Council Chambers at City Hall
Tuesday, April 2, 2024
7 p.m.

William E. Dollar Municipal Building
200 N. Fifth St.
Garland, Texas

GARLAND

CITY OF GARLAND
REGULAR MEETING OF THE CITY COUNCIL

The Garland City Council extends to all visitors a sincere welcome. We value your interest in our community and your participation in the meetings of this governing body. Visit GarlandTX.gov/Council for a full list of meeting dates.

The Council Chambers at Garland City Hall is wheelchair accessible, and ADA parking is available on the street as well as in the public parking garage. Persons with disabilities who may need auxiliary aids or services must contact the City Secretary's Office at 972-205-2404 at least two working days prior to the meeting so that appropriate arrangements can be made. Braille is not available.

NOTICE: *Pursuant to Section 551.127 of the Texas Government Code, one or more members of the City Council may attend this meeting by internet/video remote means. A quorum of the City Council, as well as the presiding officer, will be physically present at the above identified location. Members of the public that desire to make a public comment must attend the meeting in person.*

LEGISLATIVE PRAYER AND PLEDGE OF ALLEGIANCE

It is a custom and tradition of the City Council to have an invocation and recital of the Pledge of Allegiance prior to the beginning of each Regular Meeting. Members of the audience are invited but not required to participate. The decision to participate is strictly a matter of personal choice. It has no bearing on matters to be considered by the City Council and will not affect the decisions to be made during this meeting.

MAYORAL PROCLAMATIONS, RECOGNITIONS AND ANNOUNCEMENTS

The Mayor may present proclamations, recognize attendees or accomplishments, and make announcements regarding City events or other matters of interest to citizens including but not limited to listed items. There will be no Council discussion or votes on these matters.

- 2024 Proclamation for National Surveyor's Week
- 2024 Registered Dietitian Nutritionist Day
- Salvation Army's Special Recognition for Mayor and Council for Red Kettle Challenge
- GHFC Check Presentation
- Pet of the Month

CONSENT AGENDA

All items under this section are recommended for approval by a single motion of Council, without discussion. Council has had the opportunity to review each of these items at a previous Work Session, and approval of the consent agenda authorizes the City Manager or his designee to execute each item. The Mayor will announce the consent agenda and provide an opportunity for members of the audience, as well as Council, to request that any item be removed and considered separately.

1. **Consider Approval of Minutes from the March 19, 2024 Meeting**

2. **Approve the following bids:**

   a. **Woodbury, Ticonderoga & Quail Paving Water Wastewater Improvements** — **Bid No. 0652-24**

Lam Consulting Engineering **$345,291.00**

This contract is to provide Professional Engineering Services for designing 8-inch water and wastewater mains replacement for E. Woodbury Drive from S. First Street to 114 E. Woodbury Drive, Ticonderoga Drive from Spindrift Passage to Windward Passage, and Quail Drive from S. Country Club Road East to High Meadow Drive. This project will include approximately 3,085 linear feet of 8" water and wastewater main replacement with full concrete street pavement replacement.

b. **GP&L Firewall Replacements** **Bid No. 0729-24**

DISYS Solutions, Inc. **$331,841.79**

This request is to obtain replacement firewalls for the main and backup GP&L system sites. These end-of-life replacements are needed for GP&L to meet cyber security requirements. Associated software will provide firmware and anti-virus updates as well as vendor support for the deployed firewalls.

c. **GP&L and TMPA Transmission Line Tree Trimming** **Bid No. 0465-24**

F&F Expert Tree Service, LLC. **$412,000.00**

This request is to obtain transmission line tree trimming services for GP&L and TMPA transmission right-of-ways. TMPA expenses will be reimbursed at 100%.

d. **Police Vehicle Safety Equipment** **Bid No. 0741-24**

Stop Stick, Plastx Plus LLC, Kustom Signals & GT Distributors **$363,917.47**

This request is to provide the purchase of the safety and technology equipment for the new Police vehicles that were purchased through BID# 0517-24. Most of the peripheral equipment will not transfer to the new vehicles.

e. **Ancilla/ Bethany Alley, Bethany/ Concord Alley, Plano Road Water & Wastewater Improvements** **Bid No. 0366-24**

Iron T Construction, Inc. **$4,249,763.00**

The purpose of this request is to provide construction services to remove and replace the existing 6" clay wastewater main with 3,460 linear feet of 8" PVC wastewater main, existing 10" clay wastewater main with 2,072 linear feet of 10" PVC wastewater main, existing 6" ductile iron water pipe with 1,119 linear feet of 8" PVC pipe, existing concrete street, alley, driveway, and sidewalk pavement (11,296 square yard), and all incidentals as shown on the approved plans. An owner contingency is included for any additional work or materials that may be required.

f. **Ashville, Colonel, Palm Valley, Tobin Trail Drainage Improvements** **Bid No. 0199-24**

Iron T Construction, Inc. **$2,533,936.00**

This request is for the construction of drainage, water and wastewater improvements along Ashville Drive, Colonel Drive, Palm Valley Drive, Tobin Trail and Nancy Jane Circle Drainage Easement Area. The scope of work consists of drainage improvements including construction of 3,300 linear feet of storm drain pipe, 5,600 square yards of concrete pavement, and adjustments of water and wastewater facilities due to conflicts with the storm drain pipe improvements.

3. **Ordinance Adopting FY 2023-24 Budget Amendment No. 2**

Approve an ordinance amending the FY 2023-24 Annual Operating Budget for Budget Amendment No. 2, as presented at the March 18, 2024, Work Session. FY 2023-24 Budget Amendment No. 2 includes adjustments to the General Fund and Federal Coronavirus Relief and Recovery Fund appropriations to allocate American Rescue Plan Act funds according to Federal guidance.

4. **Sale of Property at 600 Rayburn Street**

Council is requested to approve the sale of 600 Rayburn Street to Garland Housing Finance Corporation and provide an executed deed without warranty. This item was previously presented at the March 18, 2024 Work Session.

5. **Resolution Approving the Urban & Community Forestry Grant with the Arbor Day Foundation**

Approve a resolution authorizing the acceptance of a sub-award agreement for a grant from the National Arbor Day Foundation.

6. **Consider an Ordinance related to the issuance of up to $112,500,000 in General Obligation Refunding and Improvement Bonds, Series 2024**

An ordinance considering all matters incident and related to the issuance, sale and delivery of up to $112,500,000 in principal amount of "City of Garland, Texas General Obligation Refunding and Improvent Bonds, Series 2024"

7. **Water and Sewer System Refunding Bonds**

Council is asked to consider refunding approximately $45 million of Water and Sewer System Commercial Paper Notes, Series 2015 and approximately $10.5 million Water and Sewer System Revenue Bonds, Series 2012 with Water and Sewer System Revenue Refunding Bonds, Series 2022.

8. **Agreement with Good Samaritans of Garland, Inc. Regarding the Purchase and Leaseback of 210/214 N. Twelfth St. and the Lease of 3319 Edgewood Drive**

Approve an Agreement regarding the purchase of 210/214 N. Twelfth Street and the lease of 3319 Edgewood Drive., Garland, TX and authorize the City Manager and Mayor to execute such documents necessary to complete the transactions.

9. **A public hearing was previously conducted for the zoning case(s) below. Council approved the zoning request(s) and instructed staff to bring forth the following ordinances:**

   a. **Z 24-03 ZoneDev (District 5)**

Consider and take appropriate action on an ordinance amending the Garland Development Code of the City of Garland, Texas, by approving an Amendment of Conditions to Planned Development (PD) District 01-26 for Heavy Commercial (HC) Uses to allow Automobile Sales, New or Used by right; and Boat Sales, Leasing and Repair; Motorcycle/ATV Sales Leasing and Repair (New and Used-- Indoors only); Personal Watercraft Sales, Leasing and Repair (New or Used); and Recreational Vehicles/Trailer sales, Leasing and Repair by Specific Use Provision only on a 6.150-acre tract of land located at 11675 Lyndon B. Johnson Freeway; providing for conditions, restrictions, and regulations; providing a penalty under the provisions of Sec. 10.05 of the Code of Ordinances of the City of Garland, Texas; providing a Notice of Conditions of Compliance Clause; providing a Savings Clause and a Severability Clause; and providing an effective date.

   b. **Z 23-47 Prime Data Centers / Munsch Hardt Kopf & Harr (District 7)**

Consider and take appropriate action on an ordinance amending the Garland Development Code of the City of Garland, Texas, by approving a Change in Zoning from Agricultural (AG) District to a Planned Development (PD) District based in the Community Office (CO) District and 2) a Detail Plan for a Data Center and Electric Substations on a 48.93-acre tract of land located at 2000 Holford Road; providing for

conditions, restrictions, and regulations; providing a penalty under the provisions of Sec. 10.05 of the Code of Ordinances of the City of Garland, Texas; providing a Notice of Conditions of Compliance Clause; providing a Savings Clause and a Severability Clause; and providing an effective date.

ITEMS FOR INDIVIDUAL CONSIDERATION

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10. **Hold public hearing(s) on the following Zoning Case(s):**

    a. **Consider a request by SignSmiths of TX for a "Major Waiver" to the Downtown Sign Standards to install a new sign on the existing awning. The site is located at 823 Main Street in District 2.**

    Consider and take appropriate action on the application of SignSmiths of TX, requesting approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow an awning sign on a property zoned Downtown (DT) District, Uptown (U) sub-district. This property is located at 823 Main Street. (District 2) (File DD 24-01)

    b. **Consider a request by Texas Taco Cabana, LP to renew the Specific Use Provision for an existing restaurant with a drive-through [Taco Cabana]. The site is located at 5959 Broadway Boulevard in District 4.**

    Consider and take appropriate action on the application of Texas Taco Cabana, LP, requesting approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36). This property is located at 5959 Broadway Boulevard. (District 4) (File Z 24-09)

CITIZEN COMMENTS

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ADJOURN

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Each year, the City Council reviews and updates its goals for the Garland community and City operations. City management uses these goals to guide operational priorities, decision-making and resource allocation.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **1.**
Meeting Date: 04/02/2024
Title: Consider Approval of Minutes from the March 19, 2024 Meeting
Submitted By: Tracy Allmendinger, Deputy City Secretary

Issue/Summary
Consider Approval of Minutes from the March 19, 2024 Meeting

Background

Consideration / Recommendation

Attachments

March 19, 2024 Minutes

DRAFT

GARLAND

MINUTES

The City Council of the City of Garland convened in regular session at 7:00 p.m. on Tuesday, March 19, 2024, in the Council Chambers at the William E. Dollar Municipal Building, 200 North Fifth Street, Garland, Texas, with the following members present:

Present:
Mayor Scott LeMay
Mayor Pro Tem Jeff Bass
Deputy Mayor Pro Tem Ed Moore
Council Member Deborah Morris
Council Member B.J. Williams
Council Member Margaret Lucht
Council Member Carissa Dutton
Council Member Dylan Hedrick
Council Member Chris Ott

Staff Present:
City Manager Jud Rex
Deputy City Manager Mitch Bates
Assistant City Manager Andy Hesser
Assistant City Manager Phillip Urrutia
City Attorney Brian England
Deputy City Secretary Tracy Allmendinger

LEGISLATIVE PRAYER AND PLEDGE OF ALLEGIANCE

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CONSENT AGENDA

All items under this section are recommended for approval by a single motion of Council, without discussion. Council has had the opportunity to review each of these items at a previous Work Session, and approval of the consent agenda authorizes the City Manager or his designee to execute each item. The Mayor will announce the consent agenda and provide an opportunity for members of the audience, as well as Council, to request that any item be removed and considered separately.

Motion was made by Council Member Dutton to approve the Consent Agenda as presented, seconded by Council Member Hedrick. **Vote:** 9 ayes, 0 nayes.

1. **APPROVED** **Approve the minutes of the March 5, 2024, Regular Meeting**

2. **Approve the following bids:**

a. APPROVED Priority Project 138kV Circuit Breakers **Bid No. 0710-24**

Siemens Industry, Inc. **$1,976,400.00**

This request is to obtain six 138kV circuit breakers that are needed for high priority capital projects. These breakers are being offered by the factory with expedited delivery that enhances GP&L's ability to meet project schedules. An owner's contingency is included for any additional work that may be required.

b. APPROVED Change Order No. 1 to the 2022 Sidewalk & Curb Program **Bid No. 0441-22**

R & A Legacy Construction, LLC. **$150,000.00**

This request is for Change Order No. 1 to the 2022 Sidewalk & Curb Program in the amount of $150,000 which will increase the funding amount for the sidewalk participation component of the program to align with the funding level approved in the 2024 Capital Improvement Program (CIP).

c. APPROVED Strategic Communications Plan and Evaluation **Bid No. 0283-24**

Magid **$285,650.00**

This request is to evaluate the City's current communications and marketing efforts, as well as develop a strategic communications plan for the next three to five years. The plan will include action steps for implementation, as well as metrics for success.

d. APPROVED Lyons Road Water, Wastewater & Street Improvements **Bid No. 0004-24**

Tri-Con Services, Inc. **$3,492,000.00**

The purpose of this request is to provide construction services to remove and replace existing Cast Iron water & clay tile sewer mains along Lyons Road from Guthrie to Bobtown Road. This project includes Installation of 4,456 linear feet of 16" water main, 527 linear feet of 8" water main, 228 linear feet of 6" water main, 1,734 linear feet of 10" wastewater main, 1,538 linear feet of 8" wastewater main, the removal of 4,500 square yards of asphalt paving and the installation of 11" of Class P1 concrete paving along Lyons Road. An owner contingency is included for any additional work or materials that may be required.

e. APPROVED Licensing, Permitting and Inspection Software Solution **Bid No. 0688-24**

Carahsoft Technology, Corp. **$2,555,231.23**

This request is for the purchase of a Salesforce software subscription and implementation services for the city's land management, permitting, and inspection solution to replace legacy systems currently in use.

f. APPROVED TMPA Gibbons Creek Switch Phase II Civil Grading Improvement Engineering Services Addendum **Bid No. 1209-21**

Black & Veatch **$536,694.00**

Black & Veatch was awarded the original PO 32211 in the amount of $456,966 at the September 14, 2021 City Council Meeting. As competitive bids were not received for the change order, a

Bid Recap is not included.

g. APPROVED Callejo Road from Botello Road to Campbell Road **Bid No. 0212-24**

A & B Construction, LLC **$12,079,058.00**

This request is for the complete reconstruction of paving and water improvements on Callejo Road from Botello Road to Campbell Road and wastewater improvements along Townshire Road from Churchill Way to Hazelwood Drive.

h. APPROVED For one 2024 John Deere 1050WH Bulldozer and one 2024 John Deere 260P Water Tanker Truck **Bid No. 0684-24**

RDO Equipment Company **$1,396,587.09**

This request is a purchase replacement 2024 John Deere 1050WH Bulldozer and a replacement 2024 John Deere 260P Truck with a Niece N6 Series 6000 Gallon Water Tank Body Mounted for Sanitation to be utilized at the Hinton Landfill.

i. APPROVED Cable for Warehouse Inventory **Bid No. 0394-24**

Techline, Inc. **$417,260.00**

This request is for the purchase of cable for Warehouse Inventory to support GP&L maintenance and operations.

j. APPROVED For one new Caterpillar 336 Excavator and one new Caterpillar 272D3-CL Skid Loader **Bid No. 0702-24**

Holt Cat **$540,501.00**

This request is a purchse replacement Caterpillar 336 Excavator for the Street Department and a replacement Caterpillar 272D3-CL Compact Skid Loader for the Sanitation Department-Recycle Center.

3. APPROVED Reservation, Diversion, and Use of Raw Water Agreement with North Texas Municipal Water District

Council is requested to allow the City Manager to execute the Reservation, Diversion, and Use of Raw Water agreement with the North Texas Municipal Water District (NTMWD). This contract will allow the City of Garland to continue the receipt of 1,500 acre-feet per year of cooling water for the Garland Power & Light (GP&L) Ray Olinger Plant to be used for the turbine generators, auxiliary equipment and steam boilers.

4. APPROVED Resolution No. 10608 approving an application and accepting grant funds, if awarded, for the Victim Assistance, First Responder Programs Grant Application FY25

Council is requested to consider approving an application and accepting grant funds, if awarded, for the Victim Assistance, First Responder Programs Grant to support first responders and support staff who experience trauma because of their profession.

5. APPROVED Ordinance Update for Public and Semipublic Swimming Pools

Ordinance No. 7514 *adopting updates to Garland City Ordinance Chapter 22, Public and Semipublic Swimming Pools.*

6. APPROVED Grant Disbursement Agreement with Garland Housing Finance Corporation

Approve a Grant Disbursement Agreement with Garland Housing Finance Corporation for

$540,000 and authorize the City Manager to execute such documents necessary to complete the transaction. Staff recommends approval of the proposed disbursement agreement.

