

CITY OF MANSFIELD

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

Meeting Agenda

City Council

Monday, September 12, 2016

5:00 PM

Council Chambers

REGULAR AGENDA

- 1. 5:00 P.M. CALL MEETING TO ORDER
- 2. 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 Public Improvement Districts

- B. Discussion Regarding Possible Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072
- 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
- 3. WORK SESSION TO BE HELD IN THE MULTI-PURPOSE ROOM IMMEDIATELY FOLLOWING EXECUTIVE SESSION

Discussion Regarding M3 Ranch Public Improvement District

- 4. 6:50 P.M. COUNCIL BREAK PRIOR TO REGULAR BUSINESS SESSION
- 5. <u>7:00 PM OR IMMEDIATELY FOLLOWING WORK SESSION RECONVENE INTO REGULAR BUSINESS SESSION</u>

6. <u>INVOCATION</u>

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. PROCLAMATION

<u>16-2016</u> Pitt Hopkins Syndrome Awareness Day

Attachments: Pitt Hopkins Awareness Day 2016

10. PRESENTATIONS

AreWeRelated? Benefit Concert Presentation

Recognition for Retiring Keep Mansfield Beautiful Commission Board Member Ann Monroe

2016 Certificate of Achievement for Planning Excellence

11. <u>CITIZEN COMMENTS</u>

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.

12. COUNCIL ANNOUNCEMENTS

13. 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

14. TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

15. 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

16-1989 Resolution - A 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

<u>Sponsors:</u> Peter Phillis <u>Attachments:</u> Resolution

Preliminary Official Statement

Resolution - A Resolution of the City Council of the City of Mansfield, Texas Adopting the City of Mansfield, Texas Investment Policy;
Approving Training of the City's Investment Officer; Approving Investment Pools; and Providing Qualified Broker Dealers and Investment Advisors for Engaging in Investment Transactions for the City

<u>Sponsors:</u> Peter Phillis <u>Attachments:</u> <u>Resolution</u>

Investment Policy

2016 List of Investment Advisors

Training Certificate

16-2021

Resolution - A Resolution of the City Council of the City of Mansfield,
Texas Authorizing a Contract Between the City of Mansfield, Texas and
Tarrant County and the County's Assessor/Collector for the Collection of
the South Pointe Public Improvement District Assessment/Collection
Services

<u>Sponsors:</u> Peter Phillis <u>Attachments:</u> <u>Resolution</u>

South Pointe PID Contract

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

Sponsors: Peter Phillis Attachments: Resolution **Preliminary Official Statement** Resolution - A Resolution Awarding a Contract for Construction of a 16-2037 Natural Gas Line for Mansfield Fieldhouse USA Project Sponsors: Joe Smolinski and Richard Wright Attachments: Resolution Gas Line Bid Summary <u>16-2019</u> Request for Special Event Permit: Mansfield Fire Rescue Safety Palooza Sponsors: Joe Smolinski and The Applicant Attachments: Mansfield Fire Rescue Safety Palooza Approvals & Comments <u>16-2031</u> Request for Special Event Permit: Mansfield Police Department Fall Festival Sponsors: Joe Smolinski and The Applicant **Attachments:** Mansfield PD Fall Festival **Approval & Comments** 16-2006 Minutes - Approval of the August 22, 2016 Regular City Council Meeting Minutes Sponsors: Shelly Lanners and Jeanne Heard **<u>Attachments:</u>** 8-22-16 DRAFT Meeting Minutes 16-2007 Minutes - Approval of the August 29, 2016 Special City Council Meeting Minutes Sponsors: Shelly Lanners and Jeanne Heard Attachments: 8-29-16 DRAFT Meeting Minutes 16-2041 Minutes - Approval of the September 6, 2016 Special City Council Meeting Minutes Sponsors: Shelly Lanners and Jeanne Heard Attachments: 9-6-16 DRAFT Meeting Minutes 16-2042 Minutes - Approval of the September 7, 2016 Special City Council **Meeting Minutes** Sponsors: Shelly Lanners and Jeanne Heard Attachments: 9-7-16 DRAFT Meeting Minutes 16-2043 Minutes - Approval of the September 8, 2016 Special City Council Meeting Minutes Sponsors: Shelly Lanners and Jeanne Heard

Attachments: 9-8-16 DRAFT Meeting Minutes

END OF CONSENT AGENDA

16. PUBLIC HEARING AND FIRST READING

Ordinance - Public Hearing and First Reading on an Ordinance of the City Council of the City of Mansfield, Texas, Designating a Certain Area as a Tax Abatement Reinvestment Zone for Commercial-Industrial Tax Abatement, to be Known as Reinvestment Zone No. 42; Establishing the Boundaries Thereof and Other Matters Related Thereto; Providing a Severability Clause; Providing a Cumulative Clause; and Providing for an Effective Date

Sponsors: Clayton Chandler and Scott Welmaker

Attachments: Ordinance

Ordinance - Public Hearing and First Reading on an Ordinance
Approving a Request to Amend The Reserve Planned Development
District by Extending the South Pointe Expansion Subdistrict of The
Reserve PD to Include Approximately 61.7 Acres Generally Located
Between S. Matlock Road and SH 360 and South of Harmon Road;
Jabez Development LP (ZC#16-010)

Sponsors: Joe Smolinski and Felix Wong

Attachments: Ordinance

Maps & Supporting Information

Exhibit A - Boundary and Subdistrict Map

Exhibit B - South Pointe Expansion Subdistrict Regulations

17. PUBLIC HEARING CONTINUATION AND SECOND READING

Ordinance - Public Hearing Continuation and Second 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

18. NEW BUSINESS

Resolution - 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 RMA Holdings L.L.C. and Authorizing its Execution by the President of the MEDC; and Providing an Effective Date

	<u>Sponsors:</u> Clayton Chandler and Scott Welmaker <u>Attachments:</u> Resolution
	RMA Holdings.eco devo.clean-003
<u>16-1933</u>	Resolution - 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 Heritage Parkway Partners LLC, and Authorizing Its Execution by the President of the MEDC; and Providing an Effective Date
	Sponsors: Clayton Chandler and Scott Welmaker
	Attachments: Resolution - Heritage Parkway Partners Heritage Parkway Partners
	Heritage Partners Development Agreement.9-6-16.CLEAN
<u>16-2009</u>	Board Appointments; Planning & Zoning Commission
	Sponsors: Felix Wong and Jeanne Heard
<u>16-2010</u>	Board Appointments; Zoning Board of Adjustment
	Sponsors: Felix Wong and Jeanne Heard
<u>16-2011</u>	Board Appointments; Mansfield Economic Development Corporation
	Sponsors: Scott Welmaker and Jeanne Heard
<u>16-2012</u>	Board Appointments; Mansfield Park Facilities Development Corporation
	Sponsors: Matt Young and Jeanne Heard
<u>16-2013</u>	Board Appointments; Library Advisory Board
	Sponsors: Steve Standefer and Jeanne Heard
<u>16-2014</u>	Board Appointments; Keep Mansfield Beautiful
	Sponsors: Arianne Shipley and Jeanne Heard
<u>16-2015</u>	Board Appointments; Historic Landmark Commission
	Sponsors: Felix Wong and Jeanne Heard
<u>16-2024</u>	Ordinance - First Reading of an Ordinance Amending Chapter 95, "Library," in the Code of Ordinances of the City of Mansfield Texas
	<u>Sponsors:</u> Shelly Lanners and Steve Standefer <u>Attachments:</u> Ordinance
	Proposed Changes to Library Code
<u>16-2030</u>	Consideration of a Request to Revise the Development Standards for the Ladera Mansfield Planned Development to Reduce the 25' Buffer Yards Along the West and South Property Lines of the 35.5 Acre Development Generally Located South of E. Debbie Lane and North of Sandstone Court and Primrose Trail; Integrity Group, LLC (ZC#15-005A)

Sponsors: Joe Smolinski and Felix Wong

<u>Attachments:</u> <u>Diagram in Site Plan</u>

Developer's Letter

19. ADJOURN

CERTIFICATION

THIS IS TO CERTIFY THAT A COPY OF THE NOTICE OF the September 12, 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 Friday, September 9, 2016 prior to 5:00 p.m., in compliance with Chapter 551, Texas Government Code.

Jeanne Heard, City Secretary	у	
Approved as to form:		
City Attorney		
DATE OF POSTING:	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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STAFF REPORT

File Number: 16-2016

Agenda Date: 9/12/2016 Version: 1 Status: To Be Presented

In Control: City Council File Type: Proclamation

Agenda Number:

Title

Pitt Hopkins Syndrome Awareness Day

Requested Action

n/a

Recommendation

n/a

Description/History

n/a

Justification

n/a

Funding Source

n/a

Prepared By

Belinda Willis, Communications & Marketing

- **WHEREAS**, Pitt Hopkins is a severe, rare neurological disorder caused by a mutation on the 18th chromosome that results in developmental delays, seizures and breathing issues in young children, and
- **WHEREAS**, the Pitt Hopkins Research Foundation is an all-volunteer organization of families and medical professionals dedicated to finding a cure for this little known disease, and
- **WHEREAS**, the foundation is recognizing its second International Pitt Hopkins Syndrome Awareness Day on Sept. 18 to focus attention on the disease and encourage funding for research into a cure, and
- **WHEREAS**, our community is uniquely aware of Pitt Hopkins as 11-year-old Ashton Green of Mansfield and his family deal with impact of his PTHS diagnosis, one of only 450 cases diagnosed worldwide, and
- **WHEREAS**, the Green family will once again work to raise funds for important research with its 3rd Annual Pitt Hopkins Awareness Walk Saturday, Nov. 5, this year expanding their efforts to the entire DFW area and hosting the event at White Rock Lake,
- **NOW, THEREFORE**, I, David L. Cook, Mayor of the City of Mansfield, Texas, join with members of the City Council to hereby proclaim Sept. 18, 2016, as

PITT HOPKINS SYNDROME AWARENESS DAY

and urge all citizens to increase their understanding of Pitt Hopkins Syndrome and support the efforts of the Green family in raising funds to find a cure.

IN WITNESS WHEREOF, I do hereby set my hand and cause the official seal of the City of Mansfield to be affixed this 12th day of September, 2016.



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-1989

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Resolution

Agenda Number:

Title

Resolution - A 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 action of the MPFDC, which authorizes the City of Mansfield, Texas Parks Facilities Development Corporation to sale bonds for the purpose of constructing a recreational ice skating rink within the Shops and Broad Development.

Description/History

The City has been considering a comprehensive development at the corner of the highway 287 and Broad Street for many years. GuyerMorris, the property owner, has submitted a comprehensive development plan 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 be 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.

	Mayor, City of Mansfield, Texas
ATTEST:	
City Secretary, Mansfield, Texas	
	APPROVED AS TO FORM:
	City Attorney, City of Mansfield, Texas

FSC ContinuingDisclosureServices	
A Division of Hilltop Securities.	

(See "Continuing Disclosure of Information" herein)

NEW ISSUE - Book-Entry-Only

PRELIMINARY	OFFICIAL STATEMEN
Dated:	. 2016

Ratings: Moody's

Moody's: Applied for S&P: Applied for Fitch: Applied for

See ("Other Information - Ratings"

herein)

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.

CUSIP PREFIX: 564393 MATURITY SCHEDULE & 9 DIGIT CUSIP See Schedule on Page 2

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 _______, 2016

RBC CAPITAL MARKETS

^{*} Preliminary, subject to change.

MATURITY SCHEDULE*

1-Aug	Principal	Interest	Initial	CUSIP
Year	Amount	Rate	Yield	Suffix
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)

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").

⁽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.

^{*} 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 continuine 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 <u>not</u> 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

Member	Member	Term
Name	Since	Expires
Harold Bell	February, 1996	October, 2016
President		
Wendy Collini	September, 2000	October, 2017
Vice President		
Wayne Lee	October, 2005	October, 2017
Treasurer		
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

City Council	Elec	ted	Term Expires	(Occupation
David L. Cook Mayor, Place 1	Re-elected Ma	y, 2016	May 2019	Attorney	_
Brent Newsom Councilmember Place 2	•		May 2019	Bank Manager	
Stephen Lindsey Councilmember Place 3	Re-elected Ma	y, 2015	May 2018	Gas Industry Co	nsultant
Darryl Haynes Councilmember Place 4	Re-elected Ma	y, 2015	May 2018	Corporate Risk l	Manager
Cory Hoffman Councilmember Place 5	Re-elected Ma	y, 2015	May 2018	CPA	
Wendy Burgess Councilmember Place 6	Re-elected Ma	y, 2014	May 2017	Business Owner	
Larry Broseh Councilmember Place 7	Re-elected Ma	y, 2014	May 2017	President, Cam	Tech Inc.
SELECTED ADMINISTRATIVE ST	TAFF				
Nam	e		Position	Length of Service to City	Total Length of Governmental Service
Clayton W. Chandle Regional Entreprene June 1992, INC. Ma	ur of the Year	City Mana	nger	30 Years	40 Years
Peter K. Phillis, CPA	Α	Deputy Ci	ty Manager	17 Years	23 Years
Shelly Lanners		Deputy Ci	ty Manager	15 Years	15 Years
Joe Smolinski		Deputy Ci	ty Manager	14 Year	14 Years
Jeanne Heard		City Secre	etary	1 Year	23 Years
E. Allen Taylor, Jr.		City Attor	ney	18 Years	27 Years
Steve Freeman		Director o	f Public Works	20 Years	20 Years
CONSULTANTS AND ADVISORS					
Auditors					KPMG LLP Dallas, Texas
Bond Counsel					Bracewell LLP Dallas, Texas
Financial Advisor			Firs	stSouthwest, a Divi	sion of Hilltop Securities Inc. Dallas, Texas
For additional information rega	rding the Corpora	ation, please	contact:		,,
Clayton W. Chandler		Nick Bulaich		W. I	Boyd London, Jr.
		FirstSouthwest, a Division			Southwest, a Division
City of Mansfield		of Hilltop Se			filltop Securities Inc.
1200 E. Broad Street		777 Main Str	reet		1 Elm Street
Mansfield, Texas 76063		Suite 1200	D 76102		e 3500
(817) 276-4200		Fort Worth,			as, Texas 75270

(214) 953-4000

(817) 332-9710

PRELIMINARY OFFICIAL STATEMENT

RELATING TO

\$8,390,000* MANSFIELD PARK FACILIITES 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.

^{*} Preliminary, subject to change.

THE BONDS

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.

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	Outst	anding Debt ⁽¹⁾	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
	\$	3,480,000	

⁽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 ⁽¹⁾		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
	\$	21,395,000	

⁽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; 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:

PLEDGED REVENUE FUND				
PRIORITY	FUND (1)			
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,			
Nineth 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:

PLEDGED REVENUE FUND				
PRIORITY	FUND (1)			
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 2016AResolution 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 and 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		
TOTAL SOURCES	\$	-
	1	
<u>Uses:</u>		
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		
TOTAL USES	\$	-

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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DEBT INFORMATION

 $TABLE\ 1-Pro\text{-}FORMA\ PARK\ FACILITIES\ DEVELOPMENT\ CORPORATION\ DEBT\ SERVICE\ REQUIREMENTS$

Fiscal Year	P	reviously Issue	ed		Previously Issued	1				Total	% of
Ending	•			Subordinante Lien New Series Bonds Debt Service			The Bonds ⁽¹⁾			Debt	Principal
9/30	Principal	Interest	Total	Principal Interest Total		Principal Interest Total			Service	Retired	
2016	\$ 835,000	\$125,706	\$ 960,706	\$ 310,000	\$ 447,274	\$ 757,274	\$ -	\$ -	\$ -	\$ 1,717,981	
2017	860,000	98,432	958,432	175,000	807,739	982,739	-	261,832	261,832	2,203,003	
2018	545,000	69,769	614,769	530,000	804,427	1,334,427	245,000	304,063	549,063	2,498,258	
2019	445,000	56,669	501,669	895,000	794,061	1,689,061	245,000	300,192	545,192	2,735,921	
2020	310,000	46,656	356,656	1,070,000	775,321	1,845,321	250,000	295,635	545,635	2,747,612	29.40%
2021	315,000	39,294	354,294	1,090,000	746,204	1,836,204	255,000	290,260	545,260	2,735,758	
2022	325,000	31,025	356,025	1,125,000	715,064	1,840,064	265,000	284,267	549,267	2,745,356	
2023	335,000	21,681	356,681	1,160,000	681,562	1,841,562	270,000	277,589	547,589	2,745,833	
2024	345,000	11,213	356,213	1,195,000	646,318	1,841,318	275,000	270,380	545,380	2,742,910	
2025	-	-	-	1,240,000	603,692	1,843,692	285,000	262,488	547,488	2,391,180	50.41%
2026	-	-	-	1,295,000	558,444	1,853,444	295,000	254,023	549,023	2,402,467	
2027	-	-	-	1,020,000	509,958	1,529,958	300,000	244,967	544,967	2,074,924	
2028	-	-	-	930,000	471,678	1,401,678	315,000	233,807	548,807	1,950,484	
2029	-	-	-	715,000	435,624	1,150,624	325,000	222,089	547,089	1,697,712	
2030	-	-	-	740,000	408,396	1,148,396	335,000	209,999	544,999	1,693,394	62.77%
2031	-	-	-	775,000	379,971	1,154,971	350,000	197,537	547,537	1,702,507	
2032	-	-	-	805,000	346,837	1,151,837	360,000	184,517	544,517	1,696,354	
2033	-	-	-	845,000	310,886	1,155,886	375,000	169,649	544,649	1,700,535	
2034	-	-	-	880,000	273,149	1,153,149	395,000	154,161	549,161	1,702,310	
2035	-	-	-	920,000	233,826	1,153,826	410,000	137,848	547,848	1,701,674	77.65%
2036	-	-	-	725,000	192,717	917,717	425,000	120,915	545,915	1,463,632	
2037	-	-	-	760,000	157,700	917,700	445,000	103,362	548,362	1,466,062	
2038	-	-	-	795,000	120,992	915,992	460,000	84,316	544,316	1,460,308	
2039	-	-	-	835,000	82,593	917,593	480,000	64,628	544,628	1,462,221	
2040	-	-	-	875,000	42,263	917,263	505,000	44,084	549,084	1,466,347	95.87%
2041							525,000	22,470	547,470	547,470	100.00%
	\$4,315,000	\$ 500,445	\$4,815,445	\$21,705,000	\$11,546,694	\$33,251,694	\$8,390,000	\$4,995,071	\$13,385,071	\$51,452,209	

⁽¹⁾ Average life of Bonds is 14.922 years. Interest calculated at an average rate of 3.965% for purposes of illustration. Preliminary, subject to change.

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 ½ % (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	1/2% Sales Tax					
of	Collections	Collections	Collections	Collections	Collections	
Receipt	Fiscal 2015/16	Fiscal 2014/15	Fiscal 2013/14	Fiscal 2012/13	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	\$ 3,830,232	\$ 4,842,799	\$ 4,519,573	\$ 4,054,158	\$ 3,889,860	

Table 3 - Calculation of Coverage for the Issuance of Additional $B \mathsf{onds}^{(1)}$

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, 2013 2011 2015 2014 2012 Revenues: \$3,899,868 Taxes, Penalties, and Interest \$ 4,854,487 \$4,530,982 \$4,065,299 \$3,631,255 Intergovernmental 96 Interest Income 4,583 5,100 10,512 6,025 Contributions 2,770 29,350 37,562 20,856 31,615 Miscellaneous 2,281,877 2,326,162 2,222,195 1,732,827 1,974,875 **Total Revenues** 7,143,717 \$6,891,594 \$6,318,862 \$5,676,282 \$5,637,841 **Expenditures:** 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 1,891,754 1,602,936 1,238,918 Capital Outlay 1,954,798 1,456,916 2,694,403 832,434 1,520,084 **Total Expenditures** \$ 6,024,719 \$5,876,909 \$6,291,868 \$4,791,180 \$5,024,939 Excess (Deficiency) of Revenue Over Expenditures 1,118,998 1,014,685 26,994 885,102 612,902 \$ \$ \$ **Bond Proceeds** \$4,995,000 \$ **Bond Payment** (4,690,000)Premiums on Bond Issuance 41,008 Discounts on Bond Issuance (25,826)325 Sale of City Property 11,822 Operating Transfers Out (65,000)(130,000)Operating Transfers In 108,639 Total Other Financing Sources (Uses) 108,639 (65,000)(130,000)332,004 325 Beginning Fund Balance 8,901,534 7,951,849 8,054,855 6,837,749 6,224,522 \$10,129,171 \$7,951,849 **Ending Fund Balance** \$8,901,534 \$8,054,855 \$6,837,749

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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 I and August I of each year commencing August I, 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 hereofore 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.

<u>Pledge</u>. (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 lime, 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.

<u>Resolution as Security Agreement</u>. (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) <u>First</u>, 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) <u>Second</u>, 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) <u>Third</u>, 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) <u>Fourth</u>, 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) <u>Fifth</u>, 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) <u>Sixth</u>, 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) <u>Eighth</u>, 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) <u>Tenth</u>, to any other fund or account required by any resolution authorizing Parity Revenue Obligations, the amounts required to be deposited therein;
- (xi) <u>Eleventh</u>, 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) <u>First</u>, 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) <u>Second</u>, 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) <u>Fourth</u>, to pay any amounts due to any issuer of a Reserve Fund Surety Bond not paid pursuant to subsections (ii) or (iii) above;
 - (v) <u>Fifth</u>, to any other fund or account required by any resolution authorizing Parity Revenue Obligations, the amounts required to be deposited therein;
 - (vi) <u>Sixth</u>, 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) <u>Seventh</u>, 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.
- 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.

<u>Deficiencies in Funds</u>. 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.

<u>Security of Funds</u>. 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.

<u>Investments</u>. (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.

<u>Investment Income</u>. Interest and income derived from investment of any fund created by the Resolutions shall be credited to such fund.

<u>Issuance of Superior Lien Obligations Prohibited</u>. 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.

<u>Pledged Funds and Pledged Revenues.</u> (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.

<u>General</u>. 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.

<u>Repeal of Power to Collect Sales Tax</u>. 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.

<u>Payment of the Bonds</u>. 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.

<u>Remedies Not Exclusive</u>. (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.

<u>Discharge</u>. 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:

			Percent of
Description of Investment	Tot	al Investment	Portfolio
Nations Money Market Funds	\$	3,101,012	41.25%
TexSTAR		4,416,435	58.75%
	\$	7,517,447	58.75%

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/>.

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 Corporation¹; (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

¹ 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.

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.".

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.

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 Corporation 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

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, the Mansfield Park Facilities Development Corporation (Corporation), and several individuals associated with the City or the Corporation (collectively "City Defendants") 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 allege causes of action against the City Defendants 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 trial court.

After an evidentiary hearing on plaintiffs' original Motion Requesting a Temporary Injunction, the Court denied the Motion and plaintiffs' appealed said denial. The case was submitted to the Second Court of Appeals for a review of the trial court's decision to deny the plaintiffs' motion and the Second Court of Appeals upheld the trial court's decision to deny the plaintiffs' requested injunction. Plaintiffs filed a Motion for Reconsideration with the court of appeals and the court again upheld the trial court's

decision to deny Plaintiffs' requested injunction. Plaintiffs for a second time filed a Motion for Reconsideration and the Court of Appeals has not yet ruled on plaintiffs' second Motion for Reconsideration.

Because the appeal process is related to an interlocutory appeal of the trial court's denial of the requested temporary injunction, the underlying case in the trial court has proceeded. Written discovery has been concluded and numerous depositions have been taken. All parties have filed Motions for Summary Judgment. The trial court judge has set all parties' motions for summary judgment for hearing on September 23, 2016 and has indicated that she will rule on the motions at that hearing. If the City Defendants' Motion for Summary Judgment is granted, all of the City Defendants will be dismissed from the case. If the City Defendants' motion is not granted or is only partially granted, the case will proceed to trial on October 17, 2016 on the issues not disposed of by the court's ruling on the summary judgment motion.

The City Defendants' believe that plaintiffs have not plead sufficient facts to withstand the motion for summary judgment on any of the plaintiffs' asserted claims and thus the motion should be granted. For this reason, the City Defendants believe that this suit will not have any significant impact on the financial condition of the Corporation.

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 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.

Pricing Officer Mansfield Park Facilities Development Corporation

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY OF MANSFIELD, TEXAS

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

		Number of
Company	Product Line	Employees
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 Industry	t: 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) $^{(1)}$

City of Mansfield	2016 ⁽¹⁾	2015	2014	2013	2012
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%
Tarrant County	2016 ⁽¹⁾	2015	2014	2013	2012
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%

Source: Texas Employment Commission.
 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	Commerc	ial and Industrial	Re	sidential	
9/30	Number	Amount	Number	Amount	Grand Total
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 (1)	39	52,473,308	270	124,735,465	177,208,773

⁽¹⁾ As of June 2016.

Estimate of Platted Residential Lots Available for Development

	Number of Lots	Years To	Total Projected
Development	Remaining	Build Out	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	444		1,737

Estimate of Preliminary Platted Residential Lots for Future

	Number of Lots to be	Total Projected
Development	Developed	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
	3,073	7,982

Estimate of Platted Commercial and Industrial Acreage Available for Development

	Number	
Development	of Acres	Uses
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	215.82	

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: 16-2020

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Resolution

Agenda Number:

Title

Resolution - A Resolution of the City Council of the City of Mansfield, Texas Adopting the City of Mansfield, Texas Investment Policy; Approving Training of the City's Investment Officer; Approving Investment Pools; and Providing Qualified Broker Dealers and Investment Advisors for Engaging in Investment Transactions for the City

Requested Action

Review the Investment Policy and investment strategies of the City of Mansfield, Texas.

Recommendation

Approve a policy guiding the investment strategies of the City's public funds.

Description/History

In years past the State of Texas Legislature adopted the Public Funds Investment Act. The purpose of the Act is to define the strategy and management of the investment of public money. The Act outlines guidelines to protect and preserve the public's funds and has become widely accepted within the policies and practices of the investment community within the State of Texas. Moreover, the Act requires that Public entities have an investment policy that conforms to the principles established by the Act.

This is the City of Mansfield, Texas Investment Policy which complies with the State's Public Funds Investment Act.

Justification

The City's Investment Policy is a guideline to the investment officer and investment community of the City of Mansfield. It also serves as a guide for investment advisors as to the types of investments in which the City of Mansfield may invest its cash. This policy ensures the City's compliance with the State's investment laws about public money. (Public Funds Investment Act, Government Code, Chapter 2256).

