

# A Resolution

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

## **AUTHORIZING EXERCISE OF OPTIONAL REDEMPTION RIGHTS FOR SPECIAL ASSESSMENT REVENUE BONDS ASSOCIATED WITH FORT WORTH PUBLIC IMPROVEMENT DISTRICT NO. 17 (ROCK CREEK RANCH)**

**WHEREAS**, the City Council of the City of Fort Worth, Texas established Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) (the “District”) pursuant to Resolution No. 4724-12-2016, which became effective with its publication on December 16, 2016; and

**WHEREAS**, on August 15, 2017, following notice and hearing in accordance with state law, the City Council adopted an ordinance levying assessments for major improvements in the District (Ordinance 22832-08-2017) (“Major Improvement Assessment Ordinance”); and

**WHEREAS**, on August 15, 2017, the City Council also adopted an ordinance (Ordinance 22833-08-2017) (the “Major Improvement Bond Ordinance”) authorizing issuance and sale of major improvement revenue bonds (the “Major Improvement Bonds”) secured by and payable from the major improvement assessments, with the issuance and sale subject to an approved and attached form of indenture; and

**WHEREAS**, on June 5, 2018, following notice and hearing in accordance with state law, the City Council adopted an ordinance levying assessments in the Western Improvement Area of the District for roadway improvements (Ordinance 23243-06-2018) (“Roadway Improvement Assessment Ordinance”); and

**WHEREAS**, on June 15, 2018, the City Council also adopted an ordinance (Ordinance 23244-06-2018) (the “Roadway Improvement Bond Ordinance”) authorizing issuance and sale of roadway improvement revenue bonds (the “Roadway Improvement Bonds”) secured by and payable from the roadway improvement assessments, with the issuance and sale subject to an approved and attached form of indenture; and

**WHEREAS**, the Major Improvement and Roadway Improvement Assessment Ordinances each provide that assessments may be paid in annual installments or may be prepaid in whole or in part (“Prepayments”), with any such Prepayment amount to be deposited in the respective Redemption Fund; and

**WHEREAS**, pursuant to Section 4.4 of the Indentures associated with each of the Major Improvement Bond Ordinance and the Roadway Improvement Bond Ordinance, the City reserves the right and option to redeem bonds, in whole or in part, before their respective scheduled maturity dates at a redemption price of 100% of the principal amount of the portions of bonds redeemed plus accrued interest from amounts on deposit in the respective Redemption Fund as a result of Prepayments (including any other transfers to the Redemption Fund as provided under the terms of the applicable indenture), with such situation considered an Extraordinary Optional Redemption; and

**WHEREAS**, City staff monitors the Redemption Fund for each series of District bonds to determine whether sufficient Prepayments have accrued so as to allow an Extraordinary Optional Redemption to occur in order to make the most beneficial use of available Prepayments in each Redemption Fund, resulting in the reduction of the outstanding indebtedness secured by such revenues; and

**WHEREAS**, the Fort Worth City Council wishes to authorize the exercise of Extraordinary Optional Redemption rights for each series of District bonds when funds are sufficient in the respective Redemption Funds and conditions are otherwise appropriate.

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

Section 1. That the City Council hereby directs the City Manager, acting directly or through one or more designees, to monitor the Redemption Fund established for the City of Fort Worth, Texas Special Assessment Revenue Bonds, Series 2017 (Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) Major Improvement Project) to determine whether sufficient Prepayments (including any other funds transferred in accordance with the terms of the indenture) have accrued to effect an Extraordinary Optional Redemption of some or all of the Major Improvement Bonds.

Section 2. That the City Council hereby directs the City Manager, acting directly or through one or more designees, to monitor the Redemption Fund established for the City of Fort Worth, Texas Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) Major Roadway Improvement Project) to determine whether sufficient Prepayments (including any other funds transferred in accordance with the terms of the indenture) have accrued to effect an Extraordinary Optional Redemption of some or all of the Roadway Improvement Bonds.

Section 3. That whenever sufficient available funds have accrued pursuant to Section 1 above, the City Council hereby authorizes the use of such available funds (the "Major Improvement Available Funds") for the purpose of effecting extraordinary optional redemption of all or a portion of the Major Improvement Bonds (the "Redeemed Major Improvement Bonds").

Section 4. That whenever sufficient available funds have accrued pursuant to Section 2 above, the City Council hereby authorizes hereby authorizes the use of such available funds (the "Roadway Improvement Available Funds") for the purpose of effecting extraordinary optional redemption of all or a portion of the Roadway Improvement Bonds (the "Redeemed Roadway Improvement Bonds").

Section 5. That the Redeemed Major Improvement Bonds and the Redeemed Roadway Improvement Bonds are herein collectively referred to as the "Redeemed Obligations."

Section 6. That the City Manager is hereby directed to fund the extraordinary optional redemption of Major Improvement Bonds from Major Improvement Available Funds in an amount equal to the principal amount of the Redeemed Major Improvement Bonds, plus accrued interest on the Redeemed Major Improvement Bonds to their date fixed for redemption.

Section 7. That the City Manager is hereby directed to fund the extraordinary optional redemption of Roadway Improvement Bonds from Roadway Improvement Available Funds in an amount equal to the principal amount of the Redeemed Roadway Improvement Bonds, plus accrued interest on the Redeemed Roadway Improvement Bonds to their date fixed for redemption.

Section 8. That the City Manager is hereby directed to cause the Redeemed Obligations that are eligible for redemption prior to their stated maturities pursuant to an Optional Extraordinary Redemption to be redeemed prior to their scheduled maturities in accordance with the respective indenture. Notice of the redemption of the Redeemed Obligations shall be given in the manner provided in the proceedings authorizing the issuance of the Redeemed Obligations.

Section 9. That this Resolution shall become effective immediately upon its adoption, in accordance with the provisions of Section 1201.028, Texas Government Code.

Section 10. That this City Council officially finds and determines that the meeting at which this Resolution is adopted was open to the public, and that public notice of the time, place, and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

PASSED AND APPROVED the 27th day of October, 2020.

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Mayor, City of Fort Worth, Texas

ATTEST:

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City Secretary, City of Fort Worth, Texas  
APPROVED AS TO FORM AND LEGALITY:

(SEAL)

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City Attorney, City of Fort Worth, Texas