7. A public hearing was previously conducted for the zoning case(s) below. Council approved the zoning request(s) and instructed staff to bring forth the following ordinances:

a. APPROVED Z 24-01 Jesus Arellano (District 1)

Ordinance No. 7515 *amending the Garland Development Code of the City of Garland, Texas, by approving a Change in Zoning from Agricultural (AG) District to Single-Family Estate (SF-E) District on a 1.676-acre tract of land located at 1717 Ben Davis road; providing for conditions, restrictions, and regulations; providing a penalty under the provisions of Sec. 10.05 of the Code of Ordinances of the City of Garland, Texas; providing a Notice of Conditions of Compliance Clause; providing a Savings Clause and a Severability Clause; and providing an effective date.*

ITEMS FOR INDIVIDUAL CONSIDERATION

Members of the audience may provide public comment in favor, in opposition or about any of the items for individual consideration. Anyone wishing to speak must fill out a speaker card (located at the entrance to the Council Chambers) and give it to the City Secretary in advance of the respective agenda item. Speakers are grouped by agenda item and will be called in the order of the agenda. All comments and testimony are to be presented from the podium. The Mayor may impose a time limit and may provide for rebuttal.

8. Hold public hearing(s) on the following Zoning Case(s):

a. APPROVED Consider a request by ZoneDev to allow used automobiles sales by right; and boat sales, personal watercraft sales, motorcycle sales, and recreational vehicles sales and repair uses only by Specific Use Provision within the existing facility. The site is located at 11675 Lyndon B. Johnson Freeway in District 5.

Consider and take appropriate action on the application of ZoneDev, requesting approval of an amendment of conditions to Planned Development (PD) District 01-26 to allow Automobiles Sales, New or Used by right; and Boat Sales, Leasing and Repair; Motorcycle/ATV Sales Leasing and Repair (new or used-indoors only); Personal Watercraft Sales, Leasing and Repair (new or used); and Recreational Vehicle/Trailer Sales, Leasing and Repair by Specific Use Provision only. This property is located at 11675 Lyndon B. Johnson Freeway. (District 5) (File Z 24-03)

The staff report was present by William Geuring, Director of Planning. The speaker on this item was Maxwell Fisher, applicant. Additional speakers registering their position by not speaking: Margaret Bice.

There was discussion by the Council.

Motion was made by Council Member Lucht to deny the request, seconded by Council Member Williams. Motion failed:

Vote: 4 ayes, 5 nayes by Mayor Pro Tem Bass, Deputy Mayor Pro Tem Moore, and Council Members Dutton, Hedrick and Ott.

Motion was made by Mayor Pro Tem Bass to approve the request as presented, seconded by Deputy Mayor Pro Tem Moore. Motion carried:

Vote: 5 ayes, 4 nayes by Mayor LeMay, and Council Members Morris, Williams, and Lucht.

b. APPROVED Consider a request by Prime Data Centers/Munsch Hardt Kopf & Harr, to construct a data center and an electric substation. The site is located at 2000 Holford Road in District 7.

Consider and take appropriate action on the application of Prime Data Centers/Munsch Hardt Kopf & Harr, requesting approval of 1) a Change in Zoning from Agricultural (AG) District to a Planned Development (PD) District based in the Community Office (CO) District and 2) a Detail Plan for a Data Center and Electric Substations. This property is located at 2000 Holford Road. (District 7) (File Z 23-47)

The staff report was presented by William Guerin, Director of Planning. The speakers on this item were: Angela Hunt and Rusty Coan, applicants, David Parrish, Reba Collins, Barbara Baynham, Mona Arocha, Michael Holigan, and Stephen Boeding.

There was discussion among the Council and applicants regarding the location of the proposed project and the proximatiy to the Spring Creek Preserve.

Motion was made by Council Member Hedrick to approve the request, seconded by Deputy Mayor Pro Tem Moore. Motion carried: 7 ayes and 2 nayes by Council Members Lucht and Dutton.

CITIZEN COMMENTS

Members of the audience wishing to address issues not on the meeting agenda may have three minutes to speak. However, according to the Texas Open Meetings Act, Council is prohibited from discussing any item not on the posted agenda.

Citizen comments were made by: Laxmi Chandra, Thomas Brown, Nour Zeidan, Ayman El-Sawa, Eugene Rock, Frank Chavez, James Cook, Raunaq Alam, Stacey Monroe, Arel Lumpkine, Josh Denzlow, Neema Tasleem, Bowen Reeves, Priyamani Ramachandran, Jacob Reeves, Lu Xun, Erin Busch, Tommy Saye, and Katerina Benson,

ADJOURN

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There being no further business to come before the City Council, Mayor LeMay, adjourned the meeting at 9:45 p.m.

Submitted By:

_____

Scott LeMay, Mayor

_____

Tracy Allmendinger, Deputy City Secretary

GARLAND

PURCHASING REPORT

City Council Regular Session **2. a.**
Meeting Date: 04/02/2024
Item Title: Woodbury, Ticonderoga & Quail Paving Water Wastewater Improvements
Submitted By: Michael Brinkmann, Managing Director
Bid Number: 0652-24

Purchase Justification:
This contract is to provide Professional Engineering Services for designing 8-inch water and wastewater mains replacement for E. Woodbury Drive from S. First Street to 114 E. Woodbury Drive, Ticonderoga Drive from Spindrift Passage to Windward Passage, and Quail Drive from S. Country Club Road East to High Meadow Drive. This project will include approximately 3,085 linear feet of 8" water and wastewater main replacement with full concrete street pavement replacement.

Evaluation:
Lam Consulting Engineering was selected as the Most Qualified firm for this project from RFQ 0712-23. As competitive bids were not received, a Bid Recap is not included.

Award Recommendation:

Vendor	*Item*	*Amount*
Lam Consulting Engineering	All	$345,591.00
	TOTAL:	**$345,591.00**

Basis for Award: Most Qualified
Purchase Requisition #: 51090

Fiscal Impact

Total Project/Account: $40,828,309
Expended/Encumbered to Date (Including this Item): $39,346,733
Proposed Balance: $1,481,576
Account #: Various
Fund/Dept/Project Description and Comments:

Water CIP / Upgrade Undersized Water Mains	220-4049-3020700-7101	$ 45,591
Water CIP / Distribution Lines (up to 14-inch)	220-4049-3019100-7101	150,000
Wastewater CIP / Collection Mains	230-4149-3214900-7101	150,000
	Total	**$345,591**

Attachments

Fiscal Impact Report
Fiscal Impact Report 2
Fiscal Impact Report 3

Budget Type:	CIP		
Fiscal Year:	2024		
Document Location:	2024 Prop. CIP - Pages 219, 224 & 241		
Budget Director Approval:	Allyson Bell Steadman	Approval Date:	03/18/2024
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	03/18/2024

Fiscal Impact Report - CIP Project Appropriation by Fund and Project Number

		Total Appropriation	Actual & Emcumbered to Date	Available Budget
FUND	**220**			
PROJECT #	**0030207**	4,533,941.00	3,923,006.10	610,934.90

If a PR has NOT been entered into Cayenta prior to calculating the Fiscal Impact, subtract the amount of the PR from the Available Remaining Balance to get an accurate balance for the Fiscal Impact on the Agenda Item.

If the PR is encumbering a different amount from the Final Amount Awarded, subtract the difference of the Final Amount Awarded and the PR that is entered into Cayenta from the Available Remaining Budget to get an accurate balance for the Fiscal Impact on the Agenda Item.

Contact the Budget & Research Department at Budget@garlandtx.gov or Your Department's Assigned Budget Analyst for Questions about this Report AND if the Report Yields a Negative Available Remaining Budget Amount.

GARLAND

Fiscal Impact Report - CIP Project Appropriation by Fund and Project Number

		Total Appropriation	Actual & Emcumbered to Date	Available Budget
FUND	**220**			
PROJECT #	**0030191**	22,153,334.00	21,888,066.22	265,267.78

If a PR has NOT been entered into Cayenta prior to calculating the Fiscal Impact, subtract the amount of the PR from the Available Remaining Balance to get an accurate balance for the Fiscal Impact on the Agenda Item.

If the PR is encumbering a different amount from the Final Amount Awarded, subtract the difference of the Final Amount Awarded and the PR that is entered into Cayenta from the Available Remaining Budget to get an accurate balance for the Fiscal Impact on the Agenda Item.

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Fiscal Impact Report - CIP Project Appropriation by Fund and Project Number

		Total Appropriation	Actual & Emcumbered to Date	Available Budget
FUND	**230**			
PROJECT #	**0032149**	14,141,034.00	13,535,661.24	605,372.76

If a PR has NOT been entered into Cayenta prior to calculating the Fiscal Impact, subtract the amount of the PR from the Available Remaining Balance to get an accurate balance for the Fiscal Impact on the Agenda Item.

If the PR is encumbering a different amount from the Final Amount Awarded, subtract the difference of the Final Amount Awarded and the PR that is entered into Cayenta from the Available Remaining Budget to get an accurate balance for the Fiscal Impact on the Agenda Item.

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GARLAND

GARLAND

PURCHASING REPORT

City Council Regular Session **2. b.**

Meeting Date: 04/02/2024
Item Title: GP&L Firewall Replacements
Submitted By: Ananth Palani, GP&L Technology Services
Bid Number: 0729-24

Purchase Justification:
This request is to obtain replacement firewalls for the main and backup GP&L system sites. These end-of-life replacements are needed for GP&L to meet cyber security requirements. Associated software will provide firmware and anti-virus updates as well as vendor support for the deployed firewalls.

Evaluation:
The replacement firewalls are available from DISYS Solutions, Inc. through the Texas Department of Information Resources Cooperative Purchasing Contract DIR-TSO-4288. As competitive bids were not received, a Bid Recap is not included.

Award Recommendation:

Vendor	*Item*	*Amount*
DISYS Solutions, Inc.	All	$331,841.79
	TOTAL:	**$331,841.79**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 51084

Fiscal Impact

Total Project/Account: $3,418,289
Expended/Encumbered to Date (Including this Item): $1,579,598
Proposed Balance: $1,838,691
Account #: Various
Fund/Dept/Project Description and Comments:

Electric Utility Fund / GP&L Operations	211-3141-7111	$212,144
Electric CIP / GP&L Communications Upgrades/Improvements Program	215-3699-3129701-7111	119,698
	Total	**$331,842**

Budget Type:	Operating Budget CIP		
Fiscal Year:	2023-24		
Document Location:	Op. - Page 231 and 2024 Prop. CIP - Page 270		
Budget Director Approval:	Allyson Bell Steadman	Approval Date:	03/15/2024
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	03/14/2024

GARLAND

PURCHASING REPORT

City Council Regular Session **2. c.**

Meeting Date: 04/02/2024
Item Title: GP&L and TMPA Transmission Line Tree Trimming
Submitted By: Steve Martin, GP&L Transmission Director
Bid Number: 0465-24

Purchase Justification:
This request is to obtain transmission line tree trimming services for GP&L and TMPA transmission right-of-ways. TMPA expenses will be reimbursed at 100%. An owner's contingency is included for any additional work that may be required.

Evaluation:
A request for bids was issued in accordance with Purchasing procedures. Five (5) bids were received and evaluated based on published criteria. F&F Expert Tree Service, LLC received the highest evaluated score, offering the Best Value for the City.

Award Recommendation:

Vendor	*Item*	*Amount*
F&F Expert Tree Service, LLC	All	$125,304.52
Owner's Contingency		$286,695.48
	TOTAL:	**$412,000.00**

Basis for Award: Best Value
Purchase Requisition #: 50770

Fiscal Impact

Total Project/Account: N/A
Expended/Encumbered to Date (Including this Item): N/A
Proposed Balance: N/A
Account #: 451-6999
Fund/Dept/Project Description and Comments:
Expenditures will be charged to GP&L and TMPA operating accounts as appropriate.

Attachments

Bid Recap

Budget Type: Operating Budget
Fiscal Year: 2023-24
Document Location: Page 231

Budget Director Approval: Allyson Bell Steadman Approval Date: 03/18/2024
Purchasing Director Approval: Gary L. Holcomb Approval Date: 03/18/2024

CITY OF GARLAND - BID RECAP SHEET
OPENED: 02/29/2024
REQ. NO 50770
BID NO. 0465-24
PAGE: 1 of 1
BUYER: S. Slover

ITEM	QTY	UNIT	DESCRIPTION	F&F Expert Tree Services, LLC UNIT PRICE	F&F Expert Tree Services, LLC TOTAL	TUF Industrial UNIT PRICE	TUF Industrial TOTAL	Nelson Tree Service, LLC UNIT PRICE	Nelson Tree Service, LLC TOTAL	.ABC Professional Tree Service UNIT PRICE	.ABC Professional Tree Service TOTAL	Trees, Inc UNIT PRICE	Trees, Inc TOTAL
			Price for Evaluation		$125,304.52		$127,718.00		$144,677.00		$168,775.00		$196,288.32
			Evaluation Criteria										
			Price	Maximum=50	50.00		49.00		43.00		37.00		3.00
			Safety	Maximum=15	15.00		15.00		15.00		15.00		15.00
			Equipment List	Maximum=15	15.00		15.00		10.00		0.00		15.00
			References	Maximum=20	20.00		20.00		15.00		20.00		20.00
			Total	Maximum=100	100.00		99.06		88.30		72.12		81.92
			TOTAL GROSS PRICE		$125,304.52		$127,718.00		$144,677.00		$168,775.00		$196,288.32
			CASH DISCOUNT										
			TOTAL NET PRICE										
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY										

NEXT LOW: **$127,718.00**
LOW: **$125,304.52**
SAVINGS: **$2,413.48**

90 # IonWave Notifications
3 # IonWave HUBS
3 # Direct Contact HUBS
0 # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

GARLAND

PURCHASING REPORT

City Council Regular Session **2. d.**
Meeting Date: 04/02/2024
Item Title: Police Vehicle Safety Equipment
Submitted By: Mike Betz, Interim Managing Director
Bid Number: 0741-24

Purchase Justification:
This request is to provide the purchase of the safety and technology equipment for the new Police vehicles that were purchased through BID# 0517-24. Most of the peripheral equipment will not transfer to the new vehicles.

Evaluation:
The Police Tahoe Vehicle Safety Equipment is available from GT Distributors, Inc through the BuyBoard Cooperative Purchasing Contract 698-23; Plastix Plus, LLC through the BuyBoard Cooperative Purchasing Contract 698-23; Stop Stick, Ltd through the General Services Administration (GSA) Cooperative Purchasing Contract 47QSWA19D0035; and Kustom Signals, Inc. through the Houston-Galveston Area Council (HGAC) Cooperative Purchasing Contract EF04-21. As competitive bids were not received, a Bid Recap is not included.

Award Recommendation:

Vendor	*Item*	*Amount*
GT Distributors	1	$288,899.97
Plastix Plus LLC	2	52,450.00
Stop Stick. Ltd	3	5,067.50
Kustom Signals, Inc	4	17,500.00
	TOTAL:	**$363,917.47**

Basis for Award: Cooperative Purchase
Purchase Requisition #: Various

Fiscal Impact

Total Project/Account: $3,576,666
Expended/Encumbered to Date (Including this Item): $3,321,599
Proposed Balance: $255,067
Account #: 444-1245-9009

Budget Type: Operating Budget
Fiscal Year: 2023-24
Document Location: Page 285

Budget Director Approval: Allyson Bell Steadman Approval Date: 03/22/2024
Purchasing Director Approval: Gary L. Holcomb Approval Date: 03/22/2024

GARLAND

PURCHASING REPORT

City Council Regular Session **2. e.**
Meeting Date: 04/02/2024
Item Title: Ancilla/ Bethany Alley, Bethany/ Concord Alley, Plano Road Water & Wastewater Improvements
Submitted By: Michael Brinkmann, Managing Director
Bid Number: 0366-24

Purchase Justification:
The purpose of this request is to provide construction services to remove and replace the existing 6" clay wastewater main with 3,460 linear feet of 8" PVC wastewater main, existing 10" clay wastewater main with 2,072 linear feet of 10" PVC wastewater main, existing 6" ductile iron water pipe with 1,119 linear feet of 8" PVC pipe, existing concrete street, alley, driveway, and sidewalk pavement (11,296 square yard), and all incidentals as shown on the approved plans. An owner contingency is included for any additional work or materials that may be required.

Evaluation:
A request for bids was issued in accordance with Purchasing procedures. Eight (8) bids were received and evaluated with Iron T Construction, Inc. submitting the Straight Low Bid.

