

**ORDINANCE NO. \_\_\_\_-06-2024**

**PROVIDING FOR THE ISSUANCE OF THE "CITY OF FORT WORTH, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024 (FORT WORTH PUBLIC IMPROVEMENT DISTRICT NO. 16 (WALSH RANCH/QUAIL VALLEY) IMPROVEMENT AREAS #1-3 PROJECT)"; APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, A LIMITED OFFERING MEMORANDUM, A CONTINUING DISCLOSURE AGREEMENT, AN UPDATE TO THE SERVICE AND ASSESSMENT PLAN, A MUNICIPAL BOND INSURANCE POLICY AND RESERVE FUND SURETY POLICY AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the City of Fort Worth, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the "Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley)" (the "District"); and

**WHEREAS**, after giving the required notice pursuant to Sections 372.106(b) and (c) of the PID Act, on May 2, 2017, the City Council of the City (the "Council") held a public hearing regarding the levy of the Improvement Area #1 Assessments against the Improvement Area #1 Assessed Property, and on such date, the Council adopted an ordinance levying the Improvement Area #1 Assessments against the Improvement Area #1 Assessed Property (the "Improvement Area #1 Assessment Ordinance"), which Improvement Area #1 Assessment Ordinance also approved and accepted the Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Service and Assessment Plan (the "Service and Assessment Plan"); and

**WHEREAS**, after giving the required notice pursuant to Sections 372.106(b) and (c) of the PID Act, on September 1, 2020, the Council held a public hearing regarding the levy of the Improvement Area #2 Assessments against the Improvement Area #2 Assessed Property, and on such date, the Council adopted an ordinance levying the Improvement Area #2 Assessments against the Improvement Area #2 Assessed Property (the "Improvement Area #2 Assessment Ordinance"), which Improvement Area #2 Assessment Ordinance also approved and accepted an update to the Service and Assessment Plan; and

**WHEREAS**, after giving the required notice pursuant to Sections 372.106(b) and (c) of the PID Act, on September 27, 2022, the Council held a public hearing regarding the levy of the Improvement Area #3 Assessments against the Improvement Area #3 Assessed Property, and on such date, the Council adopted an ordinance levying the Improvement Area #3 Assessments against the Improvement Area #3 Assessed Property (the "Improvement Area #3 Assessment Ordinance"), which Improvement Area #3 Assessment Ordinance also approved and accepted an update to the Service and Assessment Plan; and

**WHEREAS**, the Council has found and determined that it is in the best interests of the City to issue bonds to be designated "City of Fort Worth, Texas, Special Assessment Revenue Bonds, Series 2024 (Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Improvement Areas #1-3 Project)" (the "Bonds"), such Bonds to be payable from and secured by the Trust Estate; and

**WHEREAS**, the Council is authorized by the PID Act to issue revenue bonds payable from the Trust Estate for the purpose of (i) paying a portion of the Actual Costs of the Funded Improvements, (ii) funding the Reserve Fund for payment of principal and interest on the Bonds, and (iii) paying costs of issuance of the Bonds; and

**WHEREAS**, the Council has found and determined to approve (i) the issuance of the Bonds for the purposes described herein, (ii) the form, terms and provisions of the Indenture (defined below) governing and securing the Bonds authorized hereby, (iii) the form, terms and provisions of a Purchase Agreement (defined below) between the City and the Underwriter (defined below), (iv) a Limited Offering Memorandum (defined below), (v) a Continuing Disclosure Agreement (defined below), (vi) the 2024 Supplemental Service Plan Update (defined below) and (vii) a municipal bond insurance policy and reserve fund surety policy; and

**WHEREAS**, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended.

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

**SECTION 1. FINDINGS.** The findings and determinations set forth in the preamble hereof are hereby incorporated by reference for all purposes as if set forth in full herein. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture.

**SECTION 2. APPROVAL OF ISSUANCE OF BONDS AND INDENTURE OF TRUST.**

(a) The issuance of the Bonds in the principal amount of \$ \_\_\_\_\_ for the purpose of (i) paying a portion of the Actual Costs of the Funded Improvements, (ii) funding the Reserve Fund for payment of principal and interest on the Bonds, and (iii) paying costs of issuance of the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture"), dated as of July 1, 2024, between the City and BOKF, NA, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the purposes and intent of this Ordinance and as approved by an Authorized Official (defined below), such approval to be evidenced by the execution and delivery of the Indenture, which Indenture is hereby approved in substantially final form attached hereto as **Exhibit A** and incorporated herein as a part hereof for all purposes. The Authorized Officials, individually but not jointly, are hereby authorized and directed to execute the Indenture, and the City Secretary is hereby authorized and directed to attest the signature of such Authorized Official.