Funding Source

N/A

Prepared By

Peter K. Phillis, Deputy City Manager, 817-276-4261 Troy Lestina, Assistant Director of Business Services, 817-276-4257

RESOLUTION NO.	
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RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS ADOPTING THE CITY'S INVESTMENT POLICY; APPROVING TRAINING FOR THE CITY'S INVESTMENT OFFICER; APPROVING INVESTMENT POOLS; AND APPROVING QUALIFIED BROKER DEALERS FOR ENGAGING IN INVESTMENT TRANSACTIONS OF THE CITY

WHEREAS, Section 2256.005(e) of the Public Funds Investment Act (the "Act") directs the governing body of an investing entity to review its investment policy and investment strategies annually; and

WHEREAS, Section 2256.008 of the Public Funds Investment Act (the "Act") directs the Deputy City Manager or designee, treasurer, to attend at least one training session from an independent source approved by the governing body; and

WHEREAS, Section 2256.016 of the Public Funds Investment Act (the "Act") directs the governing body of an investing entity to authorize the investment pools the entity invests or engages in the investment of funds of the entity; and

WHEREAS, Section 2256.025 of the Public Funds Investment Act (the "Act") directs the governing body of an investing entity to annually review, revise, and adopt a list of qualified brokers to engage in investment transactions with the entity.

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 has reviewed the Investment Policy and Investment Strategy and hereby adopts the Investment Policy as attached to this resolution.

SECTION 2.

That the City Council of the City of Mansfield, Texas acknowledges, approves, ratifies, and confirms the investment training provided to the City's Investment Officer from an independent source.

SECTION 3.

That the City Council of the City of Mansfield, Texas acknowledges, approves, ratifies and confirms the investment pools for investing the funds of the City.

SECTION 4.

That the City Council of the City of Mansfield, Texas acknowledges, approves, ratifies and confirms the list of qualified brokers/dealers for engaging in investment transactions of the City.

Resolution No.	
Page 2 of 2	
SE	CTION 5.
This resolution shall be effective immed	iately upon adoption.
PASSED AND APPROVED THIS 12	TH DAY OF SEPTEMBER, 2016.
	David L. Cook, Mayor
ATTEST:	
Jeanne Heard, City Secretary	

INVESTMENT POLICY

I. INTRODUCTION

The purpose of this document is to set forth specific investment policy and strategy guidelines for the City of Mansfield in order to achieve the goals of safety, liquidity, yield, and public trust for all investment activity. The City Council of the City of Mansfield shall review its policy and investment strategies annually. This policy serves to satisfy the statutory requirement (specifically the Public Funds Investment Act, Texas Government Code, Chapter 2256, and the "Act") to define, adopt and review a formal investment strategy and policy.

II. SCOPE

This investment policy applies to all financial assets of the City of Mansfield. These funds are accounted for in the City's Comprehensive Annual Financial Report (CAFR) and include:

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

III. INVESTMENT OBJECTIVES & STRATEGIES

The City of Mansfield shall manage and invest the assets of all of its funds with the following objectives. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local law.

A. Suitability of Investments

The City of Mansfield, Texas maintains a commingled pool of operating and non-operating funds for the purpose of obtaining economies of scale in investments and reduced transaction costs while providing separate investment accounting for its operating and non-operating funds. The City utilizes the specific investment strategy considerations designed to address the characteristics of its portfolio:

- 1. The City's first investment strategy is to assure that anticipated cash flows are matched with adequate investment liquidity.
- 2. The second investment strategy is to create a portfolio structure that will experience minimal volatility during economic cycles (high quality paper, short-to-mid-term maturities, laddered or barbell maturity structures).
- 3. The third investment strategy is to maintain maximum dollar weighted average maturity of 365 days or less and will be calculated using the stated final maturity date of each security.

B. Safety

The primary objective of the City's investment activity in all funds is the preservation of capital in the overall portfolio. Each investment transaction shall be conducted in a manner to avoid capital losses, whether they are from securities default or erosion of market value.

C. Liquidity

The City's investment portfolio for all funds shall be structured such that the City is able to meet all obligations in a timely manner. This shall be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active secondary markets.

D. Yield

The City's cash management portfolio of all funds shall be designed with the objective of regularly exceeding the average rate of return on three-month U.S. Treasury Bills. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies. The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payment in accordance with invoice terms, State Statutes, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum yield on short-term investment of pooled idle cash.

A. Risk and Diversification

The City of Mansfield recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification which shall be achieved by the following general guidelines:

- 1. Risk of issuer default is controlled by limiting investments to those instruments allowed by the Act, which are described herein.
- 2. Risk of market price changes shall be controlled by avoiding over-concentration of assets in a specific maturity sector, limitation of average maturity of operating funds investments to one year, and avoidance of over-concentration of assets in specific instruments other than U.S. Treasury securities and insured or collateralized certificates of deposit.
- 3. Risk of illiquidity due to technical complications shall be controlled by the selection of securities dealers as described in Section VII.

F. Marketability

The Deputy City Manager or designee shall strive to ensure that the market value of each investment exceeds the book value. The City shall pursue an active versus a passive portfolio management philosophy. That is, securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade. The Deputy City Manager or designee will routinely monitor the contents of the portfolio, the available markets, and the relative value of competing instruments, and will adjust the portfolio accordingly.

G. Public Trust

All participants in the City's investment process shall seek to act responsibly as custodians of public trust. Investment officials shall avoid any transaction which might impair public confidence in the City's ability to govern effectively.

IV. RESPONSIBILITY AND CONTROL

A. Delegation of Authority and Training

Authority to manage the City's investment program is derived from resolution of the City Council. The Deputy City Manager or designee is designated as investment officer of the City and is responsible for investment decisions and activities. Unless authorized by law, a person may not deposit, withdraw, transfer or manage in any other manner the funds of the City. The Deputy City Manager or designee shall establish written procedures for the operation of the investment program, consistent with this investment policy. The Deputy City Manager or designee shall attend at least one training session relating to the officer's responsibility under the Act within 12 months after assuming duties. Thereafter, the Deputy City Manager or designee shall attend an investment training session not less than once every two years and receive not less than 8 hours of instruction relating to investment responsibilities from an independent source approved by the City Council.

B. Internal Controls

The Deputy City Manager or designee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation costs and benefits require estimates and judgments by management.

Accordingly, the Deputy City Manager or designee shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- 1. Control of collusion.
- 2. Separation of transaction authority from accounting and record keeping.
- 3. Custodial safekeeping.
- 4. Avoidance of physical delivery securities.
- 5. Clear delegation of authority to subordinate staff members.
- 6. Written confirmation for telephone (voice) transactions for investments and wire transfers.
- 7. Wire transfer arrangement with the depository bank or third party custodian.

C. Monitoring

The Deputy City Manager or designee shall monitor the market price of investments by checking the Wall Street Journal on a daily basis and monitoring statements from financial institutions. The investment officer may seek a third party independent pricing source to determine the value of the portfolio.

D. Prudence

The standard of prudence to be applied by the Deputy City Manager or designee shall be the "prudent investor" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." In determining whether the Deputy City Manager or designee has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- 1. The investment of all funds, or funds under the City's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment.
- 2. Whether the investment decision was consistent with the written investment policy of the City.

The Deputy City Manager or designee, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, providing that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

E. Ethics and Conflicts of Interest

City staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. City staff shall disclose to the City Manager any material financial interests in financial institutions that conduct business with the City and they shall further disclose positions that could be related to the performance of the City's portfolio. City staff shall subordinate their personal financial transactions to those of the City, particularly with regard to timing of purchases and sales.

An investment officer of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the City Council.

V. REPORTING

A. Monthly Reporting

The Deputy City Manager or designee shall submit a signed monthly investment report that summarizes current market conditions, economic developments and anticipated investment conditions. The report shall summarize investment strategies employed in the most recent month, and describe the portfolio in terms of investment securities, maturities, risk characteristics, and shall explain the total investment return for the month in compliance with state law.

B. Annual Report

Within 120 days of the end of the fiscal year, the Deputy City Manager or designee shall present an audited annual report on the investment program and investment activity. This report may be presented along with the Comprehensive Annual Financial Report to the City Manager and City Council.

C. Methods

The monthly investment report shall include management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last month. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will be provided to the City Manager and City Council. The report will meet the requirements of Texas Government Code §2256.023(b) (4) and shall include the following:

- 1. A listing of individual securities held at the end of the reporting period.
- 2. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
- 3. Additions and changes to the market value during the period.
- 4. Average weighted yield to maturity of portfolio on entity of investments as compared to applicable benchmark.
- 5. Listing of investments by maturity date.
- 6. The percentage of the total portfolio which each type of investment represents.
- 7. Statement of compliance of the City's investment portfolio with state law and the investment strategy and policy approved by the City Council.
- 8. For a pooled fund group, the report must contain a statement prepared in accordance with generally accepted accounting principles which includes the fully accrued interest for the reporting period.

VI. AUTHORIZED INVESTMENTS

The City shall pursue an active versus a passive portfolio management philosophy. That is, securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade. The investment officer will routinely monitor the contents of the portfolio, the available markets, and the relative value of competing instruments, and will adjust the portfolio accordingly.

Investments

Assets of the City of Mansfield may be invested in the following instruments: provided, however, that at no time shall assets of the City be invested in any instrument or security not authorized for investment under the Act, as the Act may from time to time be amended.

A. Authorized

- 1. Obligations of the United States of America, its agencies and instrumentalities.
- 2. Direct obligations of the State of Texas and agencies thereof.
- 3. Other obligations, the principal of and interest on which are not unconditionally guaranteed by the State of Texas or the United States of America.

- 4. Obligations of the State, agencies thereof, counties, cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm, and having received a rating of not less than "A" or its equivalent.
- 5. Certificates of Deposit of state and national banks with a main office or branch in Texas, guaranteed or insured by the Federal Deposit Insurance or its successor or secured in compliance with the Public Funds Collateral Act and this investment policy.
- 6. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities pledged with a third party, selected by the Director of Business Services, other than agency for the pledged obligation. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution with a main office or branch in Texas. A Master Repurchase Agreement, or similar agreement, must be signed by the institution/dealer prior to investment in a repurchase agreement. All repurchase agreement transactions will be on a delivery versus payment basis. Securities received for repurchase agreements must have a market value greater than or equal to 105 percent at the time funds are disbursed.
- 7. Investment pools which meet the requirements of TEX.GOVT.CODE §2256.016, provided the City Council has approved the specific pool.
- 8. No-load money-market mutual funds that are registered and regulated by the Securities and Exchange Commission, that has a dollar weighted average stated maturity of 90 days or fewer and includes in its investment objectives the maintenance of a stable net asset of \$1 for each share. The fund must maintain a rating of AAA, or its equivalent by at least one nationally recognized firm. The fund must conform to the requirements relating to the eligibility of investment pools.
- 9. No-Load mutual funds that are registered with the Securities and Exchange Commission, having an average weighted maturity of less than two years and is invested or secured in obligations described in 1 through 4 above. The fund must maintain a rating of AAA, or its equivalent by at least one nationally recognized firm. The fund must conform to the requirements relating to the eligibility of investment pools.

B. Not Authorized

The City's authorized investment options are more restrictive than those allowed by State law. State law specifically prohibits investments in the following investment securities:

- 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 collateral and bears no interest.

- 3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
- 4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.
- 5. Commercial Paper, except that the City can invest in local government investment pools, and money market mutual funds that have commercial paper as authorized investments. These investment pools must meet the requirements of Article VI. Paragraph 7, 8, and 9.

C. Holding Period

The City of Mansfield intends to match the holding periods of investment funds with the liquidity needs of the City. In no case will the average maturity of investments of the City's funds exceed one year. The maximum final stated maturity of any investment shall not exceed five years.

Investments in all funds shall be managed in such a way that the market price losses resulting from interest rate volatility would be offset by coupon income and current income received from the volume of the portfolio during a twelve month period.

VII. SELECTION OF BANKS AND DEALERS

A. Depository

At least every five years, a depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). In selecting a depository, the credit worthiness of institutions shall be considered, and the Deputy City Manager or designee shall conduct a comprehensive review of prospective depository's credit characteristics and financial history.

B. Certificates of Deposit

Banks seeking to establish eligibility for the City's competitive certificates of deposit purchase program shall submit for review annual financial statements, evidence of federal insurance and other information as required by the Deputy City Manager or designee.

C. Securities Dealers

For brokers and dealers of government securities, the City shall select only those dealers reporting to the Market Reports Division of the Federal Reserve Board of New York also known as the "Primary Government Security Dealers", unless a comprehensive credit and capitalization analysis reveals that other firms are adequately financed to conduct public business. Investment officials shall not knowingly conduct business with any firm with whom public entities have

sustained losses on investments. All securities dealers shall provide the City with references from public entities which they are currently serving.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- audited financial statements;
- proof of Financial Industry Regulation Authority (FINRA) certification;
- proof of state registration;
- completed broker/dealer questionnaire;
- certification of having read the City's investment policy signed by a qualified representative of the organization as defined by the State Statute;
- acknowledgement that the organization has implemented reasonable procedures; and control in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization

The investment officers are precluded from purchasing an investment from a representative who has not delivered the written information.

An annual review of the financial condition and registration of qualified bidders will be conducted by the Deputy City Manager or designee.

VIII. SAFEKEEPING AND CUSTODY

A. <u>Insurance or Collateral</u>

All deposits and investments of City funds other than direct purchases of U.S. Treasuries or Agencies shall be secured by pledged collateral. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 105% of market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC. Evidence of the pledged collateral shall be maintained by the Deputy City Manager or designee or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the collateral pledge in each agreement. Collateral shall be reviewed monthly to assure that the market value of the pledge securities is adequate.

B. Safekeeping Agreement

Collateral pledged to secure deposits of the City shall be held by a safekeeping institution in accordance with a Safekeeping Agreement which clearly defines the procedural steps in gaining access to the collateral should the City of Mansfield determine that the City's funds are in jeopardy. The safekeeping institution, or Trustee, shall be the Federal Reserve Bank or an institution not affiliated with the firm pledging the collateral. The safekeeping agreement shall include the signatures of authorized representatives of the City of Mansfield, the firm pledging the collateral, and the Trustee.

C. Collateral Defined

The City of Mansfield shall accept on the following as collateral:

1. FDIC.

- 2. A bond, certificate of indebtedness, or Treasury Note of the United States, or other evidence of indebtedness of the United States that is guaranteed as to principal and interest by the United States.
- 3. Obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas.
- 4. A bond of the State of Texas or of a county, city or other political subdivision of the State of Texas having been rated as investment grade (investment rating no less than "A" or its equivalent) by a nationally recognized rating agency with a remaining maturity of 10 years or less.

D. Subject to Audit

All collateral shall be subject to inspection and audit by the Deputy City Manager or designee or the City's independent auditors.

E. Delivery vs. Payment

Treasury Bills, Notes, Bonds and Government Agencies' securities and all investments except investment pool funds and mutual funds shall be purchased using the delivery vs. payment method. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the Trustee. The security shall be held in the name of the City or held on behalf of the City. The Trustee's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipt shall be delivered to the City.

IX. INVESTMENT POLICY ADOPTION AND REVIEW

The City of Mansfield investment policy shall be adopted by resolution of the City Council. The Policy shall be reviewed for effectiveness on an annual basis and any modifications will be recommended for approval to the City Council.

2016 List of Investment Advisors

Ms. Juli Erickson Vice President, Corporate Treasury Bank of America Merrill Lynch IL4-540-28-01 540 W Madison Avenue, 28th Floor Chicago, IL 60661

Mr. Michael J. Marz Vice Chairman First Southwest Company 325 N. St. Paul Street, Suite 800 Dallas, TX 75201

Mr. Colin Lamborn INVESCO AIM Investment Services 11 Greenway Plaza, Suite 1000 Houston, TX 77046

Mr. Glenn Forbes JP Morgan Chase 420 Throckmorton Street, Suite 400 Fort Worth, TX 76102

Ms. Brenda Roznowski TexSTAR 325 N. St. Paul Street, Suite 800 Dallas, TX 75201

Mr. Van C. Carter Public Funds Manager Frost Bank 2727 North Harwood, Floor 10 Dallas, TX 75201

University of North Texas Center for Public Management

Government Treasurers' Organization of Texas

Co Sponsored by North Central Texas Council of Governments

Certificate of Attendance presented to

Peter Phillis

For completion of training on the Texas Public Funds Investment Act and related investment issues

Arlington, Texas

Fahich Shinkle

Patrick Shinkle Center for Public Management TSBPA CPE Sponsor 007716



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-2021

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Resolution

Agenda Number:

Title

Resolution - A Resolution of the City Council of the City of Mansfield, Texas Authorizing a Contract Between the City of Mansfield, Texas and Tarrant County and the County's Assessor/Collector for the Collection of the South Pointe Public Improvement District Assessment/Collection Services

Requested Action

Approve the Contract between the City of Mansfield, Texas and Tarrant County and the County's Tax Assessor/Collector, to collect public improvement assessments on behalf of the City of Mansfield, Texas.

Recommendation

Staff recommends that the City Council of the City of Mansfield, Texas approve the Contract by authorizing the City Manager or his designee to enter into a contract with Tarrant County and the County's Tax Assessor/Collector for the City's tax collection services.

Description/History

In January 2016, the City Council of the City of Mansfield, Texas received a petition requesting creation of a public improvement district under Chapter 372 of the Texas Local Government Code from the owners of real property representing more than fifty percent (50%) of the appraised value of the real property liable for assessment in the proposed District. The resolution authorizing and creating the South Pointe Public Improvement District was approved on February 22, 2016.

The South Pointe Public Improvement District is approximately 873 acres. The public improvement district is to provide services that enhance the lifestyle, personal pride, enjoyment and property values within the District. An annual assessment of \$1,000 for a single family home within the District and \$120 for each multifamily unit within the District shall be levied. These assessments will be collected through the same systems used to collect ad valorem property tax.

Justification

The cost per account is \$0.95 cents per account within Tarrant County and the cost per account outside Tarrant County, Johnson and Ellis County, is \$2.60 per account. Presently, there are 3 accounts in Tarrant County and 20 accounts in Johnson and Ellis County that are owned by the Development Company. As these tracts of land are developed, the single family and multi-family residences will be assessed the Public Improvement District assessment fee. For this tax collection year, that number is expected to be around 50 single family residences.

Funding Source

N/A

File Number: 16-2021

Prepared By

Peter K. Phillis, CPA, Deputy City Manager; 817-276-4261 Troy Lestina, Assistant Director of Business Services; 817-276-4257

RESOLUTION NO.	
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A RESOLUTION RATIFYING, AND CONFIRMING, THAT THE CITY MANAGER OR HIS DESIGNEE OF THE CITY OF MANSFIELD, TEXAS IS AUTHORIZED TO ENTER INTO A CONTRACT BY AND BETWEEN RON WRIGHT, TARRANT COUNTY TAX ASSESSOR-COLLECTOR, TARRANT COUNTY AND THE CITY OF MANSFIELD FOR THE SOUTH POINTE PUBLIC IMPROVEMENT DISTRICT COLLECTION SERVICES FOR THE CITY OF MANSFIELD

WHEREAS, the City of Mansfield is a home rule municipal corporation existing pursuant to the laws of the State of Texas, and located within Tarrant County, Texas; and

WHEREAS, Tarrant County is a general purpose unit of government existing pursuant to the constitution and laws of the State of Texas; and

WHEREAS, Ron Wright is the duly elected Tax Assessor/Collector of Tarrant County, Texas; and

WHEREAS, the City of Mansfield determined that it was cost beneficial for the City to outsource the public improvement district assessment and collection operation of the City through the office of the Tax Assessor/Collector of Tarrant County; and

WHEREAS, the State of Texas general purpose governmental entities to enter into interlocal agreements for the provision of services; and

WHEREAS, Ron Wright as Tax Assessor/Collector for Tarrant County has offered to provide the collection services for the City of Mansfield pursuant to the terms on the agreement set forth in the document identified as Exhibit "A" a fair and reasonable agreement for the provision of public improvement district collection services; and

WHEREAS, the City Council of the City of Mansfield has determined that the renewal of the contract for public improvement district collection services set forth in Exhibit "A" is a fair and reasonable agreement for public improvement collection services for the City.

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

Ratifies, confirms and approves that the City Manager, or his designee, of the City of Mansfield, Texas is authorized to enter into the contract for South Pointe public improvement district assessment and collection services with Ron Wright as Tax Assessor/Collector for Tarrant County in the form as set forth in Exhibit "A" attached hereto and incorporated herein for all purposes.

DULY PASSED AND APPROVED THIS 12th day of September, 2016.

	David L. Cook, Mayor	
ATTEST:		
Jeanne Heard, City Secretary		



TARRANT COUNTY TAX OFFICE

RON WRIGHT
Tax Assessor-Collector

100 E. Weatherford, Room 105 • Fort Worth, Texas 76196-0301 • 817-884-1100 taxoffice@tarrantcounty.com
In God We Trust

August 24, 2016

Mr Troy Lestina Assistant Director of Business Services 1200 E Broad St Mansfield, TX 76063

Dear Mr. Lestina,

I am pleased to enclose our tax collection contract for the coming year. I am lowering my collection fee for the coming year for in-county accounts to \$.95 the lowest collection fee of any urban county in Texas. The fee for out-of-county accounts will remain \$2.60 per account. The rates will be applied to the Tax Year 2015 ending number of accounts.

State law requires that I charge taxing entities my actual costs for tax collection.

Enclosed are three original renewal contracts for the assessment and collection of your ad valorem taxes by my office for the tax year 2016. After the contracts have been signed, please return <u>ALL</u> copies to the attention of Sheila Moore, Entity Liaison. I will mail a fully executed contract to you after the Commissioner's Court has made formal approval of the contract. This will be at the end of September, so the contract will be returned in October. If you require more than one original, please make a copy of the contract and mail all four back to my office. In order to have your contract in place prior to the upcoming tax season, I would ask that you have the properly executed contract returned to me no later than July 31, 2016.

In addition to your 2016 contract, I am enclosing an attorney confirmation form. Please fill out the requested information, sign and return to my office along with the collection contracts.

You will be invoiced for your collection commission by January 31, 2017 with payment due no later than February 28, 2017.

The time for rate calculations is rapidly approaching and many of you are already in budget preparations. Please remember the importance of getting the rate and exemption information to us prior to the **September 16**th rate submission deadline. My office will provide more information on this requirement in the near future.

If you have questions, please contact my Entity Liaison, Sheila Moore, at 817-884-1526, or you may contact me at 817-884-1106 or by e-mail rjwright@tarrantcounty.com.

Sincerely,

Ron Wright, PCC

Tax Assessor-Collector

Tarrant County

COUNTY OF TARRANT

§ §

Agreement made this ___day of_______, 2016, by and between the Tarrant County Tax Assessor/Collector, hereinafter referred to as "ASSESSOR/COLLECTOR," and Tarrant County, hereinafter referred to as the "COUNTY," both of whom are addressed at 100 East Weatherford Street, Fort Worth, Texas 76196-0301, and the South Pointe Public Improvement District, hereinafter referred to as "South Pointe Public Improvement District" whose address is 1200 E Broad St, Mansfield, TX 76063.

PURPOSE OF AGREEMENT

The purpose of this Agreement is to state the terms and conditions under which the ASSESSOR/COLLECTOR will provide assessment and collection services of special assessments levied by the South Pointe Public Improvement District, in accordance with Chapter 372 of the Texas Local Government Code (the "Assessments").

NOW THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

I. SERVICES TO BE PERFORMED

The ASSESSOR/COLLECTOR agrees to bill and collect the assessments due and owing on property upon which the South Pointe Public Improvement District has imposed said assessments. The ASSESSOR/COLLECTOR shall perform the said services in the same manner and fashion as Tarrant County collects its own taxes due and owing on taxable property. The services performed are as follows: receiving the Certified Appraisal Roll from the appropriate Appraisal District and monthly changes thereto; providing mortgage companies, property owners and tax representatives assessment roll and payment data; providing all necessary Assessments and Truth in Taxation calculations as required; the transmittal of assessment statements via the U.S. Mail or electronic transfer of data; and payment processing. All South Pointe Public Improvement District disbursements, made by check or by electronic transfer (ACH), for collected tax accounts will be made to the South Pointe Public Improvement District on the day the COUNTY Depository Bank indicates the mandatory assigned "float" period has elapsed and the funds are posted to the collected balance. If any daily collection total is less than one hundred dollars (\$100.00), the disbursement may be withheld until the cumulative total of taxes collected for the South Pointe Public Improvement District equals at least one hundred dollars (\$100.00), or at the close of the month.

II. REPORTS

The ASSESSOR/COLLECTOR will provide the South Pointe Public Improvement District the following reports, if requested:

Daily: Weekly: Monthly: General Ledger Distribution Report Detail Collection Report (Summary) Assessment Roll Summary (Totals Only)

Year-to-Date Summary Report Detail Collection Report (Summary) Distribution Report (Summary) Delinquent Tax Attorney Tape

Annual:

Paid Assessment Roll Delinquent Assessment Roll Current Assessment Roll

A selection of the above listed Reports will only be available by internet access. The ASSESSOR/COLLECTOR will provide the South Pointe Public Improvement District the General Ledger Revenue & Expense Report monthly as required by Sec. 31.10 of the Texas Property Tax Code.

III. COMPENSATION

In consideration of the services to be performed by the ASSESSOR/COLLECTOR, compensation for the services rendered is a rate of ninety-five cents (\$0.95) per account located within Tarrant County, and two-dollars and sixty cents (\$2.60) per account located outside Tarrant County. The number of accounts will be based on the July 25 billing roll certified to the ASSESSOR/COLLECTOR, net of subsequent account additions and deletions made by the Appraisal District. The ASSESSOR/COLLECTOR will invoice for all these accounts by **January 31, 2017** with payment to be received from the South Pointe Public Improvement District by **February 28, 2017**.

The scope of services identified in this contract does not include the administration of a rollback election. In the event of a successful rollback election, these costs incurred by the Tarrant County Tax Office will be separately identified, billed, and paid by the entity.

IV. AUDITS

The ASSESSOR/COLLECTOR will provide to the South Pointe Public Improvement District auditor necessary explanations of all reports and access to ASSESSOR/COLLECTOR in-house tax system computer terminals to assist the South Pointe Public Improvement District auditor in verifying audit samples of the financial data previously provided by the ASSESSOR/COLLECTOR during the past audit period. Additional support for entity verification or entity auditor verification is not a part of this contract. Each request for support will be reviewed individually. Costs for providing audit support will be determined by the ASSESSOR/COLLECTOR and will be charged to and must be paid by the South Pointe Public Improvement District.

