

CERTIFICATION PERTAINING TO
PASSAGE OF AN ORDINANCE

STATE OF TEXAS

§

CITY OF MESQUITE

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On the 17th day of June, 2019, the City Council of the City of Mesquite, Texas, convened in a regular meeting at the regular meeting place thereof, the meeting being open to the public and notice of said meeting, giving the date, place and subject thereof, having been posted as prescribed by Chapter 551, Texas Government Code, as amended; and the roll was called of the duly constituted officers and members of the City Council, which officers and members are as follows:

| | | | |
|-------------------------------|---------------|---|-------------|
| Stan Pickett, Mayor | Dan Aleman |) | |
| Tandy Boroughs, Mayor Pro-Tem | Jeff Casper |) | Members of |
| | Bruce Archer |) | |
| | Greg Noschese |) | the Council |
| | Robert Miklos |) | |

*Jeff Casper; Robert Miklos +
Tandy Boroughs*

and all of said persons were present except Tandy Boroughs, thus constituting a quorum. Whereupon, among other business, a written ordinance bearing the following caption was introduced:

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF MESQUITE SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019 (POLO RIDGE PUBLIC IMPROVEMENT DISTRICT No. 2 PHASES #2-6 MAJOR IMPROVEMENT PROJECT); APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, LIMITED OFFERING MEMORANDUM, A CONSTRUCTION, FUNDING AND ACQUISITION AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE.

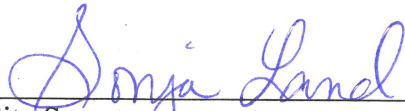
The Ordinance, a full, true and correct copy of which is attached hereto, was read and reviewed by the City Council.

Thereupon, it was duly moved and seconded that the Ordinance be finally passed and adopted.

The Presiding Officer put the motion to a vote of the members of the City Council, and the Ordinance was finally passed and adopted by the following vote:

AYES: 4 NAYS: 0 ABSTENTIONS: 1

MINUTES APPROVED AND CERTIFIED TO BE TRUE AND CORRECT, and to correctly reflect the duly constituted officers and members of the City Council of said City, and the attached and following copy of said Ordinance is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of the City, all on this the 17 day of June, 2019.



City Secretary,
City of Mesquite, Texas

[SEAL]

ORDINANCE NO. 4689

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF MESQUITE SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019 (POLO RIDGE PUBLIC IMPROVEMENT DISTRICT No. 2 PHASES #2-6 MAJOR IMPROVEMENT PROJECT); APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, LIMITED OFFERING MEMORANDUM, A CONSTRUCTION, FUNDING AND ACQUISITION AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT, 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 Mesquite, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the Polo Ridge Public Improvement District No. 2 (the "District"), pursuant to a Resolution adopted by the City Council of the City (the "City Council") on March 18, 2019; and

WHEREAS, pursuant to the PID Act, the City Council directed publication and the mailing of notice of a public hearing and published notice and held a public hearing on June 17, 2019 regarding the levy of special assessments within the District, and after the conduct of such public hearing adopted an Ordinance (the "Assessment Ordinance"); and

WHEREAS, in the Assessment Ordinance, the City Council approved and accepted the "Service and Assessment Plan" (as described in the Assessment Ordinance) relating to the District and levied assessments against property in Phases #2-6 of the District (the "Assessments") as set forth on the Assessment Roll for Phases #2-6 Capitalized terms used in this preamble and not otherwise defined shall have the meaning assigned thereto in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Assessments for the purposes of (i) paying the costs of the Phases #2-6 Major Improvements identified in the Service and Assessment Plan, (ii) paying capitalized interest on the Bonds, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) funding a portion of a Delinquency and Prepayment Reserve Account, (v) paying a portion of the costs incidental to the organization of the District, and (vi) paying the costs of issuing the Bonds; and

WHEREAS, the City Council has found and determined that it is in the best interests of the citizens of the City to issue its bonds in a single series to be designated "City of Mesquite Special Assessment Revenue Bonds, Series 2019 (Polo Ridge Public Improvement District No. 2 Phases #2-6 Major Improvement Project)" (the "Bonds"), such series to be payable solely from and secured by the Assessments levied for the Phases #2-6 Major Improvements (as defined in the Service and Assessment Plan); and

WHEREAS, the City Council has found and determined to (i) approve the issuance of the Bonds to finance the Phases #2-6 Major Improvements identified in the Service and Assessment Plan on the terms described herein, (ii) approve the form, terms and provisions of the Indenture (as defined herein) securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement between the City and the purchasers of the Bonds, (iv) approve a Limited Offering Memorandum, (v) approve a Construction, Funding and Acquisition Agreement, and (vi) approve a Continuing Disclosure Agreement relating to the Bonds and the Assessments; 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 MESQUITE, 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. Terms not otherwise defined in Sections 2 through 7 herein shall have the definitions as set forth in the Indenture (defined herein).