Award Recommendation:

Vendor	*Item*	*Amount*
Iron T Construction, Inc.	All	$3,863,763.00
Owner's Contingency		386,000.00
	TOTAL:	$4,249,763.00

Basis for Award: Straight Low Bid
Purchase Requisition #: 50617

Fiscal Impact

Total Project/Account: $39,203,069
Expended/Encumbered to Date (Including this Item): $38,903,007
Proposed Balance: $300,062
Account #: Various
Fund/Dept/Project Description and Comments:

Water CIP / Distribution Lines (Up to 14-inch)	220-4049-3019100-9214	$279,660
Wastewater CIP / Infiltration Correction	230-4149-3212400-9305, 235-4149-3212400-9305, 236-4149-3212400-9305	$3,970,103
	Total	**$4,249,763**

Attachments

Bid Recap

Budget Type:	CIP		
Fiscal Year:	2024		
Document Location:	2024 Prop. CIP - Page 219 and 238		
Budget Director Approval:	Allyson Bell Steadman	Approval Date:	03/22/2024
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	03/22/2024

CITY OF GARLAND - BID RECAP SHEET
OPENED: 02/01/2024
REQ. NO. 50617
BID NO. 0366-24
PAGE: 1 of 2
BUYER: L. Segura

ITEM	QTY	UNIT	DESCRIPTION	Iron T Construction, Inc. UNIT PRICE	Iron T Construction, Inc. TOTAL	Muniz Construction, Inc. UNIT PRICE	Muniz Construction, Inc. TOTAL	J&L Construction, LLC UNIT PRICE	J&L Construction, LLC TOTAL	La Banda, LLC UNIT PRICE	La Banda, LLC TOTAL
1	1	1	Ancilla, Bethany, Concord Alley, and Plano Road Water and Wastewater Improvements		$3,863,763.00		$3,933,106.50		$4,159,780.30		$4,451,349.50
			TOTAL GROSS PRICE		$3,863,763.00		$3,933,106.50		$4,159,780.30		$4,451,349.50
			CASH DISCOUNT								
			TOTAL NET PRICE		$3,863,763.00		$3,933,106.50		$4,159,780.30		$4,451,349.50
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: **$3,933,106.50**
LOW: **$3,863,763.00**
SAVINGS: **$69,343.50**

1403 # IonWave Notifications
203 # IonWave HUBS
0 # Direct Contact HUBS
2 # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

CITY OF GARLAND - BID RECAP SHEET
OPENED: 02/01/2024
REQ. NO. 50617
BID NO. 0366-24
PAGE: 2 of 2
BUYER: L. Segura

ITEM	QTY	UNIT	DESCRIPTION	A & B Construction, LLC UNIT PRICE	A & B Construction, LLC TOTAL	SYB Construction Co. UNIT PRICE	SYB Construction Co. TOTAL	Quality Excavation, Ltd. UNIT PRICE	Quality Excavation, Ltd. TOTAL	Tri-Con Services, Inc. UNIT PRICE	Tri-Con Services, Inc. TOTAL
1	1	1	Ancilla, Bethany, Concord Alley, and Plano Road Water and Wastewater Improvements		$4,805,141.00		$5,839,068.00		$5,913,111.50		$6,818,880.00
			TOTAL GROSS PRICE		$4,805,141.00		$5,839,068.00		$5,913,111.50		$6,818,880.00
			CASH DISCOUNT								
			TOTAL NET PRICE		$4,805,141.00		$5,839,068.00		$5,913,111.50		$6,818,880.00
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: **$3,933,106.50**
LOW: **$3,863,763.00**
SAVINGS: **$69,343.50**

1403 # IonWave Notifications
203 # IonWave HUBS
0 # Direct Contact HUBS
2 # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

GARLAND

PURCHASING REPORT

City Council Regular Session **2. f.**
Meeting Date: 04/02/2024
Item Title: Ashville, Colonel, Palm Valley, Tobin Trail Drainage Improvements
Submitted By: Michael Polocek, Engineering Director
Bid Number: 0199-24

Purchase Justification:
This request is for the construction of drainage, water and wastewater improvements along Ashville Drive, Colonel Drive, Palm Valley Drive, Tobin Trail and Nancy Jane Circle Drainage Easement Area. The scope of work consists of drainage improvements including construction of 3,300 linear feet of storm drain pipe, 5,600 square yards of concrete pavement, and adjustments of water and wastewater facilities due to conflicts with the storm drain pipe improvements.

Evaluation:
A request for bids was issued in accordance with Purchasing procedures. Six (6) bids were received and evaluated with Iron T Construction, Inc. submitting the Straight Low Bid.

Award Recommendation:

Vendor	***Item***	Amount
Iron T Construction, Inc.	All	$2,303,578.00
Owner's Contingency		230,358.00
	TOTAL:	**$2,533.936.00**

Basis for Award: Straight Low Bid
Purchase Requisition #: 50639

Fiscal Impact

Total Project/Account: $10,657,000
Expended/Encumbered to Date (Including this Item): $8,934,966
Proposed Balance: $1,722,034
Account #: Various
Fund/Dept/Project Description and Comments:

Drainage / Local Flooding Program	653-1409-1485019-9017	$1,219,322.14
Drainage / Local Flooding Program	625-1409-1423004-9011	1,064,487.71
Drainage / Local Flooding Program	692-1409-1423001-9011	19,768.15
Drainage / Local Flooding Program	692-1409-1485000-9017	230,358.00
Total		**$2,533,936.00**

Attachments

Bid Recap
Location Map

Budget Type: CIP
Fiscal Year: 2024
Document Location: 2024 Prop. CIP - Page 126

Budget Director Approval:	Allyson Bell Steadman	Approval Date:	03/27/2024
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	03/27/2024

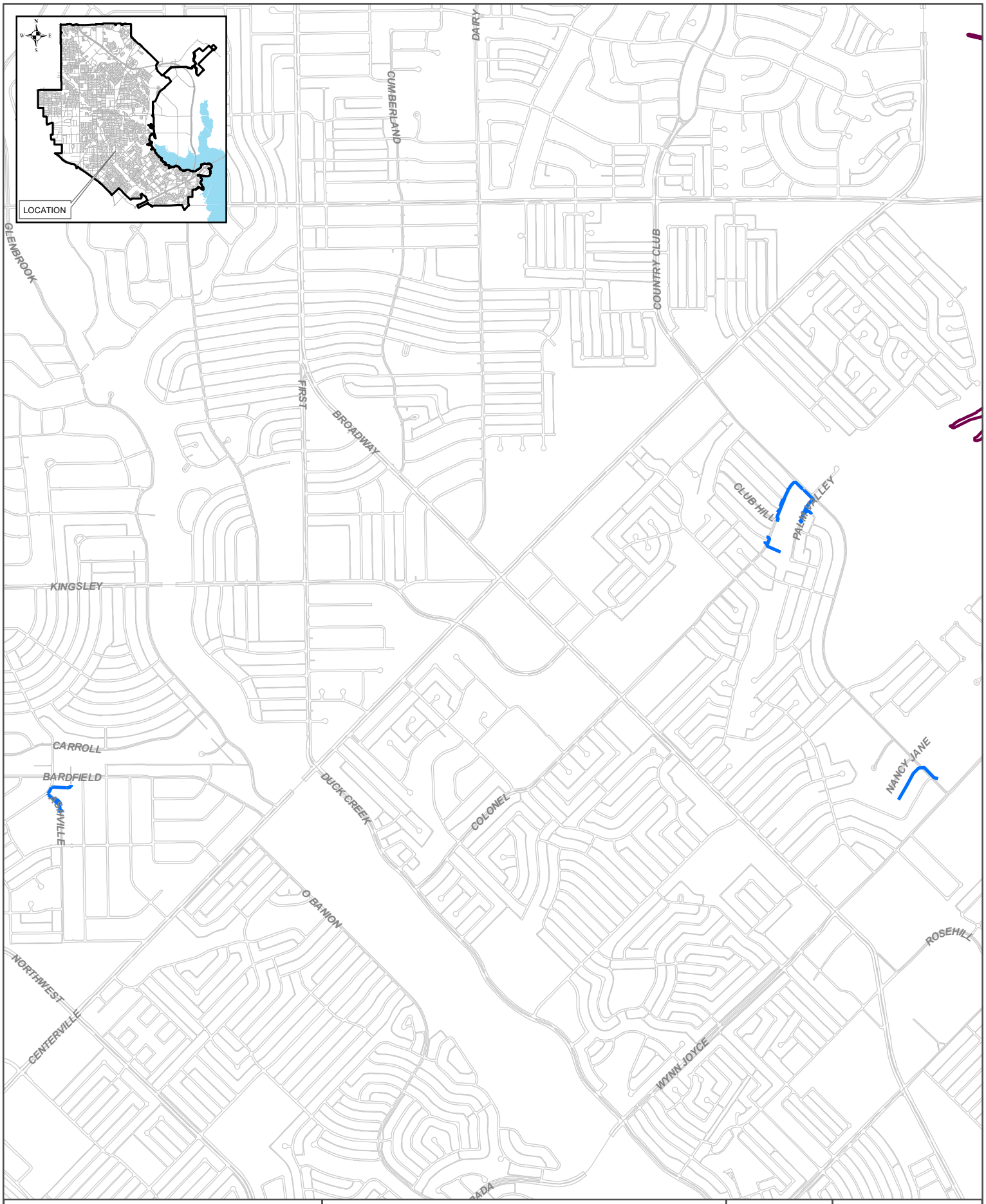
CITY OF GARLAND - BID RECAP SHEET
OPENED: 01/25/2024
REQ. NO 50639
BID NO. 0199-24
PAGE: 1 of 1
BUYER: L. Segura

ITEM	QTY	UNIT	DESCRIPTION	Iron T Construction, Inc. UNIT PRICE	Iron T Construction, Inc. TOTAL	Tri-Con Services, Inc. UNIT PRICE	Tri-Con Services, Inc. TOTAL	Trinity Miller Utility and Construction, LLC UNIT PRICE	Trinity Miller Utility and Construction, LLC TOTAL	Flow-Line Construction, Inc. UNIT PRICE	Flow-Line Construction, Inc. TOTAL	A &B Construction, LLC UNIT PRICE	A &B Construction, LLC TOTAL	SYB Construction Co. UNIT PRICE	SYB Construction Co. TOTAL
1	1	1	Ashville Dr, Colonel Dr, Palm		$2,303,578.00		$2,544,005.00		$2,678,188.00		$3,487,048.00		$3,684,413.00		$4,152,820.00
			Valley Dr and Nancy Jane Circle												
			and Tobin Trail Drainage												
			Improvements												
			TOTAL GROSS PRICE		$2,303,578.00		$2,544,005.00		$2,678,188.00		$3,487,048.00		$3,684,413.00		$4,152,820.00
			CASH DISCOUNT												
			TOTAL NET PRICE		$2,303,578.00		$2,544,005.00		$2,678,188.00		$3,487,048.00		$3,684,413.00		$4,152,820.00
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY												

NEXT LOW: **$2,544,005.00**
LOW: **$2,303,578.00**
SAVINGS: **$240,427.00**

1410 # IonWave Notifications
239 # IonWave HUBS
0 # Direct Contact HUBS
4 # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.



GARLAND
ENGINEERING

Ashville Dr, Colonel Dr, Palm Valley Dr, and Nancy Jane Circle & Tobin Trail Drainage Improvements

Scale: NTS
Date: 11/6/2023
Drawn: JW

File: PWD2021016.mxd

Sheet 1 of 1

N

Not to Scale

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **3.**
Meeting Date: 04/02/2024
Title: Ordinance Adopting FY 2023-24 Budget Amendment No. 2 (ARPA)
Submitted By: Allyson Bell Steadman, Budget Director
Strategic Focus Area: Sound Governance and Finances

Issue/Summary

Amend the 2023-24 Adopted Budget in order to appropriate available funds for the following:

1. Increase operating appropriations in the General Fund to support the Parks Capital Improvement Program.
2. Create an operating appropriation in the Federal Coronavirus Relief and Recovery Fund to reimburse payroll for eligible full-time positions from March 3, 2021, through September 30, 2024, using ARPA funds.

Background

At the March 18, 2024, Work Session, the City Council reviewed a City Council Staff Report (Exhibit A) recommending an amendment to the 2023-24 Adopted Annual Operating Budget (2023-24 Budget Amendment No. 2). The Council directed staff to prepare an Ordinance amending the Budget to (1) increase operating appropriations in the General Fund to support the Parks Capital Improvement Program and (2) create an operating appropriation in the Federal Coronavirus Relief and Recovery Fund to reimburse payroll for eligible full-time positions from March 3, 2021, through September 30, 2024, using ARPA funds.

Recent ARPA guidance allows for a portion of ARPA funds to be utilized to reimburse payroll for 92 new full-time positions that were added to the City's Budget after March 3, 2021. The covered reimbursable period for these newly added full-time positions is March 3, 2021, through December 31, 2026. The 92 proposed positions to be reimbursed are included in Attachment A - ARPA Eligible Positions. This strategy has been discussed with the City's External Auditors and meets Single Audit requirements and ARPA guidance. The total projected reimbursement of public sector payroll based on eligible positions is $21,224,574. After December 31, 2026, ongoing General Fund revenues will be used to continue funding the 92 positions.

A full list of ARPA-funded projects will be included as part of the Ordinance are included in Attachment B - ARPA Projects - Updated with 2024 CIP. All projects originally identified by City Council for ARPA are being completed with various resources: ARPA, One-Time Cash, and/or Certificates of Obligation; and are included in the 2024 CIP.

Consideration / Recommendation

Consider approval of an Ordinance amending the 2023-24 Adopted Budget and approving the allocation of American Rescue Plan Act funding received by the City of Garland.

Attachments

Ordinance Amending the FY 2023-24 Annual Operating Budget
Exhibit A - City Council Staff Report - BA #1 2023-24
Attachment A - ARPA Eligible Positions
Attachment B - ARPA Projects List - Updated with 2024 CIP

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2023-24 OPERATING BUDGET (BUDGET AMENDMENT NO. 2), PROVIDING FOR SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND TO SUPPORT THE PARKS CAPITAL IMPROVEMENT PROGRAM; AND PROVIDING FOR APPROPRIATION OF FUNDS IN THE FEDERAL CORONAVIRUS RELIEF AND RECOVERY FUND TO REIMBURSE PUBLIC SECTOR PAYROLL USING AMERICAN RESCUE PLAN ACT FUNDS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Garland received funding in May 2021 and May 2022 in the total amount of $53,513,994 from the American Rescue Plan Act of 2021 (ARPA); and

WHEREAS, ARPA funds may be used for the following categories of expenditures, to the extent authorized by state law:

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

WHEREAS, the City Council passed a Resolution on October 19, 2021, adopting and approving the allocation of ARPA funds in the Annual Capital Improvement Program; and

WHEREAS, Council approved the 2024 Capital Improvement Program on February 6, 2024, which included the reallocation ARPA funds and an annual transfer from the General Fund to the Capital Improvement Program, estimated to be a cumulative total of $20,202,978, to support the Parks Capital Improvement Program; and

WHEREAS, Council has reviewed and concurred with a City Council Staff Report that establishes the need to appropriate a transfer from the General Fund to the Capital Improvement Fund to support the Parks Capital Improvement Program; and

WHEREAS, Council has reviewed and concurred with a City Council Staff Report that establishes the need for an operating appropriation in the Federal Coronavirus Relief and Recovery Fund, estimated to be a cumulative total of $21,224,574, to reimburse public sector payroll for eligible full-time positions for the period of March 3, 2021, through December 31, 2026, using ARPA funds.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS, THAT:

Section 1

The City Council of the City of Garland, Texas, hereby authorizes the ARPA project list, as presented with the 2024 CIP:

Project Title	**Authorized Budget**
Fire Station Bedrooms	$ 996,186
UV HVAC Sanitation	117,247
Bisby Transmission Trail	1,852,694
Lake Ray Hubbard Greenbelt Trail	733,130
Central Park Walking Trail	2,326,636
Walter Reed Land Acquisition	4,011,254
101 W. Avenue D Land Acquisition	1,702,771
ARPA-Funded Sidewalk Replacement	921,779
Marion Drive Greenspace Project	2,504,724
Public Sector Staffing	20,202,978
Gatewood Drainage Study	204,230
Chaha Rd. - I.H. 30 to Lake Ray Hubbard Pkwy.	3,245,403
Callejo Road - Botello to Campbell	8,107,000
Naaman School Road - Brand to S.H. 78	6,587,962
Total Allocation	**$53,513,994**

Section 2

The City Council of the City of Garland, Texas, hereby authorizes the reimbursement of payroll for eligible budgeted full-time positions for the period of March 3, 2021, to December 31, 2026, in the Federal Coronavirus Relief and Recovery Fund using ARPA funds, as authorized by title 31 of the Code of Federal Regulations (CFR) Part 35.6(b)(3)(ii)(E)(2), in FY 2023-24, FY 2024-25, FY 2025-26, and FY 2026-27.

Department	**Position**	**Headcount**
Animal Services	Adoption Specialist	2
Animal Services	Animal Care Technician	3
Animal Services	Animal Services Officer I	1
Animal Services	Veterinarian Technician	2
Building Inspection	Chief Building Inspector	1
City Attorney	Deputy Marshals	3
CityCare Clinic	Supervising Physician	1
Code Compliance	Grounds Attendant	1
Emergency Management	Department Coordinator I	1
Emergency Management	Director of Operations & Emergency Management	1
Engineering	Public Works Inspector I	1
Financial Services	Lead Payroll Coordinator	1
Fire	Firefighter	21
Fleet Services	Master Mechanic	2
Health	Senior Environmental Health Specialist	1
Human Resources	Benefits Coordinator	1
Human Resources	Human Resources Information Systems Manager	1
Human Resources	Recruiter	1
Human Resources	Senior Benefits Analyst	1
Information Technology	Application Programmer	1
Information Technology	Audio Visual Technician	1
Information Technology	Cyber Security Analyst	1

Information Technology	Desktop Systems Specialist	1
Information Technology	IT Project Manager	1
Information Technology	Senior Security Engineer	1
Landfill	Customer Service Representative II	2
Landfill	Heavy Equipment Operator I	3
Landfill	Landfill Operations Specialist	1
Library	Library Assistant	2
Municipal Court	Court Services Assistant	1
Parks	Aquatics Technician	1
Parks	Engagement / Activation Coordinator	1
Parks	Landscape Technician	2
Parks	Recreation Associate II	1
Parks	Recreation Services Specialist	1
Parks	Service Attendant	1
Parks	Volunteer Coordinator	1
Police	Detention Supervisor	1
Police	Mental Health Clinician	2
Police	Police Officer	4
Police	Police Supervisor	1
Police	Program Manager	1
Police	Records Tech	1
Police	Social Media Investigative Analyst	1
Project Management	Associate Business Project Manager	1
Project Management	Department Representative II	1
Purchasing	Buyer	1
Real Estate Management	Department Coordinator I	1
Real Estate Management	Real Estate Management Director	1
Risk Administration	Risk Program Manager	1
Streets	Construction Inspection Supervisor	1
Transportation	Traffic Control Worker	3
Transportation	Traffic Signal Technician	2

Section 3

The City Council of the City of Garland, Texas, hereby directs the City's Chief Finance Officer to maintain sufficient specific detailed accounting records to satisfy the requirements of the ARPA funds, including payroll documentation and effort certifications, in accordance with 2 CFR 200.430 & 2 CFR 200.431.