(c) The Bonds shall (i) be dated, (ii) mature on the date or dates and in the principal amount or amounts, (iii) bear interest, (iv) be subject to redemption and (v) have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture, with such insertions, omissions and modifications as may be required to conform the form of Bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Trust Estate as set forth in the Indenture and shall never be payable from ad valorem taxes or any other funds or revenues of the City.

**SECTION 3. SALE OF BONDS; APPROVAL OF BOND PURCHASE AGREEMENT.** The Bonds shall be sold to FMSbonds, Inc. (the "Underwriter") at the price and on the terms and provisions set forth in that certain Bond Purchase Agreement (the "Purchase Agreement"), dated the date hereof, between the City and the Underwriter, attached hereto as **Exhibit B** and incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interest of the City. The form, terms and provisions of the Purchase Agreement are hereby authorized and approved, and the Authorized Officials, individually but not jointly, are hereby authorized and directed to execute and deliver the Purchase Agreement.

**SECTION 4. LIMITED OFFERING MEMORANDUM.** The form and substance of the final Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto (the "Limited Offering Memorandum") presented to and considered at the meeting at which this Ordinance

is considered are hereby approved and adopted in all respects. The Limited Offering Memorandum, with such appropriate variations as shall be approved by the City Manager or the Chief Financial Officer/Director of Financial Management Services and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum (as defined in the Purchase Agreement) and the Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed. The City deems the Preliminary Limited Offering Memorandum final, within the meaning of Rule 15c2-12 issued by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"), as of its date, except for the omission of information specified in Section (b)(1) of the Rule, as permitted by Section (b)(1) of the Rule. Notwithstanding the approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Council, the Council is not responsible for and proclaims no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum pertaining to (i) the Funded Improvements, (ii) the Development (as defined in the Limited Offering Memorandum), (iii) the Developer, or its financial ability, or any other developers of the District, (iv) any builders or landowners in the District or (v) any other information contained in the Non-City Disclosures (as defined in the Bond Purchase Agreement).

**SECTION 5. CONTINUING DISCLOSURE AGREEMENT.** The Continuing Disclosure Agreement of the Issuer (the "Continuing Disclosure Agreement") among the City, MuniCap, Inc. and Tijerina Financial Consulting LLC, is hereby authorized and approved in substantially final form attached hereto as **Exhibit C** and incorporated herein as a part hereof for all purposes, and the Authorized Officials, individually but not jointly, are hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purposes and intent of this Ordinance and approved by an Authorized Official, such approval to be evidenced by the execution thereof.

**SECTION 6. UPDATE TO SERVICE AND ASSESSMENT PLAN.** An update to the Service and Assessment Plan (the "2024 Supplemental Service Plan Update") is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** and incorporated herein as a part hereof for all purposes. The City Secretary is hereby directed to cause a copy of the 2024 Supplemental Service Plan Update to be recorded in the real property records of Tarrant and Parker Counties, Texas, within seven (7) days of the date of adoption of this Ordinance.

**SECTION 7. ADDITIONAL ACTIONS.** The Mayor, the City Manager, the Chief Financial Officer/Director of Financial Management Services and the City Secretary (each individually, an "Authorized Official", and collectively, the "Authorized Officials"), individually or jointly, are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the purposes and intent of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Authorized Officials are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

**SECTION 8. SEVERABILITY.** If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

**SECTION 9. MUNICIPAL BOND INSURANCE AND SURETY POLICY.** The Bonds shall be insured by a municipal bond insurance policy (the "Policy") issued by Build America Mutual

Assurance Company ("BAM"). The provisions relating to the Policy are set forth in the Indenture, and such provisions are incorporated herein by reference. In addition, the City will fund fifty percent (50%) of the Reserve Account Requirement with Bond proceeds and fifty percent (50%) with a surety policy issued by BAM (the "Surety Policy"). The provisions relating to the Surety Policy are set forth in the Indenture, and such provisions are incorporated herein by reference.

**SECTION 10. EFFECTIVE DATE.** This Ordinance is passed on one reading as authorized by Texas Government Code, Section 1201.028, and shall be effective immediately upon its passage and adoption.

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PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH,  
TEXAS, THIS THE 11<sup>TH</sup> DAY OF JUNE, 2024.

**APPROVED**

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Mayor,  
City of Fort Worth, Texas

**ATTEST:**

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City Secretary,  
City of Fort Worth, Texas

(City Seal)

*[Signature page to Ordinance Authorizing the Issuance of  
City of Fort Worth, Texas, Special Assessment Revenue Bonds, Series 2024  
(Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Improvement Areas #1-3 Project)]*

**Exhibit A**

INDENTURE OF TRUST

**Exhibit B**

**BOND PURCHASE AGREEMENT**

**Exhibit C**

CONTINUING DISCLOSURE AGREEMENT



**Exhibit D**

**2024 SUPPLEMENTAL SERVICE PLAN UPDATE**