to purchase all of the Bonds if any Bonds are purchased. The Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriter and other dealers depositing Bonds into investment trusts) at prices lower than the public offering prices of such Bonds, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

RBC Capital Markets, LLC ("RBCCM") has provided the following information for inclusion in this Official Statement. RBCCM and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, RBCCM and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). RBCCM and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offerings of the City. RBCCM and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the City. RBCCM and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future.

## FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the Corporation, that are not purely historical, are forward-looking statements, including statements regarding the Corporation's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Corporation on the date hereof, and the Corporation assumes no obligation to update any such forward-looking statements. The Corporation's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Corporation. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

## MISCELLANEOUS

KPMG LLP, the City's independent auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in this report. KPMG LLP also has not performed any procedures relating to this official statement.

The financial data and other information contained herein have been obtained from the Corporation's records, the City's audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

The New Series 2016A Resolution authorized the Pricing Officer to approve the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorize its further use in the reoffering of the Bonds by the Underwriter.

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Pricing Officer  
Mansfield Park Facilities  
Development Corporation

**APPENDIX A**

GENERAL INFORMATION REGARDING THE CITY OF MANSFIELD, TEXAS

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**THE CITY . . .** The City of Mansfield encompasses 38.6 square miles and is located in the southeastern portion of Tarrant County with small areas of the City extending into Johnson and Ellis Counties. The City is bounded by the cities of Arlington on the north, Grand Prairie on the east and Fort Worth on the west. Farm Road 157 is a direct route between the City and Arlington. U.S. Highway 287 passes directly through the City from east to west. Dallas is approximately 25 miles to the northeast via U.S. Highway 287 and U.S. Highway 67 or I-20. Downtown Fort Worth is approximately 20 miles to the northwest via U.S. Highway 287 and I-20. Highway 360 provides direct connection to the cities of Arlington and Grand Prairie and to the Dallas-Fort Worth International Airport.

**POPULATION . . .** The City's 2010 Census population was 56,368, increasing 101.09% since 2000. The City Planning Department estimates the 2016 population at 63,248 reflecting a 125.64% increase since 2000.

**INDUSTRY . . .** The City of Mansfield has five major industrial parks with over 150 businesses and a significant amount of developable land remaining. There are significant water and transportation resources available for future development.

In 1997, the voters passed a half cent sales tax for economic development and the Mansfield Economic Development Corporation was formed to administer the City's economic development program.

Since its inception the Mansfield Economic Development Corporation has assisted over 125 companies in making Mansfield their home by providing over \$15.8 million in economic assistance. These companies have made cumulative capital investments of over \$420 million and created over 3,000 jobs in the City.

Since 2010, the Mansfield Economic Development Corporation has assisted 21 companies with increasing their presence in Mansfield; six expansions and 15 new developments. The new developments include Klein Tools, a company that manufactures high quality hand tools who is creating almost 600 jobs and \$76 million in capital investment, Texas Refinery, who specializes in blending industrial lubricants and is making a \$20 million capital investment and New Tech Systems who manufactures equipment for the oil and gas industry and who will create 60 high quality jobs. MEDC also assisted in the construction of a new mixed use multi-family and retail development known as Villas De Luca, which will have 173 luxury apartment units and 25,500 sq. ft. of retail space, and Kroger Marketplace, a new 125,000 sq. ft. concept that combined an expanded offering of groceries with jewelry, soft goods and furniture.

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**PRINCIPAL EMPLOYERS**

<u>Company</u>	<u>Product Line</u>	<u>Number of Employees</u>
Mouser Electronics	Distribution of Electronics Parts	1,300
Methodist Mansfield Medical Center	Full Service Hospital	1,207
SJ Louis Construction of TX.	Utility Contractor	450
Wal-Mart Super Center	Superstore	400
Klein Tools	Manufacturer of Hand Tool Products	395
Kroger	Grocery Stores(2)	320
Pier 1 Distribution Center	Home Goods	300
Hoffman Cabinets	Cabinet Manufacturer	260
Super Target	Super center	250
BCB Transport	Transportation Provider	214
Lifetime Fitness	Fitness Center	200
Walnut Creek Country Club	Country Club	190
Best Buy	Electronics Store	180
Intermedix	Medical Billing	180
Kindred Hospital	Treatment Center	155
Sam's Club	Warehouse Store	150
Ramtech Building Systems	Manufacturer of Modular Office Buildings	150
Lowe's	Home Improvement Store	146
Home Depot	Home Improvement Store	145
Conveyors, Inc.	Manufacturer Conveyor Equipment	130
On The Border	Mexican Restaurant	125
B-Way Packaging	Producer of Injection Molded Plastic Buckets	124
Gamma Engineering	CNC Machining	119
Southern Champion Tray	Manufacturer of Paperboard Folding Cartons	103
Skyline Industries	RV Manufacturer	100
Trinity Forge	Drop Forger	90
LyondellBasell/Equistar Chemicals	Manufacturer of Plastic Polymers used in Auto Indust	85
Oldcastle Precast	Manufacturer of Concrete Utility Products	80
Parker Hannifin	Manufacturer of Thermoplastic & Fluoropolymers	62
Chemguard/Tyco	Manufacturer of Fire Fighting Suppression Products	60