Section 4

The City Council of the City of Garland, Texas, hereby directs the City's Chief Finance Officer to submit Project and Expenditure Reports to the U.S. Department of the Treasury on quarterly basis.

Section 5

That the ARPA Funds for reimbursing payroll in the Federal Coronavirus Relief and Recovery Fund are effective as of March 3, 2021, and expire on December 31, 2026, or when all the ARPA funds have been obligated and expended by the City of Garland, whichever occurs sooner.

Section 6

That the full-time positions funded by ARPA funds will be funded from ongoing General Fund revenues after December 31, 2026, or when all the ARPA funds have been obligated and expended by the City of Garland, whichever occurs sooner.

Section 7

The City Council of the City of Garland, Texas, hereby amends Ordinance No. 7463, Section 1, adjusting operating appropriations by $8,759,703 in the General Fund for a transfer to the Capital Improvement Fund to support the Parks Capital Improvement Program and to adjust operating appropriations by $8,759,703 in the Federal Coronavirus Relief and Recovery Fund to reimburse payroll for eligible budgeted full-time positions for the period of March 3, 2021 to September 30, 2024, using ARPA funds, as authorized by title 31 of the Code of Federal Regulations (CFR) Part 35.6(b)(3)(ii)(e)(2).

Section 8

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

PASSED AND APPROVED this the 2nd day of April, 2024.

CITY OF GARLAND, TEXAS

_____
Mayor

ATTEST:

_____
City Secretary

GARLAND

CITY COUNCIL STAFF REPORT

City Council Work Session **Work Session Item 4.**
Meeting Date: 03/18/2024
Title: FY 2023-24 Budget Amendment No. 2 (ARPA)
Submitted By: Allyson Bell Steadman, Budget Director
Strategic Focus Area: Sound Governance and Finances

Issue/Summary

Amend the 2023-24 Adopted Budget in order to appropriate available funds for the following:

(1) Increase operating appropriations in the General Fund to support the Parks Capital Improvement Program.
(2) Create an operating appropriation in the Federal Coronavirus Relief and Recovery Fund to reimburse payroll for eligible full-time positions from March 3, 2021, through December 31, 2026, using ARPA funds.

Background

At the Saturday, January 20, 2024, Special Budget Work Session, staff presented proposed changes to the City's Capital Improvement Program (CIP) and American Rescue Plan Act (ARPA) projects.

Recent ARPA guidance allows for a portion of ARPA funds to be utilized to reimburse payroll for 92 new full-time positions that were added to the City's Budget after March 3, 2021. The covered reimbursable period for these newly added full-time positions is March 3, 2021, through December 31, 2026. The 92 proposed positions to be reimbursed are included in Attachment A - ARPA Eligible Positions.

This strategy has been discussed with the City's External Auditors and meets Single Audit requirements and ARPA guidance. The total projected reimbursement of public sector payroll based on eligible positions is $21,224,574. An annual operating appropriation will be established in the Federal Coronavirus Relief and Recovery Fund and is projected as follows: $8,759,703 in the FY 2023-24 Revised Budget; $5,407,341 in FY 2024-25; $5,551,171 in FY 2025-26; and $1,506,359 in FY 2026-27.

After December 31, 2026, ongoing General Fund revenues will be used to continue funding the 92 positions.

At the February 6, 2024, Regular Session, Council approved the 2024 CIP, which included proposed General Fund cash transfers to the Parks CIP, totaling $20,202,978. An annual transfer from the General Fund to the Capital Improvement Fund to support the Parks Capital Improvement Program is proposed and projected as follows: $8,759,703 in the FY 2023-24 Revised Budget; $5,407,341 in FY 2024-25; and, $6,036,934 in FY 2025-26.

The FY 2023-24 Budget Amendment No. 2 seeks to appropriate a transfer to the CIP from the General Fund in the amount of $8,759,703 to support the Parks CIP and to create an operating appropriation of $8,759,703 in the Federal Coronavirus Relief and Recovery Fund to reimburse payroll for 92 newly budgeted full-time positions for the period of March 3, 2021, through September 30, 2024, using ARPA funds.

A full list of ARPA-funded projects will be included as part of the Ordinance that is scheduled for adoption on Tuesday, April 2, 2024, as well as included in this staff report as Attachment B - ARPA Projects - Updated with 2024 CIP.

All projects originally identified by City Council for ARPA are being completed with various resources: ARPA, One-Time Cash, and/or Certificates of Obligation; and are included in the 2024 CIP.

Consideration / Recommendation

Options

(A) Approve Budget Amendment No. 2 as proposed.
(B) Do not approve Budget Amendment No. 2.

Recommendation

Option (A) - Approve Budget Amendment No. 2 as proposed. Unless otherwise directed by Council, this item will be scheduled for formal consideration at the April 2, 2024, Regular Meeting.

Attachments

Attachment A - ARPA Eligible Positions
Attachment B - ARPA Projects - Updated with 2024 CIP

Attachment A - ARPA Eligible Positions

Department	Position	Headcount
Animal Services	Adoption Specialist	2
Animal Services	Animal Care Technician	3
Animal Services	Animal Services Officer I	1
Animal Services	Veterinarian Technician	2
Building Inspection	Chief Building Inspector	1
City Attorney	Deputy Marshals	3
CityCare Clinic	Supervising Physician	1
Code Compliance	Grounds Attendant	1
Emergency Management	Department Coordinator I	1
Emergency Management	Director of Operations & Emergency Management	1
Engineering	Public Works Inspector I	1
Financial Services	Lead Payroll Coordinator	1
Fire	Firefighter	21
Fleet Services	Master Mechanic	2
Health	Senior Environmental Health Specialist	1
Human Resources	Benefits Coordinator	1
Human Resources	Human Resources Information Systems Manager	1
Human Resources	Recruiter	1
Human Resources	Senior Benefits Analyst	1
Information Technology	Application Programmer	1
Information Technology	Audio Visual Technician	1
Information Technology	Cyber Security Analyst	1
Information Technology	Desktop Systems Specialist	1
Information Technology	IT Project Manager	1
Information Technology	Senior Security Engineer	1
Landfill	Customer Service Representative II	2
Landfill	Heavy Equipment Operator I	3
Landfill	Landfill Operations Specialist	1
Library	Library Assistant	2
Municipal Court	Court Services Assistant	1
Parks	Aquatics Technician	1
Parks	Engagement / Activation Coordinator	1
Parks	Landscape Technician	2
Parks	Recreation Associate II	1
Parks	Recreation Services Specialist	1
Parks	Service Attendant	1
Parks	Volunteer Coordinator	1
Police	Detention Supervisor	1
Police	Mental Health Clinician	2
Police	Police Officer	4
Police	Police Supervisor	1

Attachment A - ARPA Eligible Positions

Department	Position	Headcount
Police	Program Manager	1
Police	Records Tech	1
Police	Social Media Investigative Analyst	1
Project Management	Associate Business Project Manager	1
Project Management	Department Representative II	1
Purchasing	Buyer	1
Real Estate Management	Department Coordinator I	1
Real Estate Management	Real Estate Management Director	1
Risk Administration	Risk Program Manager	1
Streets	Construction Inspection Supervisor	1
Transportation	Traffic Control Worker	3
Transportation	Traffic Signal Technician	2
	Total	**92**

American Rescue Plan Act (ARPA) Projects – Updated with 2024 CIP

Project Title	Total Budget
Fire Station Bedrooms	$ 996,186
UV HVAC Sanitation	117,247
Bisby Transmission Trail	1,852,694
Lake Ray Hubbard Greenbelt Trail	733,130
Central Park Walking Trail	2,326,636
Walter Reed Land Acquisition	4,011,254
101 W. Avenue D Land Acquisition	1,702,771
ARPA-Funded Sidewalk Replacement	921,779
Marion Drive Greenspace Project	2,504,724
Public Sector Staffing	20,202,978
Gatewood Drainage Study	204,230
Chaha Rd. - I.H. 30 to Lake Ray Hubbard Pkwy.	3,245,403
Callejo Road - Botello to Campbell	8,107,000
Naaman School Road - Brand to S.H. 78	6,587,962
Total ARPA Allocation	**$53,513,994**

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **4.**

Meeting Date: 04/02/2024
Title: Sale of Property at 600 Rayburn Street
Submitted By: Corey Worsham, Tax Administrator
Strategic Focus Area: Vibrant Neighborhoods and Commercial Centers
Sound Governance and Finances

Issue/Summary

Council is requested to consider an unsolicited offer from Garland Housing Finance Corporation related to the purchase of City-owned property obtained through a 1990 Sheriff's sale. Garland Housing Finance Corporation has presented an offer of $3,000 for the property located at 600 Rayburn Street. If approved, the City will receive approximately $1,771.05 in proceeds from this sale.

Background

The property was struck off to the City of Garland at the Dallas County Sheriff's Sale on January 2, 1990. In accordance with Section 34.05 of the Texas property tax code, the offer meets minimum bid requirements requiring no additional consent.

Consideration / Recommendation

The property has been held by the City of Garland since 1990. Pursuant to Section 34.05 of the Texas property tax code, it may be resold to a private entity with the approval of the governing body.

Attachments

Resolution - 600 Rayburn
600 Rayburn - Offer
600 Rayburn - Map and Pic
600 Rayburn - Deed

RESOLUTION NO. _____

A RESOLUTION AGREEING TO THE SALE OF CERTAIN PROPERTY LOCATED WITHIN THE CITY OF GARLAND AND OWNED BY TAXING AUTHORITIES INCLUDING THE CITY OF GARLAND AS THE RESULT OF A TAX SALE; AUTHORIZING THE MAYOR TO EXECUTE A DEED WITHOUT WARRANTY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, taxing entities including the City of Garland, Texas, have become owners of certain real property by virtue of a foreclosure sale conducted pursuant to an order of the 14th Judicial District Court of Dallas County, Texas in cause number TX88-40015, and

WHEREAS, it is to the benefit of all taxing entities that the property ultimately be returned to the tax rolls

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

Section 1

That City does hereby consent to the sale of property commonly known as 600 Rayburn Street, situated in the City of Garland, County of Dallas, State of Texas to wit:

BEING ALL THAT CERTAIN NORTHEAST PART OF LOT 9 IN BLOCK A OF SOUTHERN GARDENS ADDITION TO THE CITY OF GARLAND, TEXAS AND BEING MORE PARTICULARLY DESCRIBED IN VOLUME 69219, PAGE 607 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS.

Section 2

That the Mayor is hereby authorized to execute a deed without warranty in the form and substance of that attached hereto as Exhibit "A".

Section 3

That this Resolution shall be and become effective immediately upon and after its adoption and approval.

PASSED AND APPROVED this the ___ day of _____, 2024.

CITY OF GARLAND, TEXAS

_____
Mayor

ATTEST:

_____
City Secretary

PERDUE BRANDON FIELDER COLLINS & MOTT LLP
ATTORNEYS AT LAW

J. Douglas Burnside
Partner
1919 S. Shiloh Rd.
Suite 640, LB 40
Garland, Texas 75042
p: 972-278-8282
f: 972-278-8222
w: www.pbfcm.com

February 5, 2024

Mr. Corey Worsham
Tax Assessor/Collector
City of Garland
217 N. 5th Street
Garland, Texas 75040

Via electronic-mail

Re: Offer from Garland Housing Finance Corporation to purchase
600 Rayburn Street, Garland, Texas

Dear Mr. Worsham:

Garland Housing Finance Corporation has offered to purchase 600 Rayburn Street, Garland, Texas (BEING ALL THAT CERTAIN NORTHEAST PART OF LOT 9 IN BLOCK A OF SOUTHERN GARDENS ADDITION TO THE CITY OF GARLAND, TEXAS AND BEING MORE PARTICULARLY DESCRIBED IN VOLUME 69219, PAGE 607 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS.) for $3,000.00.

This property was sold at a Sheriff's Sale on January 2, 1990 pursuant to delinquent tax collection suit number 88-40015. There were no bidders and the property was struck off to the City of Garland for itself and on behalf of the other taxing jurisdictions. The property was struck off for the assessed value in the judgment, $3,000.00.

The property's most recent value according to the Appraisal District is $30,000.00. The total judgment amount was $4,241.48, which includes taxes, penalties and interest, costs of court, and costs of sale.

Pursuant to the Texas Property Tax Code, City reimbursement for post-sale maintenance, court costs and costs of sale must be paid first out of the proceeds of a resale. Those expenses and costs total $2,012.00. The remainder would be distributed to the taxing jurisdictions pro-rata. A breakdown of amounts each taxing entity will receive is enclosed.

Because the sale price is equal to the market value in the Judgment, this sale meets the criteria of §34.05(h) and does not require the consent of the other taxing units in the Judgment.

If the City decides to accept this offer, enclosed for execution is a Special Warranty Deed our office prepared for this resale. When the Deed is executed, please return it to me so that I may finalize the transaction.

If you have any questions or need additional information, please do not hesitate to call me.

Sincerely,

J. Douglas Burnside

Enclosure

Re-sale Disbursement Worksheet
City of Garland

CAD Acct #:	26555500010090000
Property address:	600 Rayburn Street
Cause No.:	88-40015
Judgment Date:	August 17, 1989
Sheriff's Sale Date:	January 2, 1990
Judgment amount:	GISD 1982-1988 taxes $1,925.54 (51.6%)
	City 1982-1988 taxes $1,023.17 (27.4%)
	County 1982-1988 taxes $780.77 (21.0%)
Total Judgment for Taxes:	$3,729.48
Court costs:	$291.00
Sheriff's fees for sale:	$55.00
Publication fees:	$166.00
Total Costs:	$512.00

Checks to be disbursed as follows:

1.	**Dallas County District Clerk**	$291.00
2.	**Dallas County Sheriff**	$55.00
3.	**Perdue Brandon Fielder Collins & Mott, LLP**	$166.00
4.	**City of Garland (administrative fee)**	$1,500.00
5.	**City of Garland (Pro-rata Judgment tax year distribution)**	$271.05
6.	**Garland ISD (Pro-rata Judgment tax year distribution)**	$510.11
7.	**Dallas County (Pro-rata Judgment tax year distribution)**	$206.84
	TOTAL	$3,000.00

600 Rayburn Picture and Map

DEED WITHOUT WARRANTY

THE STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DALLAS	§	

That the **City of Garland**, a Texas home-rule municipality ("Grantor"), for and in consideration of Ten and No/100 Dollars ($10.00) and other good and valuable consideration to Grantor, the receipt and sufficiency of which is hereby acknowledged, paid in hand by **Garland Housing Finance Corporation, 1675 W. Campbell Road, Garland, TX 75044** ("Grantee"), has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY unto Grantee that certain lot, tract, or parcel of land, commonly known as **600 Rayburn Street**, situated in the City of Garland, County of Dallas, State of Texas, to wit:

> **BEING ALL THAT CERTAIN NORTHEAST PART OF LOT 9 IN BLOCK A OF SOUTHERN GARDENS ADDITION TO THE CITY OF GARLAND, TEXAS AND BEING MORE PARTICULARLY DESCRIBED IN VOLUME 69219, PAGE 607 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS. (the "Property").**

This Deed Without Warranty is subject to:

(i) any and all visible and apparent easements and encroachments, whether of record or not;

(ii) any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases, or other instruments of record applicable to the land or any part thereof;

(iii) rights of the public to any portion of the above described property lying within the boundaries of dedicated or existing roadways or which may be used for road or street purposes;

(iv) rights of parties in possession; and

(v) any right of redemption as specified in Chapter 34, Subchapter B, Texas Property Tax Code.

It is understood and agreed that Grantor is not making any warranties or representations of any kind or character, express, implied or statutory, with respect to the Property, its physical condition or any other matter or thing relating to or affecting the Property and that the Property is being conveyed and transferred to Grantee "AS IS, WHERE IS, AND WITH ALL FAULTS." Grantor does not warrant or make any representations, express or implied, as to fitness for a particular purpose, merchantability, design, quantity, physical condition, operation compliance with specifications, absence of latent defects or compliance with laws and regulations (including,

without limitation, those relating to zoning, health, safety and the environment) or any other matter affecting the Property.

THIS DEED IS MADE WITHOUT WARRANTY, EXPRESS OR IMPLIED, AND GRANTOR EXPRESSLY DISCLAIMS, EXCEPTS AND EXCLUDES ANY AND ALL WARRANTIES OF TITLE OR OTHERWISE FROM THIS CONVEYANCE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES ARISING UNDER COMMON LAW OR STATUTE.