V. TAX RATE REOUIREMENT

The South Pointe Public Improvement District will provide the ASSESSOR/COLLECTOR, in writing, the South Pointe Public Improvement District's newly adopted assessment rates and exemption schedules to be applied for assessing purposes by Friday, September 16, 2016. Under authority of Section 31.01 (h) of the Property Tax Code, any additional cost of printing and mailing tax statements because of late reporting of the assessment rates or the exemption schedules will be charged to and must be paid by the South Pointe Public Improvement District.

The assessment rates and the exemption schedules, if any, for each of the last five (5) years in which an assessment was levied, or all prior years where there remains delinquent assessments, must be furnished in writing to the ASSESSOR/COLLECTOR at the time of the initial contract.

VI. COMPLIANCE WITH APPLICABLE STATUTES, ORDINANCES, AND REGULATIONS

In performing the services required under this Agreement, the ASSESSOR/COLLECTOR shall comply with all applicable federal and state statutes, final Court orders and Comptroller regulations. If such compliance is impossible for reasons beyond its control, the ASSESSOR/COLLECTOR shall immediately notify the South Pointe Public Improvement District of that fact and the reasons therefore.

VII. DEPOSIT OF FUNDS

All funds collected by the ASSESSOR/COLLECTOR in the performance of the services stated herein for the South Pointe Public Improvement District shall be promptly transferred to the account of the South Pointe Public Improvement District at the District's depository bank. All payments to entities will be made electronically either by the automated clearing house (ACH) or wire transfer. Wire transferred funds will incur an additional fee, which will be charged back to the South Pointe Public Improvement District and deducted from those collected funds. The transfer fees charged will be the same fees charged to the COUNTY by its bank depository. If the South Pointe Public Improvement District desires its tax disbursements to be made by wire transfer the ASSESSOR/COLLECTOR has no liability for the funds after initiation of the wire transfer of the South Pointe Public Improvement District's funds from the COUNTY Depository to the South Pointe Public Improvement District's designated depository.

VIII. INVESTMENT OF FUNDS

The South Pointe Public Improvement District hereby agrees that the COUNTY, acting through the County Auditor, may invest collected assessment funds of the South Pointe Public Improvement District during the period between collection and payment. The COUNTY agrees that it will invest such funds in compliance with the Public Funds Investment Act. The COUNTY further agrees that it will pay to the South Pointe Public Improvement District all interest or other earnings attributable to taxes owed to the South Pointe Public Improvement District. All parties agree that this Agreement will not be construed to lengthen the time period during which the COUNTY or the ASSESSOR/COLLECTOR may hold such funds before payment to the South Pointe Public Improvement District.

IX. REFUNDS

Refunds will be made by the ASSESSOR/COLLECTOR except as set forth herein. The ASSESSOR/COLLECTOR will advise the South Pointe Public Improvement District of changes in the assessment rolls which were mandated by the appropriate Appraisal District.

The ASSESSOR/COLLECTOR will not make refunds on prior year paid accounts unless the prior year paid accounts for the past five (5) years are provided to the ASSESSOR/COLLECTOR.

All refunds of overpayments or erroneous payments due, but not requested, and as described in Section 31.11 of the Texas Property Tax Code, will after three (3) years from the date of payment, be proportionately disbursed to those entities contracting with the ASSESSOR/COLLECTOR. The contract must have been in force, actual assessment and collection functions begun and the tax account was at the time of the over or erroneous payment within the South Pointe Public Improvement District's jurisdiction. The proportional share is based upon the South Pointe Public Improvement District's percent of the tax account's total levy assessed at the time of receipt of the over or erroneous payment.

In the event any lawsuit regarding the collection of assessments provided for in this agreement to which the South Pointe Public Improvement District is a party, is settled or a final judgment rendered, and which final judgment is not appealed, and the terms of such settlement agreement or final judgment require that a refund be issued by the South Pointe Public Improvement District to the taxpayer, such refund shall be made by ASSESSOR/COLLECTOR by debiting funds collected by the ASSESSOR/COLLECTOR on behalf of the South Pointe Public Improvement District and remitting such refund to the taxpayer in conformity with the terms of the settlement agreement or final judgment.

X. DELINQUENT COLLECTIONS

The ASSESSOR/COLLECTOR will assess and collect the collection fee pursuant to Sections, 33.07, 33.08, 33.11 and 33.48 of the Property Tax Code, when allowed. The ASSESSOR/COLLECTOR will collect attorney fees that are specified by the South Pointe Public Improvement District through written agreement with a delinquent collection Attorney. The ASSESSOR/COLLECTOR will disburse the amount directly to the South Pointe Public Improvement District for compensation to a firm under contract to the City.

If the delinquent collection Attorney contracted by the South Pointe Public Improvement District requires attendance of ASSESSOR/COLLECTOR personnel at a court other than the District Courts in downtown Fort Worth, and the COUNTY is not a party, the employee's expenses and proportionate salary will be the responsibility of the South Pointe Public Improvement District and will be added to the collection expenses and charged to the South Pointe Public Improvement District.

The ASSESSOR/COLLECTOR will not be responsible for the collection of prior year delinquent accounts unless all delinquent accounts information is provided to the ASSESSOR/COLLECTOR.

XI. TERM OF AGREEMENT

This Agreement shall become effective as of the date hereinabove set out, and shall continue in effect during the 2016 tax year, unless sooner terminated by providing sixty (60) day written notice, as outlined in paragraph XII.

XII. NOTICES

Any notices to be given hereunder by either party to the other may be effected, in writing, either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the address of the parties as they appear in the introductory paragraph of this Agreement, but each party may change this address by written notice in accordance with this paragraph.

XIII.

MISCELLANEOUS PROVISIONS

This instrument hereto contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect.

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tarrant County, Texas.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and successors.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or enforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained.

This Agreement and the attachments hereto constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

Executed on the day and year first above written, Tarrant County, Texas.

BY:	
RON WRIGHT,	DATE
TAX ASSESSOR/COLLECTOR	
TARRANT COUNTY	
FOR THE SOUTH POINTE PUBLIC	IMPROVEMENT DISTRICT:
BY:	_
	DATE
TITLE:	-
FOR TARRANT COUNTY:	
ВУ:	
B. GLEN WHITLEY	DATE
TARRANT COUNTY JUDGE	
APPROVED AS TO FORM:	
BY:	
CRIMINAL DISTRICT ATTORNEY'S OF	FICE*DATE

^{*}By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-2023

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Resolution

Agenda Number:

Title

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

Requested Action

Approval of resolution.

Recommendation

Approve the action of the MEDC, which authorizes the City of Mansfield, Texas Mansfield Economic Development Corporation to sale bonds for the purpose of constructing public improvements within the Shops at Broad Development and about the Shops at Broad Development.

Description/History

The City has been considering a comprehensive development at the corner of the highway 287 and Broad Street for many years. GuyerMorris, the property owner, has submitted a comprehensive development plan which includes the integration of recreational venues and multi-use concepts that will require public infrastructure to service the development. The MEDC will be funding the cost of the public improvements which includes improvements to Broad Street, Regency Parkway, other roads, water, sewer and drainage improvements within and about the development. The cost of the improvements is \$15,000,000. The city or the developer will construct the public improvements.

Justification

The Shops at Broad will be a public center for the community. Two recreational venues, Field house and Stars Center will draw the public within the development which includes plans for expansive retail space, and living units in the development. The public will need access to the property as well as other infrastructure to service the site which includes water, sewer and drainage improvements. These drainage improvements will be needed to accommodate the alteration of surface water as it moves along the redefined surface from the improvements within the development.

Funding Source

City of Mansfield's Economic Development Corporation.

Prepared By

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

File Number: 16-2023

RESOLUTION No. ____ - 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 ECONOMIC DEVELOPMENT CORPORATION AUTHORIZING THE ISSUANCE OF MANSFIELD ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, NEW SERIES 2016; 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 Economic Development Corporation (the "Corporation") as a Texas nonprofit corporation, pursuant to Chapters 501, 502 and 504 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 and constructing public infrastructure, including streets and roads, water and sewer utilities, drainage improvements, public parking and related improvements (collectively, the "Project") in connection with a retail and commercial development to be located generally at the northeast corner of the intersection of Broad Street and U.S. Highway 287 within the City;

WHEREAS, the Board of Directors of the Corporation has found and determined that the Project is necessary to promote or develop new or expanded business enterprises in the City;

WHEREAS, the Corporation has determined to issue its Mansfield Economic Development Corporation Sales Tax Revenue Bonds, New Series 2016 (the "Bonds") to finance the costs of the Project and to pay 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 September 12, 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 Resolution and, by adoption of this resolution, intends to approve the New Series Resolution and the terms thereof, the issuance of the Bonds, the plans of financing established and approved by the New Series 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 Resolution.
 - Section 2. The City, acting by and through this City Council, hereby approves:
- (a) the New Series Resolution and the plan of financing established and approved by the New Series Resolution;
- (b) the issuance of the Bonds in the amounts and for the purposes referred to in the preambles hereof and as described in the New Series Resolution and the Bonds; and
- (c) the Paying Agent/Registrar Agreements, 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.

	Mayor, City of Mansfield, Texas
ATTEST:	
City Secretary, City of Mansfield, Texas	
	APPROVED AS TO FORM:
	City Attorney, City of Mansfield, Texas

PASSED AND APPROVED by the City Council of the City of Mansfield, Texas this

12th day of September, 2016.

FSCContinuing Disclosure Services A Division of Hilltop Securities.

(See "Continuing Disclosure of Information" herein)

NEW ISSUE - Book-Entry-Only

PRELIMINARY	OFFICIAL STATEMEN
Dated:	2016

Ratings:

Moody's: Applied for S&P: Applied for Fitch: Applied for

See ("Other Information - Ratings"

herein)

In the opinion of Bond Counsel, under existing law interest on the Bonds is excludable from gross income for federal income tax purposes and the Bonds are not "private activity bonds." See "Tax Matters" for a discussion of the opinion of Bond Counsel, including a description of alternative minimum tax consequences for corporations.

\$15,000,000* MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (Tarrant, Johnson and Ellis Counties, Texas) SALES TAX REVENUE BONDS, NEW SERIES 2016

Dated Date: September 1, 2016 Due: August 1, as shown on page 2 Interest Accrues: Date of Delivery

PAYMENT TERMS. . . Interest on the \$15,000,000* Mansfield Economic Development Corporation Sales Tax Revenue Bonds, Series 2016 (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 Economic 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 resolution (the "Resolution"). In the Resolution adopted ________, 2016, the Corporation delegated to a designated officer of the City, pursuant to certain provisions of Chapter ______, authority to effect the sale of the Bonds and to stablish certain terms related to the issuance and sale of the Bonds. The terms of the sale will be included in a "Pricing Certificate," which will complete the sale of the Bonds, (the Resolution and the Pricing Certificate are collectively referred to as the "Ordinance") (see "The Bonds – Authority for Issuance).

The Bonds are special obligations of the Corporation, payable from, and together with any Parity 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 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 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 Bonds 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 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 and constructing public infrastructure, including streets and roads, water and sewer utilities, drainage improvements, public parking and related improvements (collectively, the "Project") in connection with a retail and commercial development to be located generally at the northeast corner of the intersection of Broad Street and U.S. Highway 287 within the City, (ii) acquiring a Reserve Fund Surety Bond for Escrow in the Bonds Reserve Fund, and (iii) 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.

CUSIP PREFIX: 564381 MATURITY SCHEDULE & 9 DIGIT CUSIP See Schedule on Page 2

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 ______, 2016

RBC CAPITAL MARKETS

^{*} Preliminary, subject to change.

MATURITY SCHEDULE*

1-Aug	Principal	Interest	Initial	CUSIP
Year	Amount	Rate	Yield	Suffix
2017	\$690,000			
2018	605,000			
2019	615,000			
2020	630,000			
2021	640,000			
2022	655,000			
2023	670,000			
2024	680,000			
2025	695,000			
2026	710,000			
2027	725,000			
2028	745,000			
2029	765,000			
2030	795,000			
2031	820,000			
2032	850,000			
2033	880,000			
2034	910,000			
2035	940,000			
2036	980,000			

(Interest accrues from Date of Delivery)

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").

⁽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.

^{*} 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, Schedule 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 \$15,000,000* Sales Tax Revenue Bonds, New Series 2016. The Bonds are issued as serial bonds maturing August 1 in the years 2017 through 2036 (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 the Resolution. In the Resolution adopted, 2016, the Corporation delegated to a designated officer of the City, pursuant to certain provisions of Chapter, authority to effect the sale of the Bonds and to stablish certain terms related to the issuance and sale of the Bonds. The terms of the sale will be included in a "Pricing Certificate," which will complete the sale of the Bonds, (the Resolution and the Pricing Certificate are collectively referred to as the "Ordinance") (see "The Bonds – Authority for Issuance").
SECURITY FOR THE BONDS	The Bonds are special obligations of the Corporation, payable from, and together with any Parity 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 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 Bonds shall be equally and ratably secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues.
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	In the opinion of Bond Counsel, under existing law, the interest on the New Series Tax-Exempt Bonds will be excludable from gross income for federal income tax purposes and the New Series Tax-Exempt Bonds are not private activity bonds. See "Tax Matters - Tax Exemption" for a discussion of the opinion of Bond Counsel, including a description of the alternative minimum tax consequences for corporations
USE OF PROCEEDS	Proceeds from the sale of the Bonds will be used for the purpose of (i) designing, developing and constructing public infrastructure, including streets and roads, water and sewer utilities, drainage improvements, public parking and related improvements (collectively, the "Project") in connection with a retail and commercial development to be located generally at the northeast corner of the intersection of Broad Street and U.S. Highway 287 within the City, (ii) acquiring a Reserve Fund Surety Bond for Escrow in the Bonds Reserve Fund, and (iii) paying the costs of issuing the Bonds.
RATINGS	The presently outstanding debt of the Corporation is rated "Aa3" by Moody's Investors Service, Inc. ("Moody's"), "A+" by Standard & Poor's Ratings Services, a Standard & Poor's Financial Service LLC business ("S&P"), and "A+" 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.

INSURANCE	The Corporation has made an application for a municipal bond insurance policy in conjunction with the issuance of the Bonds.
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 of a series. 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

Member	Member	Term
Name	Since	Expires
Larry Klos	October, 2010	September, 2017
President		
Brian Fuller	October, 2010	September, 2017
Vice President		
Robert Putman	October, 2011	September, 2017
Secretary		
Randy Hamilton	October, 2011	September, 2017
Selim Fiagome	October, 2014	September, 2016
John Phillips	October, 2012	September, 2016
John I minps	October, 2012	September, 2010
Tim Walker	October, 2015	September, 2016

CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

City Council	Elected		Term Expires	Occupation			
David L. Cook Mayor, Place 1	Re-elected M	ay, 2016	May 2019	Attorney			
Brent Newsom Councilmember Place 2	ay, 2016	May 2019	Bank Manager				
Stephen Lindsey Councilmember Place 3	ay, 2015	May 2018	Gas Industry Co	onsultant			
Darryl Haynes Councilmember Place 4	ay, 2015	May 2018	Corporate Risk	Manager			
Cory Hoffman Councilmember Place 5	Re-elected M	ay, 2015	May 2018	CPA			
Wendy Burgess Councilmember Place 6	Re-elected M	ay, 2014	May 2017	Business Owner	r		
Larry Broseh Councilmember Place 7	Re-elected M	ay, 2014	May 2017	President, Cam	Tech Inc.		
SELECTED ADMINISTRATIVE S	TAFF						
Nam	ne		Position	Length of Service to City	Total Length of Governmental Service		
Clayton W. Chandle	r, MPA, ABJ	City Mana	ager	30 Years	40 Years		
Regional Entreprene	eur of the Year						
June 1992, INC. Ma	gazine						
Peter K. Phillis, CP	Peter K. Phillis, CPA			Deputy City Manager 17 Years 23 Years			
Shelly Lanners	Deputy Ci	ity Manager	15 Years	15 Years			
Joe Smolinski	Deputy Ci	ity Manager	14 Year	14 Years			
Jeanne Heard	Jeanne Heard			City Secretary 1 Year			
E. Allen Taylor, Jr.	City Attor	ney	18 Years	27 Years			
Steve Freeman	Director o	of Public Works	20 Years	20 Years			
CONSULTANTS AND ADVISORS							
Auditors					KPMG LLP Dallas, Texas		
Bond Counsel					Bracewell LLP Dallas, Texas		
Financial Advisor			Firs	stSouthwest, a Div	ision of Hilltop Securities Inc.		
For additional information rega	rding the Corpor	ration, please	contact:		Dallas, Texas		
Clayton W. Chandler		Nick Bulaich	1	W.	Boyd London, Jr.		
Peter K. Phillis		est, a Division	FirstSouthwest, a Division				
City of Mansfield	of Hilltop Se			Hilltop Securities Inc.			
1200 E. Broad Street	777 Main Str	reet	or 1201 Elm Street				
Mansfield, Texas 76063		Suite 1200	T 76100		te 3500		
(817) 276-4200		Fort Worth,	1exas /6102	Dallas, Texas 75270			

(214) 953-4000

(817) 332-9710

PRELIMINARY OFFICIAL STATEMENT

RELATING TO

\$15,000,000* MANSFIELD ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, NEW SERIES 2016

INTRODUCTION

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of the \$15,000,000* Mansfield Economic Development Corporation Sales Tax Revenue Bonds, New Series 2016 (the "Bonds"). Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Resolution (defined herein) to be adopted on the date of sale of the Bonds which will authorize the issuance of the Bonds, except as otherwise indicated herein (see "Selected Provisions of the 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, 1997, 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 64,688. The City covers approximately 38.6 square miles.

^{*} Preliminary, subject to change.

THE BONDS

PURPOSE . . . Proceeds from the sale of the Bonds will be used for the purpose of (i) designing, developing and constructing public infrastructure, including streets and roads, water and sewer utilities, drainage improvements, public parking and related improvements (collectively, the "Project") in connection with a retail and commercial development to be located generally at the northeast corner of the intersection of Broad Street and U.S. Highway 287 within the City, (ii) acquiring a Reserve Fund Surety Bond for Escrow in the Bonds Reserve Fund, and (iii) paying the costs of issuing the Bonds.

DESCRIPTION OF THE BONDS... The Bonds are dated September 1, 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 Resolution In the Resolution adopted _______, 2016, the Corporation delegated to a designated officer of the City, pursuant to certain provisions of Chapter ______, authority to effect the sale of the Bonds and to stablish certain terms related to the issuance and sale of the Bonds. The terms of the sale will be included in a Pricing Certificate, which will complete the sale of the Bonds.

SECURITY AND SOURCE OF PAYMENT... The Bonds are special obligations of the Corporation payable solely from, and together with any 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 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 Bonds, together with any Parity 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 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 ⁽¹⁾		Issue Description
12/1/2011	\$	2,590,000	Sales Tax Revenue Bonds, Series 2012
	\$	2,590,000	

(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 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 Revenue Obligations (collectively the Bonds and any Additional Parity Revenue Obligations), are irrevocably pledged to the payment and security of the Parity Revenue Obligations, including the establishment and maintenance of the special funds created and established in the resolutions authorizing Parity Revenue Obligations. Under the 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 Revenue Obligations. The 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 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 REVENUE OBLIGATIONS . . . In the Resolution, the Corporation reserves the right to issue Additional Parity 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 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 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 calculation shall be made if such increase were in effect during such period. The Corporation has covenanted in the 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 Debt Service Fund in amounts equal to one hundred percent (100%) of the interest on and principal of the Parity 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 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 Revenue Obligations have been paid in full or until they are lawfully defeased in accordance with the 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 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 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 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 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 in any manner permitted by law. Under current Texas law, such discharge may be accomplished by either (i) depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on such Bonds to maturity or prior redemption or (ii) by depositing with a paying agent, or other authorized escrow agent, amounts sufficient 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, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The foregoing obligations may be in Book-Entry-Only form, and shall mature and/or bear interest in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of such Bonds. If any of such Bonds are to be redeemed prior to their respective dates of maturity, provision must have been made for giving notice of redemption as provided in the Resolution.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. Provided, however, the Corporation has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the Corporation: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the 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 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:

PLEDGED REVENUE FUND							
PRIORITY	FUND (1)						
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	Debt Service Fund for the payment of the Parity Revenue Obligations,						
Seventh Priority	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;						
Eighth Priority	To pay any amounts due to any bond insurer of Parity Revenue Obligations for the Parity Revenue Obligations not paid pursuant to the sections above,						
Nineth Priority	To pay any amounts due to any issuer of a Reserve Fund Surety Bond not paid pursuant to the sections above,						
Tenth Priority	Any other fund required by any resolution authorizing issuance of Parity 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 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 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.						

⁽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:

PLEDGED REVENUE FUND							
PRIORITY	FUND (1)						
First Priority	Debt Service Fund for the payment of the Parity Revenue Obligations,						
Second Priority	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;						
Third Priority	To pay any amounts due to any bond insurer of Parity Revenue Obligations for the Parity Revenue Obligations not paid pursuant to the sections above,						
Fourth Priority	To pay any amounts due to any issuer of a Reserve Fund Surety Bond not paid pursuant to the sections above,						
Fifth Priority	Any other fund required by any resolution authorizing issuance of Parity 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 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 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.

See "Selected Provisions of the Resolution" herein for additional information relating to the flow of funds.

RESERVE FUND REQUIREMENT... In the Resolution, the Board of Directors has ordered to be created, solely for the benefit of the Bonds, the Bonds Reserve Fund. The 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 Revenue Obligations for the purpose of securing that particular issue or series of Parity Revenue Obligations or any specific group of issues or series of Parity 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 Revenue Obligations for which such debt service reserve fund was established.

Amounts on deposit in the 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 Reserve Fund Surety Bond and (iii) with respect to funds and investments on deposit and credited to the Bonds Reserve Fund, to retire the last Stated Maturity or Stated Maturities of or interest on the Bonds. The Bonds Reserve Fund shall be maintained in an amount equal to the Required Reserve for such series of 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 Bonds Reserve Fund at any time contains less than the Required Reserve, the Corporation has agreed to cure the deficiency in each such Reserve Fund by making monthly deposits and credits to such 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 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 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 Reserve Fund Surety Bond when due, and any reserve established for the benefit of any issue or series of Parity Revenue Obligations and to cure any deficiency in such amounts as required by the terms of the Resolution and any other resolution pertaining to the issuance of Parity Revenue Obligations. Reimbursements to the provider, if any, of a 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 Reserve Fund Surety Bond.

The Corporation may at any time deposit, supplement, replace or substitute a Reserve Fund Surety Bond (defined in the 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 Reserve Fund or in substitution for or replacement of any existing Reserve Fund Surety Bond. If the Corporation is required to make a withdrawal from either of the r 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 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 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 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 and 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. Payment of redemption proceeds, principal and interest payments 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 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 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 for the Bonds is discontinued, printed certificates will be issued to the DTC Participants or the holder, 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 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 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 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 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 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 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 Resolution, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners under the 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 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 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 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:

Sources.	
Par Amount	\$ -
Reoffering Premium	
TOTAL SOURCES	\$ -
<u>Uses:</u>	
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	
TOTAL USES	\$ -

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 of each series 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 of a series (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 of such series 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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DEBT INFORMATION

TABLE 1 – PRO-FORMA ECONOMIC DEVELOPMENT CORPORATION DEBT SERVICE REQUIREMENTS

Fiscal											
Year	P	reviously Issue	ed		Previously Issued	l.				Total	% of
Ending	First Lie	en Bonds Debt	Service	Subordinante Lien Bonds Debt Service				The Bonds ⁽¹⁾	Debt	Principal	
9/30	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Service	Retired
2016	\$ 130,000	\$ 87,450	\$ 217,450	\$ 775,000	\$ 210,004	\$ 985,004	\$ -	\$ -	\$ -	\$ 1,202,454	
2017	130,000	84,850	214,850	790,000	197,934	987,934	690,000	327,193	1,017,193	2,219,977	
2018	135,000	82,250	217,250	805,000	182,634	987,634	605,000	414,525	1,019,525	2,224,409	
2019	135,000	79,550	214,550	820,000	164,102	984,102	615,000	402,425	1,017,425	2,216,077	
2020	140,000	76,513	216,513	835,000	143,498	978,498	630,000	390,125	1,020,125	2,215,135	18.12%
2021	145,000	73,188	218,188	865,000	120,813	985,813	640,000	377,525	1,017,525	2,221,525	
2022	145,000	69,381	214,381	890,000	95,433	985,433	655,000	364,725	1,019,725	2,219,539	
2023	150,000	65,213	215,213	915,000	67,855	982,855	670,000	351,625	1,021,625	2,219,693	
2024	155,000	60,525	215,525	950,000	35,188	985,188	680,000	338,225	1,018,225	2,218,938	
2025	160,000	55,488	215,488	-	-	-	695,000	324,625	1,019,625	1,235,113	41.22%
2026	165,000	49,888	214,888	-	-	-	710,000	310,725	1,020,725	1,235,613	
2027	170,000	44,113	214,113	-	-	-	725,000	292,975	1,017,975	1,232,088	
2028	180,000	37,950	217,950	-	-	-	745,000	274,850	1,019,850	1,237,800	
2029	185,000	31,200	216,200	-	-	-	765,000	252,500	1,017,500	1,233,700	
2030	190,000	23,800	213,800	-	-	-	795,000	225,725	1,020,725	1,234,525	67.35%
2031	200,000	16,200	216,200	-	-	-	820,000	197,900	1,017,900	1,234,100	
2032	205,000	8,200	213,200	-	-	-	850,000	169,200	1,019,200	1,232,400	
2033	-	-	-	-	-	-	880,000	139,450	1,019,450	1,019,450	
2034	-	-	-	-	-	-	910,000	108,650	1,018,650	1,018,650	
2035	-	-	-	-	-	-	940,000	76,800	1,016,800	1,016,800	94.47%
2036							980,000	39,200	1,019,200	1,019,200	100.00%
	\$2,720,000	\$945,756	\$3,665,756	\$ 7,645,000	\$ 1,217,459	\$ 8,862,459	\$15,000,000	\$5,378,968	\$20,378,968	\$32,907,182	

⁽¹⁾ Average life of Bonds is 11.069 years. Interest calculated at an average rate of 3.239% for purposes of illustration. Preliminary, subject to change.

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 ¼ % (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	1/2% Sales Tax					
of	Collections	Collections	Collections	Collections	Collections	
Receipt	Fiscal 2015/16	Fiscal 2014/15	Fiscal 2013/14	Fiscal 2012/13	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	\$ 3,830,232	\$ 4,842,799	\$ 4,519,573	\$ 4,054,158	\$ 3,889,860	

Table 3 - Calculation of Coverage for the Issuance of Additional $B \mathsf{onds}^{(1)}$

Sales Tax Collection for Fiscal Year Ended 9/30/15	\$ 4,842,799
Maximum Annual Debt Service Fiscal Year 2018.	\$ 2,224,409
Coverage of Maximum Requirements.	2.18x
Average Annual Debt Service 2016-2036.	\$ 1,567,009
Coverage of Average Requirements	3.09x

⁽¹⁾ Includes the Previously Issued Senior Lien Bonds and the Bonds. Preliminary, subject to change.