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 providing funds for (i) paying a portion of the Phases #2-6 Major Improvement Costs, (ii) paying capitalized interest on the Bonds, (iii) funding the Bond Reserve Account of the Reserve Fund, (iv) funding a portion of the Delinquency and Prepayment Reserve Account (v) paying a portion of the costs incidental to the organization of the District, and (vi) paying the costs of issuance of the Bonds, are hereby authorized and approved.

(b) The Bonds shall be issued and secured under an indenture of trust, the form, terms and provisions of which are hereby approved in the substantially final form presented at this meeting of that certain Indenture of Trust (the "Indenture"), dated as of June 15, 2019, between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager of the City, such approval to be evidenced by the execution and delivery of the Indenture. The Mayor of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall 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 solely by the Assessments for the Phases #2-6 Major Improvements (as defined in the Indenture) as set forth in the Service

and Assessment Plan and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such Bonds, and shall never be payable from ad valorem taxes.

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 "Bond Purchase Agreement"), dated the date hereof, between the City and the Underwriter. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved and the Mayor of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable.

Section 4. Limited Offering Memorandum. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto presented to and considered by the City Council are hereby in all respects approved and adopted. The City hereby authorizes the preparation of a final Limited Offering Memorandum reflecting the terms of the Bond Purchase Agreement and other relevant information. The Limited Offering Memorandum as thus approved and delivered, with such appropriate variations as shall be approved by the City Manager and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds, and the Preliminary Limited Offering Memorandum is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and 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 continued. Notwithstanding the execution, approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Mayor, the Mayor and this City Council are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum pertaining to development, the Developer (as defined in the Limited Offering Memorandum) or its financial ability, the homebuilders, the landowners, or the appraisal of the property in the District performed by Integra Realty Resources - DFW.

Section 5. Continuing Disclosure Agreement. The form, terms and provisions of that certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") dated as of June 15, 2019 among the City, HTS Continuing Disclosure Services, a Division of Hilltop Securities, Inc. and David Taussig & Associates, Inc., is hereby authorized and approved in substantially final form presented at this meeting and the Mayor of the City is hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and approved by the City Manager, such approval to be evidenced by the execution thereof, the Mayor's signature on the Continuing Disclosure Agreement may be attested by the City Secretary.

Section 6. Construction, Funding and Acquisition Agreement. The Polo Ridge Public Improvement District No. 2 Phases #2-6 Major Improvements Construction, Funding and Acquisition Agreement by and between the City and the Developer (the “ Construction, Funding and Acquisition Agreement”) is hereby authorized and approved in substantially final form presented at this meeting and the Mayor of the City is hereby authorized and directed to execute and deliver such Construction, Funding and Acquisition Agreement with such changes as may be required to carry out the purpose of this Ordinance and approved by the Mayor, such approval to be evidenced by the execution thereof; the Mayor’s signature on the Construction, Funding and Acquisition Agreement may be attested by the City Secretary

Section 7. Additional Actions. The Mayor, the City Manager and each other officer, employee and agent of the City are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance, including the making of modifications to this Ordinance and the Indenture as necessary to obtain approval of the Bonds by the Attorney General of the State, the Mayor, the City Manager and each other officer, employee and agent of the City 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. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount not to exceed \$9,500).

Section 8. Effective Date. This Ordinance shall take effect immediately upon its adoption by the City Council of the City.

FINALLY PASSED, APPROVED AND EFFECTIVE this June 17, 2019.

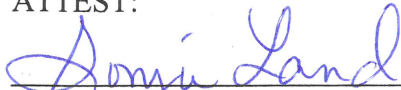
[Signature Page Follows]

BY:



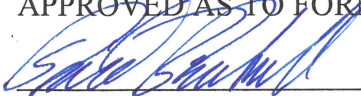
MAYOR,
CITY OF MESQUITE, TEXAS

ATTEST:



CITY SECRETARY,
CITY OF MESQUITE, TEXAS

APPROVED AS TO FORM:



CITY ATTORNEY,
CITY OF MESQUITE, TEXAS