The intent of this Deed Without Warranty is to transfer the Property foreclosed on by the Grantor taxing jurisdictions in Cause 88-40015 in the 14th Judicial District Court, Dallas County, Texas, and no more.

When the context requires, singular nouns and pronouns include the plural.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto and in anywise belonging unto Grantee, his heirs, successors and assigns forever; **WITHOUT WARRANTY AND SUBJECT IN ALL RESPECTS TO THE DISCLAIMERS SET FORTH ABOVE.**

EXECUTED on the dates set forth in the acknowledgements below, to be EFFECTIVE on the _____day of _____ 2024.

GRANTOR:

CITY OF GARLAND, a Texas home-rule municipality

By: _____

Title:_____

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me on the _____ day of _____, 2024, by _____, in his capacity as Mayor of the City of Garland.

_____
NOTARY PUBLIC, STATE OF TEXAS

_____
PRINTED NAME OF NOTARY

MY COMMISSION EXPIRES:
_____

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **5.**

Meeting Date: 04/02/2024

Title: Resolution Approving the Urban & Community Forestry Grant with the Arbor Day Foundation

Submitted By: Matthew Grubisich, Parks Director

Strategic Focus Area: Well-Maintained City Infrastructure
Safe Community
Vibrant Neighborhoods and Commercial Centers
Reliable, Cost Efficient Utility Services
Sound Governance and Finances
Future-Focused City Organization

Issue/Summary

Council is requested to consider accepting a sub-grant from the National Arbor Day Foundation, through the USDA Forest Service Urban & Community Forestry Inflation Reduction Act Grant, to implement a community-centric initiative designed to significantly expand tree planting efforts over the next five years, focusing primarily on neighborhoods, parks, and medians with low tree canopy cover in historically marginalized and underserved areas.

Background

Last spring, the U.S. Department of Agriculture's Forest Service unveiled a funding opportunity within its Urban and Community Forestry Program, courtesy of the Inflation Reduction Act. This initiative was bolstered with $1.5 billion aimed at enhancing urban greenery through tree planting and the maintenance and planning of urban forests, with a focus on aiding underserved communities. From a competitive pool, the Forest Service chose 385 projects dedicated to expanding access to green spaces and their myriad benefits; such as cooling urban areas, purifying air, bolstering food security, and enhancing public health and safety. Among the recipients was the City of Garland.

Consideration / Recommendation

Approve a resolution authorizing the City Manger or designee to execute the agreement between the National Arbor Day Foundation and the City of Garland, which defines the terms and conditions for the National Arbor Day Foundation and the City of Garland.

Attachments

Arbor Day Grant Resolution
Arbor Day Grant Resolution

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **6.**

Meeting Date: 04/02/2024

Title: Consider an Ordinance related to the issuance of up to $112,500,000 in General Obligation Refunding and Improvement Bonds, Series 2024

Submitted By: Matt Watson, Chief Financial Officer

Strategic Focus Area: Sound Governance and Finances

Issue/Summary

Consider an ordinance to issue up to $112.5 million in General Obligation Refunding and Improvement bonds, Series 2024. In addition, the ordinance will authorize the appointment of a pricing officer and delegate to the pricing officer the authority to approve on behalf of the City terms of sale of these bonds, establishing parameters for the approval of such matters by the pricing officer, and authorizing the termination of the General Obligation Commercial Paper Program, Series 2021. The purpose of this transaction is to provide funding for 2004 and 2019 Bond Program projects identified in the Council approved 2024 CIP and establish a new funding strategy to save debt service issuance cost.

Background

Commercial Paper is a short-term debt instrument that is issued incrementally as funds are needed to finance the General Obligation Capital Improvement Program and has maturities ranging from 1 to 270 days. Interest is paid at each maturity date but principal is rolled to a new maturity date by issuing replacement commercial paper. This process continues until long-term debt is issued at a fixed rate to refinance the outstanding commercial paper. Due to current market conditions, staff and the City's Financial Advisor, Hilltop Securities, are recommending to refund approximately $51 million of outstanding Commercial Paper into fixed rate long-term General Obligation debt. In addition, this Commercial Paper Program is set to expire on May 24, 2024 and staff (along with Hilltop Securities) is recommending the termination of this Program due to market conditions and regulations placed on the Commercial Paper liquidity program which has made it costly to administer. If the Council concurs, the Financial Services Department will begin issuing tranches of long-term GO bonds periodically based on project schedules and cash flow needs to complete the 2004 and 2019 bond programs as approved in the 2024 CIP. Based on current cash flow projections, staff is recommending the issuance of approximately $51 million of tax-exempt General Obligation Improvement Bonds and an additional $10.5 million of taxable General Obligation Improvement Bonds to fund a portion of the bond program projects approved in the 2024 Capital Improvement Program. The total debt issuance is projected to be $112.5 million.

Consideration / Recommendation

It is recommended that Council approve the issuance of $112.5 million in General Obligation Refunding and Improvement Bonds, Series 2024, establishing a pricing officer and parameters for the pricing officer, and repealing the GO Commercial paper Program, Series 2021.

Attachments

Ordinance

ORDINANCE NO. _____

AN ORDINANCE CONSIDERING ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE AND DELIVERY OF UP TO $112,500,000 IN PRINCIPAL AMOUNT OF "CITY OF GARLAND, TEXAS GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2024"; AUTHORIZING THE ISSUANCE OF THE BONDS; DELEGATING THE AUTHORITY TO CERTAIN CITY OFFICIALS TO EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE BONDS; APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING TO SAID BONDS; ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT; REPEALING ORDINANCE NO. 7215; AND PROVIDING AN EFFECTIVE DATE

THE STATE OF TEXAS §
COUNTIES OF DALLAS, COLLIN AND ROCKWALL §
CITY OF GARLAND §

WHEREAS, by virtue of elections held within the City of Garland (the "City" or the "Issuer") on May 4, 1991, May 31, 1997, May 15, 2004, and May 4, 2019, this City Council became authorized to issue, sell and deliver the general obligation bonds of the Issuer, of which there have been issued heretofore, are authorized to be issued by this Ordinance, and will remain authorized but unissued hereafter, as described in Schedule I attached hereto and incorporated herein.

WHEREAS, the City Council (the "City Council") of the Issuer, in accordance with the provisions of Texas Government Code, Chapter 1371 ("Chapter 1371"), has heretofore authorized by ordinance and provided for the issuance of "City of Garland, Texas General Obligation Commercial Paper Notes, Series 2021" (the "Commercial Paper Notes") in an aggregate principal amount not to exceed $50,000,000 for the purpose of financing the construction of various projects for which there exists authorized but unissued obligations approved by a majority of the voters of the City at the elections held on May 3, 1997, May 15, 2004 and May 4, 2019, respectively, for the purpose of authorizing the issuance of such obligations, as well as any projects approved at future elections;

WHEREAS, as shown in the table below, there is currently outstanding $50,000,000 in aggregate principal amount of Commercial Paper Notes (the "Eligible Refunded Notes"), and those Eligible Refunded Notes designated by the Pricing Officer in a Pricing Certificate, each as defined below, to be refunded (the "Refunded CP Notes"), which have been issued for the authorized purposes as shown in Schedule I.

WHEREAS, the City of Garland, Texas (the "Issuer") is an "issuer" under Section 1371.001(4)(A), Texas Government Code, being (i) a home-rule municipality that: (A) adopted its charter under Section 5, Article XI, Texas Constitution; (B) has a population of 50,000 or more; and (C) has outstanding long-term indebtedness that is rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for a long-term obligation;

WHEREAS, Chapter 1371 and Chapter 1207, Texas Government Code, as amended ("Chapter 1207"), authorize the City to issue refunding bonds to refund all or a portion of its outstanding obligations to refund obligations issued in connection with an Eligible Project (as defined in Section 1371.001(2), Texas Government Code) of the Issuer, including capital assets and facilities incident and related to the operation, maintenance and administration thereof;

WHEREAS, the City Council has determined that it is in the best interest of the Issuer to issue the bonds hereinafter authorized (the "Bonds") for the purposes, among other things, of refunding all of the

outstanding Refunded CP Notes to restructure a portion of the Issuer's debt service requirements by extending the debt to mature over a term that is generally commensurate with the expected life of the various projects;

WHEREAS, Chapter 1207 authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, together with any other available funds or resources, directly with a paying agent for the Refunded CP Notes or a trust company or commercial bank that does not act as a depository for the Issuer and is named in these proceedings;

WHEREAS, the City Council hereby finds and determines that the manner in which the refunding of the Commercial Paper Notes is being executed does not make it practicable to make the determination required by Texas Government Code, Section 1207.008(a)(2) in connection with the refunding and refinancing of the Commercial Paper Notes into long-term obligations;

WHEREAS, Chapter 1207 further authorizes the Issuer to enter into an escrow or similar agreement with such paying agent for the Refunded CP Notes or a trust company or commercial bank with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such paying agent or trust company or commercial bank may agree;

WHEREAS, the City Council hereby finds and declares a public purpose and it is in the best interests of the Issuer to refund the Refunded CP Notes; in order to restructure debt service and with such terms to be included in a pricing certificate (the "Pricing Certificate") to be executed by the Pricing Officer (hereinafter designated) in connection with the initial issuance of each Series of Bonds, all in accordance with the provisions of Section 1207.007, Texas Government Code. The term Pricing Certificate shall mean, collectively, the pricing certificate or pricing certificates for one or more series of Bonds;

WHEREAS, all the Refunded CP Notes mature or are subject to redemption prior to maturity within 20 years of the date of the Bonds hereinafter authorized;

WHEREAS, the Bonds hereinafter authorized to be issued and are to be issued, sold and delivered pursuant to the general laws of the State of Texas, including Chapter 1207, Chapter 1331 and Chapter 1371; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Texas Government Code Chapter 551; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

SECTION 1. RECITALS, AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS.

(a) The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

(b) The term "Bonds" as used in this Ordinance shall mean and include collectively all bonds initially issued and delivered pursuant to this Ordinance (the "Initial Bonds") and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds. "Series" or "Series of Bonds" means any designated series of Bonds issued pursuant to this Ordinance.

The term "Tax-Exempt Bonds" shall mean any Bond, the interest on which is excludable from gross income for federal income tax purposes.

The term "Taxable Bonds" shall mean any Bond, the interest on which is includable in gross income for federal income tax purposes.

(c) The Bonds of the City of Garland, Texas (the "Issuer") are hereby authorized to be issued and delivered in one or more Series in the maximum aggregate principal amount of $112,500,000 (i) $51,000,000 for the public purpose of refunding the Refunded CP Notes, (ii) $51,000,000 for the purpose of the acquisition of property and making improvements for public purposes in the Issuer, to wit: (A) $19,017,000 for parks and recreation facilities and improvements, (B) $14,645,000 for street improvements, (C) $4,143,000 for drainage improvements, (D) $6,382,000 for public safety facilities and improvements, and (E) $6,813,000 for library improvements (the "Improvement Projects"), (iii) $10,500,000 for the purpose of funding projects to promote economic development throughout the Issuer, through planning, designing, constructing, improving, extending and expanding public street, utility, and other infrastructure facilities, including the acquisition of land therefor and through the Issuer's programs for economic development, including the acquisition of improved and unimproved properties, the demolition of existing structures, making grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential and mixed-property use development, neighborhood revitalization projects, and mixed income development, and (iv) to pay the costs associated with the issuance of the Bonds (collectively, the "Projects").

(d) Each bond issued pursuant to this Ordinance shall be designated: "CITY OF GARLAND, TEXAS GENERAL OBLIGATION [REFUNDING AND IMPROVEMENT] BOND, [TAXABLE] SERIES 2024," with each Series of Bonds having a letter designation following the year, starting with "A", and with such changes as designated by the Pricing Officer pursuant to Section 2. Initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, payable to the respective registered owners thereof (with the Initial Bond being made payable to the Purchaser as described in Section 11 hereof), or to the registered assignee or assignees of said Bonds or any portion or portions thereof (in each case, the "Registered Owner"). The Bonds shall be in the respective principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts, and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

SECTION 2. DELEGATION TO PRICING OFFICER.

(a) As authorized by Sections 1207.007 and 1371.053, Texas Government Code, as amended, the City Manager or Finance Director (the "Pricing Officer") is hereby authorized to act on behalf of the Issuer in selling and delivering each Series of the Bonds, determining which Eligible Refunded Notes shall be refunded and carrying out the other procedures specified in this Ordinance, including, determining the date of sale of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment and record dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Issuer, as well as any mandatory sinking fund redemption provisions, whether any series of Bonds will be issued as Tax-Exempt Bonds or Taxable Bonds and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded CP Notes, including without limitation establishing the redemption date for and effecting the redemption of the Refunded CP Notes and obtaining municipal bond insurance for all or any portion of the Bonds (including in connection therewith the execution of any commitment agreements, membership agreements in mutual

insurance companies, and other similar agreements) and providing for the terms and provisions thereof applicable to the Bonds, all of which shall be specified in the Pricing Certificate; provided that:

(i) the aggregate original principal amount of the Bonds shall not exceed $112,500,000 with up to $51,000,000 of such amount issued for the purposes described in Section 1(c)(i) and (iv) hereof, $19,017,000 of such amount issued for the purposes described in Section 1(c)(ii)(A) and (iv) hereof, $14,645,000 of such amount issued for the purposes described in Section 1(c)(ii)(B) and (iv) hereof, $4,143,000 of such amount issued for the purposes described in Section 1(c)(ii)(C) and (iv) hereof, $6,382,000 of such amount issued for the purposes described in Section 1(c)(ii)(D) and (iv) hereof, $6,813,000 of such amount issued for the purposes described in Section 1(c)(ii)(E) and (iv) hereof, and $10,500,000 of such amount to be issued for the purposes described in Section 1(c)(iii) and (iv) hereof;

(ii) the maximum stated maturity for a series of Bonds shall not exceed beyond February 15, 2044;

(iii) no Bonds shall bear interest at a rate that exceeds the maximum rate provided by State law;

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer through execution of the Pricing Certificate on or prior to the date that is six months after the adoption of this Ordinance by the City Council; and

(v) on or prior to delivery, the Bonds shall be rated by a nationally recognized rating agency for municipal securities in one of the four highest categories for long-term obligations.

(b) In establishing the aggregate principal amount of a Series of Bonds, the Pricing Officer shall establish an amount not exceeding, in aggregate with any other Series of Bonds, the amount authorized in Subsection (a) hereof, which shall be sufficient in amount to provide for the purposes for which the Series of Bonds are authorized and to pay costs of issuing the Bonds. Each Series of Bonds shall be sold with and subject to such terms as set forth in the Pricing Certificate for such Series.

SECTION 3. CHARACTERISTICS OF THE BONDS.

(a) Registration, Transfer, Conversion and Exchange; Authentication. The Issuer shall keep or cause to be kept at the corporate trust office of Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner

provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 3(c) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, as amended, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds that initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General of the State of Texas (the "Attorney General") and registered by the Comptroller of Public Accounts of the State of Texas (the "Comptroller").

(b) Payment of Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the past due interest shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may or shall be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the Issuer at least 45 days prior to any such redemption date), (iii) may be converted and exchanged for other Bonds, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance (as modified in the Pricing Certificate). The Initial Bonds are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF BOND.

(d) Paying Agent/Registrar for the Bonds. The Issuer covenants with the Registered Owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be a single entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 60 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any

time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Authentication. Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Paying Agent/Registrar's Authentication Certificate substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Paying Agent/Registrar's Authentication Certificate on all of the Bonds. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, an Initial Bond delivered on the closing date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller or by her duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General and that it is a valid and binding obligation of the Issuer, and has been registered by the Comptroller.

(f) Book-Entry-Only System. The Bonds issued in exchange for an Initial Bond shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (g) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the Registered Owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the

extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

The previous execution and delivery of the Blanket Issuer Letter of Representations with respect to obligations of the Issuer is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

(g) Successor Securities Depository; Transfers Outside Book-Entry-Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Blanket Issuer Letter of Representations to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate certificated Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(h) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Blanket Issuer Letter of Representations to DTC.

(i) Cancellation of Initial Bonds. On the closing date, one Initial Bond, representing the entire principal amount of a Series of the Bonds, payable in stated installments to the purchaser designated in Section 11 or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and City Secretary of the Issuer, approved by the Attorney General, and registered and manually signed by the Comptroller, will be delivered to such purchaser or its designee. Upon payment for such Initial Bond, the Paying Agent/Registrar shall cancel such Initial Bond and deliver to DTC on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

(j) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless the prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such

notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

SECTION 4. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Comptroller's Registration Certificate to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance, and with the Form of Bond to be modified pursuant to, and completed with information set forth in, the Pricing Certificate.