TABLE 4 - HISTORICAL CORPORATION REVENUES AND EXPENDITURES

Fiscal Years Ended September 30, 2014 2013 2011 2015 2012 Revenues: Taxes, Penalties, and Interest \$ 4,854,487 \$ 4.530,982 \$ 4.065,299 \$ 3,899,868 \$ 3,631,255 Gas Royalty Income 1,571 2,793 3,010 37,566 158,711 4,051 Interest Income 9,214 3,255 435 3,344 Contributions 1,408,863 1,408,862 Miscellaneous 1,900 6,074 175 64,887 1,164 **Total Revenues** 6,270,165 5,952,762 \$ 4,077,698 \$ 4,005,576 \$ 3,791,565 **Expenditures:** Administration 800,278 766,063 819,779 735,628 \$ 830,051 8,973,840 1,774,257 **Projects** 3,467,286 3,396,140 1,513,631 Debt Service, and Related Costs 1,655,408 1,322,059 1,320,775 1,268,443 1,102,169 Capital Outlay 5,536,694 5,922,972 \$11,061,962 3,778,328 \$ 3,445,851 **Total Expenditures** Excess (Deficiency) of Revenue Over Expenditures 347,193 (5,109,200)(1,458,996)227.248 345,714 \$ \$ Other Financing Sources (Uses) 446,328 \$ \$ 3,057,677 \$ 62,958 433,000 Gain on Sale of Capital Assets 446,328 433,000 3.057.677 62,958 Total Other Financing Sources (Uses) Beginning Fund Balance⁽¹⁾ 11,871,306 12,897,302 9,203,705 6,762,106 9,612,377 Ending Fund Balance⁽¹⁾ 7,555,627 6,762,106 \$11,871,306 \$12,897,302 \$ 9,612,377 \$

OTHER ACTIVITY OF THE CORPORATION

The Corporation was established to promote, encourage and incentivize economic development within the City. Since its inception, the Corporation has promoted industrial and commercial development through incentive agreements that are designed to encourage existing business expansion and new business growth within the City. Since inception, the Corporation has assisted over 135 companies in making Mansfield their home by providing over \$20.2 million in economic assistance. In return, these companies have made cumulative capital investments of over \$530 million and created over 3,500 jobs within the City.

In continuance of the City's economic development program, the Corporation has made additional commitments to incentivize industry over the next several years. These commitments are generally contingent upon the industry's capital investments and creation of new jobs or other criteria determined by the Corporation. The arrangements vary in amounts and allow for reimbursements for capital costs or expansion costs incurred by these industries. These commitments require stringent performance commitments by the respective industries to qualify for the incentives. To date the Corporation has made commitments to be administered over the next several years in the amounts of \$4.6 million in year 2017, \$3.3 million in year 2018, \$1.5 million in year 2020, \$0.8 million in year 2021 and \$0.7 million in 2022. These commitments and amounts may change from year to year depending upon the performance of the industries, and their ability to meet the performance standards as established by the Corporation. In the event the Corporation deems the industries performance insufficient, the Corporation can restructure, extend, void or recover the commitments.

The commitments of the Corporation described in the two preceding paragraphs are not secured by a pledge of or lien on Pledged Revenues securing the New Lien Bonds, or any security.

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SELECTED PROVISIONS OF THE 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 Economic Development Corporation Sales Tax Revenue Bonds, New Series 2016" 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 Series 2016 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 2012, dated as of December 1, 2011; (2) Sales Tax Revenue Refunding Bonds, New Series 2015, dated as of December 1, 2014; and (3) Sales Tax Revenue Refunding Bonds, Taxable New Series 2015, dated December 1, 2014.

"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 18, 1997, 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.

<u>Confirmation and Levy of Sales Tax</u>. (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 18, 1997, 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.
- <u>Pledge</u>. (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 lime, 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.

<u>Resolution as Security Agreement.</u> (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) <u>First</u>, 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) <u>Second</u>, 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) <u>Third</u>, 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) <u>Fourth</u>, 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) <u>Fifth</u>, 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) <u>Sixth</u>, 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) <u>Seventh</u>, 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) <u>Eighth</u>, 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) <u>Tenth</u>, to any other fund or account required by any resolution authorizing Parity Revenue Obligations, the amounts required to be deposited therein;
- (xi) <u>Eleventh</u>, 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) <u>First</u>, 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) <u>Second</u>, 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) <u>Fourth</u>, to pay any amounts due to any issuer of a Reserve Fund Surety Bond not paid pursuant to subsections (ii) or (iii) above;
 - (v) <u>Fifth</u>, to any other fund or account required by any resolution authorizing Parity Revenue Obligations, the amounts required to be deposited therein;
 - (vi) <u>Sixth</u>, 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) <u>Seventh</u>, 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.
- 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.

<u>Deficiencies in Funds</u>. 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.

<u>Security of Funds</u>. 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.

<u>Investments</u>. (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.

<u>Investment Income</u>. Interest and income derived from investment of any fund created by the Resolutions shall be credited to such fund.

<u>Issuance of Superior Lien Obligations Prohibited</u>. 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.

<u>Pledged Funds and Pledged Revenues</u>. (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.

<u>General</u>. 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.

<u>Repeal of Power to Collect Sales Tax</u>. 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.

<u>Payment of the Bonds</u>. 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.

<u>Remedies Not Exclusive.</u> (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.

<u>Discharge</u>. 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 obligations 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:

			Percent of
Description of Investment	Tota	al Investment	Portfolio
TexSTAR	\$	3,933,445	100.00%
	\$	3,933,445	100.00%

TAX MATTERS

TAX EXEMPTION... In the opinion of Bracewell Giuliani LLP, Bond Counsel, under existing law, (i) interest on New Series Tax-Exempt Bonds is excludable from gross income for federal income tax purposes and (ii) the New Series Tax-Exempt Bonds are not "private activity bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and , as such, interest on the New Series Tax-Exempt Bonds is not subject to the alternative minimum tax on individuals and corporations, except as described below in the discussion regarding the adjusted current earnings adjustment for corporations.

The Code imposes a number of requirements that must be satisfied for interest on state or local New Series Tax-Exempt Bonds, such as the New Series Tax-Exempt Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service. The Corporation has covenanted in the Resolution that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Resolution pertaining to those sections of the Code that affect the exclusion from gross income of interest on the New Series Tax-Exempt Bonds for federal income tax purposes and, in addition, will rely on representations by the Corporation, the Corporation's Financial Advisor and the Underwriters with respect to matters solely within the knowledge of the Corporation, the Corporation's Financial Advisor and the Underwriters, respectively, which Bond Counsel has not independently verified. Bond Counsel will further rely on the report (the "Report") of Grant Thornton, LLP, Certified Public Accounts, regarding the mathematical accuracy of certain computations. If the Corporation fails to comply with the covenants in the Resolution or if the foregoing representations or the Report are determined to be inaccurate or incomplete interest on the New Series Tax-Exempt Bonds could become includable from the date of delivery of the New Series Tax-Exempt Bonds, regardless of the date on which the event causing such inclusion occurs.

The Code also imposes a 20% alternative minimum tax on the "alternative minimum taxable income" of a corporation if the amount of such alternative minimum tax is greater than the amount of the corporation's regular income tax. Generally, the alternative minimum taxable income of a corporation (other than any S corporation, regulated investment company, REIT or REMIC), includes 75% of the amount by which its "adjusted current earnings" exceeds its other "alternative minimum taxable income." Because interest on tax-exempt obligations, such as the New Series Tax-Exempt Bonds, is included in a corporation's "adjusted current earnings," ownership of the New Series Tax-Exempt Bonds could subject a corporation to alternative minimum tax consequences.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the New Series Tax-Exempt Bonds.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the "Service"); rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local bonds is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the New Series Tax-Exempt Bonds. If an audit is commenced, in accordance with its current published procedures, the Service is likely to treat the Corporation as the taxpayer and the Owners may not have a right to participate in such audit. Public awareness of any future audit of the New Series Tax-Exempt Bonds could adversely affect the value and liquidity of the New Series Tax-Exempt Bonds regardless of the ultimate outcome of the audit.

ADDITIONAL FEDERAL INCOME TAX CONSIDERATIONS

COLLATERAL TAX CONSEQUENCES . . . Prospective purchasers of the New Series Tax-Exempt Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax exempt obligations, low and middle income taxpayers qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the New Series Tax-Exempt Bonds. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences. Prospective purchasers of the New Series Tax-Exempt Bonds should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the New Series Tax-Exempt Bonds, received or accrued during the year

Tax Accounting Treatment of Original Issue Premium . . . The issue price of all or a portion of the New Series Tax-Exempt Bonds may exceed the stated redemption price payable at maturity of such New Series Tax-Exempt Bonds. Such New Series Tax-Exempt Bonds (the "Premium Bonds") are considered for federal income tax purposes to have "bond premium" equal to the amount of such excess. The basis of a Premium Bond in the hands of an initial owner is reduced by the amount of such excess that is amortized during the period such initial owner holds such Premium Bond in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Bond by the initial owner. No corresponding deduction is allowed for federal income tax purposes for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a Premium Bond that is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Bond) is determined using the yield to maturity on the Premium Bond based on the initial offering price of such Bond.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Premium Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of amortized bond premium upon the redemption, sale or other disposition of a Premium Bond and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Bonds.

Tax Accounting Treatment of Original Issue Discount Bonds . . . The issue price of all or a portion of the New Series Tax-Exempt Bonds may be less than the stated redemption price payable at maturity of such New Series Tax-Exempt Bonds (the "Original Issue Discount Bonds"). In such case, the difference between (i) the amount payable at the maturity of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond constitutes original issue discount with respect to such Original Issue Discount Bond in the hands of any owner who has purchased such Original Issue Discount Bond in the initial public offering of the New Series Tax-Exempt Bonds. Generally, such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Bond continues to be owned by such owner. Because original issue discount is treated as interest for federal income tax purposes, the discussions regarding interest on the New Series Tax-Exempt Bonds under the captions "Tax Matters – Tax Exemption" and "Tax Matters – New Series Tax-Exempt Bonds – Additional Federal Income Tax Considerations – Collateral Tax Consequences" generally apply, and should be considered in connection with the discussion in this portion of the Official Statement.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

The foregoing discussion assumes that (a) the Underwriters have purchased the New Series Tax-Exempt Bonds for contemporaneous sale to the public and (b) all of the Original Issue Discount Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm's-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the cover page of this Official Statement. Neither the Corporation nor Bond Counsel has made any investigation or offers any comfort that the Original Issue Discount Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each Original Issue Discount Bond accrues daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the New Series Tax-Exempt Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

TAX LEGISLATIVE CHANGES . . . Current law may change so as to directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the New Series Tax-Exempt Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the New Series Tax-Exempt Bonds. Prospective purchasers of the New Series Tax-Exempt Bonds should consult with their own tax advisors with respect to any proposed, pending or future legislation.

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/>.

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 Corporation¹; (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.".

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.

¹ 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

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.

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 Corporation 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 debt of the Corporation is rated "Aa3" by Moody's, "A+" 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 to 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 the subcaptions "Book-Entry-Only System," "Bondholders' Remedies" and "Use of Bond Proceeds"), "Selected Provisions of the 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 had 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 had provided the following sentence for inclusion in this Official Statement. The Underwriter had 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 Corporation. 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 Corporation. 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.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

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.

Board President Mansfield Park Facilities Development Corporation

ATTEST:

Board Secretary Mansfield Park Facilities Development Corporation

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY OF MANSFIELD, TEXAS

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 64,688 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.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

PRINCIPAL EMPLOYERS

		Number of
Company	Product Line	Employees
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) $^{(1)}$

City of Mansfield	2016 ⁽¹⁾	2015	2014	2013	2012
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%
Tarrant County	2016 ⁽¹⁾	2015	2014	2013	2012
Tarrant County Labor Force	2016 ⁽¹⁾ 1,000,926	2015 992,766	2014 998,520	2013 985,073	2012 966,855
Labor Force	1,000,926	992,766	998,520	985,073	966,855

Source: Texas Employment Commission.
 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

Eigool

Fiscai					
Year					
Ended	Commerc	ial and Industrial	Re	sidential	
9/30	Number	Amount	Number	Amount	Grand Total
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 (1)	39	52,473,308	270	124,735,465	177,208,773

⁽¹⁾ As of June 2016.

Estimate of Platted Residential Lots Available for Development

	Number		Total
	of Lots	Years To	Projected
Development	Remaining	Build Out	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	444		1,737

Estimate of Preliminary Platted Residential Lots for Future

	Number of	Total
	Lots to be	Projected
Development	Developed	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
	3,073	7,982

Estimate of Platted Commercial and Industrial Acreage Available for Development

	Number	
Development	of Acres	Uses
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	215.82	

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: 16-2037

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Resolution

Agenda Number:

Title

Resolution - A Resolution Awarding a Contract for Construction of a Natural Gas Line for Mansfield Fieldhouse USA Project

Requested Action

Approval of resolution.

Recommendation

Approve Contract with Lowes Construction for the construction of a Natural Gas Line for Mansfield Fieldhouse USA project for an amount not to exceed \$115,877.50.

Description/History

Subcontractor and supplier bids for the construction of a Natural Gas Line for Mansfield Fieldhouse USA project were received and opened on September 8, 2016. Based on all the bids received, City Staff recommends the contract for the construction of a Natural Gas Line for Mansfield Fieldhouse USA project be awarded to Lowes Construction in the amount of \$115,877.50.

Justification

The Contract amount of \$115,877.50 is within the estimated budget for this project.

Funding Source

Funded from the Building Construction Fund in the amount of (\$115,877.50)

Prepared By

Richard Wright, Director of Development Services 817-276-4222

RESULUTION NO.	RESOL	LUTION NO).
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A RESOLUTION AWARDING A CONTRACT FOR CONSTRUCTION OF A NATURAL GAS LINE FOR MANSFIELD FIELDHOUSE USA PROJECT

WHEREAS, the City of Mansfield has publicly advertised and requested competitive bids for the Natural Gas Line for Mansfield Fieldhouse USA project; and

WHEREAS, all bids were received and opened, and public on September 8, 2016; and

WHEREAS, Lowes Construction has submitted a proposal to furnish all labor, materials, services, equipment and appliances required in conjunction with or properly incidental to all work proposed for the Natural Gas Line for the Mansfield Fieldhouse USA Project in the amount of One Hundred Fifteen Eight Hundred Seventy Seven and 50/100 dollars (\$115,877.50); and

WHEREAS, the expenditure of the funds stated herein will be secured from the Building Construction Fund; and

WHEREAS, it is the recommendation and determination of Council that Lowes Construction's proposal of One Hundred Fifteen Eight Hundred Seventy Seven and 50/100 dollars (\$115,877.50) is accepted.

.

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

SECTION 1

The City Manager is hereby authorized and directed to execute contractual documents with Lowes Construction for the Construction of the Natural Gas Line for the Mansfield Fieldhouse USA Project in the amount not to exceed One Hundred Fifteen Eight Hundred Seventy Seven and 50/100 dollars (\$115,877.50).

PASSED AND APPROVED this the 12th day of September, 2016.

ATTEST:	David Cook, Mayor	
Jeanne Heard, City Secretary		



BID OPENING FORM

Owner: City of Mansfield Project: Natural Gas Line for Mansfield Fieldhouse USA Project					Bid No.: 2016-0730-01 Date: 9/8/16 @ 10:00 a.m.
Name of Bidder Pantheon Construction 7880 Rector Rd. Sanger, TX 76266	Addendum Received Yes No	CIQ Form Received Yes	Bid Bond Attached Yes No	Bid Amount \$199,629.66 25 working days	Comments Received 9/7/16 @ 11:01 a.m. by SR
Lowes Construction 2501 N. Hwy 175 Seagoville, TX 75159	Yes No	Yes	☐ Yes	\$115,877.50 30 working days	Received 9/8/16 @ 8:49 a.m. by SR
Distribution Construction P.O. Box 16207 Greensboro, NC 27416	Yes No	Yes	Yes No	\$163,700.00 65 calendar days	Received 9/8/16 @ 9:58 a.m. by SM
	Yes No		☐ Yes		
	Yes No		☐ Yes		
	Yes No		☐ Yes ☐ No		
	Yes No		Yes No		
	Yes No		Yes No		
	Yes No		Yes No		



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-2019

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Special Event

Agenda Number:

Title

Request for Special Event Permit: Mansfield Fire Rescue Safety Palooza

Requested Action

Approval of the Special Event Permit for the Mansfield Fire Rescue Safety Palooza

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:

Wes Jones 817-276-4790

Attachments:

Application and Site Plan Approvals & Comments

1200 East Broad Street, Mansfield, TX 76063 www.mansfieldtexas.gov Fax: 817-477-1416

Special Event Application

Organization/Group:		Date: &	80	16		
Applicant: MANSFIELD FIRE/RESCUE						
Applicant's Address: 1305 E. BROAD		Phone No. 817-276-4790			10	
*Will be called or emailed for more information needed and/or when the permit is ready for pick-up		Email: NES. JONES EMANSFLEY				TK-604
Address of Event: [[O W; DEBBIE LN.						
Description & Activities: MANSFIELD FIRE RESCUE SAFETY PALODZA						
Date of Event: 6CT - 1ST 2016		Hours of Event: 10AM - 2pM				
Public Invited or Public Private Party?		Estimated Number of Attendees 8-10,000				
Is the event in a Mansfield Park? No	*If yes, Insurance is required					
Do you plan to Temporarily Close a Public Street? NO			*If yes, Insurance is required			
Is the event on Private Property other than your own?	*If yes, signed permission is required					
Will there be any new or temporary electric lines	installed?	GENERATO	r	***************************************		
*If yes, a registered Electrician must obtain a permit. Indicate the line locations on the site plan.						
Will you be using generators? YES	*If yes, show location on the site plan					
Do you plan to have any Tents? No *If yes, a separate permit is required.				1.		
Do you plan to have any pop-up canopies? YES						
Do you plan to have any Promotional Signs? (banners, streamers, balloons) が	*If yes, a separate permit is required			ı		
City of Mansfield Assistance Requested:			******			
Barricades/ Street Closure? No		have barricad	*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?			*If yes, attach an explanation and the name of the person you are working with			
 Please Read and Include the Follow For all outdoor activities, a site plan must be at show where all items will be located on the site If Insurance is required, the City of Mansfield n All documents must be turned in at the same to before the date of your event. 	<u>ttached</u> . One e <mark>plan.</mark> nust be listed	can be provid	ed if requ Il Insured	ested. You i		
Applicant's Printed Name:		Applicant	's Signat	ure:		
KIESLEY JONES	W				İ	

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AGREEMENT TO ASSIST AT SPECIAL EVENT

Special Event Name and Date: MANSFIELD FIRE SAFETY PALOOZA
Name of Group Assisting:
☐ Mansfield Police
MISD Police
☐ Constable Office
☐ Other
Please check all that apply:
☐ We have an agreement to be <u>Traffic Officers for this Special Event</u> .
☐ We have an agreement to be <u>Security Officers</u> for this Special Event.
□ Other:
Signatura WESLEY DNES PLABLIC EDUCATION
Printed Name/ Job Title
1305 E. BROAD ST.
Mailing Address
817-276-4779 / HES-JOKES@MANSFIELD-TX-GOV Contact Phone Number E-mail
Contact Phone Number E-mail

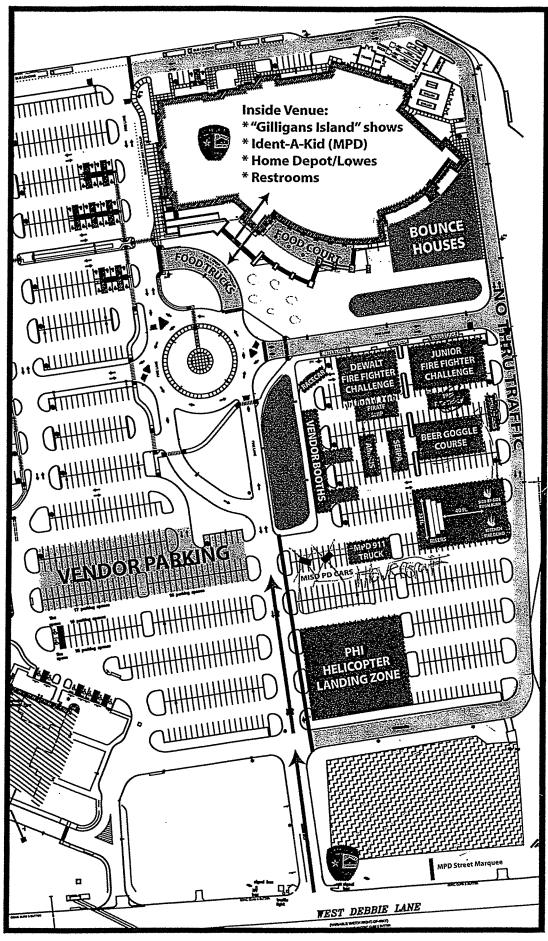
PERMISSION TO USE PRIVATE PROPERTY FOR SPECIAL EVENT (Required if this is not your property or business location)

I, the undersigned, being the property owner or property management representative of the owner for the property described herein below, do grant

MANSFIELD FIRE RESCUE
(Person, group or business name)
permission to have their special event on said property.
Property address: 110 W. PEBBIE LW.
Please check all that apply:
Entire Special Event, including all activities listed, are approved be held at this location.
Approved for overflow parking and/or shuttle area to be held at this location.
Approved to place promotional signage at this location, if the required permit is obtained. (I am aware this will use up one of the three (3) times a calendar year maximum for this location)
Approved to place a Tent(s) and/or canopy for the event. (Note: a Tent requires a permit)
Approved to place Bounce Houses, Petting Zoo, Children's Games and/or Kid's activities
☑ Misc. Approved:
Abrana Ins
Honiana Tomes Center Director
Printed Name/ Job Title [110 W. Debbue Lane Maysfield Dy 76063
Mailing Address
817 - 299 -1 24 9

Contact Phone Number

Mansfield Fire Safety Palooza 10.3.15



Parking/Exterior Site Plan



SPECIAL EVENT REVIEW APPROVALS & COMMENTS **EVENT**: Mansfield Fire Rescue Safety Palooza Saturday October 1, 2016 DATE OF EVENTS: *ANDY BINZ (RECREATION) **Approved** no Comments: *KERIN MAGUIRE (PLANNING) **Approved** Comments: no Promotional Signs? no *DAVID BOSKI (STREETS) **Approved** Comments: no Street Closures? lno *PAUL COKER (DEVELOPMENT SERVICES) **Approved** HOWARD REDFEARN (ENVIRONMENTAL) Approved no Comments: *ERIC PETERSON (FIRE) **Approved** Comments: *W. KYLE LANIER (POLICE) Approved Comments: no City Council Approval Required? Yes Agenda Date: 9/12/2016 Special Event Number Legistar #16-2019 Additional Comments



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

STAFF REPORT

File Number: 16-2031

Agenda Date: 9/12/2016 Version: 1 Status: Consent

In Control: City Council File Type: Special Event

Agenda Number:

Title

Request for Special Event Permit: Mansfield Police Department Fall Festival

Requested Action

Approval of the Special Event Permit for the Mansfield Police Department Fall Festival

Recommendation

City Staff has reviewed the application and recommends the same.

Description/History

This is an annual event. See application for more details.

Justification

N/A

Funding Source

N/A

Prepared By

Lynn Brown, Code Compliance Coordinator 817-728-3609

Applicant:

Daniel Sherwin 817-804-5719

Attachments:

Application & Site Plan Approval & Comments

1200 East Broad Street, Mansfield, TX 76063 www.mansfieldtexas.gov Fax: 817-728-3639

Special Event Application

Organization/Group: MAUSFIEW POLICE DEPT.	Date: 08-22-16		
Applicant: DANTEL SHERUTH			
Applicant's Address: 1601 HERITAGE PKWY, MANSFIELD TX	Phone No. 817-804-5719		
*Will be called or emailed for more information needed and/or when the permit is ready for pick-up	Email: Deniel Shenwin @mansfield-tx.go		
Address of Event: 303 N. WALNUT CRK.	j		
Description & Activities: MANSFIELD POLICE DEPARTMENT FALL FESTIVAL			
Date of Event: OCT . 29, 2016	Hours of Event: 1700 To 2100 HRS.		
Public Invited or Private Party?	estimated Number of Attendees 0 4,000		
Is the event in a Mansfield Park?	*If yes, Insurance is required		
Do you plan to Temporarily Close a Public Street?	*If yes, Insurance is required		
Is the event on Private Property other than your own? $$	*If yes, signed permission is required		
Will there be any new or temporary electric lines installed?	NO		
*If yes, a registered Electrician must obtain a permit. Indicate the line locations on the site plan.			
Will you be using generators?	*If yes, show location on the site plan		
Do you plan to have any Tents?	*If yes, a separate permit is required.		
Do you plan to have any pop-up canopies? $\sqrt{\varrho\zeta}$			
Do you plan to have any Promotional Signs? NO	*If yes, a separate permit is required		
City of Mansfield Assistance Requested:			
Barricades/ Street Closure? Ves	*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? Yes; Police Event	*If yes, attach an explanation and the name of the person you are working with		
Please Read and Include the Following Information With This Application For all outdoor activities, a site plan must be attached. One can be provided if requested. You need to show where all items will be located on the site plan. If Insurance is required, the City of Mansfield must be listed as "Additional Insured". All documents must be turned in at the same time. Please allow enough time for review and approval before the date of your event. Applicant's Printed Name: Applicant's Signature:			
DANIE SHERHEN	efa la		
JIMI'EI JIEKUAMI	// *		

2016 FAIL FESTEVAL MANSFIEW Adice DEPT. 10-29-16



AGREEMENT TO ASSIST AT SPECIAL EVENT

Special Event Name and Date: FALL Festival Oct. 29, 2016
Name of Group Assisting:
Mansfield Police
☐ MISD Police
☐ Constable Office
□ Other
Please check all that apply:
We have an agreement to be <u>Traffic Officers for this Special Event</u> .
We have an agreement to be <u>Security Officers</u> for this Special Event.
□ Other:
det lin
Signature / SHERWEN, SET. MANSFreld Palice Dept.
Printed Name/ Job Title 1601 Herituge Pruy, Manstreld, Tr. 76063
Mailing Address
217 - 804 - 5719 Januel. Shenww @ mustreld - tx. gov Contact Phone Number E-mail



SPECIAL EVENT REVIEW APPROVALS & COMMENT			
EVENT:	Mansfield Police Department Fall Festival		
DATE OF EVENTS:	Saturday, October 29th		
*ANDY BINZ (RECREATION)	Approved		
Comments:	All the pavilions at Rose Park are blocked off for this event.		
*KERIN MAGUIRE (PLANNING)	Approved		
Comments:			
Promotional Signs?	no		
*DAVID BOSKI (STREETS)	Approved		
Comments:	Cross Roads will provide all barricades and detours		
Street Closures?	no		
*PAUL COKER (DEVELOPMENT SERVICES)	Approved		
HOWARD REDFEARN (ENVIRONMENTAL)	Approved		
Comments:			
*ERIC PETERSON (FIRE)	Approved		
Comments:	Fire is Working with the applicant on coordination of emergency access and first aid coverage.		
*W. KYLE LANIER (POLICE)	Approved		
Comments:			
City Council Approval Required?	Yes		
Agenda Date:	9/12/2016		
Special Event Number	Legistar #16-2031		



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

STAFF REPORT

File Number: 16-2006

Agenda Date: 9/12/2016 Version: 1 Status: Approval of Minutes

In Control: City Council File Type: Meeting Minutes

Title

Minutes - Approval of the August 22, 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 22, 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



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

Meeting Minutes - Draft

City Council

Monday, August 22, 2016 5:00 PM Council Chambers

REGULAR MEETING

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

Mayor Cook called the meeting to order at 5:06 p.m.

