

RESOLUTION NO. 032761

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS AUTHORIZING THE CREATION OF WHITECAP PUBLIC IMPROVEMENT DISTRICT NO. 1; AND RESOLVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Chapter 372, as amended, Texas Local Government Code (the *Act*) authorizes the creation of public improvement districts and the levy of assessments against property within the district to pay the costs of public improvement projects that confer a special benefit on property within such district; and

WHEREAS, an owner of approximately 242.011 acres of real property (the *Property*) within the City of Corpus Christi, Texas (the *City*) delivered to the City Council (the *City Council*) a petition (the *Petition*) indicating that (i) the owners of more than 50% of the appraised value of the taxable Property liable for assessment, and (ii) the owners of more than 50% of the area of all taxable Property liable for assessment (the *Petitioner*), has executed such Petition requesting that the City create a public improvement district within the corporate limits of the City to be known as "Whitecap Public Improvement District No. 1" (as further described in **Exhibit A** hereto, the *District*); and

WHEREAS, the Petition, has been examined, verified, and found to meet the requirements of Section 372.005(b) of the Act and, except as herein stated, the City's Public Improvement District Policy adopted on March 31, 2020 (the *PID Policy*), and the Petition is found to be sufficient for consideration by the City Council; and

WHEREAS, it is contemplated that bonds secured by revenues generated from assessments levied on certain specifically benefitted portions of the Property will be issued to finance certain public improvement projects within the District in accordance with the Act and such bonds will have a term of more than twenty (20) years, which is the maximum maturity for each series of bonds pursuant to the PID Policy; and

WHEREAS, the Petitioner has requested that both assessment revenues and certain tax increment revenues be utilized to finance the Authorized Improvements (as defined herein) and that the City consider the use of certain tax increment revenues in a structure that may result in a minimum appraised value to assessment lien ratio of less than 3.1;

WHEREAS, after providing the notices required by Section 372.009 of the Act, the City Council, on May 17, 2022, conducted a public hearing on the advisability of the improvements and services to be providing within the District; and

WHEREAS, after all persons having an interest in the creation of the District were given the opportunity to be heard, the City Council closed the public hearing; and

WHEREAS, the City Council has determined that the approval of this Resolution is in the best interest of the City and its residents; and

BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF CORPUS CHRISTI, TEXAS THAT:

SECTION 1: The Petition submitted to the City by the Petitioner was filed with the City Secretary and complies with Section 372.005 of the Act.

SECTION 2: Pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and the evidence and testimony presented at the public hearing, hereby finds and determines:

(a) Advisability of the Services and Improvements Proposed for the District. It is advisable to create the District to provide the services and improvements described in this Resolution, and the services and improvements will contribute to the public health, safety, and welfare.

(b) Nature of the Services and Improvements. The general nature of the services and improvements to be performed by the District is: (1) design, construction and other allowed costs related to street and roadway improvements, including related earthwork, sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) design, construction and other allowed costs related to special supplemental services for improvement and promotion of the District, including services related to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; (9) payment of expenses incurred in the establishment, administration and operation of the District; and (10) payment of expenses associated with financing such public improvement projects, which may include but are

not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the *Authorized Improvements*). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the property with the District.

(c) Estimated Cost of the Authorized Improvements. The estimated total costs of the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in establishment, administration and operation of the District, is \$100,000,000.00, which costs shall be paid by assessment of the property owners within the proposed District. The developer of the Property (the *Developer*) will be obligated for the costs of certain specified Authorized Improvements within the District. The City will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on real property within the District, if created. The City and the Developer may be reimbursed for the costs of certain specified Authorized Improvements from assessments levied within the District. No City property in the District shall be assessed. The Developer may also pay certain costs of the Authorized Improvements from other funds available to the Developer. To the extent bonds secured by revenues generated from assessments levied on certain of the Property will be issued to finance certain projects within the District, the term of such bonds may be for a term up to thirty (30) years, which is in excess of the maximum maturity for each series of bonds pursuant to the PID Policy.

(d) Boundaries. The District is located in City of Corpus Christi, Texas and its boundaries are described in Exhibit A hereto.

(e) Method of Assessment. The City shall levy assessments on each parcel within the District in a manner that results in the imposition of an equal share of the costs of Authorized Improvements for each parcel within the District similarly benefitted by such Authorized Improvements. The proposed method of assessment shall be determined by the City in accordance with the provisions of the Act in a manner that results in imposing equal shares of the cost on property similarly benefitted. All assessments may be paid in full at any time (including accrued and unpaid interest, if any), and certain assessments may be paid in annual installments (including accrued and unpaid interest, if any). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed in part by the assessment, and must continue for a period necessary to retire the indebtedness on those Authorized Improvements (including any interest and principal amortization). A report will be prepared showing the special benefit accruing to the property in the District and how the costs of the public improvements are assessed to property on the basis of special benefit.