(a) [Form of Bond]

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF GARLAND, TEXAS GENERAL OBLIGATION [REFUNDING AND IMPROVEMENT] BOND [TAXABLE] SERIES 2024	PRINCIPAL AMOUNT $_____

Interest Rate	Dated Date	Maturity Date	CUSIP No.
	_____, 20__	February 15, ____	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the City of Garland, Texas, in Dallas, Collin and Rockwall Counties, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date at the Interest Rate per annum specified above. Interest is payable on _____, 20__ and semiannually on each _____ and _____ thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed

for its redemption prior to maturity, at the principal corporate trust office of Zions Bancorporation, National Association, Amegy Bank Division, in Houston, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Bond (the "Bond Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the Registered Owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated _____, 20__, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of $112,500,000 (i) $51,000,000 for the public purpose of refunding the Refunded CP Notes, (ii) $51,000,000 for the purpose of the acquisition of property and making improvements for public purposes in the Issuer, to wit: (A) $19,017,000 for parks and recreation facilities and improvements, (B) $14,645,000 for street improvements, (C) $4,143,000 for drainage improvements, (D) $6,382,000 for public safety facilities and improvements, and (E) $6,813,000 for library improvements, (iii) $10,500,000 for the purpose of funding projects to promote economic development throughout the Issuer, through planning, designing, constructing, improving, extending and expanding public street, utility, and other infrastructure facilities, including the acquisition of land therefor and through the Issuer's programs for economic development, including the acquisition of improved and unimproved properties, the demolition of existing structures, making grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential and mixed-property use development, neighborhood revitalization projects, and mixed income development, and (iv) to pay the costs associated with the issuance of the Bonds.

ON _____, 20__, or on any date thereafter, the Bonds of this series may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

[THE BONDS scheduled to mature on _____ in the years ____ and ____ (the "Term Bonds") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal amount thereof, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund for the Bonds, on the dates and in the respective principal amounts, set forth in the following schedule:

Term Bond Maturity: February 15, 20__		Term Bond Maturity: February 15,20__	
Mandatory Redemption Date	Principal Amount	Mandatory Redemption Date	Principal Amount
February 15,20__	$_____	February 15,20__	$_____
February 15,20__	_____	February 15,20__	_____
February 15,20__	_____	February 15,20__	_____
February 15,20__ (maturity)	_____	February 15,20__ (maturity)	_____

The principal amount of Term Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of any Term Bonds of the same maturity which, at least 50 days prior to a mandatory redemption date (1) shall have been acquired by the Issuer at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.]

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the Registered Owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure of the Registered Owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same

rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Ordinance.

IF AT THE TIME OF MAILING of notice of optional redemption there shall not have either been deposited with the Paying Agent/Registrar or legally authorized escrow agent immediately available funds sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, and is subject to the deposit of the redemption moneys with the Paying Agent/Registrar or legally authorized escrow agent at or prior to the redemption date or any prerequisite set forth in such notice of redemption. If such redemption is not effectuated, the Paying Agent/Registrar shall, within five days thereafter, give notice in the manner in which the notice of redemption was given that such moneys were not so received or such prerequisites were not met and shall rescind the redemption.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Bond Ordinance, this Bond may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of $5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of $5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The Form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Bonds.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such

principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limit prescribed by law.

THE ISSUER HAS RESERVED THE RIGHT to amend the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the Registered Owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING the Registered Owner of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each Registered Owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in the Mayor's absence, of the Mayor Pro-Tem) and countersigned with the manual or facsimile signature of the City Secretary of said Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

(signature)	(signature)
City Secretary	Mayor

(SEAL)

[INSERT BOND INSURANCE LEGEND, IF ANY]

(b) [Form of Paying Agent/Registrar's Authentication Certificate]

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Comptroller's Registration Certificate)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____

_____
ZIONS BANKCORPORATION, NATIONAL
ASSOCIATION, AMEGY BANK DIVISION
Houston, Texas
Paying Agent/Registrar

By:_____
Authorized Representative

(c) [Form of Assignment]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____.

Please insert Social Security or Taxpayer Identification Number of Transferee

_____

(Please print or typewrite name and address, including zip code, of Transferee.)

_____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.	NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) [Form of Comptroller's Registration Certificate]

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

_____
Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(e) [Initial Bond Insertions]

(i) The Initial Bonds shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF GARLAND, TEXAS, in Dallas, Collin and Rockwall Counties, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years	Principal Installments ($)	Interest Rates (%)

(Information from Pricing Certificate to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date at the respective Interest Rate per annum specified above. Interest is payable on _____, 20__, and semiannually on each _____ and _____ thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

SECTION 5. INTEREST AND SINKING FUND.

(a) A special Interest and Sinking Fund (the "Interest and Sinking Fund") is hereby created solely for the benefit of the Bonds, and the Interest and Sinking Fund shall be established and maintained by the Issuer at an official depository bank of the Issuer. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the Issuer, and shall be used only for paying the interest on and principal of the Bonds. All ad valorem taxes levied and collected for and on account of the Bonds, together with any accrued interest received upon sale of the Bonds, shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Bonds or interest thereon are outstanding and unpaid, the governing body of the Issuer shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on the Bonds as such interest becomes due, and to provide and maintain a sinking fund adequate to pay the principal of its Bonds as such principal matures or is scheduled for redemption (but never less than 2% of the original principal amount of the Bonds as a sinking fund each year). Said tax shall be based on the latest approved tax rolls of the Issuer, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the Issuer for each year while any of the Bonds or interest thereon are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Bonds, as such interest comes due and such principal matures or is scheduled for redemption, are hereby pledged for such payment, within the limit prescribed by law. If lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been

required to be levied pursuant to this Section may be reduced to the extent and by the amount of the lawfully available funds then on deposit in the Interest and Sinking Fund.

(b) Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the Issuer under this Section and Section 9, respectively, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, in order to preserve to the Registered Owners of the Bonds a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

SECTION 6. DEFEASANCE OF BONDS.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Government Obligations that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Government Obligations. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in Subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the Registered Owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from such Government Obligations received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Government Obligations are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Government Obligations or the substitution of other Government Obligations upon the satisfaction of the requirements specified in Subsection (a)(i) or (ii) of this Section. All income from such Government Obligations received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) Unless modified in the Pricing Certificate, the term "Government Obligations" means any securities and obligations now or hereafter authorized by state law that are eligible to discharge obligations such as the Bonds, including (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the financial arrangements, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

SECTION 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new Bond of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the Registered Owner applying for a replacement Bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the Registered Owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Ordinance, in the event any such Bond shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the Registered Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by

anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Section 1206.022, Texas Government Code, this Section 7 of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 3(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 8. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Mayor of the Issuer is hereby authorized to have control of the Initial Bonds and all necessary records and proceedings pertaining to the Initial Bonds pending their delivery and their investigation, examination, and approval by the Attorney General, and their registration by the Comptroller. Upon registration of an Initial Bond said Comptroller (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to the Initial Bond, and the seal of said Comptroller shall be impressed, or placed in facsimile, on the Initial Bond. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the Purchaser to accept delivery of the Bonds is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the Purchaser. The engagement of such firm as bond counsel to the Issuer in connection with the issuance, sale and delivery of the Bonds is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor or Mayor Pro-Tem, and the Mayor or Mayor Pro-Tem is hereby authorized to execute such engagement letter.

SECTION 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE TAX-EXEMPT BONDS.

(a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Tax-Exempt Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment

of more than 10 percent of the debt service on the Tax-Exempt Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" that is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of $5,000,000, or 5 percent of the proceeds of the Tax-Exempt Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the Tax-Exempt Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Tax-Exempt Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Tax-Exempt Bonds, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the Tax-Exempt Bonds, other than investment property acquired with:

(A) proceeds of the Tax-Exempt Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the rules and regulations of the United States Department of the Treasury ("Treasury Regulations"), and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Tax-Exempt Bonds;

(7) to otherwise restrict the use of the proceeds of the Tax-Exempt Bonds or amounts treated as proceeds of the Tax-Exempt Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Tax-Exempt Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Tax-Exempt Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Tax-Exempt Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Tax-Exempt Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (a)(9), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the Bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Use of Proceeds. For purposes of the foregoing covenants (a)(1) and (a)(2), the Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of the Tax-Exempt Bonds, transferred proceeds (if any) and proceeds of the Refunded CP Notes expended prior to the date of issuance of the Tax-Exempt Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the United States Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated that modify or expand provisions of the Code, as applicable to the Tax-Exempt Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated that impose additional requirements applicable to the Tax-Exempt Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor or Pricing Officer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, that may be permitted by the Code as are consistent with the purpose for the issuance of the Tax-Exempt Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Projects. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the construction and acquisition of the Improvement Projects on its books and records in accordance with the requirements of the Code. The Issuer recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Improvement Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The Issuer agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Projects. The Issuer covenants that the property constituting the Improvement Projects and the projects refinanced by the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes of the foregoing, the Issuer may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

SECTION 10. COVENANTS REGARDING TAXABLE BONDS.

(a) To the extent required by the Code, and the rules and regulations of the United States Department of the Treasury, it shall be the duty of the Paying Agent/Registrar to report to the owners of the Taxable Bonds and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to back up withholding during each year and the amount of tax withheld, if any, with respect to the payments on the Taxable Bonds and (ii) the amount of interest or amount treated as interest, such as original issue discount, on the Taxable Bonds required to be included in the gross income of the owners thereof for federal income tax purposes.

(b) It is the intention of the Issuer that the Taxable Bonds not be obligations described in section 103 of the Code interest on which is excludable from the gross income of the holders and in that regard the Issuer agrees not to file a form 8038 G, or any comparable information return relating to tax-exempt obligations, with the Internal Revenue Service.

SECTION 11. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) Each Series of Bonds shall be sold and delivered subject to the provisions of Section 1 and Section 2 hereof through a negotiated sale, competitive sale or private placement and pursuant to the terms and provisions of a purchase contract or a notice of sale and official bid form (in each case, a "Purchase Agreement"), the terms and provisions of which are to be determined by the Pricing Officer in accordance with Section 2 hereof, and in which the purchaser or purchasers of the Bonds (the "Purchaser") shall be designated. The Pricing Officer is hereby authorized to execute and deliver one or more Purchase Agreements for and on behalf of the Issuer. The Bonds shall initially be registered in the name of the Purchaser or its designee.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the City, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Purchaser in the marketing of the Bonds.

(c) The Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to obtain from a municipal bond insurance company so designated in the Pricing Certificate (the "Insurer") a municipal bond insurance policy (the "Insurance Policy") in support of the Bonds. To that end, should the Pricing Officer exercise such authority and commit the Issuer to obtain a municipal bond insurance policy, for so long as the Insurance Policy is in effect, the requirements of the Insurer relating to the issuance of the Insurance Policy as set forth in the Pricing Certificate are incorporated by reference into this Ordinance and made a part hereof for all purposes, notwithstanding any other provision of this Ordinance to the contrary. The Pricing Officer shall have the authority to execute any documents to effect the issuance of the Insurance Policy by the Insurer, including commitment agreements, membership agreements in mutual insurance companies and other similar agreements.

(d) The Mayor and Mayor Pro Tem, City Manager, Finance Director and City Secretary and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and

provisions of this Ordinance, the Pricing Certificate, the Bonds, the sale of the Bonds, any Purchase Agreement and any official statement or other offering document. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 12. INTEREST EARNINGS ON BOND PROCEEDS. Interest earnings derived from the investment of proceeds from the sale of the Bonds issued for the Improvement Projects shall be used along with other Bond proceeds for the Improvement Projects; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on Bond proceeds that are required to be rebated to the United States of America pursuant to Section 9 hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 13. CONSTRUCTION FUND OR ACCOUNT; INVESTMENTS.

(a) The proceeds of sale of the Bonds, excluding any accrued interest received from the initial purchaser of the Bonds and any other amounts to be deposited into the Interest and Sinking Fund, any amounts to be deposited into the escrow fund under the escrow agreement approved in Section 17 of this Ordinance and amounts to pay costs of issuance of the Bonds, shall be deposited in one or more construction funds or accounts for use, along with any investment earnings thereon, by the Issuer for payment of all lawful costs associated with the acquisition and construction of the Improvement Projects as hereinbefore provided. Upon payment of all such costs, any moneys remaining on deposit in said funds or accounts, including investment earnings, shall be transferred to the Interest and Sinking fund. Amounts so deposited to the Interest and Sinking Fund shall be used in the manner described in Section 5 of this Ordinance.

(b) The Issuer may invest proceeds of the Bonds (including investment earnings thereon) issued for Improvement Projects and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the Issuer hereby covenants that the proceeds of the sale of the Bonds will be used as soon as practicable for the purposes for which the Bonds are issued.

(c) All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

SECTION 14. COMPLIANCE WITH RULE 15c2-12.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

> "*Financial Obligation*" means a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii); provided however, that a "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports.

(i) The Issuer shall provide annually to the MSRB, in the electronic format prescribed by the MSRB, financial information and operating data (the "Annual Operating Report") with respect to the Issuer of the general type included in the final official statement authorized by this Ordinance, being the information described in the Pricing Certificate. The Issuer will additionally provide financial statements of the Issuer (the "Financial Statements"), that will be (i) prepared in accordance with the accounting principles described in the Pricing Certificate or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation and shall be in substantially the form included in the final official statement and (ii) audited, if the Issuer commissions an audit of such Financial Statements and the audit is completed within the period during which they must be provided. The Issuer will update and provide the Annual Operating Report within six months after the end of each fiscal year and the Financial Statements within 12 months of the end of each fiscal year, in each case beginning with the fiscal year ending in and after 2024. The Issuer may provide the Financial Statements earlier, including at the time it provides its Annual Operating Report, but if the audit of such Financial Statements is not complete within 12 months after any such fiscal year end, then the Issuer shall file unaudited Financial Statements within such 12-month period and audited Financial Statements for the applicable fiscal year, when and if the audit report on such Financial Statements becomes available. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(ii) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

(c) Event Notices.

(i) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

1. Non-payment related defaults;
2. Modifications to rights of holders of the Bonds;
3. Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
6. Appointment of a successor or additional trustee or the change of name of a trustee; and

7. Incurrence of a Financial Obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders.

(ii) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, without regard to whether such event is considered material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of an obligated person; and
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(iii) The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) Limitations, Disclaimers, and Amendments.

(i) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes the Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the Registered Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON,

IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) Notwithstanding anything to the contrary in Section 15 hereof, the provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Registered Owners and beneficial owners of the Bonds. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(e) Amendment of the Rule. The provisions of this Section shall be revised by the Pricing Officer to reflect the requirements of the Rule if the Rule is amended after the adoption of this Ordinance but prior to the delivery of the Bonds so as to permit an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule. The provision of this Section may also be revised by the Pricing Officer prior to the delivery of the Bonds if the Pricing Officer determine such revisions are necessary or desirable. Any such revisions shall be set forth in the Pricing Certificate and are incorporated by reference into this Ordinance and made a part hereof for all purposes, notwithstanding any other provision of this Ordinance to the contrary.

SECTION 15. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The Issuer may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or

corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the Issuer's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount a majority of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the Issuer; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds that are the subject of a proposed amendment, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

(1) Make any change in the maturity of any of the affected outstanding Bonds;

(2) Reduce the rate of interest borne by any of the affected outstanding Bonds;

(3) Reduce the amount of the principal of, or redemption premium, if any, payable on any affected outstanding Bonds;

(4) Modify the terms of payment of principal or of interest or redemption premium on affected outstanding Bonds or impose any condition with respect to such payment; or

(5) Change the minimum percentage of the principal amount of any series of Bonds necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to each Registered Owner of the affected Bonds a copy of the proposed amendment. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the Issuer for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of mailing of such notice the Issuer shall receive an instrument or instruments executed by the holders of at least a majority in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the Issuer and all holders of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the mailing of the notice as provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the mailing of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the holders of a majority in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

For the purposes of establishing ownership of the Bonds, the Issuer shall rely solely upon the registration of the ownership of such Bonds on the Registration Books kept by the Paying Agent/Registrar.

SECTION 16. DEFAULT AND REMEDIES.

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the Issuer, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the Issuer.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the Issuer for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or agents of the Issuer or the members of its governing body.

SECTION 17. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS. In furtherance of authority granted by Section 1207.007(b), Texas Government Code, the Mayor or a Pricing Officer are further authorized to enter into and execute on behalf of the Issuer with the escrow agent named therein, an escrow or similar agreement, in the form and substance as shall be approved by the Pricing

Officer, which agreement will provide for the payment in full of the Refunded CP Notes, as applicable. In addition, the Mayor, Pricing Officer or other officer of the Issuer is authorized to purchase such securities, to execute such subscriptions for the purchase of the Escrowed Securities, (as defined in the agreement), if any, and to authorize such contributions to the escrow fund as provided in the agreement.

SECTION 18. REDEMPTION OF REFUNDED CP NOTES.

(a) Subject to the execution and delivery of a Purchase Agreement with the Purchaser, the Issuer hereby directs that the Refunded CP Notes be called for redemption or otherwise retired on the dates and at such prices as set forth in the Pricing Certificate.

(b) The paying agent/registrar for the Refunded CP Notes is hereby directed to provide the appropriate notice of redemption and defeasance as required by the Refunded CP Notes (if applicable) and is hereby directed to make appropriate arrangements so that the Refunded CP Notes may be redeemed or otherwise retired on the appropriate redemption or maturity date.

(c) The source of funds for payment of the principal of and interest on the Refunded CP Notes on their respective maturity or redemption dates shall be from the funds deposited with the paying agent for the Refunded CP Notes from amounts deposited with the paying agent/registrar for the Refunded CP Notes from proceeds of the Bonds or from the funds placed in escrow with the escrow agent, pursuant to an escrow agreement approved in Section 16 of this Ordinance.