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

WORKSESSION

Mayor Cook turned the work session over to City Manager Clayton Chandler. Mr. Chandler made a brief presentation regarding the upcoming Bond Rating Presentation. There was discussion between the Council and staff.

RECESS INTO EXECUTIVE SESSION

In accordance with the Texas Government Code, Chapter 551, Mayor Cook recessed the meeting into executive session at 5:30 p.m. Mayor Cook called the executive session to order in the Council Conference Room at 5:36 p.m. Council Member Lindsey stepped out of executive session at 5:37 p.m. and returned at 5:41 p.m. Mayor Cook adjourned executive session at 7:02 p.m.

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

Page 1

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

Personnel Matters Pursuant to Section 551.074

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

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

Mayor Cook reconvened into regular business session at 7:10 p.m.

INVOCATION

Mayor Pro Tem Broseh 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.

CITIZEN COMMENTS

Susan Miller - 318 Carlin Road - Mrs. Miller spoke in opposition of agenda items 16-1943, 16-1945, and 16-1946.

Michael Leitert - 800 S. 6th Street - Mr. Leitert spoke about the recent power outages and how they affect his business.

Casey Lewis - 1313 Waterwood Drive - Mr. Lewis spoke in opposition of agenda item 16-1945.

Nicholas Fosnaugh - 1210 Thicket Drive - Mr. Fosnaugh spoke in opposition of agenda items 16-1943 and 16-1946.

John Minyard - 633 Douglas - Mr. Minyard spoke in opposition of agenda item 16-1943.

Linda Gooch - 240 Carlin Road - Mrs. Gooch spoke in opposition of agenda items 16-1943, 16-1945, and 16-1946.

Dan D. Banks - 3318 Abbey Road - Mr. Banks spoke in opposition of agenda items 16-1945 and 16-1946.

Mayor Cook recognized the following non-speakers in opposition to agenda item 16-1946:

Lance Irwin - 1208 Killian Drive Nathan Lindley - 1 Toscany Court Terrance L. Radzwion - 655 Blueberry Hill Lane

Mayor Cook recognized the following non-speakers in opposition to agenda items 16-1943, 16-1945, and 16-1946:

Paul Arseneau - 1606 Arbrookcreek Trail Mary Elyn Worsham - 2006 Royal Crest Drive Bill Gooch - 240 Carlin Road Jace Stukey - 333 Carlin Road Bianca Downs - 1702 Clover Hill Road Tamera J. Bounds - 1009 Meriwether Street Dixie Brune - 1105 Pebble Beach Drive Carroll W. Brune - 1105 Pebble Beach Drive Joe K. Miller - 318 Carlin Road Gino Fenoglio - 316 Carlin Road Amanda Stukey - 333 Carlin Road Catherine Fenoglio - 316 Carlin Road Karen Pope - 108 Carlin Road Guy Pope - 108 Carlin Road Ann L. Robertson - 315 Carlin Road Douglas M. Kerr - 1801 Fairfax Drive Jack Muhlbeier - 1604 Arborcreek Trail

COUNCIL ANNOUNCEMENTS

There were no Council announcements.

STAFF COMMENTS

City Manager Report or Authorized Representative

Current/Future Agenda Items

Follow-up on Recent Power Outages

Mr. Chandler made brief comments and introduced ONCOR Electric Delivery representative Buddy Bridges. Mr. Bridges made comments regarding the recent power outages and answered Council questions.

Mansfield Wurstfest Update - Angie Henley

Special Events Coordinator Angie Henley gave an update on the upcoming Mansfield Wurstfest Event. She invited everyone to attend the event on Saturday, September 10, 2016 from 2:00 p.m. to 10:00 p.m. in downtown Mansfield.

TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

No action was taken by the Council.

CONSENT AGENDA

ITEMS TO BE REMOVED FROM THE CONSENT AGENDA

16-1913

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)

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 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

(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-2012-16

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)

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 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

(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-2013-16

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

Jeanne Heard read the caption into the record.

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

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

(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-2014-16

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

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

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

(Resolution 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

Enactment No: RE-3275-16

Endoment No. NE ozro 1

16-1961

Abstain: 0

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

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

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

(Resolution 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: RE-3276-16

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

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

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

(Resolution 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: RE-3277-16

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.

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

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

(Resolution 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: RE-3278-16

<u>16-1983</u>

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

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

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

(Resolution 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: RE-3279-16

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

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

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

(Resolution 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: RE-3280-16

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

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

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

(Resolution 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: RE-3281-16

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

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

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

(Resolution 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: RE-3282-16

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

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

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

(Resolution 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: RE-3283-16

16-1996 Request for Special Event Permit: Mansfield Wurstfest

A motion was made by Council Member Burgess to approve the request for special event permit. 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

<u>16-1979</u> Minutes - Approval of the August 8, 2016 Regular City Council Meeting Minutes

A motion was made by Council Member Burgess to approve the minutes of the August 8, 2016 Regular City Council Meeting as presented. 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

END OF CONSENT AGENDA

OLD BUSINESS

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.

Jeanne Heard read the caption into the record. Mr. Chandler made brief comments. Deputy City Manager Peter Phillis made a power point presentation and answered Council questions.

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

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

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

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

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Darryl Haynes and Brent Newsom

Nay: 1 - Larry Broseh

Abstain: 0

Enactment No: OR-2015-16

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.

Jeanne Heard read the caption into the record.

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

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

(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-2016-16

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.

A motion was made by Council Member Lindsey to authorize the City Manager to execute the modified development agreement. Seconded by Council Member Hoffman. The motion CARRIED by the following vote:

Aye: 6 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Darryl Haynes and Brent Newsom

Nay: 1 - Larry Broseh

Abstain: 0

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)

Peyco Southwest Realty, Inc. representative Jordan Foster made brief comments. Mayor Cook opened the public hearing at 8:23 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 8:23 p.m.

A motion was made by Council Member Hoffman to approve the request for Industrial Use Permit. Seconded by Mayor Pro Tem Broseh. 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

<u>16-1993</u>

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

Peter Phillis made a brief power point presentation and answered Council questions. Director of Public Works Steve Freeman made brief comments and answered Council questions regarding various street projects. Mayor Cook opened the public hearing at 8:43 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 8:43 p.m. Mayor Cook stated there would be a second public hearing held on August 29, 2016.

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

Mayor Cook opened the public hearing at 8:44 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 8:44 p.m. Mayor Cook stated there would be a second public hearing held on August 29, 2016.

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

Peter Phillis made brief comments. Mayor Cook opened the public hearing at 8:46 p.m. The following people spoke:

Pam Rudnicki - 1011 Pebble Beach Drive - Mansfield Commission of the Arts Vicki Collins - P.O. Box 895, Midlothian - Mansfield Historical Society Philip O'Neal - 6200 E. Broad Street - Mansfield Invitational, Inc. Daryle Perez - 907 Lasso Lane - The LOT Downtown Theresa Cohagen - 210 Smith Street - Mansfield Convention and Visitors Bureau John Pressley - 1306 Brittany Lane - Pickle Mansfield Society Jacob Mueller - 2603 Greenbriar Drive - Mansfield Explorer Post 1601

Doug Parker - 1557 E. Broad Street - Mainstage Community Theatre

Mary Elizabeth Phillips - 200 W. Kimball Street - Mary & Eddie Phillips Guardin Planet

Dave Goodwin - 904 Dayton Road - Discover Historic Mansfield

Daniel Sherwin - 1601 Heritage Parkway - Mansfield Police Department

Robert Putman - 1714 Yarmouth Lane - Mansfield Sunrise Rotary Club

Mayor Cook acknowledged the following non-speakers in support of the issuance of hotel/motel funds:

Edna Phillips - 114 Juniper Street - Mansfield Historical Society

Ann Smith - 106 N. Wisteria Street - Discover Historic Mansfield

Steve Cosio - 4 Savoy Court - Discover Historic Mansfield

Terrence L. Radzwian - 655 Blueberry Hill Lane - Discover Historic Mansfield

Marilyn Gerloff - 10621 CR 525 - Mansfield Historical Society

Vern Raven - Mansfield Historical Society

Nancy Morris - 1342 N. Hyview - Mansfield Historical Society

Linda Leddy - 208 Alvarado Street - Mansfield Historical Society

Rochelle Wilkins - 1480 US Hwy 287 N. - Hotel/Motel Funds

Mike Shreve - 2200 Forest Park Circle - Mainstage Classic Theatre

Devona Shreve - 2200 Forest Park Circle - Mainstage Classic Theatre

Michelle Cosby - 2411 Bent Trail - Mainstage Classic Theatre

Marty Fredrick - 1017 High Lake Trail - Mainstage Community Theatre

Scott Ferrell - 3516 Heatherbrook Drive - Mainstage Classic Theatre

Beckie Norman - 1515 New Haven Drive - Pickle Mansfield Society

Joe Kowalski - 4 River Crest Court - Pickle Mansfield Society

Amanda Kowalski - 4 River Crest Court - Pickle Mansfield Society

June Haidusek - 14520 CR 511, Venus - Pickle Mansfield Society

Ed Haidusek - 14520 CR 511, Venus - Pickle Mansfield Society

Bob Kowalski - 4 River Crest Court - Pickle Mansfield Society

Paulette Uzee-Cresynski - 6916 Shady Hills Lane - Pickle Mansfield Society

Bob Geisel - 5 Brook Arbor Court - Pickle Mansfield Society

Annette Geisel - 5 Brook Arbor Court - Pickle Mansfield Society

Cindy Pressley - 1306 Brittany Lane - Pickle Mansfield Society

Rhonda Meadows - 3313 Sheffield Drive - Mansfield Commission of the Arts

Tim Eaton - 12636 E. FM 917 - Mansfield Commission of the Arts

Justin Gilmore - 2016 Royal Crest Drive - The LOT Downtown

Eddie Phillips - 200 W. Kimball - Mary & Eddie Phillips Gardin Planet

Mayor Cook closed the public hearing at 9:53 p.m. Mayor Cook stated there would be a second public hearing held on August 29, 2016.

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)

Jeanne Heard read the caption into the record. A Child's Growing Mind representative Kim McKenzie made brief comments. Mayor Cook opened the public hearing at 9:55 p.m. With no one wishing to speak, Mayor Cook continued the public hearing through second reading at 9:55 p.m.

A motion was made by Council Member Hoffman to approve the first 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 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." 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

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

Director of Economic Development Scott Welmaker made brief comments and answered Council questions.

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

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

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

Seconded by Mayor Pro Tem Broseh. 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-3284-16

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

Peter Phillis made brief comments.

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

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

(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-2017-16

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

Peter Phillis made brief comments.

A motion was made by Council Member Lindsey to authorize the City Manager to execute the plan of financing and bond issuance as may be appropriate. 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

16-1997

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

Peter Phillis made brief comments and answered Council questions.

A motion was made by Council Member Burgess to authorize the City Manager to execute the development agreement. 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

ADJOURN

A motion was made by Council Member Hoffman to adjourn the meeting at 10:04 p.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

Jeanne Heard, City Secretary

Nay: 0
Abstain: 0

	David L. Cook, Mayor
ATTEST:	



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

STAFF REPORT

File Number: 16-2007

Agenda Date: 9/12/2016 Version: 1 Status: Approval of Minutes

In Control: City Council File Type: Meeting Minutes

Agenda Number:

Title

Minutes - Approval of the August 29, 2016 Special 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 29, 2016 Special 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



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

Meeting Minutes - Draft

City Council

Monday, August 29, 2016 5:00 PM Council Chambers

SPECIAL MEETING

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

Mayor Cook called the meeting to order at 5:10 p.m.

Absent 2 - Cory Hoffman and Larry Broseh

Present 5 - David Cook;Stephen Lindsey;Wendy Burgess;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 5:12 p.m. Mayor Cook called the executive session to order in the Council Conference Room at 5:14 p.m. Council Member Hoffman arrived at 5:26 p.m. Mayor Cook recessed executive session at 6:57 p.m.

Absent 1 - Larry Broseh

Present 6 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;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 Project #16-17

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

Personnel Matters Pursuant to Section 551.074

Board Interviews

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 #16-08 - Business Prospect Briefing

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

Mayor Cook reconvened into regular business session at 7:00 p.m.

INVOCATION

Council Member Haynes 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 Haynes led the Texas Pledge.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL ANNOUNCEMENTS

Council Member Lindsey had no announcements.

Council Member Hoffman had no announcements.

Council Member Haynes had no announcements.

Council Member Burgess had no announcements.

Council Member Newsom had no announcements.

Page 2

Mayor Pro Tem Broseh was absent.

Mayor Cook expressed his regards to the family of former Mansfield Mayor Jimmie Stewart who passed away recently. He thanked him for his service to the community and county.

STAFF COMMENTS

City Manager Report or Authorized Representative

Current/Future Agenda Items

City Manager Clayton Chandler echoed Mayor Cook's comments.

TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

No action was taken by the Council.

PUBLIC HEARING

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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

Mayor Cook opened the public hearing at 7:04 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 7:04 p.m.

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

Deputy City Manager Peter Phillis answered Council questions. Mayor Cook opened the public hearing at 7:05 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 7:05 p.m.

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

Mayor Cook opened the public hearing at 7:06 p.m. With no one wishing to speak, Mayor Cook closed the public hearing at 7:06 p.m.

RECESS INTO EXECUTIVE SESSION

In accordance with the Texas Government Code, Chapter 551, Mayor Cook recessed the meeting into executive session at 7:07 p.m. Mayor Cook reconvened into executive session in the Council Conference Room at 7:10 p.m. Mayor Cook adjourned executive session at 8:12 p.m.

RECONVENE INTO REGULAR BUSINESS SESSION

Mayor Cook reconvened into regular business session at 8:14 p.m.

ADJOURN

A motion was made by Council Member Hoffman to adjourn the meeting at 8:14 p.m. Seconded by Council Member Newsom. The motion CARRIED by the

following vote:		
Ay	ye: 6-	David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Darry Haynes and Brent Newsom
Na	ay : 0	
Abse	nt: 1 -	Larry Broseh
Absta	in: 0	
		David L. Cook, Mayor
		

Jeanne Heard, City Secretary

CITY OF MANSFIELD

ATTEST:



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

STAFF REPORT

File Number: 16-2041

Agenda Date: 9/12/2016 Version: 1 Status: Approval of Minutes

In Control: City Council File Type: Meeting Minutes

Agenda Number:

Title

Minutes - Approval of the September 6, 2016 Special 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 September 6, 2016 Special 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



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

Meeting Minutes - Draft

City Council

Tuesday, September 6, 2016

6:00 PM

Council Chambers

SPECIAL MEETING AMENDED AGENDA

6:00 P.M. - CALL MEETING TO ORDER

Mayor Pro Tem Broseh called the meeting to order at 6:00 p.m.

Absent 2 - David Cook and Brent Newsom

Present 5 - Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh and Darryl Haynes

RECESS INTO EXECUTIVE SESSION

In accordance with the Texas Government Code, Chapter 551, Mayor Pro Tem Broseh recessed the meeting into executive session at 6:00 p.m. Mayor Pro Tem Broseh called the executive session to order in the Council Conference Room at 6:00 p.m. Mayor Pro Tem Broseh adjourned executive session at 6:20 p.m.

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 the Status of the Lease and Operating Agreement and Development Agreement with DSE Hockey Centers, L.P.

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

Personnel Matters Pursuant to Section 551.074

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

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

Mayor Cook reconvened into regular business session at 7:00 p.m.

Absent 1 - Brent Newsom

Present 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh

and Darryl Haynes

INVOCATION

Mayor Pro Tem Broseh 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 Haynes led the Texas Pledge.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL ANNOUNCEMENTS

There were no Council announcements.

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.

NEW BUSINESS

16-2000 Ordinance - First Reading of an Ordinance Adopting a Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017

City Secretary Jeanne Heard read the caption into the record. Deputy City Manager Peter Phillis made brief comments. Council Member Burgess as Chair Person of the Hotel/Motel Subcommittee made a recommendation to the Council for the allocation of Hotel/Motel funds.

A motion was made by Council Member Haynes to approve the first reading of "AN ORDINANCE ADOPTING A BUDGET FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF MANSFIELD, APPROPRIATING THE VARIOUS AMOUNTS THEREOF, AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS ORDINANCE AND FOR AN EFFECTIVE DATE," with the following Hotel/Motel fund allocations:

Mansfield Historical Society - \$34,680

Mansfield Rotary - Spring Creek

*Boys Tournament - \$17,000

*Girls Tournament - \$20,000

Discover Historic Mansfield

*Painted Pianos - \$1,000

*Shop, Stroll & Dine - \$5,000

Mansfield CVB - \$358,000 - CVB costs to include additional historical projects - Wayfinding Study for signage around historic district and Historic Mansfield Building rooftop lights straightened and bulbs replaced as needed.

Mansfield Community Theater - \$7,000

Sunrise Rotary Volleyball - \$15,000

Pickle Parade - \$25,000 - First payment to be made for Mansfield Police Safety services up to \$14,000 as estimated by the Mansfield Police Department, remainder to insurance, barricades, porta-potties and bands.

The LOT Downtown - \$85,000 - First payment to be made for Mansfield Police Safety serviced as billed by event as estimated by the Mansfield Police Department.

Mansfield Police Department

*Electronic Signs - \$15,000

*Explorer Competition - \$11,000

Arts Commission - \$25,000

Seconded by Mayor Pro Tem Broseh. The motion CARRIED by the following vote:

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh

and Darryl Haynes

Nay: 0

Absent: 1 - Brent Newsom

Abstain: 0

16-2001

Ordinance - First Reading of an Ordinance Levying the Ad Valorem Taxes for Fiscal Year 2017 at a Rate of \$0.71000 per One Hundred Dollars (\$100) Assessed Valuation on all Taxable Property

Jeanne Heard read the caption into the record.

A motion was made by Council Member Burgess to approve the first reading of "AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, 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; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; AND DECLARING AN EFFECTIVE DATE." Seconded by Mayor Pro Tem Broseh. The motion CARRIED by the following vote:

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh

and Darryl Haynes

Nay: 0

Absent: 1 - Brent Newsom

Abstain: 0

Mayor Cook announced the second and third readings on these ordinances would be held September 7th and 8th, 2016 at 8:00 a.m.

ADJOURN

A motion was made by Council Member Hoffman to adjourn the meeting at 7:10 p.m. Seconded by Council Member Burgess. The motion CARRIED by the following vote:

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Larry Broseh

and Darryl Haynes

Nay: 0

Absent: 1 - Brent Newsom

Abstain: 0

	David L. Cook, Mayor
ATTEST:	
	leanne Heard, City Secretary

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

STAFF REPORT

File Number: 16-2042

Agenda Date: 9/12/2016 Version: 1 Status: Approval of Minutes

In Control: City Council File Type: Meeting Minutes

Agenda Number:

Title

Minutes - Approval of the September 7, 2016 Special 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 September 7, 2016 Special 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



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

Meeting Minutes - Draft

City Council

Wednesday, September 7, 2016

8:00 AM

Council Chambers

SPECIAL MEETING

8:00 A.M. - CALL MEETING TO ORDER

Mayor Cook called the meeting to order at 8:00 a.m.

Absent 1 - Larry Broseh

Present 6 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Darryl Haynes and Brent Newsom

RECESS INTO EXECUTIVE SESSION

The Council did not recess into executive session.

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

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

Personnel Matters Pursuant to Section 551.074

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

IMMEDIATELY FOLLOWING EXECUTIVE SESSION - RECONVENE INTO REGULAR BUSINESS SESSION

INVOCATION

Council Member Haynes 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 Lindsey led the Texas Pledge.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL ANNOUNCEMENTS

There were no Council announcements.

STAFF COMMENTS

City Manager Report or Authorized Representative

Current/Future Agenda Items

Police Chief Tracy Aaron gave the Council an update about an incident that occurred early that morning.

TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

No action taken by the Council.

OLD BUSINESS

16-2002

Ordinance - Second Reading of an Ordinance Adopting a Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017

A motion was made by Council Member Hoffman to approve the second reading of "AN ORDINANCE ADOPTING A BUDGET FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF MANSFIELD, APPROPRIATING THE VARIOUS AMOUNTS THEREOF, AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS ORDINANCE AND FOR AN EFFECTIVE DATE," with the Hotel/Motel Fund allocations as recommended by the subcommittee on September 6, 2016. Seconded by Council Member Haynes. The motion CARRIED by the following vote:

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Darryl Haynes and Brent Newsom

Nay: 0

Absent: 1 - Larry Broseh

Abstain: 0

16-2003

Ordinance - Second Reading of an Ordinance Levying the Ad Valorem Taxes for Fiscal Year 2017 at a Rate of \$0.71000 per One Hundred Dollars (\$100) Assessed Valuation on all Taxable Property

A motion was made by Council Member Hoffman to approve the second reading of "AN ORDINANCE OF THE CITY OF MANSFIELD, TEXAS, 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 FUNDS ON ALL OUTSTANDING DEBTS OF THE CITY; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; AND DECLARING AN EFFECTIVE DATE. Seconded by Council Member Burgess. The motion CARRIED by the following vote:

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Darryl Haynes and Brent Newsom

Nay: 0

Absent: 1 - Larry Broseh

Abstain: 0

ADJOURN

A motion was made by Council Member Hoffman to adjourn the meeting at 8:04 a.m. Seconded by Council Member Lindsey. The motion CARRIED by the following vote:

David L. Cook, Mayor

Aye: 6 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Darryl Haynes and Brent Newsom

Nay: 0

Absent: 1 - Larry Broseh

Abstain: 0

ATTEST:	
	Jeanne Heard City Secretary



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-2043

Agenda Date: 9/12/2016 Version: 1 Status: Approval of Minutes

In Control: City Council File Type: Meeting Minutes

Agenda Number:

Title

Minutes - Approval of the September 8, 2016 Special 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 September 8, 2016 Special 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

Thursday, September 8, 2016

8:00 AM

Council Chambers

SPECIAL MEETING

8:00 A.M. - CALL MEETING TO ORDER

Mayor Cook called the meeting to order at 8:05 a.m.

Absent 1 - Larry Broseh

Present 6 - David Cook;Stephen Lindsey;Wendy Burgess;Cory Hoffman;Darryl Haynes and Brent Newsom

RECESS INTO EXECUTIVE SESSION

The Council did not recess into executive session.

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

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

Personnel Matters Pursuant to Section 551.074

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

IMMEDIATELY FOLLOWING EXECUTIVE SESSION - RECONVENE INTO REGULAR BUSINESS SESSION

INVOCATION

Council Member Hoffman 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 Newsom led the Texas Pledge.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL ANNOUNCEMENTS

There were no Council announcements.

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 taken by the Council.

OLD BUSINESS

16-2004

Ordinance - Third and Final Reading of an Ordinance Adopting a Budget for the Fiscal Year Beginning October 1, 2016 and Ending September 30, 2017

City Secretary Jeanne Heard read the caption into the record.

A motion was made by Council Member Hoffman to approve the following ordinance with the Hotel/Motel Fund allocations as recommended by the subcommittee on September 6, 2016:

AN ORDINANCE ADOPTING A BUDGET FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING SEPTEMBER 30, 2017, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF MANSFIELD, APPROPRIATING THE VARIOUS AMOUNTS THEREOF, AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS ORDINANCE AND FOR 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: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Darryl

Haynes and Brent Newsom

Nay: 0

Absent: 1 - Larry Broseh

Abstain: 0

Enactment No: OR-2018-16

<u>16-2005</u>

Ordinance - Third and Final Reading of an Ordinance Levying the Ad Valorem Taxes for Fiscal Year 2017 at a Rate of \$0.71000 per One Hundred Dollars (\$100) Assessed Valuation on all Taxable Property

A motion was made by Council Member Lindsey, seconded by Council Member Hoffman, that this matter be Approved on Third And Final Reading . The motion carried by the following vote.

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Darryl

Haynes and Brent Newsom

Nay: 0

Absent: 1 - Larry Broseh

Abstain: 0

Enactment No: OR-2019-16

ADJOURN

A motion was made by Council Member Hoffman to adjourn the meeting at 8:11 a.m. Seconded by Council Member Burgess. The motion CARRIED by the following vote:

Aye: 6 - David Cook; Stephen Lindsey; Wendy Burgess; Cory Hoffman; Darryl

Haynes and Brent Newsom

Nay: 0

Absent: 1 - Larry Broseh

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: 16-1932

Agenda Date: 9/12/2016 Version: 1 Status: First Reading

In Control: City Council File Type: Ordinance

Agenda Number:

Title

Ordinance - Public Hearing and First Reading on an Ordinance of the City Council of the City of Mansfield, Texas, Designating a Certain Area as a Tax Abatement Reinvestment Zone for Commercial-Industrial Tax Abatement, to be Known as Reinvestment Zone No. 42; Establishing the Boundaries Thereof and Other Matters Related Thereto; Providing a Severability Clause; Providing a Cumulative Clause; and Providing for an Effective Date

Requested Action

Consider Ordinance to create a Reinvestment Zone in order to grant a Tax Abatement for AMC Warehouse

Recommendation

Approve First Reading of an ordinance to create the reinvestment zone

Description/History

Staff has been working with AMC Warehouse to construct 450,000 square feet of refrigerated and frozen warehouse space in phases. One of the commitments from the City of Mansfield is to grant a 50% 10 year tax abatement. Johnson County has also agreed to provide a 50% 10-year tax abatement. In order to grant a n abatement, a reinvestment zone must be created by ordinance.

