

ORDINANCE NO. 2023-16

AN ORDINANCE APPROVING THE ISSUANCE OF BONDS BY THE IOWA COLONY DEVELOPMENT AUTHORITY; AND CONTAINING VARIOUS PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, by City of Iowa Colony Ordinance No. 2010-2, adopted March 15, 2010, the City of Iowa Colony, Texas (the “City”) created Reinvestment Zone Number Two, City of Iowa Colony, Texas (the “Zone”) for the purposes of development within the City; and

WHEREAS, by City Ordinance No. 2010-4, adopted June 21, 2010, the City approved the Project Plan and Reinvestment Zone Financing Plan for the development of the Zone (the “Project and Financing Plan”), as amended by City Ordinance No. 2016-21, adopted August 22, 2016, and by City Ordinance No. O-2020-16, adopted June 15, 2020; and

WHEREAS, by Resolution No. R2010-R-3 adopted on March 15, 2010, the City authorized the creation of the Iowa Colony Development Authority (the “Authority”), a local government corporation, pursuant to Subchapter D of Chapter 431, Texas Transportation Code, to aid, assist and act on behalf of the City in the performance of the City’s governmental functions with respect to promoting, developing, encouraging and maintaining housing, employment, commerce and economic development within the Zone; and

WHEREAS, The City, the Zone, and the Authority entered into an agreement dated February 21, 2011, as amended and restated on August 22, 2016, as amended by Amendment No. 1 dated May 1, 2022 (the “Tri-Party Agreement”), pursuant to which the Authority would have authority to administer the Zone; make recommendations to the Zone Board and the City with respect to the development of the Zone; perform and engage in activities relating to the acquisition, development and sale of land and other properties; engage in development and redevelopment activities; construct and improve infrastructure in the Zone; enter into development agreements

with developers/builders in the Zone; subject to City approval, issue, sell or deliver its bonds, notes, or other obligations; and perform the other activities provided in the Tri-Party Agreement; and

WHEREAS, the Tri-Party Agreement provides that the Authority may not issue bonds without approval by the City; and

WHEREAS, in order to implement the Project and Financing Plan and fulfill the purposes for which it was created, the Authority requests the City's approval for the Authority to issue its series 2023 bonds in an amount not to exceed \$15,000,000; and

WHEREAS, the City desires to grant the Authority such right and power to issue bonds as described herein;

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

SECTION 1. That the findings contained in the preamble of this Ordinance are declared to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2. That the City hereby approves and authorizes the Authority to issue its bonds payable from and secured by the revenues to be paid by the City and the Zone pursuant to the Tri-Party Agreement (the "Tri-Party Agreement Revenues"), in an aggregate principal amount not to exceed FIFTEEN MILLION DOLLARS (\$15,000,000).

SECTION 3. That the City shall have no obligation with respect to the bonds of the Authority other than to make payments of tax increments to the Authority pursuant to the Tri-Party Agreement. The bonds of the Authority shall contain on their face a statement that the City is not obligated to make payments on the bonds from taxes or other moneys of the City other than the Tri-Party Agreement Revenues pursuant to the terms of the Tri-Party Agreement.

SECTION 4. That the Mayor and the staff of the City are hereby authorized to provide to the Authority such information and documents, and the Mayor and staff of the City are authorized to execute necessary certificates and provide necessary financial information with respect to the City, the tax increment fund created by the City for the Zone, and other financial information of the City with respect to the Zone, as may be required or requested by the Authority to offer and sell the bonds approved herein.

SECTION 5. That the City Council officially finds, determines, recites and declares a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 6. That this ordinance shall be effective immediately upon its passage and approval.

PASSED AND APPROVED ON THE FIRST READING ON June 26, 2023.

CITY OF IOWA COLONY, TEXAS

By: _____

WIL KENNEDY, MAYOR

ATTEST:

Kayleen Rosser
KAYLEEN ROSSER, CITY SECRETARY