**HISTORICAL EMPLOYMENT DATA (ANNUAL AVERAGE DATA) <sup>(1)</sup>**

<u>City of Mansfield</u>	<u>2016<sup>(1)</sup></u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Labor Force	33,055	32,766	32,790	32,299	31,374
Employed	32,029	31,639	31,398	30,647	29,630
Unemployed	1,025	1,127	1,392	1,652	1,744
% Unemployment	3.1%	3.4%	4.2%	5.1%	5.6%
<u>Tarrant County</u>	<u>2016<sup>(1)</sup></u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Labor Force	1,000,926	992,766	998,520	985,073	966,855
Employed	963,270	951,515	948,786	926,106	903,988
Unemployed	37,656	41,251	49,734	58,967	62,867
% Unemployment	3.8%	4.2%	5.0%	6.0%	6.5%

(1) Source: Texas Employment Commission.

(2) Through May 2016.

**SERVICES . . .** The City is served by hospitals within the City and the immediate area including Mansfield Methodist Hospital, Columbia HCA, Arlington Memorial Hospital, Huguley Hospital, Harris Hospital and John Peter Smith Hospital.

The City addresses the needs of its citizens by offering many varied services to its residents. The police and fire departments employ 124 and 83 persons, respectively. Emergency ambulance service is also offered. Park and recreation facilities include 13 City parks consisting of 802 acres, 10 playgrounds, 30 athletic fields and over two miles of running trails. The City also has one public library with approximately 65,527 volumes.

Electric, gas, telephone and cable television services are provided by Texas Utilities, Atmos Energy, AT&T and Charter Communications, respectively.

Several banks serve the City: Frost Bank, American National Bank, Southwest Bank, Bank of America, Mansfield Community Bank, JPMorgan Chase Bank, BBVA Compass Bank, Regions Bank and Wells Fargo Bank.

**TRANSPORTATION . . .** The City is traversed from east to west by U.S. Highway 287. U.S. Highway 360 traverses the City from north to south. The City has easy access to Interstate Highway 20 and Interstate 30. Railroad freight service is provided by Southern Pacific Railroad. The City is located approximately 30 miles south of the Dallas-Fort Worth International Airport.

**EDUCATION . . .** The City is served by the Mansfield Independent School District which consists of 22 elementary schools with grades pre-kindergarten through 4; six intermediate schools with grades 5 and 6; six middle schools for grades 7 and 8; five high schools, with grades 9 through 12; one charter & technology academy and one alternative school campus. Current enrollment for the District is approximately 32,732. The District employs a total of 3,819 personnel, of which 1,963 are classroom teachers or administrators. The District maintains pupil-teacher ratios of 22:1 for elementary, a 27:1 ratio for intermediate, and a 28:1 ratio for secondary education and one career tech center.

Colleges within close proximity to the City include Tarrant and Dallas County Community Colleges, Southern Methodist University, University of Dallas, University of North Texas, Texas Wesleyan, Texas Women's University, University of Texas at Arlington and Texas Christian University.

**BUILDING PERMITS BY CATEGORY**

Fiscal Year Ended 9/30	Commercial and Industrial		Residential		Grand Total
	Number	Amount	Number	Amount	
2012	45	\$ 34,193,161	195	\$ 44,263,442	\$ 78,456,603
2013	46	96,289,168	205	59,260,578	155,549,746
2014	32	57,544,230	214	108,332,311	165,876,541
2015	63	102,367,778	314	147,302,936	249,670,714
2016 <sup>(1)</sup>	39	52,473,308	270	124,735,465	177,208,773

(1) As of June 2016.

The following tables illustrate projects underway in the City.

Estimate of Platted Residential Lots Available for Development

<u>Development</u>	Number of Lots Remaining	Years To Build Out	Total Projected Population
Allen Estates	2	1.0	6
Bankston Meadows	2	1.0	6
Bower Ranch Ph 1	17	1.5	52
Cardinal Park Estates	18	1.5	55
Colby Crossing	1	0.5	3
Five Oaks Crossing Ph 1	16	2.0	49
Garden Heights Phs 1 - 3.5	1	1.0	3
Hunter Oaks Estates Phs 1-4	2	1.0	6
King's Mill, Ph 1 - 3	3	1.0	9
Knightsbridge	6	1.5	18
Ladera Ph 1	68	2.0	209
Lakes of Creekwood, Sec 1 - 3	4	1.0	12
Pemberley Estates, Ph 1	80	2.5	246
Remington Ranch, Ph 1 - 3	4	1.0	12
Southpointe, Phs 1A, Sec 1&2 and 1B	170	4.0	893
Spring Lake, Ph 2	17	1.5	52
Twin Creeks West	6	1.5	18
The Villages of Parkhill	27	3.5	83
Total	<u>444</u>		<u>1,737</u>