Justification

N/A

Funding Source

N/A

Prepared By

Scott Welmaker, MEDC

ORDINANCE NO.	
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AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANSFIELD, TEXAS, DESIGNATING A CERTAIN AREA AS A TAX ABATEMENT REINVESTMENT ZONE FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT, TO BE KNOWN AS REINVESTMENT ZONE NO. 42; ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATED THERETO; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A CUMULATIVE CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Mansfield, Texas (hereinafter referred to as the "City") desires to promote the development or redevelopment of a certain contiguous geographic area within the City of Mansfield, Texas, by the creation of a reinvestment zone for commercial-industrial tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended; and

WHEREAS, a public hearing before the City Council of the City of Mansfield, Texas, was scheduled and held at ______ p.m. on _______, such date being at least seven (7) days after the date of publication of the notice of such public hearing, pursuant to Section 312.201(d) of the Texas Tax Code, as amended; and

WHEREAS, the City Council of the City of Mansfield, Texas, held such public hearing after publishing notice of such public hearing, and giving written notice to all taxing units overlapping the territory inside the proposed Reinvestment Zone No. 42; and

WHEREAS, the City at such public hearing invited any interested person to appear and speak for or against the creation of Reinvestment Zone No. 42, the boundaries of the zone, whether all or part of the territory should be included in such proposed zone, and the concept of tax abatement.

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

SECTION 1.

The findings set forth above are incorporated into the body of this ordinance as if fully set forth herein.

SECTION 2.

The City, after conducting the public hearing and having heard such evidence and testimony has made the following findings and determinations based upon the testimony presented:

- (a) That a public hearing on the adoption of Reinvestment Zone No. 42 has been properly called, held and conducted, and that notice of such hearing has been published as required by law and mailed to all property taxing units overlapping the territory inside the proposed Reinvestment Zone No. 42; and
- (b) That the boundaries of Reinvestment Zone No. 42 should be the area as described and/or depicted in <u>Exhibit A</u>, which is attached hereto and incorporated herein for all purposes; and
- (c) That creation of Reinvestment Zone No. 42 will result in benefits to the City and to the land included within the zone, and the improvements sought are feasible and practical; and
- (d) That Reinvestment Zone No. 42 meets the criteria for the creation of a tax abatement reinvestment zone as set forth in Section 312.202(a) of the Texas Tax Code, as amended, and in particular Section 312.202(a)(6) of the Texas Tax Code, in that it is "reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City"; and
- (e) That Reinvestment Zone No. 42 as described an/or depicted in <u>Exhibit A</u> meets the criteria for the creation of a reinvestment zone as set forth in the City of Mansfield Policy Statement for Tax Abatement (2016); and
- (f) That the improvements proposed for the Reinvestment Zone are feasible and practical and would be a benefit to the land to be included in the zone and to the City after the expiration of any tax abatement agreement.

SECTION 3.

Pursuant to Section 312.201 of the Texas Tax Code, as amended, the City hereby creates a tax abatement reinvestment zone for commercial-industrial tax abatement encompassing only the area described and/or depicted in Exhibit A, and such zone is hereby designated, and for identification shall be known as "Reinvestment Zone No. 42".

SECTION 4.

Reinvestment Zone No. 42 shall take effect immediately upon passage of this ordinance. Reinvestment Zone No. 42 is effective for five (5) years and may be renewed for periods not to exceed five (5) years.

SECTION 5.

This ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances of the City of Mansfield, Texas, as amended, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event the conflicting provisions of such ordinances and such Code are hereby repealed.

SECTION 6.

Should any sentence, paragraph, 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 decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 7.

This Ordinapproval, and it is	shall take effe ained.	ect im	mediately	from a	nd af	ter its	pass	age	and
PASSED	APPROVED	ON	FIRST	READI	NG	this		day	of
		Ma	yor						
ATTEST:									
City Secretary									
PASSED	APPROVED	ON	SECOND	READ	ING	this		day	of
ATTEST:		Ma	yor						
City Secretary									

	PASSED , 2016.	ON	THE	THIRD	AND	FINAL	READING	this	 day	of
ATTEST:				Ma	ayor					
City Secretary	у									
EFFECTIVE:										
APPROVED	AS TO FOR	RM A	ND LE	GALITY	' :					
City Attorney										

Exhibit A

Legal Description
Reinvestment Zone No.
City of Mansfield, Texas



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-2008

Agenda Date: 9/12/2016 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 Request to Amend The Reserve Planned Development District by Extending the South Pointe Expansion Subdistrict of The Reserve PD to Include Approximately 61.7 Acres Generally Located Between S. Matlock Road and SH 360 and South of Harmon Road; Jabez Development LP (ZC#16-010)

Requested Action

To consider the subject request.

Recommendation

The Planning and Zoning Commission held a public hearing on August 15, 2016 and voted 6-0 to recommend approval. Commissioner Polozola was absent.

Description/History

The Reserve Planned Development contains seven Subdistricts. One of them is named "South Pointe Expansion Subdistrict" assigned to an area immediate north of South Pointe. The development regulations in the South Pointe Expansion Subdistrict follow the same regulations for single-family homes in South Pointe. A subdivision named "The View at The Reserve" has been approved in this area under such regulations and the approval process of The Reserve. The only distinction is that the South Point Expansion Subdistrict is created by the City not by the developer of South Pointe and a new subdivision will not fall within the private deed restrictions of South Pointe.

The subject property is currently zoned PR, Pre-Development and C-2, Community Business District. It is contiguous to the eastern boundary of South Pointe along S. Matlock Road (see attached map).

The applicant has proposed to develop the subject property for single-family homes under the same regulations of South Pointe. Consequently, he is requesting that the property become part of the South Pointe Expansion Subdistrict of The Reserve PD.

Prepared By

Felix Wong, Director of Planning 817-276-4228

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 SOUTH POINTE SUBDISTRICT OF THE RESERVE PLANNED DEVELOPMENT DISTRICT; 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 South Pointe Expansion Subdistrict of The Reserve Planned Development District; 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 requirements of the aforementioned South Pointe Expansion Subdistrict as shown in 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.

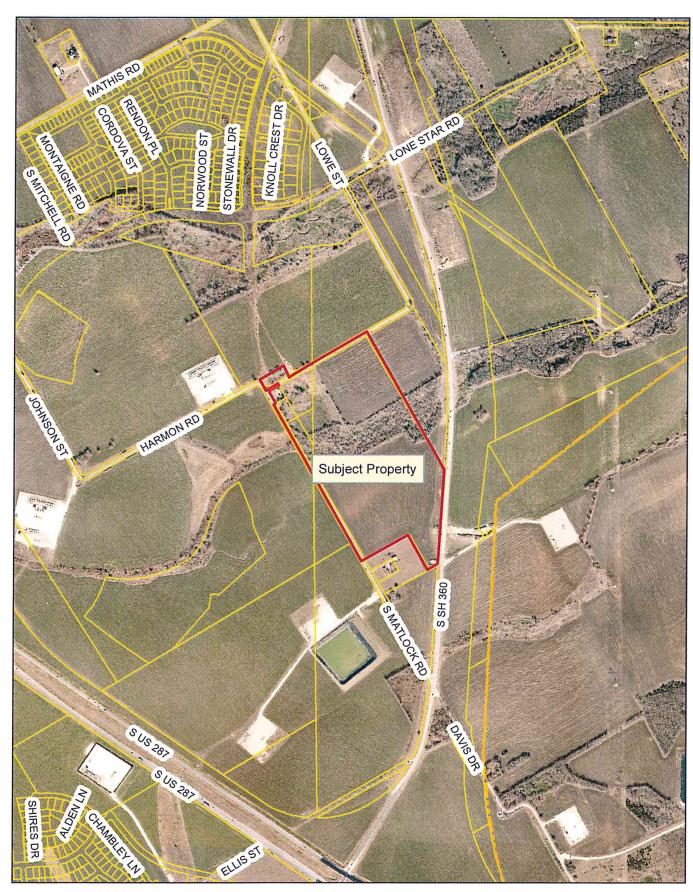
SECTION 6.

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.

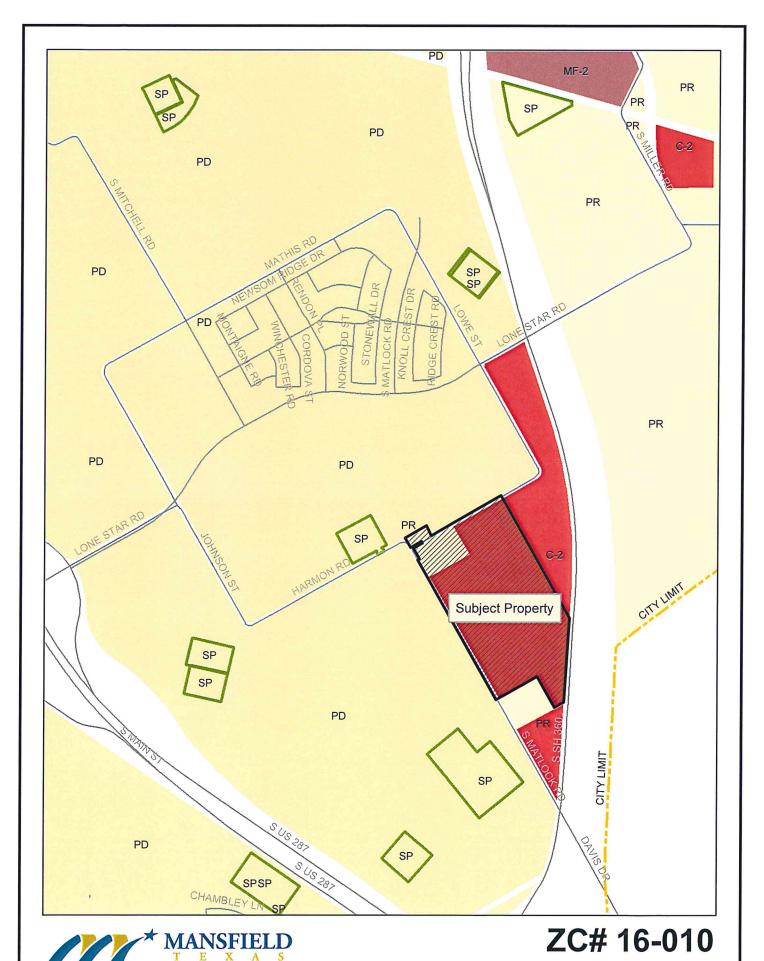
	This	ordinanc	e shall	take (effect	imme	diately	from	and	after its	passage	on thi	d and	fina
readin	g and	the public	cation o	of the	captio	n, as	the law	and c	chart	er in su	ch cases j	provide	.	

First reading approved on the	day of	, 2016.	
Second reading approved on t	he day of	, 2016.	
DULY PASSED on the thin Mansfield, Texas, this day of	_	by the City Council	of the City of
	David l	L. Cook, Mayor	
ATTEST:			
Jeanne Heard, City Secretary			
APPROVED AS TO FORM AND LI	EGALITY		
Allen Taylor, City Attorney			





ZC# 16-010



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# 16-010

LEGAL DESC 1	LEGAL DESC 2	OWNER NAME	OWNER ADDRESS	CITY	ZIP
1102 C VERA 8.5 ACRES		RUBY 07 SPMTGE LLC	6723 WEAVER RD	ROCKFORD, IL	61108
1102 C VERA,616 J LAWRENCE,135 S M BLAIR		TEXAS MIDSTREAM GAS SERVICES L	PO BOX 18162	OKLAHOMA CITY, OK	73118
135 616 S M BLAIR J LAWRENCE6.54 ACRES		AULD ROBERT M ETAL	5708 GEORGIAN CT	HALTOM CITY, TX	76117
135 S M BLAIR 67.028 ACRES		RUBY 07 SPMTGE LLC	6723 WEAVER RD	ROCKFORD, IL	61108
135 S M BLAIR;616 J LAWRENCE 1.0 ACRES		SWOFFORD ROGER D & LINDA D	2055 DAVIS DR	MIDLOTHIAN, TX	76065
135 S M BLAIR;616 J LAWRENCE 4.26 ACRES		SWOFFORD ROGER D & LINDA D	2055 DAVIS DR	MIDLOTHIAN, TX	76065
616 J LAWRENCE 14.4 ACRES		SUNBELT LAND INVESTMENTS LTD	2904 HIGHWAY 121	BEDFORD, TX	76021
935 L RUSSELL 38.5 ACRES		RUBY 07 SPMTGE LLC	6723 WEAVER RD	ROCKFORD, IL	61108
C VELA	TR 10	TEXAS MIDSTREAM GAS SERVICES L	P O BOX 18355	OKLAHOMA CITY, OK	73154-0355
C VELA	TR 10B	TEXAS MIDSTREAM GAS SERVICES L	P O BOX 18355	OKLAHOMA CITY, OK	73154-0355
C VELA	TR 10PT	TEXAS MIDSTREAM GAS SERVICES L	P O BOX 18355	OKLAHOMA CITY, OK	73154-0355
C VELA	TR 10PT	TEXAS MIDSTREAM GAS SERVICES L	P O BOX 18355	OKLAHOMA CITY, OK	73154-0355
C VELA	TR 10PT	TEXAS MIDSTREAM GAS SERVICES L	P O BOX 18355	OKLAHOMA CITY, OK	73154-0355
C VELA	TR 9	RUBY 07 SPMTGE LLC	6723 WEAVER RD STE 108	ROCKFORD, IL	61114-8021
HARMON ADDITION	BLK 1	TEXAS MIDSTREAM GAS SERVICES L	P O BOX 18355	OKLAHOMA CITY, OK	73154-0355
L RUSSELL	TR 1	RUBY 07 SPMTGE LLC	6723 WEAVER RD STE 108	ROCKFORD, IL	61114-8021

Wednesday, August 03, 2016

An addition to South Pointe Expansion

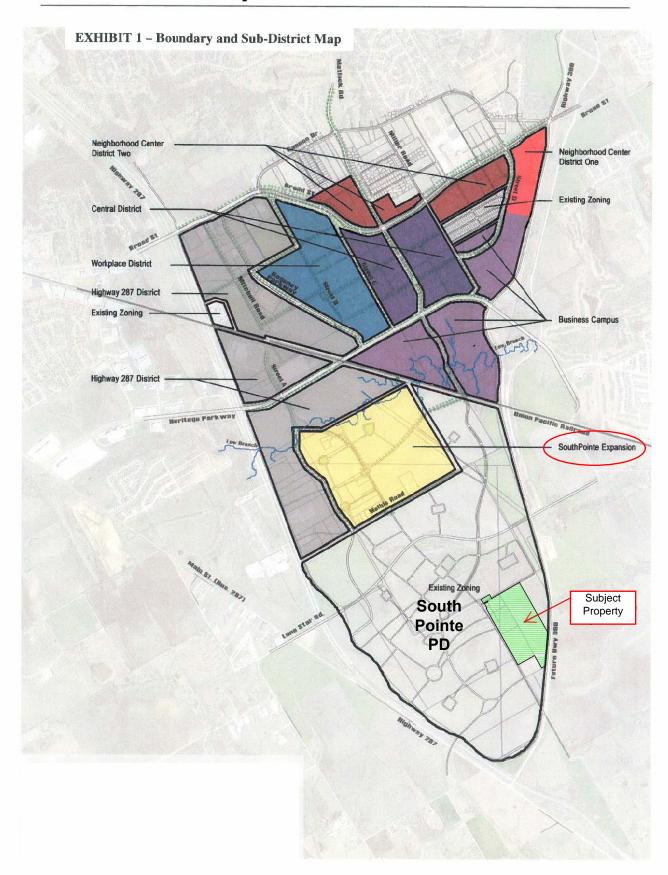


EXHIBIT A LEGAL DESCRIPTION OF 61.703 ACRES

All that certain lot, tract, or parcel of land, situated in a portion of the Joseph Lawrence Survey, Abstract No. 616, the Cresanto Vela Survey, Abstract No. 1102, and the Seth M. Blair Survey, Abstract No. 135, Ellis County, Texas, and the Cresanto Vela Survey, Abstract No. 851, Johnson County, Texas, being all of those certain called 33.83 acre Tract 1, Lot 1, Block 1 of Harmon Addition recorded in Volume 8, Page 868 of the Plat Records of Johnson County, Texas (PRJCT) as Tract 2, called 12.33 acre Tract 3, called 0.705 acre Tract 4, called 13.48 acre Tract 5, called 0.89 acre Tract 6 described in a deed from Mockingbird Midstream Gas Services, LLC to Texas Midstream Gas Services, LLC recorded in Volume 2679, Page 1026 of the Deed Records of Ellis County, Texas (DRECT) and a deed from Trike Investors, LP to Texas Midstream Gas Services, LLC recorded in Volume 4310, Page 1 of the Deed Records of Johnson County, Texas (DRJCT), and being more completely described as follows, to-wit:

BEGINNING at a spike found for the most southerly corner of said Tract 3, the most westerly corner of a called 5.258 acre tract described in a deed to Roger D. Swofford, et al recorded in Volume 2612, Page 1329 (DRECT), and being in the East line of a called 873.29 acre tract described in a deed to RUBY-07-SPMTGE, LLC recorded in Volume 2659, Page 1193 (DRECT), said point being in Davis Drive (County Road No. 516)

THENCE North 29 deg. 27 min. 30 sec. West along the Southwest lines of said Tracts 3, 4, and 5 and an East line of said 873.29 acre tract, a distance of 1915.82 feet to a 1/2" iron rod found for the most westerly corner of said Tract 4;

THENCE North 59 deg. 32 min. 30 sec. East departing the East line of said 873.29 acre tract and continue along the Northwest line of said Tract 4, a distance of 25.00 feet to a 1/2" capped iron rod set stamped "GOODWIN & MARSHALL" for the most southerly corner of said Lot 1, Block 1 of Harmon Addition, from which a 1/2" iron rod found for reference bears North 59 deg. 32 min. 30 sec. East - 4.97 feet;

THENCE North 29 deg. 27 min. 30 sec. West departing the Northwest line of said Tract 4 and continue along the Southwest line of said Lot 1, Block 1, a distance of 145.47 feet to a 1/2" capped iron rod found stamped "GEODATA" for the most westerly corner of said Lot 1, Block 1;

THENCE North 59 deg. 32 min. 30 sec. East along the Northwest line of said Lot 1, Block 1, a distance of 123.71 feet to a 1/2" capped iron rod set stamped "GOODWIN & MARSHALL" for the most northerly corner of same and being in the Southwest line of said Tract 5, from which a 1/2" iron rod found for reference bears South 28 deg. 44 min. 08 sec. West - 4.97 feet;

THENCE North 28 deg. 44 min. 08 sec. West along the Southwest line of said Tract 5, a distance of 25.01 feet to a P.K. nail set with washer stamped "GOODWIN & MARSHALL" for the most northerly Northwest corner of same, being in the Southeast line of said Tract 6, and being in the centerline of Harmon Road;

Page 1 of 3

THENCE South 59 deg. 32 min. 30 sec. West along the Southeast line of said Tract 6 and the centerline of Harmon Road, a distance of 149.03 feet to a Railroad spike found for the most southerly corner of said Tract 6, in the East line of said 873.29 acre tract, and being at the intersection of Harmon Road and Davis Drive;

THENCE North 29 deg. 27 min. 30 sec. West along the Southwest line of said Tract 6 and the East line of said 873.29 acre tract, a distance of 133.48 feet to a 1/2" iron rod found for the most westerly corner of said Tract 6 and an ell corner of said 873.29 acre tract;

THENCE North 59 deg. 32 min. 30 sec. East along the Northwest line of said Tract 6 and a Southeast line of said 873.29 acre tract, a distance of 294.09 feet to a 1/2" iron rod found for the most northerly corner of said Tract 6 and an ell corner of said 873.29 acre tract;

THENCE South 25 deg. 03 min. 37 sec. East along the Northeast line of said Tract 6 and a Southeast line of said 873.29 acre tract, a distance of 136.81 feet to a 5/8" iron rod found for the most easterly corner of said Tract 6, an ell corner of said 873.29 acre tract, and being in the Northwest line of said Tract 5, said point being in the centerline of Harmon Road;

THENCE North 58 deg. 58 min. 53 sec. East along the Northwest line of said Tract 5, the Southeast line of said 873.29 acre tract, and with the centerline of Harmon Road, a distance of 281.15 feet to a P.K. nail set with washer stamped "GOODWIN & MARSHALL" for the most northerly corner of said Tract 5 and the most westerly corner of said Tract 1, from which a 1-3/4" iron pipe found for reference bears South 29 deg. 27 min. 30 sec. East - 17.01 feet;

THENCE North 59 deg. 52 min. 10 sec. East along the Northwest line of said Tract 1, the Southeast line of said 873.29 acre tract, and with the centerline of Harmon Road, a distance of 677.46 feet to P.K. nail set with washer stamped "GOODWIN & MARSHALL" for the most northerly corner of said Tract 1 and the most westerly corner of a called 15.21 acre tract described in a deed to Sunbelt Land Investments/360, Ltd. recorded in Volume 2746, Page 1136 (DRECT);

THENCE South 29 deg. 26 min. 42 sec. East departing the Southeast line of said 873.29 acre tract and continue along the Northeast line of said Tract 1 and the Southwest line of said 15.21 acre tract, at 16.50 feet pass a 1-3/4" iron pipe found for reference, and continue a total distance of 1682.90 feet to a 1/2" capped iron rod set stamped "GOODWIN & MARSHALL" for the most easterly corner of said Tract 1, the most southerly corner of said 15.21 acre tract, and being in the West right-of-way line of State Highway No. 360, from which a TXDOT brass monument bears North 03 deg. 39 min. 08 sec. East - 348.28 feet and a 1/2" iron rod found "bent" bears North 60 deg. 50 min. 53 sec. East - 0.78 feet;

THENCE South 03 deg. 39 min. 08 sec. West along the East line of said Tract 1 and said West right-of-way line, a distance of 1007.86 feet to a 1/2" iron rod found "bent" for the Southeast corner of said Tract 1;

THENCE South 59 deg. 42 min. 39 sec. West departing said West right-of-way line and continue along the South line of said Tract 1, a distance of 126.49 feet to a 1/2" iron rod found for the most southerly corner of said Tract 1 and the most easterly corner of said 5.258 acre tract; THENCE North 29 deg. 27 min. 30 sec. West along the Southwest line of said Tract 1 and the Northeast line of said 5.258 acre tract, a distance of 424.83 feet to a 1/2" capped iron rod set stamped "GOODWIN & MARSHALL" for the most northerly corner of said 5.258 acre tract, the most easterly corner of said Tract 3, from which a 1/2" iron rod found "bent" bears North 04 deg. 10 min. 40 sec. East - 0.69 feet;

THENCE South 60 deg. 32 min. 31 sec. West departing the Southwest line of said Tract 1 and continue along the Southeast line of said Tract 3, and the Northwest line of said 5.258 acre tract, a distance of 564.60 feet to the POINT OF BEGINNING, containing 2,687,789 square feet or 61.703 acres of land, more or less.

G. SOUTH POINTE EXPANSION SUB-DISTRICT

- **1.1 Regulation of Sub-District** South Pointe is a master planned community in the southern portion of The Reserve. As there has been a Planned Development District approved by City Ordinance No. 1518, all applicable regulations contained within the South Pointe Planned Development District Standards for Residential Villages shall apply to properties in the South Pointe Expansion Sub-District, including but not limited to, the following:
 - Residential Product Types
 - Permitted Uses
 - Bulk Standards
 - General Urban Design Standards
 - Distribution of Open Space (at a rate of 1.33 acres for each one hundred (100) dwelling units)
 - Street Types
 - Landscaping and Screening
 - Fences
 - Buffering
- **1.2 Approval of Development** Propersties in the South Pointe Expansion Sub-District shall not be part of or included in the South Pointe Covenants, Conditions and Restrictions and shall not be subject to the review of the South Pointe Architectural Review Committee. Approval of development in the South Pointe Expansion Sub-District shall comply with the same development approval process established for The Reserve Planned Development Sub-Districts.
- **1.3** Required Documents for Development Prior to development in the South Pointe Expansion Sub-District, the developer shall provide the following documents as part of the development approval process:
 - Village Plan
 - Circulation Plan
 - Open Space Plan
 - Phasing Plan
- **1.4 Maximum Gross Density** The maximum gross density in the South Pointe Expansion Sub-District shall be four (4) dwelling units per acre.
- **1.5 Public Utilities** All public utilities in South Pointe Expansion must be installed in accordance with the City of Mansfield Zoning and Subdivision Ordinances, and any future amendment thereof.



CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-1978

Agenda Date: 9/12/2016 Version: 2 Status: Second Reading

In Control: City Council File Type: Ordinance

Agenda Number:

Title

Ordinance - Public Hearing Continuation and Second 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.

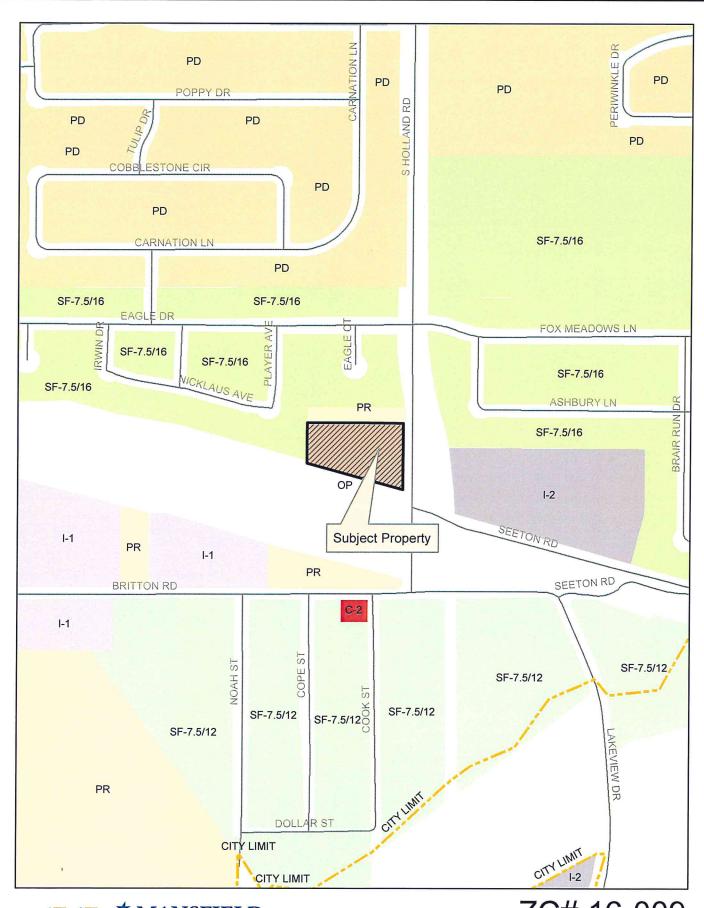
Prepared By

Felix Wong, Director of Planning 817-276-4228





ZC# 16-009



MANSFIELD T E X A S ZC# 16-009

Property Owner Notification for ZC# 16-009

LEGAL DESC 1	LEGAL DESC 2	OWNER NAME	OWNER ADDRESS	CITY	ZIP
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

Wednesday, July 20, 2016

Property Owner Notification for ZC# 16-009

LEGAL DESC 1 LEGAL DESC 2 OWNER NAME OWNER ADDRESS CITY ZIP

NEILL, SAMUEL C SURVEY A 1159 SOUTHERN PACIFIC RR CO 1400 DOUGLAS STOP 1640 ST OMAHA, NE 68179-1001

Wednesday, July 20, 2016 Page 2 of 2

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.