(f) Apportionment of Cost between the City and the District. All cost of the proposed public improvements will be paid by assessments of the Property within the

District and from other sources of funds, if any, available to the Developer. Unless otherwise agreed upon by the City, the City will not be obligated to provide any funds to finance the proposed public improvements.

(g) Management of the District. The District shall be managed by the City with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

(h) Advisory Body. The District shall be managed without the creation of an advisory body.

SECTION 3: The District is authorized and created as a Public Improvement District under the Act in accordance with the findings set forth in this Resolution as to the advisability of the services and improvements. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 1 of this Resolution.

SECTION 4: The City Secretary is directed to coordinate the filing of a copy of this Resolution with the county clerk of Nueces County not later than the seventh day after the date of adoption of this Resolution. This Resolution shall take effect and the District shall be deemed to be established effective upon adoption of this Resolution. The District can be terminated as provided by law.

SECTION 5. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

SECTION 6: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 7: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and this City Council hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 9: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10: This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

* * *

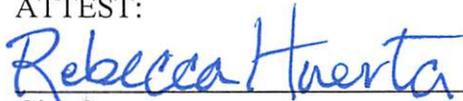
PASSED AND ADOPTED on the 17th day of May, 2022.

CITY OF CORPUS CHRISTI, TEXAS

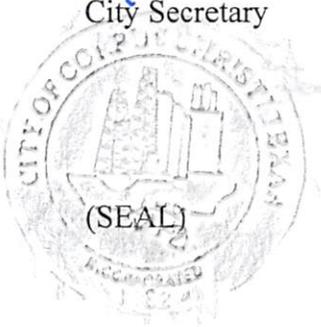


Mayor

ATTEST:



City Secretary



APPROVED THIS 17th DAY OF MAY, 2022:



Miles Risley, City Attorney

THE STATE OF TEXAS §

§

COUNTY OF NUECES §

I, the undersigned, City Secretary of the City of Corpus Christi, Texas, do hereby certify that the above and foregoing is a true, full and correct copy of a Resolution passed by the City Council of the City of Corpus Christi, Texas (and of the minutes pertaining thereto) on the 17th day of May, 2022, relating to City's acceptance of a petition to create a public improvement district and calling a public hearing relating thereto, which Resolution is duly of record in the minutes of said City Council, and said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Texas Government Code, Chapter 551.

EXECUTED UNDER MY HAND AND SEAL of said City, this the 17th day of May, 2022.

Rebecca Huerta

City Secretary



PASSED AND APPROVED on the 17th DAY OF MAY, 2022:

Paulette M. Guajardo	<u>Aye</u>
Roland Barrera	<u>Aye</u>
Gil Hernandez	<u>Aye</u>
Michael Hunter	<u>Aye</u>
Billy Lerma	<u>Aye</u>
John Martinez	<u>Aye</u>
Ben Molina	<u>Aye</u>
Mike Pusley	<u>Aye</u>
Greg Smith	<u>Aye</u>

ATTEST:

Rebecca Huerta
Rebecca Huerta
City Secretary

CITY OF CORPUS CHRISTI

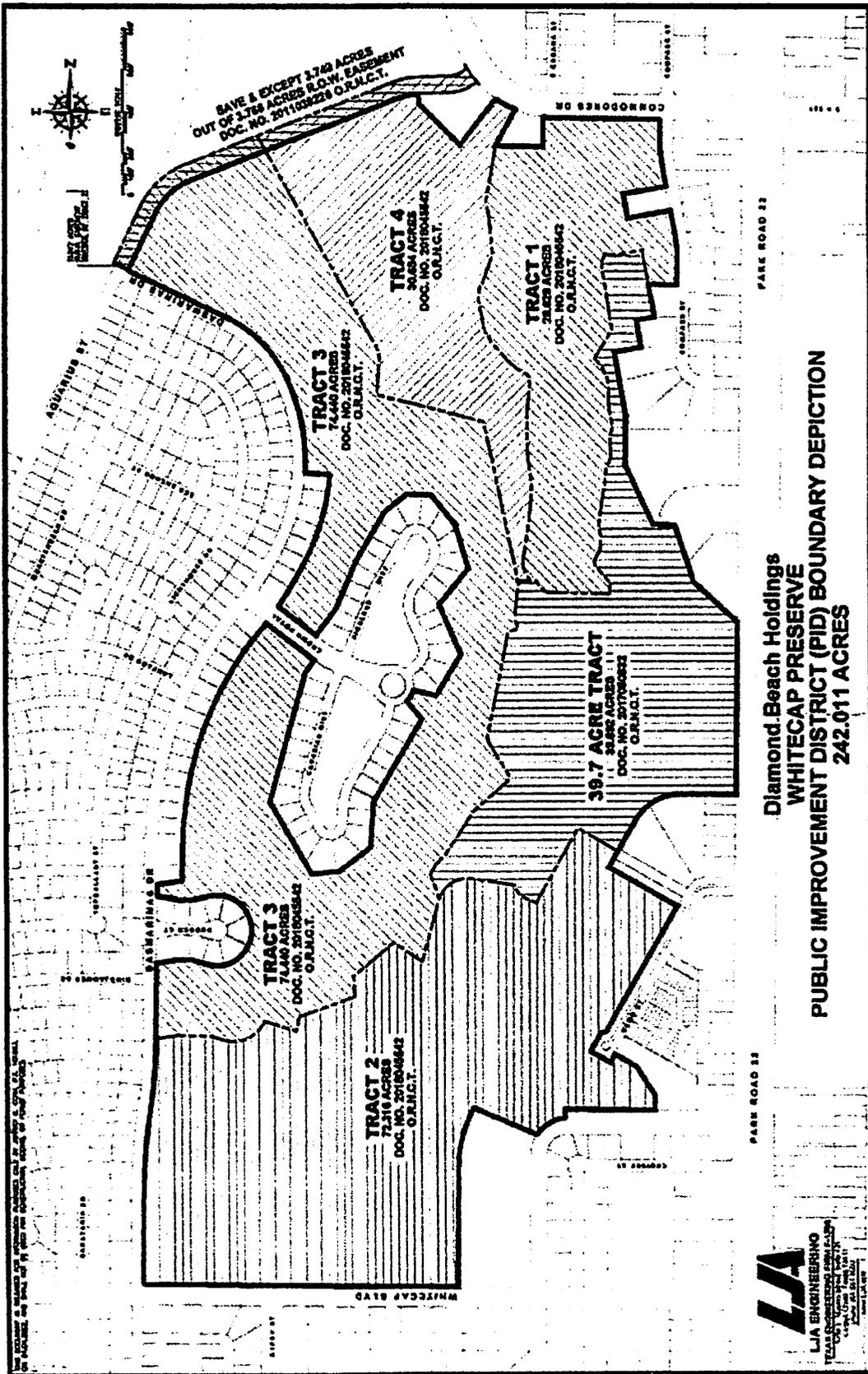
Paulette M. Guajardo
Paulette M. Guajardo
Mayor

EXHIBIT "A"

Property Boundaries and Map

Metes and Bounds Description of the Property
(approximately 242.011 acres)

242.011 acres being all of a 39.692 acre tract referenced and described by metes & bounds in Substitute Trustee's Deed, Doc. No. 2017050832, Official Records, Nueces County, Texas, said 39.692 acre tract being out of Tract 27C and 27D of the Padre Island – Corpus Christi Island Fairway Estates, hereafter referred to as P.I.C.C.I.F.E., Lots 27C and 27D, a map of which is recorded in Vol. 67, Pg. 779, Map Records, Nueces County, Texas; and 202.319 acres referenced in Correction Warranty Deed, Doc. No. 2018045542, Official Records, Nueces County, Texas, and described by metes & bounds of a 28.629 acre tract (Tract 1), a 72.316 acre tract (Tract 2), a 74.440 acre tract (Tract 3), and a 30.684 acre tract (Tract 4), save & except 3.749 acres, said 3.749 acres being a portion of a 60-foot wide street tract, also known as 'Aquarius Street Re-Alignment', recorded in Doc. No. 2011039226, Official Records, Nueces County, Texas; said 202.319 acres including portions of Tract 27C and 27D of P.I.C.C.I.F.E., Lots 27C and 27D, a map of which is recorded in Vol. 67, Pg. 779, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Blocks 45 & 46, a map of which is recorded in Vol. 42, Pg. 153-154, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Block 3, a map of which is recorded in Vol. 40, Pg. 145-146, Map Records, Nueces County, Texas; all of P.I.C.C.I.F.E., Blocks 37, 38, 39, and 40, a map of which is recorded in Vol. 41, Pg. 128, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Blocks 24-33, a map of which is recorded in Vol. 40, Pg. 154-159, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Blocks 43 & 44, a map of which is recorded in Vol. 42, Pg. 10-11, Map Records, Nueces County, Texas; and portions of P.I.C.C.I.F.E., Blocks 34, 35, and 36, a map of which is recorded in Vol. 40, Pg. 183-184, Map Records, Nueces County, Texas, said Blocks 26, 35, 36, 43, 44, and a portion of Block 34 now vacated as per plat recorded in Vol. 67, Pg. 688, Map Records, Nueces County, Texas.





VG-173-2022-2022024701

Nueces County
Kara Sands
Nueces County Clerk

Instrument Number: 2022024701

Official Public Records

RESOLUTION

Recorded On: May 20, 2022 11:41 AM

Number of Pages: 11

" Examined and Charged as Follows: "

Total Recording: \$57.00



STATE OF TEXAS
Nueces County

I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Nueces County, Texas

Kara Sands
Nueces County Clerk
Nueces County, TX

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2022024701
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Recorded Date/Time: May 20, 2022 11:41 AM
User: Randall N
Station: CLERK01

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CITY OF CORPUS CHRISTI