Estimate of Preliminary Platted Residential Lots for Future

<u>Development</u>	Number of Lots to be Developed	Total Projected Population
Bower Ranch, Ph 2-4	174	536
Dove Chase	143	440
Five Oaks Creek	10	31
Five Oaks Crossing - Phase 2	77	176
Garden Heights Phs 4	58	403
Ladera (condominiums) Ph 2 & 3	118	374
Lone Star Heights	50	154
Lone Star Ranch, Ph 3	70	216
M3 Ranch Ph 1 Sec 1 & 2	387	1,192
Manchester Heights, Phs 1 & 2	45	139
Pemberely Estates	84	259
Seeton Estates	66	203
Somerset Addition, Phs 1 - 3	1,106	3,403
Southpointe, Ph 2	148	456
Spring Lake Estates, Ph 2	20	62
The Oak Reserve	171	527
The View at the Reserve	346	1,066
	<u>3,073</u>	<u>7,982</u>

Estimate of Platted Commercial and Industrial Acreage Available for Development

<u>Development</u>	<u>Number of Acres</u>	<u>Uses</u>
Cannon Professional Plaza	4.860	Office
Creekside Plaza	2.260	Office
Enclave, The	3.350	Office
Heritage Industrial Park	71.250	Commercial/Industrial
Heritage Estates	15.250	Retail/Commercial
Hillcrest Addition	5.800	Commercial/Industrial
Hillcrest Business Park	12.630	Commercial/Industrial
Jacob Back Addition	4.530	Retail/Commercial
J.M. Thomas	1.360	Retail/Commercial
Knapp Sisters Business Park	3.290	Retail/Commercial
Lowe's Farm Market	2.180	Retail/Commercial
Mansfield 287 Addition	4.580	Retail/Commercial
Mansfield Debbie Lane Addition	1.270	Retail/Commercial
Mansfield Industrial Park East	2.860	Commercial/Industrial
Mansfield Marketplace	15.360	Retail/Commercial
Mansfield Town Center East	5.330	Retail/Commercial
Mansfield Town Center West	8.070	Retail/Commercial
McCaslin Business Park	4.860	Commercial/Industrial
R.T. Ray	5.550	Light Industrial
Sar Medical Plaza	4.430	Office
Sentry Industrial Park	16.290	Heavy Industrial
Tuscany at Walnut Creek	1.730	Office/Commercial
Village Off Broadway	11.560	Retail/Commercial
Walnut Creek Corner	3.360	Retail/Commercial
Walnut Creek Village	1.630	Retail/Commercial
Worldaire Addition	2.180	Light Industrial
Total	<u>215.82</u>	

**APPENDIX B**

EXCERPTS FROM THE  
CITY OF MANSFIELD, TEXAS  
ANNUAL FINANCIAL REPORT  
For the Year Ended September 30, 2015

The information contained in this Appendix consists of excerpts from the City of Mansfield, Texas Annual Financial Report for the Year Ended September 30, 2015, and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

**APPENDIX C**

FORM OF BOND COUNSEL'S OPINION



# CITY OF MANSFIELD

1200 East. Broad St.  
Mansfield, TX 76063  
mansfieldtexas.gov

## STAFF REPORT

File Number: 16-1997

**Agenda Date:** 8/22/2016

**Version:** 1

**Status:** New Business

**In Control:** City Council

**File Type:** Resolution

**Agenda Number:**

### Title

Resolution - Authorizing the City of Mansfield, Texas and the Mansfield Economic Development Corporation to Enter into a Development Agreement with the Shops at Broad, LLC, a Texas Limited Liability Company for the Purposes of Funding Public Infrastructure to Service the Multi-Use Development

### Requested Action

Approval of the resolution authorizing city of Mansfield, Texas and the Mansfield Economic Development Corporation to enter into a development agreement for funding the public improvements that will service the multi-use development in an amount not to exceed \$10,000,000.

### Recommendation

Staff recommends the approval of the Resolution.

### Description/History

The city has been considering a comprehensive use development at the corner of the highway 287 and Broad Street for many years. GuyerMorris, the property owner, has submitted a comprehensive land development for the land which includes the integration multi-use concepts to capture the nature of the marketplace. The city approved zoning allowing for the multi-use development on August the 8th after three public hearings and extensive review of the planned development. The development agreement allows the City and the MEDC to contract with the developer to construct the improvements on behalf of the City and the MEDC or for the City and MEDC to construct the improvements.

The MEDC Board took action regarding the project. Their action approved the funding of the public improvements for the development which is outlined in the Developers Agreement. Separately, the Board approved the funding of the expansion of Broad Street and Regency.

### Justification

The funds will be used to construct the public infrastructure for the multi-use development. The public improvements consist of roads, drainage and water and sewer improvements throughout the development that will be used by the public.

### Funding Source

MEDC

### Prepared By

Peter K. Phillis, Deputy City Manager  
817-276-4261