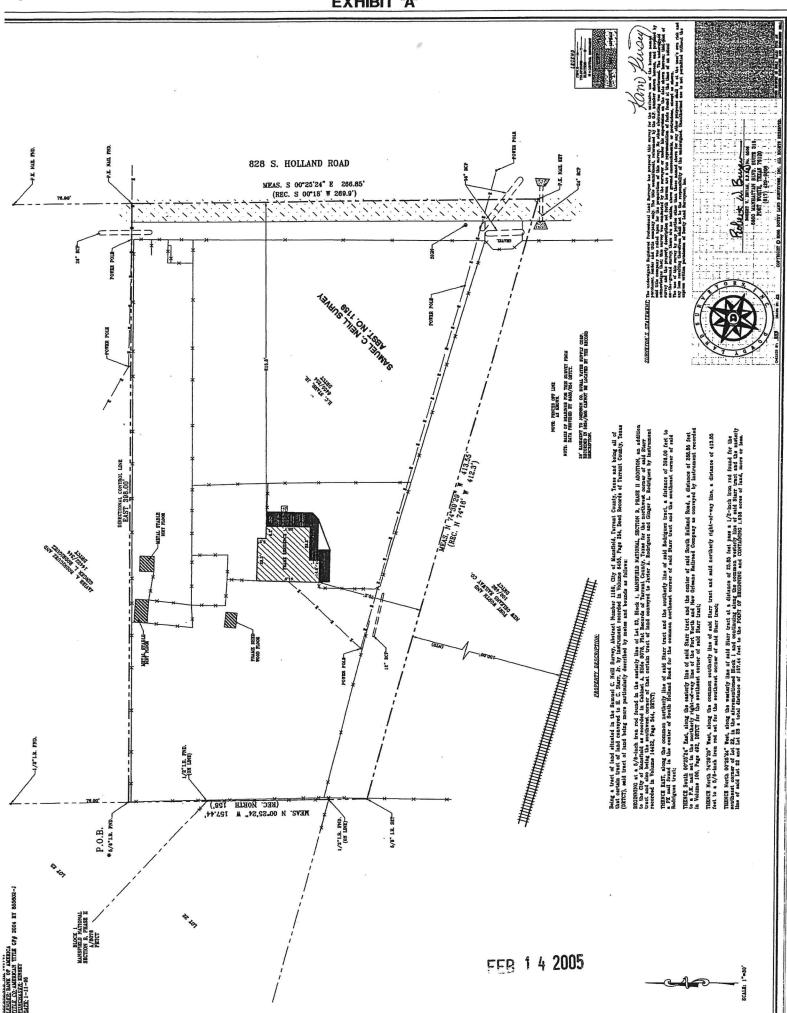
Should any paragraph, sentence, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof, other than the part so declared to be invalid, 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 immreading and the publication of the caption, a	<u>-</u>		and final
First reading approved on the	_ day of	, 2016.	
Second reading approved on the	day of	, 2016.	
DULY PASSED on the third and Mansfield, Texas, this day of		by the City Council of the	City of
A TYPE CYT.	David I	L. Cook, Mayor	
ATTEST:			
Jeanne Heard, City Secretary			
APPROVED AS TO FORM AND LEGAL	ITY		
Allen Taylor, City Attorney			





CITY OF MANSFIELD

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

STAFF REPORT

File Number: 16-1931

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Resolution

Agenda Number:

Title

Resolution - 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 RMA Holdings L.L.C. and Authorizing its Execution by the President of the MEDC; and Providing an Effective Date

Requested Action

Consider developer agreement with AMC Warehouses, d/b/a RMA Holdings/BP Holdings

Recommendation

Approve Developer Agreement

Description/History

AMC Principals have agreed to the attached developer agreement with MEDC.

Justification

N/A

Funding Source

4A

Prepared By

Scott Welmaker, MEDC

RESOI	LUTION NO.	
KEDOL		•

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 RMA HOLDINGS, L.L.C., 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 RMA HOLDINGS, L.L.C., 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 RMA HOLDINGS, L.L.C.

This Economic Development Agreement ("Agreement") is made and entered into by and between the MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (the "Corporation"), a nonprofit corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code (the "Act"), and RMA HOLDINGS, L.L.C. ("RMA"), a Texas limited liability company, for the purposes and considerations stated below:

RECITALS:

- 1. RMA owns a 17.5acre tract north of FM 917 and between 2nd Avenue and the planned extension of Antler Drive and has a three year option to purchase the +/-12.0 acres immediately adjacent to the north within the corporate limits of the City of Mansfield ("City") both depicted on Exhibit "A" (hereafter referred to as the "Property"), where it intends to construct and operate a 450,000 square feet freezer, refrigerator and dry storage warehouse space.
- 2. RMA intends to make a new Capital Investment in the Property of at least Sixty Seven Million Four Hundred Six Thousand Nine Hundred Thirty Eight Dollars (\$67,406,938.00) to construct the Facility, which will result in the creation of additional Primary Jobs at the Property (all as hereinafter defined).
- 3. 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 will be used for land, buildings, equipment (if it is subject to business personal property taxation under the Texas Tax Code) and improvements that are for the creation of primary jobs and that are required or suitable for the development, retention or expansion of a manufacturing and industrial facility.
- 4. The Corporation, which has determined that substantial economic benefit and the creation of new opportunities of employment will accrue to the City as a result of RMA's capital investment in the Property, desires to have RMA make the capital investment in the Property. This project will increase the taxable value of the Property and will directly result in the creation of Primary Jobs on the Property and will indirectly result in the creation of additional jobs throughout the City. As a consequence, the value of the benefits of the Project (as defined herein) will substantially outweigh the amount of expenditures required of the Corporation under this Agreement.
- 5. The Corporation, to encourage the development and operation of the Property, to encourage construction and operation of the Facility and to obtain the benefits stated in this Agreement, desires to participate in the funding of the cost of constructing the Facility (hereinafter defined) which are necessary in order for RMA to make the capital investment in the Property and to operate the Facility as hereinafter set forth, which will aid and promote economic development in the City.

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:

1. Authorization.

This Agreement is authorized by the Act.

2. Definitions.

RMA has the meaning set forth in the Recitals.

<u>CAPITAL INVESTMENT</u> means the actual cost incurred related to the construction of the Facility, including the actual construction costs of all buildings, renovations, site preparation, structures, infrastructure, offsite improvements (if any),utilities, landscaping and onsite improvements, including labor and materials, engineering costs, surveying costs, fees of consultants, permit and inspection fees, and business personal property and equipment located on the Property after the date of this Agreement that are subject to ad valorem taxes. It does not include insurance costs, legal fees and expenses, marketing costs or any interest paid to finance the cost of Capital Investment.

<u>CERTIFICATE OF OCCUPANCY</u> means the document issued by the City of Mansfield for the Facility certifying each building's compliance with applicable building codes and other laws, and indicating it to be in a condition suitable for occupying.

CITY means the City of Mansfield, Texas.

<u>FACILITY</u> means the freezer, dry and cold storage warehouse located on the Property, comprised of at least 450,000 square feet, to be constructed in four phases, and include at least four (4) buildings.

<u>FTE</u> 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 without regard to whether individuals in those positions are the same as those in previous counts.

<u>PAYMENT</u> means the payment made by the Corporation to RMA under the terms and conditions of this Agreement.

<u>PRIMARY JOBS</u> means FTE's performing the type of jobs defined in Section 501.002 of the Texas Local Government Code.

<u>PROJECT</u> means the payment by the Corporation to RMA of One Million Six Hundred Fifty Thousand Dollars (\$1,650,000.00) towards the total Capital Investment of

Sixty Seven Million Four Hundred Six Thousand Nine Hundred Thirty Eight Dollars (\$67,406,938.00) for the cost of the Facility.

PROPERTY has the meaning set forth in the Recitals.

3. Term.

This Agreement shall be effective as of the date of execution of all parties and will continue to be in force and effect until June 30, 2024, unless terminated earlier under the terms of this Agreement.

4. Covenants of RMA.

- a. In consideration of Corporation agreeing to pay RMA monies in accordance with the terms and conditions of this Agreement, RMA agrees to:
 - (1) Make a total new Capital Investment in the Facility on or before June 30, 2022 in an amount of no less than Sixty Seven Million Four Hundred Six Thousand Nine Hundred Thirty Eight Dollars (\$67,406,938.00) and construct the Facility according to the following schedule:
 - A. <u>Phase I.</u> By June 30, 2018 make a Capital Investment in the Property of at least Nineteen Million Six Hundred Fifty Nine Thousand Three Hundred Ninety Dollars (\$19,659,390.00) and obtain a Certificate of Occupancy for the first freezer building which shall be comprised of no less than 115,000 square feet.
 - B. Phase II. By June 30, 2020 make an additional Capital Investment in the Property of Fourteen Million Six Hundred Forty Seven Thousand Three Hundred Ninety Dollars (\$14,647,390.00) and obtain a Certificate of Occupancy for the second freezer building which shall be comprised of no less than 100,000 square feet, for a total Capital Investment of Thirty Four Million Three Hundred Six Thousand Seven Hundred Eighty Dollars (\$34,306,780.00).
 - C. Phase III. No later than June 30, 2021 make an additional Capital Investment in the Property of at least Fourteen Million Seven Hundred Ninety Four Thousand One Hundred Fifty Eight Dollars (\$14,794,158.00) and obtain a Certificate of Occupancy for the third freezer building which shall be comprised of no less than 100,000 square feet, for a total Capital Investment of Forty Nine Million One Hundred

- Thousand Nine Hundred Thirty Eight Dollars (\$49,100,938.00).
- D. Phase III. No later than June 30, 2022 make an additional Capital Investment in the Property of at least Eighteen Million Three Hundred Six Thousand Dollars (\$18,306,000.00) and obtain a Certificate of Occupancy for the fourth freezer building which shall be comprised of no less than 150,000 square feet, for a total Capital Investment of Sixty Seven Million Four Hundred Six Thousand Nine Hundred Thirty Eight Dollars (\$67,406,938.00).
- (2) Create a minimum of one hundred ten (110) FTEs with a Primary Jobs component by June 30, 2022 and retain them for the Term of this Agreement according to the following schedule:

No later than	Number of Total Employees
06-30-2018	30
06-30-2020	55
06-30-2021	80
06-30-2022	110

- (3) Render the Property and the Facility to the Tarrant County Appraisal District and remain current on all ad valorem taxes for the Term of this Agreement;
- (4) Provide documentation to the Corporation for the Capital Investment in a manner acceptable to the Corporation; and
- (5) Operate the Facility as a freezer and warehouse for the term of this Agreement.
- b. Should RMA fail to substantially comply with any term of this Agreement, RMA shall have one hundred twenty (120) days after written notice from the Corporation to come into substantial compliance. If the noncompliance is not cured within that period, or an agreement on a time frame to come into compliance is not reached with the Corporation, RMA will forfeit its right to Payment by the Corporation. In the event RMA's uncured noncompliance occurs after a grant of funds is received, RMA shall immediately upon demand repay the Corporation a portion of the grant of funds received by RMA under this Agreement plus ten percent (10%) interest per annum which shall accrue from the date of default until the date the debt is repaid in full.
- c. RMA covenants and certifies that it does not and will not knowingly employ an undocumented worker as that term is defined by Section 2264.01(4) of the Texas Government Code. In accordance with Section 2265.052 of the Texas Government Code, if RMA is convicted of a violation under 8 U.S.C. Section 1324a (f),

RMA 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 RMA receives a notice of violation from the Corporation.

5. Payments by Corporation.

Provided RMA is in compliance with each term of this Agreement, the Corporation shall make Payments not to exceed One Million Six Hundred Fifty Thousand Dollars (\$1,650,000.00) to be paid to RMA as follows:

- (1) Within thirty (30) days after a Certificate of Occupancy is issued for Phase I, the Corporation shall make a Payment to RMA in the amount of Six Hundred Fifty Thousand Dollars (\$650,000.00);
- (2) Within thirty (30) days after a Certificate of Occupancy is issued for Phase II, the Corporation shall make a Payment to RMA in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00);
- (3) Within thirty (30) days after a Certificate of Occupancy is issued for Phase III, the Corporation shall make a Payment to RMA in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00);
- (4) Within thirty (30) days after a Certificate of Occupancy is issued for Phase IV, the Corporation shall make a Payment to RMA in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00);
- (5) By June 30, 2023 make a Payment to RMA in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00); and
- (6) By June 30, 2024 make a Payment to RMA in the amount of One Hundred Thousand Dollars (\$100,000.00).

6. Improvements.

RMA shall be solely responsible for the design of the Facility and shall comply with all building codes and other ordinances of the City applicable to the Renovation and expansion of the Facility.

7. Indemnification.

RMA, 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 PROPERTY OR IMPROVEMENTS. RMA AGREES TO INDEMNIFY, DEFEND,

AND HOLD HARMLESS THE CORPORATION, ITS OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE 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 RMA OF THE OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS, OR NEGLIGENT ACT OR OMISSION OF RMA, OR THE OFFICERS, AGENTS OR EMPLOYEES.

8. Access to Information.

RMA agrees to provide the Corporation access to information related to the Project during regular business hours upon reasonable notice. The Corporation shall have the right to require RMA to submit any reasonably necessary information, documents, invoices, receipts or other records to verify RMA's compliance with this Agreement.

9. **General Provisions.**

- a. <u>Mutual Assistance.</u> RMA 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.
- b. <u>Representations and Warranties.</u> RMA represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement. RMA 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.
- c. <u>Section or Other Headings.</u> 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.
- d. <u>Entire Agreement.</u> This Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein.
- e. <u>Amendment.</u> This Agreement may only be amended, altered, or revoked by written instrument signed by RMA and the Corporation.
- f. <u>Successors and Assigns.</u> This Agreement shall be binding on and insure to the benefit of the parties, their respective successors and assigns. RMA may

assign all or part of its rights and obligations hereunder only upon prior written approval of the Corporation.

g. <u>Notice.</u> 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:

RMA: RMA Holdings, L.L.C.

1475 Post and Paddock St. Grand Prairie, Texas 75050

Monty Barnett,

CORPORATION: Mansfield Economic Development Corporation

301 South Main Street Mansfield, Texas 76063

Attn: Director

With a copy to: Betsy Elam

Taylor, Olson, Adkins, Sralla & Elam, LLP

6000 Western Place, Suite 200

Fort Worth, Texas 76107

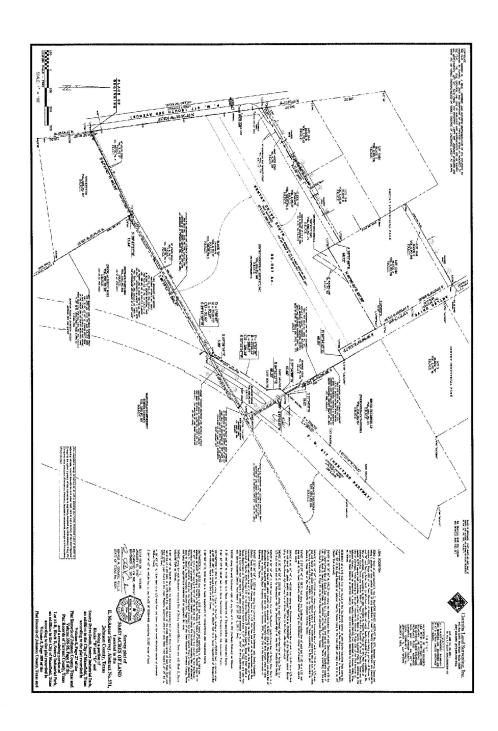
- h. <u>Interpretation.</u> Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.
- i. <u>Applicable Law/Venue.</u> This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas; venue for any legal action regarding this Agreement shall lie in Tarrant County, Texas.
- j. <u>Severability.</u> 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.
- k. <u>Counterparts.</u> This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

- I. <u>No Joint Venture.</u> Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- m. <u>Default.</u> If a party should materially default (the "Defaulting Party") with respect to any of its obligations hereunder and should fail, within one hundred twenty (120) days after delivery of written notice of such default from the other party (the "Complaining Party") to cure such default, the Complaining Party, by action or proceeding at law or in equity, may be awarded its actual but not consequential damages and/or specific performance for such default.
- n. <u>Covenant Running with the Land.</u> All rights, covenants, restrictions, burdens, privileges and charges, set forth in this Agreement shall exist at all times as long as this Agreement is in effect, among all parties having any right, title or interest in any portion of all of the Property.
- o. **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.
- p. <u>Attorney's Fees.</u> 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.

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

By:		
,	Larry Klos, Board President	
Date	e:	

ATTEST:	
Doord Coverton	
Board Secretary	
RMA HOLDINGS, L.L.C.	
By: Monty Barnett,	
Date:	
	ACKNOWLEDGEMENT
Barnett, who after being d	dersigned authority, on this date personally appeared Montyluly sworn stated that he is the of RMA e signed the foregoing instrument on behalf of said entity forein.
	Notary Public
	My commission expires:
	Date:





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

STAFF REPORT

File Number: 16-1933

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Resolution

Agenda Number:

Title

Resolution - 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 Heritage Parkway Partners LLC, and Authorizing Its Execution by the President of the MEDC; and Providing an Effective Date

Requested Action

Consider developer agreement with Heritage Parkway Partners

Recommendation

Approve Developer Agreement

Description/History

Heritage Parkway Partners are the developers of the site for the AMC Warehouse project. The MEDC Board has recommended:

- Actual Construction and Design Costs, not to exceed \$70,000 for Sanitary Sewer improvements;
- Actual Construction and Design Costs, not to exceed \$55,000 for the Eastern Channel drainage;
- Actual Construction and Design Costs, not to exceed \$175,000 for Mitigation Bank Credits;
- Actual Construction and Design Costs, not to exceed \$200,000 for the Northern Channel drainage.
- Total reimbursement not to exceed \$400,000

Justification

N/A

Funding Source

4A

Prepared By

Scott Welmaker, MEDC

RESOI	LUTION NO.	
KEDOL		•

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 HERITAGE PARKWAY PARTNERS LLC., 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 Heritage Parkway Partners LLC, 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
A TEXTS OFF	
ATTEST:	

City Secretary

ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT BETWEEN THE MANSFIELD ECONOMIC DEVELOPMENT CORPORATION AND HERITAGE PARKWAY PARTNERS LLC

This Economic Development Agreement ("Agreement") is made and entered into by and between HERITAGE PARKWAY PARTNERS LLC,, a Texas limited liability company ("Heritage") and the MANSFIELD ECONOMIC DEVELOPMENT CORPORATION (the "Corporation"), a nonprofit corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code, for the purposes and considerations stated below:

RECITALS:

- 1. Heritage is the developer of the majority of a 30± acre tract north of FM 917 and between 2nd Avenue and the planned extension of Antler Drive within the corporate limits of the City of Mansfield ("City") depicted on Exhibit "A" (hereafter referred to as the "Property") and intends to make certain improvements to the Property as more particularly set forth in this Agreement.
- 2. 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 will be used for land, buildings and improvements that are for the creation of primary jobs and that are required or suitable for the development, retention or expansion of a manufacturing and industrial facility.
- 3. The Corporation, which has determined that substantial economic benefit and the creation of new opportunities of employment will accrue to the City as a result of Heritage's development and operation of the Property, desires to have Heritage construct the Improvements on the Property. This project will increase the taxable value of the Property and will directly and indirectly result in the creation of additional jobs including Primary Jobs throughout the City. As a consequence, the value of the benefits of the Project (as defined herein) will substantially outweigh the amount of expenditures required of the Corporation under this Agreement.
- 4. The Corporation, to encourage the development and operation of the Facility, desires to participate in the funding of the cost of the Improvements which are necessary in order for Heritage to construct the Facility in Mansfield, which will aid and promote economic development in the City.

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:

1. Authorization.

This Agreement is authorized by Title 12, Subtitle C1, Chapter 501 of the Texas Local Government Code.

2. **Definitions.**

<u>CITY</u> means the City of Mansfield, Texas.

<u>CONSTRUCTION AND DESIGN COSTS</u> means the actual costs incurred related to the construction of the Improvements including site preparation, equipment rental, labor and materials, Mitigation Bank Credits, environment studies, engineering costs, surveying costs, permit, inspection and legal fees. It does not include insurance costs, impact fees and expenses, marketing costs or any interest paid to finance the Construction and Design Costs.

<u>FACILITY</u> means the freezer, cold storage and dry goods warehouses located on the Property, comprised of at least 465,000 square feet, to be constructed in four phases.

<u>IMPROVEMENTS</u> mean infrastructure, and site work necessary to construct the Facility including drainage, earthen channels and sanitary sewer.

MITIGATION BANK CREDITS means credits required to be purchased in order to fill in the existing erosion feature, including the removal of trees and vegetation in and around the erosion feature

<u>PROJECT</u> means the reimbursement by the Corporation of up to Four Hundred Thousand Dollars (\$400,000) for the cost of Improvements, allocated as follows:

- Actual Construction and Design Costs, not to exceed \$70,000 for Sanitary Sewer improvements;
- Actual Construction and Design Costs, not to exceed \$55,000 for the Eastern Channel drainage;
- Actual Construction and Design Costs, not to exceed \$175,000 for Mitigation Bank Credits;
- Actual Construction and Design Costs, not to exceed \$200,000 for the Northern Channel drainage, to include up to \$25,000 for a waiver of surface use rights paid to Chesapeake.

PROPERTY has the meaning set forth in the Recitals.

3 **Term.**

This Agreement shall be effective as of the date of execution of all parties. This Agreement will continue to be in force and effective until June 30, 2024.

4. Covenants of Heritage.

- a. In consideration of Corporation agreeing to reimburse Heritage monies in accordance with the terms and conditions of this Agreement, Heritage agrees to complete the Improvements no later than March 31, 2017 and to provide the Corporation with documentation satisfactory to the Corporation showing expenditures for the Improvements
- b. Should Heritage fail to comply with any term of this Agreement, Heritage shall have one hundred and twenty (120) days after written notice from the Corporation to come into compliance. If the noncompliance is not cured within that period, or an agreement on a time frame to come into compliance is not reached with the Corporation, Heritage will forfeit the right to reimbursement by the Corporation. In the event Heritage's uncured noncompliance occurs after the grant of funds is received, Heritage shall within one hundred and twenty (120) days of demand for payment by the Corporation repay the Corporation an amount equal to all payments made under Section 5 of this Agreement plus ten percent (10%) per annum or the maximum rate permitted by law from the date the payments were made until the date of full repayment.
- c. Heritage covenants and certifies that he does not and will not knowingly employ an undocumented worker as that term is defined by Section 2264.01(4) of the Texas Government Code. In accordance with Section 2265.052 of the Texas Government Code, if Heritage is convicted of a violation under 8 U.S.C. Section 1324a (f), Heritage shall repay to the Corporation the full amount of all payments made under Section 5 of this Agreement, plus ten percent (10%) 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 Heritage receives a notice of violation from the Corporation.

5. Payments by Corporation.

The Corporation shall participate with Heritage in the cost of the Project not to exceed Four Hundred Thousand Dollars (\$400,000) to be reimbursed to Heritage to construct the Improvements, upon City inspection, if required, and satisfactory proof of the expenditures for the Improvements and the mitigation bank credits, within 30 days submission to the Corporation of satisfactory documentation evidencing the expenditures for the Improvements, Mitigation Bank Credits.

6. **Improvements**.

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

7. Indemnification.

HERITAGE, 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 PROPERTY OR IMPROVEMENTS. **HERITAGE** AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CORPORATION. OFFICERS. AGENTS. ITS EMPLOYEES. VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE 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 HERITAGE OF THE OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS. OR NEGLIGENT ACT OR OMISSION OF HERITAGE, OR THE OFFICERS, AGENTS OR EMPLOYEES.

8. Access to Information.

Heritage agrees to provide the Corporation access to information related to the construction of the Improvements and Project during regular business hours upon reasonable notice. The Corporation shall have the right to require Heritage to submit any reasonably necessary information, documents, invoices, receipts or other records to verify costs of the Improvements and capital expenditures related to the Property.

9. **General Provisions.**

- a. <u>Mutual Assistance</u>. Heritage 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.
- b. <u>Representations and Warranties.</u> Heritage represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement. Heritage 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.
- c. <u>Section or Other Headings.</u> 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.
- d. <u>Entire Agreement.</u> This Agreement contains the entire agreement between the parties with respect to the transaction contemplated herein.
- e. <u>Amendment.</u> This Agreement may only be amended, altered, or revoked by written instrument signed by Heritage and the Corporation.

- f. <u>Successors and Assigns.</u> This Agreement shall be binding on and insure to the benefit of the parties, their respective successors and assigns. Heritage may assign all or part of its rights and obligations hereunder only upon prior written approval of the Corporation, which approval shall not be unreasonably withheld or delayed provided reasonably satisfactory guaranties are provided to insure compliance with all terms of this Agreement. Upon written approval by Corporation of such assumption, assignment or transfer, Heritage shall thereafter be released from its obligations hereunder.
- g. <u>Notice.</u> 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:

HERITAGE PARKWAY PARTNERS LLC: George M. Sakakeeny

Manager

100 Colonial Square Colleyville, TX 76034

CORPORATION: Director

Mansfield Economic Development Corporation

301 South Main Street Mansfield, Texas 76063

With a copy to: City Attorney

City of Mansfield

1200 East Broad Street Mansfield, Texas 76063

- h. <u>Interpretation.</u> 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.
- i. <u>Applicable Law/Venue.</u> This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas; venue for any legal action regarding this Agreement shall lie in Tarrant County, Texas.
- j. <u>Severability.</u> 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.