SECTION 19. APPROPRIATION. To pay the debt service coming due on the Bonds, if any, prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount, which together with capitalized interest received from the sale of the Bonds, if any, will be sufficient to pay such debt service, and such amount shall be used for no other purpose.

SECTION 20. EFFECTIVE DATE. In accordance with the provisions of Texas Government Code Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

SECTION 21. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 22. REPEALER.

(a) Ordinance No. 7215 (the "Note Ordinance") adopted by the City Council on April 20, 2021, authorizing the issuance of the Commercial Paper Notes is hereby repealed, effective as of the earliest date both of the following have occurred: (i) no Commercial Paper Notes remain outstanding under the Note Ordinance, and (ii) the Letter of Credit dated May 27, 2021 issued by Barclays Bank PLC supporting the Commercial Paper Notes and the related Letter of Credit Reimbursement Agreement dated as of May 27, 2021 between the Issuer and Barclays Bank PLC have expired by their terms.

(b) The Mayor and Mayor Pro Tem, City Manager, Finance Director and City Secretary, and all other officers, employees, attorneys, and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order

to carry out the repeal of the Note Ordinance and the termination of the Commercial Paper Note program pursuant to this Section.

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SCHEDULE I
AUTHORIZED PURPOSES

Authorized Purpose	Date Authorized	Amount Authorized	Commercial Paper Notes Heretofore Issued*	Total Obligations Heretofore Issued*	Amount Being Issued*	Authorization Remaining
Parks Improvements	5/4/1991	$ 5,144,000	$ -	$ 5,118,660	$ -	$ 25,340
Street Improvements	5/4/1991	42,496,500		42,414,612		81,888
Public Safety Improvements	5/4/1991	7,226,086		7,199,376		26,710
Parks Improvements	5/31/1997	12,370,000		12,370,000		0
Various Street Improvements	5/31/1997	72,210,000		71,145,292		1,064,708
Drainage Improvements	5/31/1997	10,570,000		10,502,789		67,211
Library Improvements	5/31/1997	5,890,000		5,877,682		12,318
Public Safety Improvements	5/31/1997	19,890,000		19,770,561		119,439
Municipal Facility Improvements	5/31/1997	1,710,000		1,521,000		189,000
Park and Recreation Facilities and Improvements	5/15/2004	21,680,000	1,689,573	16,351,775	2,132,000	3,196,225
Street Improvements	5/15/2004	113,370,000	394,700	79,885,283	3,727,000	29,757,717
Drainage Improvements	5/15/2004	28,000,000	317,129	21,475,307	1,140,000	5,384,693
Library Facilities	5/15/2004	9,400,000		9,386,179		13,821
Public Safety Facilities	5/15/2004	12,950,000		12,887,297	20,000	42,703
Municipal Improvements	5/15/2004	11,180,000	812,717	8,047,965		3,132,035
Economic Development/Land Acquisition	5/15/2004	3,420,000		2,557,207		862,793
Street Improvements	5/4/2019	122,250,000	4,291,241	29,083,470	10,918,000	87,248,530
Public Safety Improvements	5/4/2019	51,350,000	8,038,103	28,804,182	6,362,000	16,183,818
Drainage Improvements	5/4/2019	47,350,000	701,672	3,931,098	3,003,000	40,415,902
Parks and Recreation Improvements	5/4/2019	117,750,000	27,595,514	72,127,016	16,885,000	28,737,984
Library Improvements	5/4/2019	21,000,000	5,694,561	7,988,177	6,813,000	6,198,823
Economic Development	5/4/2019	46,000,000		6,381,379	10,500,000	29,618,621
Municipal Facilities Improvements	5/4/2019	6,000,000	354,876	2,892,060		3,107,940
Animal Shelter	5/4/2019	12,000,000	109,914	11,926,487		73,513
Total		$ 801,206,586	$ 50,000,000	$ 489,645,001	$ 61,500,000	$ 251,061,585

* Includes principal and premium, if any.

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **7.**

Meeting Date: 04/02/2024

Title: Consider an ordinance to issue Water and Sewer System Revenue Refunding Bonds, Series 2024

Submitted By: Matt Watson, Chief Financial Officer

Strategic Focus Area: Sound Governance and Finances

Issue/Summary

Consider refunding approximately $55.5 million of Water and Sewer System Commercial Paper Notes, Series 2015 and Water and Sewer System Revenue Bonds, Series 2014 with Water and Sewer System Revenue Refunding Bonds, Series 2024. The purpose of this transaction is to refund a portion of variable rate commercial paper notes with fixed rate long-term debt and to generate debt service savings. In addition, the Council is requested to consider appointing a pricing officer and delegating to the pricing officer the authority to approve on behalf of the City the terms of sale of these bonds and establishing parameters for the approval of such matters by the pricing officer.

Background

The Water and Sewer System Commercial Paper Program finances various capital improvement projects for the Water and Sewer System. Funding capacity for this program is $90 million. Due to current market conditions, the City of Garland has an opportunity to refund $45 million of variable rate commercial paper notes with fixed rate long-term Water and Sewer System Revenue Refunding Bonds. In addition, due to current market conditions, the City of Garland has an opportunity to refund approximately $10.5 million Water and Sewer System Revenue Bonds, Series 2014.

Consideration / Recommendation

The Refunding Bonds will be fixed rate debt with a 20-year amortization period.

Attachments

Ordinance

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF CITY OF GARLAND, TEXAS, WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2024; ESTABLISHING THE OBLIGATIONS TO BE REFUNDED WITH PROCEEDS OF SAID BONDS; PROVIDING FOR SAID BONDS TO BE ISSUED AS TAXABLE BONDS OR TAX-EXEMPT BONDS; APPOINTING A PRICING OFFICER AND DELEGATING TO THE PRICING OFFICER THE AUTHORITY TO APPROVE ON BEHALF OF THE CITY THE TERMS OF SALE OF SAID BONDS AND THE OFFERING DOCUMENTS FOR SAID BONDS; ESTABLISHING CERTAIN PARAMETERS FOR THE APPROVAL OF SUCH MATTERS BY THE PRICING OFFICER; PLEDGING THE NET REVENUES OF THE CITY'S WATER AND SEWER SYSTEM TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF ONE OR MORE A PAYING AGENT/REGISTRAR AGREEMENT, PURCHASE AGREEMENTS AND ESCROW AGREEMENTS, IF REQUIRED IN CONNECTION WITH THE REFUNDING OF THE REFUNDED OBLIGATIONS; AND PROVIDING AN EFFECTIVE DATE

THE STATE OF TEXAS §
COUNTIES OF DALLAS, COLLIN AND ROCKWALL §
CITY OF GARLAND §

WHEREAS, the City of Garland, Texas (the "City") is an "Issuer" under Section 1371.001(4)(A), Texas Government Code, being (i) a home-rule municipality that: (A) adopted its charter under Section 5, Article XI, Texas Constitution; (B) has a population of 50,000 or more; and (C) has outstanding long-term indebtedness that is rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for a long-term obligation; and

WHEREAS, the City has heretofore issued its Previously Issued Bonds (as such term is hereinafter defined); and

WHEREAS, in the ordinances authorizing the issuance of the Previously Issued Bonds, the City reserved the right to issue additional parity bonds secured by a lien on and pledge of the Net Revenues (hereinafter defined) of the City's Water and Sewer System (the "System") on a parity with the Previously Issued Bonds; and

WHEREAS, the City Council (the "Council") of the City, has heretofore issued, sold, and delivered, and there is currently outstanding, City of Garland, Texas, Water and Sewer System Revenue Refunding and Improvement Bonds, New Series 2014, dated June 1, 2014, scheduled to

mature on March 1 in each of the years 2025 through 2034, inclusive, and aggregating in the principal amount of $10,335,000 (the "Refunded Bonds"); and

WHEREAS, the Council, in accordance with the provisions of Texas Government Code, Chapter 1371 ("Chapter 1371"), has heretofore authorized by ordinance and provided for the issuance of "City of Garland, Texas Water and Sewer System Commercial Paper Notes, Series 2015" (the "Commercial Paper Notes") in an aggregate principal amount not to exceed $90,000,000 for the purpose of financing additions, improvements and extensions to the System; and

WHEREAS, Chapter 1371 and Chapter 1207, Texas Government Code, as amended ("Chapter 1207"), authorizes the City to issue refunding bonds to refund all or a portion of its outstanding obligations to refund obligations issued in connection with an Eligible Project (as defined in Section 1371.001(2), Texas Government Code) of the System, including capital assets and facilities incident and related to the operation, maintenance and administration thereof; and

WHEREAS, the Council has determined that it is in the best interest of the City to issue the bonds hereinafter authorized (the "Bonds") secured by a first lien on and pledge of the Net Revenues on a parity with the Previously Issued Bonds for the purposes, among other things, of refunding all or a portion of the Refunded Bonds to achieve a net present value debt service savings as set forth herein and the Commercial Paper Notes (the "Refunded CP Notes" and, collectively with the Refunded Bonds, the "Refunded Obligations") to restructure a portion of the City's System debt service requirements by extending the debt to mature over a term that is generally commensurate with the expected life of the System facilities and/or to provide rate relief for System ratepayers; and

WHEREAS, Chapter 1207 further authorizes the City to enter into escrow or similar agreements with such paying agent for the Refunded Obligations or trust company or commercial bank with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the City and such paying agent or trust company or commercial bank may agree; and

WHEREAS, all of the Refunded Obligations mature or are subject to redemption prior to maturity within 20 years of the date of the Bonds hereinafter authorized; and

WHEREAS, the Council hereby finds and determines that the manner in which the refunding of the Commercial Paper Notes is being executed does not make it practicable to make the determination required by Texas Government Code, Section 1207.008(a)(2) in connection with the refunding and refinancing of the Commercial Paper Notes into long-term obligations; and

WHEREAS, the Bonds hereinafter authorized are to be issued and delivered pursuant to the laws of the State of Texas, including Texas Government Code Chapters 1207, 1502 and 1371, as amended; and

WHEREAS, pursuant to the provisions of Chapter 1207, the Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with the place of payment for the

Refunded Obligations, as appropriate, or other authorized depository, and such deposits, when made in accordance with said statutes, and ordinances authorizing the issuance of the Refunded Obligations, shall constitute the making of firm banking and financial arrangements for the defeasance, discharge and payment of the Refunded Obligations at their maturity or redemption date; and

WHEREAS, the bonds to be issued pursuant to the terms and provisions of this Ordinance will be secured by a lien on and a pledge of the Net Revenues that is on a parity with the pledge of and lien on the Net Revenues that secures the payment of the Previously Issued Bonds; and

WHEREAS, the Council finds and determines that it is in the best interest of the City and its inhabitants to proceed with the issuance of bonds to provide funds for the purposes hereinafter specified, and specifically to refund the Refunded Obligations in the amounts specified by a Pricing Officer in the Pricing Certificate, each as defined below; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551; NOW, THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

SECTION 1. INCORPORATION OF RECITALS. The recitals set forth in the preambles hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

SECTION 2. PURPOSE OF THE BONDS. The Bonds are hereby authorized to be issued in one or more series and delivered in the aggregate principal amount of $55,500,000, specified in one or more certificates executed pursuant to Section 4 of this Ordinance, which supplements and completes this Ordinance (each, a "Pricing Certificate"), for the public purpose of providing funds to refund a portion of the City's outstanding System indebtedness and to pay the costs incurred in connection with the issuance of the Bonds.

SECTION 3. DESIGNATION OF THE BONDS. Unless otherwise provided in the respective Pricing Certificate, each bond issued pursuant to this Ordinance shall be designated: "CITY OF GARLAND, TEXAS, WATER AND SEWER SYSTEM REVENUE REFUNDING BOND, [TAXABLE] SERIES 2024," and initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, payable to the respective Owners thereof (with the initial bonds being made payable to the initial purchaser identified in the respective Pricing Certificate, or to the registered assignee or assignees of said bonds or any portion or portions thereof. The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

SECTION 4. DELEGATION TO PRICING OFFICER.

(a) As authorized by Chapter 1207 and Section 1371.053, Texas Government Code, the City Manager and the City's Finance Director, are each hereby authorized to act on behalf of the City in selling and delivering the Bonds (of which officers, the officer executing a Pricing Certificate shall be hereinafter referred to as, and shall for all purposes be, the "Pricing Officer" with respect to such series) in one or more series, and, in addition to any other authorization provided in this Ordinance, each Pricing Officer is authorized to determine: (i) the amount of the Refunded Obligations that shall be refunded by a series of Bonds; (ii) the Bond Date of a series of Bonds and any additional or different designation or title by which a series of Bonds shall be known; (iii) the date that interest shall begin to accrue on a series of Bonds; (iv) the identity of the purchaser or purchasers of a series of Bonds and the terms under which a series of Bonds shall be sold including the price at which the Bonds will be sold; (v) the years in which the Bonds of a series will mature and the principal amount to mature in each of such years; (vi) the rate of interest to be borne by each such maturity; (vii) the interest payment and record dates, the price and terms, if any, upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions; (viii) whether the Bonds of a series shall be issued on a tax-exempt basis or on a taxable basis and whether Bonds issued as tax-exempt obligations shall be designated as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Internal Revenue Code of 1986, as amended; (ix) whether the types of securities and obligations that may be used as Government Obligations for a series shall be limited; (x) whether to obtain a policy of bond insurance from a Bond Insurer if bond insurance is deemed beneficial to the City to achieve the objectives of the refunding; and (xi) all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, including without limitation establishing the redemption date for and effecting the redemption of the Refunded Obligations. All of the determinations specified above shall be set forth in a Pricing Certificate.

(b) Notwithstanding anything in this Section 4 to the contrary, the authority of each Pricing Officer shall be governed by the following requirements:

(i) the aggregate original principal amount of all Bonds issued pursuant to this Ordinance shall not exceed $55,500,000;

(ii) no Bond shall bear interest at a rate that exceeds the maximum rate provided by State law;

(iii) the refunding of the Refunded Bonds must produce present value debt service savings of at least 3.000%, net of any Issuer contribution;

(iv) the maximum maturity for a series of Bonds shall not extend beyond March 1, 2044; and

(v) the delegation made hereby shall expire if not exercised by the Pricing Officer through execution of the Pricing Certificate on or prior to the date that is six months after the adoption of this Ordinance by the City Council.

(c) In establishing the aggregate principal amount of a series of Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (b) hereof, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The Bonds may be sold by public offering (either through a negotiated or competitive offering) or by private placement. If the Bonds are sold by private placement, the Pricing Certificate shall so state, and the Pricing Certificate may make changes to this Ordinance to effect such private placement, including the provisions hereof that pertain to the book-entry-only procedures (including eliminating the book-entry-only system of registrations, payment and transfers) and to the provisions of Section 36 hereof relating to the Rule 15c2-12 undertaking pertaining to the applicable series of Bonds (including eliminating or replacing such undertaking with an agreement to provide alternative disclosure information).

(d) In furtherance of authority granted by Section 1207.007(b), Texas Government Code, the Pricing Officer is further authorized to enter into and execute on behalf of the City with a financial institution that is authorized to serve as an escrow agent for all or part of the Refunded Obligations, an escrow agreement (the "Escrow Agreement"), if, in the judgment of the Pricing Officer such an agreement is required in connection with the refunding or all or part of the Refunded Obligations. The form of the Escrow Agreement shall be approved by the Pricing Officer to provide for the payment of the applicable Refunded Obligations. In addition, the Pricing Officer is authorized to purchase such securities with proceeds of the Bonds, to execute such subscriptions for the purchase of the United States Treasury Securities, State and Local Government Series or to purchase other securities authorized by State law in the open market, and to transfer and deposit such cash from available funds, as may be necessary or appropriate for the escrow fund described in the Escrow Agreement.

(e) In satisfaction of Section 1201.022(a)(3)(B), Texas Government Code, the Council hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms of the Bonds set forth in this Ordinance is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated into the Pricing Certificate will be, in the City's best interests, and the Pricing Officer is hereby authorized to make and include in the Pricing Certificate a finding to that effect.

SECTION 5. CHARACTERISTICS OF THE BONDS.

(a) Registration. The City shall keep or cause to be kept at the corporate trust office of Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Bonds of a series (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Owner to notify the

Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Transfer, Conversion and Exchange. Except as provided in Section 7(a) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Chapter 1201, Government Code, as amended, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds that initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller of Public Accounts.

(c) Payment of Bonds and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the applicable series of Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Owners thereof, (ii) shall be in the denominations, (iii) may be converted and exchanged for other Bonds, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, (duly

impressed, or placed in facsimile), executed (by manual or facsimile signature of the Mayor and City Secretary of the City (or in the Mayor's absence, of the Mayor Pro Tem)) and authenticated, (vii) shall be payable, (viii) may and shall be redeemed prior to their scheduled maturities, and (ix) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance (as modified in a Pricing Certificate). The Bond initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

SECTION 6. CITY TO MAINTAIN A PAYING AGENT/REGISTRAR FOR THE BONDS. The City covenants with the Owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 50 days written notice to the Paying Agent/Registrar, to be effective not later than 45 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

SECTION 7. AUTHENTICATION OF BONDS; INITIAL BOND.