- k. <u>Counterparts.</u> This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.
- I. No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- m. <u>Default.</u> If a party should default (the "Defaulting Party") in any material respect with any of its obligations hereunder and should fail, within thirty (30) days after delivery of written notice of such default from the other party (the "Complaining Party") to cure such default, or in the event the default cannot be cured within thirty (30) days to commence curing it, the Complaining Party, by action or proceeding at law or in equity, may be awarded its actual but not consequential damages and/or specific performance for such default.
- n. <u>Covenant Running with the Land.</u> All rights, covenants, restrictions, burdens, privileges and charges, set forth in this Agreement shall exist at all times as long as this Agreement is in effect, among all parties having any right, title or interest in any portion of all of the Property.
- o. 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, delay in delivery of power by the utility company, delay in delivery of utilities, 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 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.

MANSFIELD ECONOMIC DEVELOPMENT CORPORATION

	By: Larry Klos, Board President	
	Date:	_
TTECT.		

Board Secretary	
APPROVED AS TO FORM AND	LEGALITY:
Attorney for the Corporation	
	HERITAGE PARKWAY PARTNERS LLC
	TIERTIAGE FARRWAT FARTNERS LEC
	By:
	Date:
ACH	KNOWLEDGEMENT
George M. Sakakeeny, who afte	igned authority, on this date personally appeared r being duly sworn stated that he is a Manager of , and that he signed the foregoing instrument on oses expressed therein.
	Notary Public, in and for the State of Texas
	My commission expires:
	Date:



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

STAFF REPORT

File Number: 16-2009

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Title

Board Appointments; Planning & Zoning Commission

Requested Action

Appoint/reappoint Commission members

Description/History

Appointees to the Planning and Zoning Commission serve two year terms. The following individuals have terms expiring September 30, 2016:

Stephen Polozola Kent Knight Cory Smithee Mel Neuman

Prepared By



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STAFF REPORT

File Number: 16-2010

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Title

Board Appointments; Zoning Board of Adjustment

Requested Action

Appoint/reappoint Board members

Description/History

Appointees to the Zoning Board of Adjustment serve two year terms. The following individuals have terms expiring September 30, 2016:

Ann B. Smith Michael Aguillard (Alternate) Louis Stefanos (Alternate)

Prepared By



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STAFF REPORT

File Number: 16-2011

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Title

Board Appointments; Mansfield Economic Development Corporation

Requested Action

Appoint/reappoint Board members

Description/History

Appointees to the Mansfield Economic Development Corporation serve two year terms. The following individuals have terms expiring September 30, 2016:

John Phillips
Selim Fiagnome
Tim Walker (not seeking reappointment)

Prepared By



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

STAFF REPORT

File Number: 16-2012

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Agenda Number:

Title

Board Appointments; Mansfield Park Facilities Development Corporation

Requested Action

Appoint/reappoint Board members

Description/History

Appointees to the Mansfield Park Facilities Development Corporation serve two year terms. The following individuals have terms expiring September 30, 2016:

Harold Bell Sandra Hightower Dan Sides (not seeking reappointment)

Prepared By



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

STAFF REPORT

File Number: 16-2013

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Title

Board Appointments; Library Advisory Board

Requested Action

Appoint/reappoint Board members

Description/History

Appointees to the Library Advisory Board serve two year terms. The following individuals have terms expiring September 30, 2016:

Suzonne Evans Janice Knight Kelvin Stroy, Sr. Sharon Zambrzycki *(not seeking reappointment)*

Prepared By



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

STAFF REPORT

File Number: 16-2014

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Title

Board Appointments; Keep Mansfield Beautiful

Requested Action

Appoint/reappoint Board members

Description/History

Appointees to the Keep Mansfield Beautiful Board serve two year terms. The following individuals have terms expiring September 30, 2016:

Carla Green
Sharon Roberts
Charna Blumberg
Janet Hurlbut
Ann Monroe (not seeking reappointment)

Additionally, two additional vacancies exist as a result of the recent resignation of the following individuals:

Amy Campbell Rebecca Lewis

Prepared By



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

STAFF REPORT

File Number: 16-2015

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Appointment

Title

Board Appointments; Historic Landmark Commission

Requested Action

Appoint/reappoint Commission members

Description/History

Appointees to the Historic Landmark Commission serve two year terms. The following individuals have terms expiring September 30, 2016:

Justin Gilmore
David Littlefield
Mark Walker
Paul Beaney (not seeking reappointment)

Prepared By



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

STAFF REPORT

File Number: 16-2024

Agenda Date: 9/12/2016 Version: 1 Status: First Reading

In Control: City Council File Type: Ordinance

Agenda Number:

Title

Ordinance - First Reading of an Ordinance Amending Chapter 95, "Library," in the Code of Ordinances of the City of Mansfield Texas

Requested Action

Consider approving ordinance.

Recommendation

Approve ordinance.

Description/History

The Mansfield Public Library has been a City department since 1962. Periodically a review of the ordinances guiding governance of the Library need to be reviewed and updated to reflect current conditions in the community and the Library's ability to meet them. The last revision to the Library's Code of Ordinances was in 2011. The proposed changes are due to the introduction of new technology and the current operations of the Mansfield Public Library.

Justification

The changes in the Code of Ordinances will allow for the addition of two new positions on the Library Advisory Board, bringing the number of members up to nine (9). Other changes will allow Library staff to charge a fee for the public to send faxes and a fee for the late return of portable wifi hotspots.

Funding Source

N/A

Prepared By

Steven R. Standefer, City Librarian steve.standefer@mansfieldtexas.gov 817-728-3689

ORDINANCE NO.	

AN ORDINANCE AMENDING CHAPTER 95, "LIBRARY," OF THE CODE OF ORDINANCES OF THE CITY OF MANSFIELD, TEXAS; PROVIDING AN EFFECTIVE DATE

WHEREAS, a review of the Code of Ordinances guiding governance of the Mansfield Public Library must be reviewed periodically and updated to reflect current conditions in the community; and

WHEREAS, the need to update the Code of Ordinances is due to the use of technology, the automated resource sharing program between Mansfield and Arlington, and the current state of operations of the Mansfield Public Library; and

WHEREAS, the ordinance was last reviewed and updated in 2011; and

WHEREAS, the changes to the Code of Ordinances will reflect the current state of Library operations and procedures and update the schedule of fees;

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

SECTION 1.

The Code of Ordinances, Chapter 95, of the City of Mansfield, Texas, be, and the same is hereby, amended as follows.

§ 95.01 CREATED.

Pursuant to the City Charter, § 6.08, there is hereby created a board known as the Mansfield Public Library Advisory Board.

§ 95.02 PURPOSE.

The purpose of the Library Advisory Board is to advise City Administration and the City Council on matters related to the development and maintenance of public library service in Mansfield, and the operation of the Mansfield Public Library.

§ 95.03 COMPOSITION; APPOINTMENT; TERM; FILLING OF VACANCIES.

- (A) The Library Advisory Board will be made up of nine (9) residents of the city of Mansfield appointed by the City Council.
- (B) Members of the Library Advisory Board will serve two (2) year terms, with appointments staggered so they do not expire at once.
- (C) Library Advisory Board may be removed at any time by the City Council, whether or not their terms have expired.
- (D) Vacancies on the Library Advisory Board will be filled by the City Council for the duration of the unexpired term, whether made vacant by removal, resignation or for any other reason.

§ 95.04 POWERS AND DUTIES.

The Library Advisory Board will:

- (A) Act as the liaison between the public and the library.
- (B) Advocate for the continuing development of public library service in Mansfield.
- (C) Recommend policies and programming regarding public library service to City Administration and the City Council.
- (D) Review the annual library budget prior to its submission to the City Council.
- (E) Assist in planning public library services and facilities.

USE OF LIBRARY MATERIALS; REGULATIONS; ENFORCEMENT

§ 95.15 FEES AND CHARGES.

Fees and charges as set forth in this section may be charged to a person who borrows library materials or uses library services. The types and amounts of fees and charges will be determined by the City Council.

- (A) Overdue materials. Late fees may be charged on library books, magazines, audio/visual media and other materials that are retained beyond their due dates, not to exceed the suggested retail prices of the materials in question. Such fees are as follows:
 - \$.25 a day each for late books, magazines, newspapers, and audiobooks
 - \$.50 a day each for late interlibrary loan items
 - \$1.00 a day each for late DVDs, videotapes, and music CDs, and portable WiFi hotspots.
- (B) Lost or destroyed materials. Charges for lost or destroyed materials will be their full suggested retail price, provided that the materials are commercially available, or the full suggested retail price of suitable substitutes.
- (C) Damaged materials. Damaged materials will be repaired and remain in use if practicable. If materials are judged to be damaged beyond repair and further use, they will be considered destroyed and the patron may be charged for them. Patrons must surrender such materials to the library, but may have them returned to them upon paying for them.
- (D) Other fees and charges are as follows:
 - \$.10 a page for black and white printing from a computer
 - \$.25 a page for color printing from a computer
 - \$.10 a page for B&W photocopies
 - \$.20 a page for B&W photocopies two sides
 - \$.25 a page for color photocopies
 - \$.50 a page for color photocopies two sides

\$1.00 per page to send a fax

- \$2.00 each to replace a library card
- \$3.00 each to replace a video case, DVD case, or music CD case
- \$6.00 each to replace an audio book case
- \$3.00 each for interlibrary loan items not picked up
- \$40.00 per year annual user fee for nonresident library card holders
- \$40.00 refundable deposit for use of the library Community Room
- (E) Fees and charges may be adjusted by the City Librarian for cause, on an individual basis, as necessary.

§ 95.16 INTENTIONAL DAMAGE TO MATERIALS.

It will be unlawful to intentionally injure, deface, damage or destroy, whether by neglect or intent, any materials owned by, or subject to the control of the Mansfield Public Library. Anyone doing so will be held responsible for the cost of replacement or repair of said materials. Library card privileges may be suspended until payment is made.

§ 95.17 UNLAWFUL RETENTION OF MATERIALS.

It will be unlawful for any person who borrows library materials to fail to return any materials owned by, or subject to the control of the Mansfield Public Library, within 15 days after the library has given notice to return them, provided notice is given after expiration of the time for which the materials were lent under the rules of the library. Failure to return library materials will result in suspension of library card privileges.

§ 95.18 FAILURE TO PAY FEES AND CHARGES.

If fees and charges owed to the library have not been paid, or arrangements made with the City Librarian 15 days after the patron has been notified, the patron's library card privileges will be suspended. Such notice shall advise the patron that owing such fees and charges is unlawful and that his or her library card privileges have been suspended until payment or arrangements have been made.

§ 95.19 NOTICE.

All notices required to be sent under this chapter, whether by telephone, text or electronic mail, will be given to the patron at the telephone number or email address reflected in the most recent record held by the library. The notice will be deemed given to the patron when delivered by telephone or sent electronically via text message or email.

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 provision of this Ordinance shall remain in full force and effect.

SECTION 3.

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 of provision thereof, other than the part so declared to be invalid, illegal, or unconstitutional, and shall not affect the validity of the Mansfield Code of Ordinances as a whole.

SECTION 4.

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

FIKSI	KEADING	FAPPROVED	ON THIS	DAY OF	 2016.
		·			7/11/2

SECOND READING APPROVED ON THIS	DAY OF	, 2016.
DULY PASSED ON THE THIRD AND FINAL R THE CITY OF MANSFIELD, TEXAS THIS		
	David L. Coo	k , Mayor
ATTEST:		
Jeanne Heard, City Secretary		
APPROVED AS TO FORM AND LEGALITY:		
City Attorney		

■ § 95.01 CREATED.

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■ § 95.02 PURPOSE.

The purpose of the Library Advisory Board is to advise City Administration and the City Council on matters related to the development and maintenance of public library service in Mansfield, and the operation of the Mansfield Public Library.

■§ 95.03 COMPOSITION; APPOINTMENT; TERM; FILLING OF VACANCIES.

- (A) The Library Advisory Board will be made up of seven (7) nine (9) residents of the city of Mansfield appointed by the City Council.
- (B) Members of the Library Advisory Board will serve two (2) year terms, with appointments staggered so they do not expire at once.
- (C) Library Advisory Board may be removed at any time by the City Council, whether or not their terms have expired.
- (D) Vacancies on the Library Advisory Board will be filled by the City Council for the duration of the unexpired term, whether made vacant by removal, resignation or for any other reason.

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USE OF LIBRARY MATERIALS; REGULATIONS; ENFORCEMENT

■§ 95.15 FEES AND CHARGES.

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 - \$.25 a day each for late books, magazines, newspapers, and audiobooks\$.50 a day each for late interlibrary loan items\$1.00 a day each for late DVDs, videotapes, and music CDs, and portable WiFi hotspots.
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If fees and charges owed to the library have not been paid, or arrangements made with the City Librarian 15 days after the patron has been notified, the patron's library card privileges will be suspended. Such notice shall advise the patron that owing such fees and charges is unlawful and that his or her library card privileges have been suspended until payment or arrangements have been made.

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All notices required to be sent under this chapter, whether by telephone, text or electronic mail, will be given to the patron at the telephone number or email address reflected in the most recent record held by the library. The notice will be deemed given to the patron when delivered by telephone or sent electronically via text message or email.



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

STAFF REPORT

File Number: 16-2030

Agenda Date: 9/12/2016 Version: 1 Status: New Business

In Control: City Council File Type: Consideration Item

Agenda Number:

Title

Consideration of a Request to Revise the Development Standards for the Ladera Mansfield Planned Development to Reduce the 25' Buffer Yards Along the West and South Property Lines of the 35.5 Acre Development Generally Located South of E. Debbie Lane and North of Sandstone Court and Primrose Trail; Integrity Group, LLC (ZC#15-005A)

Requested Action

To consider the proposed revision described below.

Recommendation

Staff recommends approval.

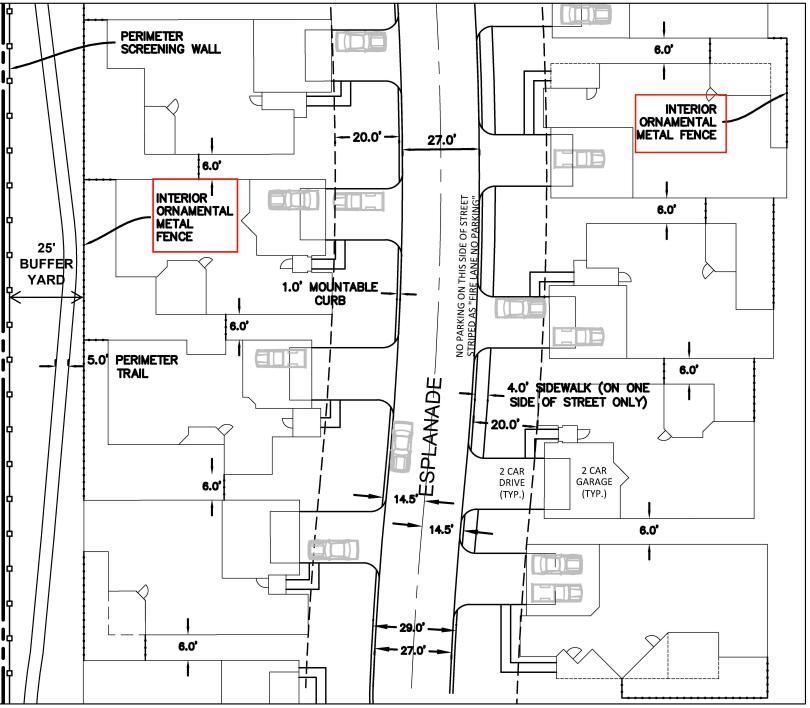
Description/History

The City Council approved the original Planned Development for this property in 2015. According to the attached diagram out of the approved site plan, the proposed homes and ornamental-fenced yards are outside the 25' buffer yard.

Some of the proposed homes are deep enough that the rear facade is at the 25' buffer yard. As a result, the ornamental-fenced yards will encroach into the buffer yard by 5' (see developer's letter for further details). However, that is not the case for every home. The request to reduce the buffer yard to 20' will apply to the west and south property lines. The developer has included a letter of support from the church to the west. There are existing single-family homes to the south.

Prepared By

Felix Wong, Director of Planning 817-276-4228





September 2, 2016

Mr. Felix Wong Director of Planning City of Mansfield 1200 E. Broad St. Mansfield, TX 76063

Re; Variance Request - Ladera Mansfield

Felix,

Per our conversation, the letter and its attachments will serve as our request for the variance of the 25' buffer zone between the houses along the West property line and the Church, and the South property line and the existing homes. The specific variance is not to encroach the houses into the 25' buffer, but the wrought iron fences, by no more than 5', thus leaving a 20-25' buffer on some houses and a full 25' buffer on others.

Attached you will see a plot plan for a type of home that fully utilizes the lot and builds up to the 25' line. Some of our homes do not build fully up to the 25' line and therefore would have no encroachment or a smaller encroachment. As you are aware, the individual customer picks their homesite and the type of home they want to build.

Additionally, you will find attached a letter from Jay Fraze from Community of Hope Church in which he states that he and the church will not have an issue with this variance. There is also attached a picture of a similar set up in another of our communities.

I do apologize for the confusion on this matter, we normally use this self-imposed buffer to allow us to place fences only, no structures, in this zone for the types of homes that have more back patio then our homes with side patios.

I appreciate your assistance with this matter and look forward to answering or providing any additional items required.

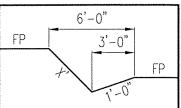
Kindest Regards,

John Delin (*)* Managing Member

attachments



Fence encroaches by 5'



TYPICAL DEVELOPMENT CROSS SECTION BETWEEN PADS

NOTE: TEMPORARY SIDE FENCE UNTIL HOUSE IS BUILT NEXT DOOR

LEGEND

BL = BUILDING LINE

UE = UTILITY EASEMENT

TW = TOP OF WALL

BW = BOTTOM OF WALL

TC = TOP OF CURB FP = FINISHED PAD

FF = FINISHED FLOOR

T = TEMPORARY TRASH

W = TEMPORARY WASHOUT

- = WROUGHT IRON FENCE

---- = VINYL FENCE

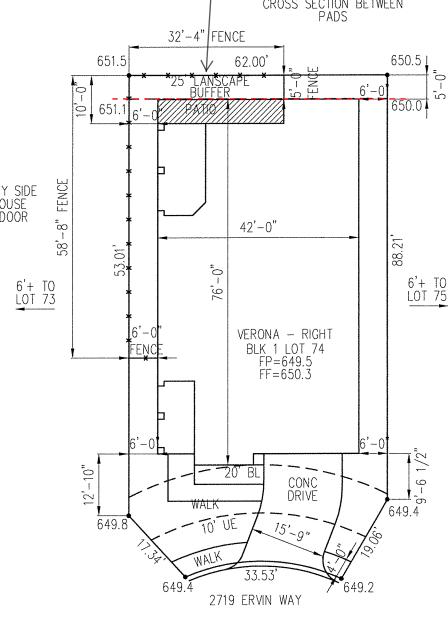
-= DIRECTION OF FLOW

= EXTRA FLATWORK

IMPERVIOUS COVERA	V CE

313 SQFT DRIVE: 68 SQFT DRIVEWAY APRON: 132 SQFT PATIO FLATWORK: PRIVATE WALK: 104 SQFT 76 SQFT PUBLIC WALK: 693 SQFT TOTAL FLATWORK: 5410 SQFT LOT AREA: 2991 SQFT SLAB AREA: LOT COVERAGE: 55 %

W.I. FENCE LENGTH: 102' LINEAR FT PRI. FENCE LENGTH: 0' LINEAR FT





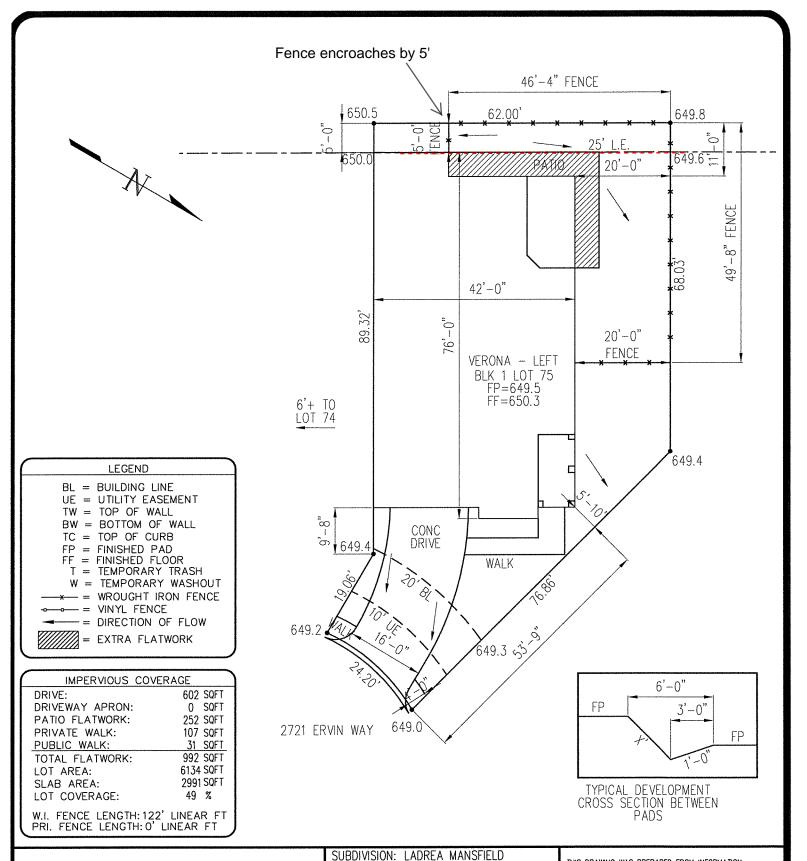
	BLOCK: 1 LOT: 74
-	STREET ADDRESS:
-	2719 ERVON WAY
	TOWN: MANSFIELD, TX
-	SCALE: 1" = 20' DRAWN BY: SCS
*	DATE: 08/07/2016
	REVISION DATE:
	08/11/2016
	08/23/2016

SUBDIVISION: LADREA MANSFIELD

THIS DRAWING WAS PREPARED FROM INFORMATION FURNISHED BY THE HOME BUILDER. BUILDER SHOULD REVIEW THIS DRAWING TO ENSURE COMPLIANCE WITH ALL ZONING AND BUILDING CODE REGULATIONS FOR THIS PROPERTY.

BEFORE CONSTRUCTION OF ANY KIND, THE BUILDER OR CONTRACTOR SHALL VERIFY ALL PROPERTY LINES, SIDE YARD SETBACKS AND EASEMENTS IN ORDER TO COMPLY WITH ALL FEDERAL, STATE, AND LOCAL CODES, ORDINANCES AND RESTRICTIONS.

STREET, ALLEY AND SIDEWALK LOCATIONS ARE FOR ILLUSTRATIVE PURPOSES ONLY. REFER TO DEVELOPMENT PLANS FOR CONSTRUCTION. BUILDER SHOULD CONFIRM THAT THIS LAYOUT HAS NO CONFLICTS WITH INLETS, TRANSFORMERS, TOPOGRAPHY, OR OTHER STRUCTURES.





BLOCK: 1 LOT: 75

STREET ADDRESS:

2721 ERVIN WAY

TOWN: MANSFIELD, TX

SCALE: 1" = 20' DRAWN BY: SCS

DATE: 08/04/2016

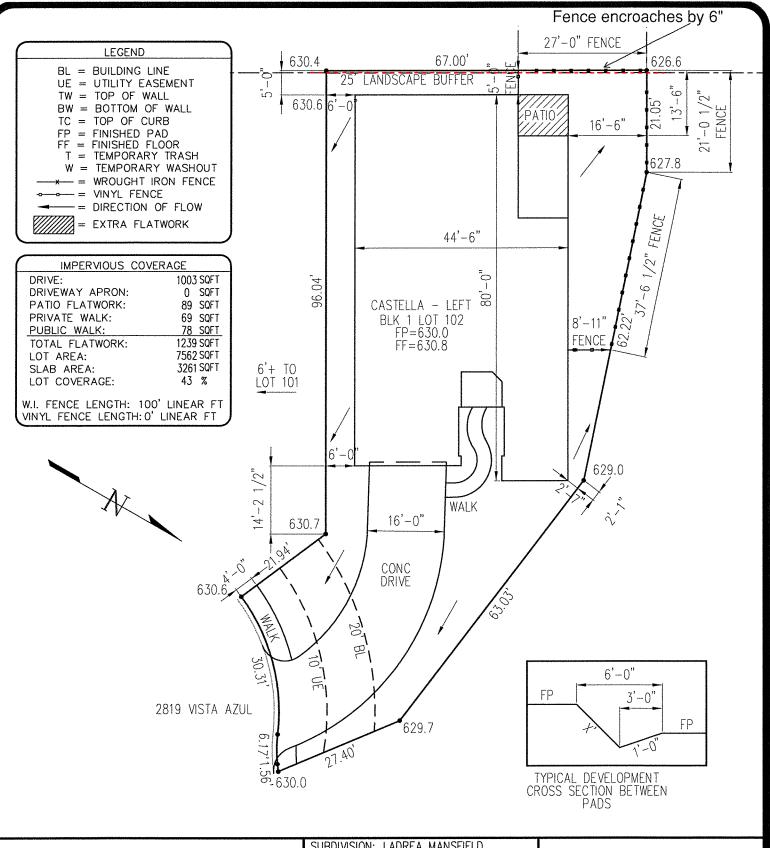
REVISION DATE:

08/11/2016

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ı	SUBDIVISION: LADKEN MANSFIELD	
	BLOCK: 1 LOT: 102	
	STREET ADDRESS:	
	2819 VISTA AZUL	
	TOWN: MANSFIELD, TX	
	SCALE: 1" = 20' DRAWN BY: SC	CS
-	DATE: 07/12/2016	
REVISION DATE:		
	07/26/2016	
	08/26/2016	

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August 31, 2016

LaDera Mansfield John Delin, 2565 Stradere Rd. Justin, TX 76247

Email: john@integritygroups.com

John,

It has been a pleasure continuing to work with you as the development grows. It is exciting to see the homes being built and prepared for our new neighbors.

I understand that there is some conversation regarding the placement of fences and buffer areas near our shared property line. Specifically, we understand that there is a 25' buffer between the property line and the structure of the homes near our property. Within that buffer will be another fence for the homeowner, essentially reducing the buffer to 20' from fence to fence.

Community of Hope has no problem at all with the buffer being 20' from fence to fence and still 25' from property line to the home.

We look forward to the beauty of the walking paths and the homes as they are developed. Should you have any other questions, please feel free to call me at your convenience.

Grace and Hope;

Jay Flaze

Jay Fraze, Pastor

Community of Hope