(a) Authentication. Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered on the closing date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(b) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the purchaser designated in the Pricing Certificate or its designee, executed by manual or facsimile signature of the Mayor (or in the Mayor's absence, of the Mayor Pro Tem) and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Paying Agent/Registrar shall cancel the initial Bond and deliver to the Depository Trust Company on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

SECTION 8. BOOK-ENTRY ONLY SYSTEM.

(a) Depository Trust Company. The Bonds issued in exchange for the Bond initially issued to the initial purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (b) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC

Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than an Owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the Owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

The previous execution and delivery of the Blanket Letter of Representations with respect to obligations of the City is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

(b) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representations letter of the City to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate certificated Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(c) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representations letter of the City to DTC.

SECTION 9. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance, and with the Bonds to be completed with information set forth in the Pricing Certificate. The Form of Bond shall be completed with information set forth in the Pricing Certificate and shall be attached to the Pricing Certificate as an exhibit thereto.

(a) [Form of Bond]

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF GARLAND, TEXAS WATER AND SEWER SYSTEM REVENUE REFUNDING BOND [TAXABLE] SERIES 2024	PRINCIPAL AMOUNT $

INTEREST RATE	INITIAL DELIVERY DATE OF BONDS	MATURITY DATE	CUSIP NO.
_____	_____, 2024	March 1, _____	_____

OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the City of Garland, in Dallas, Collin and Rockwall Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Owner specified above, or registered assigns (hereinafter called the "Owner"), on the Maturity Date specified above, the Principal Amount specified above. The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Initial Delivery Date of Bonds set forth above at the Interest Rate per annum specified above. Interest is payable on _____ and semiannually on each _____ and _____ thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of Zions Bancorporation, National Association, Amegy Bank Division, in Houston, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Bond (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Owner hereof, at its address as it appeared on the fifteenth day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Owner upon presentation and surrender of this Bond for payment or redemption at the principal corporate trust office of the Paying Agent/Registrar. The City covenants with the Owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Bond Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for any payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated _____ (the "Bond Date") of like designation and tenor, except as to number, interest rate, denomination, and maturity issued pursuant to the ordinance adopted by the governing body of the City (herein referred to as the

"Ordinance") in the original aggregate principal amount of $55,500,000 for the purpose of refunding certain outstanding obligations payable from revenues of the City's Water and Sewer System and paying costs of issuance, all under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1207 and 1371, as amended, and the Ordinance.

[THE BONDS OF THIS SERIES maturing on _____ in the years _____ are subject to mandatory redemption prior to maturity in part at random, by lot or other customary method selected by the Paying Agent/Registrar, at par plus accrued interest to the redemption date, and without premium, with funds on deposit in the Interest and Sinking Fund. Such Bonds shall be redeemed by the Paying Agent/Registrar on _____ in each of the years and in the principal amounts, respectively, as are set forth in the following schedule:

Bonds Maturing _____, _____		Bonds Maturing _____, _____		Bonds Maturing _____, _____	
Year	Principal Amount	Year	Principal Amount	Year	Principal Amount

_____
(1) Final maturity of Bond.

The principal amount of the Bonds required to be redeemed pursuant to the operation of such mandatory sinking fund shall be reduced by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been purchased by the City and delivered to the Paying Agent/Registrar for cancellation or (ii) redeemed pursuant to the optional redemption provision described below and not theretofore credited against a mandatory sinking fund requirement.]

[IN ADDITION TO THE FOREGOING MANDATORY REDEMPTION, the Bonds of this series maturing on and after _____ may be redeemed prior to their scheduled maturities on any date on or after _____, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the City (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.]

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the Owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure of the Owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity

or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Ordinance, this Bond may, at the request of the Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of $5,000 as requested in writing by the appropriate Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of $5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will

appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Owners of the Bonds.

THE BONDS CONSTITUTE SPECIAL OBLIGATIONS of the City and, together with currently outstanding Bonds Similarly Secured (as defined in the Ordinance) and any Additional Bonds (as defined in the Ordinance), if issued, are payable solely from and equally secured by a first lien on and pledge of the Net Revenues of the System. The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the System, except with respect to the Net Revenues.

THE OWNER HEREOF shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

THE CITY EXPRESSLY RESERVES THE RIGHT to issue Additional Bonds in all things on a parity with the Bonds, payable solely from and equally secured by the same lien on and pledge of the Net Revenues of the System as the Bonds; provided, however, that any and all such Additional Bonds may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Ordinance, to which reference is hereby made for more complete and full particulars.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and to be done precedent to and in the issuance of the Bonds to render the same lawful and valid have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas and the Ordinance; that the Bonds do not exceed any constitutional or statutory limitation; and that provision has been made for the payment of the principal of and interest on the Bonds by irrevocably pledging the Net Revenues of the System, as herein above recited.

REFERENCE IS HEREBY MADE TO THE ORDINANCE, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Owner of this Bond by the acceptance hereof hereby assents, for (1) definitions of terms; (2) the description of and the nature and extent of the security for the payment of the Bonds; (3) the properties constituting the System; (4) the Net Revenues pledged to the payment of the principal of and interest on the Bonds; (5) the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; (6) the terms and conditions for the issuance of additional revenue obligations; (7) the terms and conditions relating to the transfer or exchange of this Bond; (8) the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Owners; (9) the rights, duties, and obligations of the City and the Paying Agent/Registrar; (10) the terms and provisions upon which the liens, pledges, charges, and covenants made therein may be discharged at or prior to the maturity of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and (11) for the other terms and provisions contained therein. Capitalized terms used herein have the same meanings assigned in the Ordinance.

THIS BOND, subject to certain limitations contained in the Ordinance, may be transferred on the Registration Books only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Owner hereof, or his duly authorized agent. When a transfer on the Registration Books occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

THE CITY AND THE PAYING AGENT/REGISTRAR, and any agent of either, shall treat the Owner whose name appears on the Registration Books (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

IN CASE ANY PROVISION IN THIS BOND or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. This Bond shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City as of the Bond Date.

(signature)	(signature)
City Secretary	Mayor

(SEAL)

(b) [Form of Paying Agent/Registrar's Authentication Certificate]

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, Houston, Texas
Paying Agent/Registrar

By:_____
Authorized Representative

(c) [Form of Assignment]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

_____

Please insert Social Security or Taxpayer Identification Number of Transferee:

_____

Please print or typewrite name and address, including zip code of Transferee:

_____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____, attorney, to register the transfer of

the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed:

_____	_____
NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.	NOTICE: The signature above must correspond with the name of the Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) [Form of Registration Certificate of the Comptroller of Public Accounts]

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

_____
Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(e) [Initial Bond Insertions]

(i) The initial Bond shall be in the form set forth is paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF GARLAND, TEXAS, in Dallas, Collin and Rockwall Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Owner specified above, or registered assigns (hereinafter called the "Owner"), on _____ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years	Principal Installments ($)	Interest Rates (%)

(Information from Pricing Certificate to be inserted)

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Initial Delivery shown above, at the respective Interest Rate per annum specified above. Interest is payable on _____, and on each _____ and _____ thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

SECTION 10. DEFINITIONS. In addition to such other terms defined elsewhere in this Ordinance, for all purposes of this Ordinance and in particular for clarity with respect to the issuance of the Bonds and the pledge and appropriation of revenues therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean the additional parity revenue obligations

authorized to be issued in accordance with the terms and conditions prescribed in Section 20 hereof.

(b) The term "Annual Debt Service Requirements" shall mean, for any Fiscal Year, the principal of and interest on all Bonds Similarly Secured coming due at Maturity or Stated Maturity (or that could come due on demand of the owner thereof other than by acceleration or other demand conditioned upon default by the City on such Debt, or be payable in respect of any required purchase of such Debt by the City) in such Fiscal Year, and, for such purposes, any one or more of the following rules shall apply at the election of the City:

(i) Committed Take Out. If the City has entered into a Credit Agreement constituting a binding commitment within normal commercial practice to discharge any of its Funded Debt at its Stated Maturity (or, if due on demand, at any date on which demand may be made) or to purchase any of its Funded Debt at any date on which such Debt is subject to required purchase, all under arrangements whereby the City's obligation to repay the amounts advanced for such discharge or purchase constitutes Funded Debt, then the portion of the Funded Debt committed to be discharged or purchased shall be excluded from such calculation and the principal of and interest on the Funded Debt incurred for such discharging or purchase that would be due in the Fiscal Year for which the calculation is being made, if incurred at the Stated Maturity or purchase date of the Funded Debt to be discharged or purchased, shall be added;

(ii) Balloon Debt. If the principal (including the accretion of interest resulting from original issue discount or compounding of interest) of any series or issue of Funded Debt due (or payable in respect of any required purchase of such Funded Debt by the City) in any Fiscal Year either is equal to at least 25% of the total principal (including the accretion of interest resulting from original issue discount or compounding of interest) of such Funded Debt or exceeds by more than 50% the greatest amount of principal of such series or issue of Funded Debt due in any preceding or succeeding Fiscal Year (such principal due in such Fiscal Year for such series or issue of Funded Debt being referred to herein as "Balloon Debt"), the amount of principal of such Balloon Debt taken into account during any Fiscal Year shall be equal to the debt service calculated using the original principal amount of such Balloon Debt amortized over the Term of Issue on a level debt service basis at an assumed interest rate equal to the rate borne by such Balloon Debt on the date of calculation;

(iii) Consent Sinking Fund. In the case of Balloon Debt (as defined in clause (ii) above), if the City Manager or the Finance Director or a designee of either shall deliver to the City a certificate providing for the retirement of (and the instrument creating such Balloon Debt shall permit the retirement of), or for the accumulation of a sinking fund for (and the instrument creating such Balloon Debt shall permit the accumulation of a sinking fund for), such Balloon Debt according to a fixed schedule stated in such certificate ending on or before the Fiscal Year in which such principal (and premium, if any) is due, then the principal of (and, in the case of

retirement, or to the extent provided for by the sinking fund accumulation, the premium, if any, and interest and other debt service charges on) such Balloon Debt shall be computed as if the same were due in accordance with such schedule, provided that this clause (iii) shall apply only to Balloon Debt for which the installments previously scheduled have been paid or deposited to the sinking fund established with respect to such Debt on or before the times required by such schedule; and provided further that this clause (iii) shall not apply where the City has elected to apply the rule set forth in clause (ii) above;

(iv) Prepaid Debt. Principal of and interest on Bonds Similarly Secured, or portions thereof, shall not be included in the computation of the Annual Debt Service Requirements for any Fiscal Year for which such principal or interest are payable from funds on deposit or set aside in trust for the payment thereof at the time of such calculations (including without limitation capitalized interest and accrued interest so deposited or set aside in trust) with a financial institution acting as fiduciary with respect to the payment of such Debt;

(v) Variable Rate.

(1) Except as hereinafter provided in this subparagraph, the rate of interest on Variable Rate Obligations then proposed to be issued shall be deemed to be the average for the then immediately preceding five (5) years of the SIFMA Index, plus twenty (20) basis points; provided, however, that (i) if, after the issuance of the Variable Rate Obligations then proposed to be issued, more than 20% of the aggregate of the Bonds Similarly Secured Outstanding will bear interest at a variable rate and (ii) any Bond Similarly Secured is then insured by a Bond Insurer, the rate of interest on Variable Rate Obligations then proposed to be issued shall be deemed to be the greater of (x) the most recently announced thirty (30) year Revenue Bond Index published by The Bond Buyer, a financial journal published, as of the date the Ordinance was adopted, in the City of New York, New York, (y) the rate of interest then borne by any Variable Rate Obligations then Outstanding, or (z) 1.25 times the average variable rate borne by any Variable Rate Obligations then Outstanding during the then immediately preceding twelve month period; and

(2) Except as hereinafter provided in this subparagraph, the rate of interest on Variable Rate Obligations outstanding at the time of such calculation shall be deemed to be the lesser of (i) the then current per annum rate of interest borne by such Variable Rate Obligations or (ii) the average per annum rate of interest borne by such Variable Rate Obligations during the then immediately preceding twelve-month period; provided, however, that for any period during which (a) more than 20% of the aggregate of the Bonds Similarly Secured then Outstanding bear interest at a variable rate and (b) any Bond Similarly Secured is then insured by a Bond Insurer, the rate of interest on such Variable Rate Obligations shall be the greater of (x)

the most recently announced 30-year Revenue Bond Index published by The Bond Buyer, a financial journal published, as of the date the Ordinance was adopted, in the City of New York, New York, (y) the rate of interest then in effect with respect to such Variable Rate Obligations in accordance with their terms, or (z) 1.25 times the average variable rate borne by such Variable Rate Obligations during the then immediately preceding twelve month period;

(vi) Guarantee. In the case of any guarantee, as described in clause (ii) of the definition of Debt, no obligation will be counted if the City does not anticipate in its annual budget that it will make any payments on the guarantee. If however, the City is making payments on a guarantee or anticipates doing so in its annual budget, such obligation shall be treated as Bonds Similarly Secured and calculations of Annual Debt Service Requirements with respect to such guarantee shall be made assuming that the City will make all additional payments due under the guaranteed obligation. If the entity whose obligation is guaranteed cures all defaults and the City no longer anticipates making payments under the guarantee, the guaranteed obligations shall not be included in the calculation of Annual Debt Service Requirements;

(vii) Commercial Paper. With respect to any Bonds Similarly Secured issued in the form of commercial paper with maturities not exceeding 270 days, the interest on such Bonds Similarly Secured shall be calculated in the manner provided in clause (v) of this definition and the maturity schedule shall be calculated in the manner provided in clause (ii) of this definition; and

(viii) Credit Agreement Payments. If the City has entered into a Credit Agreement in connection with an issue of Debt, payments due under the Credit Agreement (other than payments made by the City in connection with the termination or unwinding of a Credit Agreement), from either the City or the Credit Provider, shall be included in such calculation except to the extent that the payments are already taken into account under (i) through (vii) above and any payments otherwise included above under (i) through (vii) which are to be replaced by payments under a Credit Agreement, from either the City or the Credit Provider, shall be excluded from such calculation.

(c) The term "Bond Date" shall mean the dated ate for a series of Bonds as set forth in a Pricing Certificate.

(d) The term "Bond Insurer" shall mean a company licensed to issue policies of municipal bond insurance in the State.

(e) The term "Bonds" shall mean, collectively, the bonds of all series of Bonds authorized, issued and delivered pursuant to this Ordinance.

(f) The term "Bonds Similarly Secured" shall mean, collectively, the Bonds, the Previously Issued Bonds and any Additional Bonds.

(g) The term "City" shall mean the City of Garland, Texas.

(h) The term "Consultant" shall mean an independent firm, person or corporation recognized as having expertise and with a favorable reputation for special skill and knowledge in the operations and financing of municipal water and sewer facilities and systems similar in size to the System.

(i) The term "Credit Agreement" shall mean, collectively, a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitments to purchase Bonds Similarly Secured, purchase or sale agreements, interest rate swap agreements, currency exchange agreements, interest rate floor or cap agreements, or commitments or other contracts or agreements authorized, recognized and approved by the City as a Credit Agreement in connection with the authorization, issuance, security, or payment of Bonds Similarly Secured and on a parity therewith.

(j) The term "Credit Facility" shall mean (i) a policy of insurance or a surety bond, issued by an issuer of policies of insurance insuring the timely payment of debt service on governmental obligations, provided that a Rating Agency having an outstanding rating on Bonds Similarly Secured would rate the Bonds Similarly Secured fully insured by a standard policy issued by the issuer in its two highest generic rating categories for such obligations; and (ii) a letter or line of credit issued by any financial institution, provided that a Rating Agency having an outstanding rating on the Bonds Similarly Secured would rate the Bonds Similarly Secured in its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Bonds Similarly Secured and the interest thereon; and, in any case, no lower than the rating assigned by a Rating Agency to the Bonds Similarly Secured.

(k) The term "Credit Provider" shall mean any bank, financial institution, insurance company, surety bond provider, or other entity which provides, executes, issues, or otherwise is a party to or provider of a Credit Agreement.

(l) The term "Debt" shall mean, with respect to the System, all:

(i) indebtedness incurred or assumed by the City for borrowed money (including indebtedness arising under Credit Agreements) and all other financing obligations of the City that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet;

(ii) all other indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or for the acquisition, construction, or improvement of property or capitalized lease obligations that is guaranteed, directly or indirectly, in any manner by the City, or that is in effect guaranteed, directly or indirectly, by the City through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose

of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(iii) all indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the City whether or not the City has assumed or become liable for the payment thereof.

For the purpose of determining the "Debt" of the City, there shall be excluded any particular Debt if, upon or prior to the Maturity thereof, there shall have been deposited with the proper depository (a) in trust the necessary funds (or investments that will provide sufficient funds, if permitted by the instrument creating such Debt) for the payment, redemption, or satisfaction of such Debt or (b) evidence of such Debt deposited for cancellation; and thereafter it shall not be considered Debt. No item shall be considered Debt unless such item constitutes indebtedness under generally accepted accounting principles applied on a basis consistent with the financial statements prepared by or for the benefit of the City in prior Fiscal Years.

(m) The term "Fiscal Year" shall mean the 12 month period ending September 30th of each year; provided, however, the City may. change the Fiscal Year to another period of not less than 12 calendar months, but in no event may the Fiscal Year be changed more than one time in any three calendar year period.

(n) The term "Funded Debt" shall mean all Bonds Similarly Secured created or assumed by the City that mature by their terms (in the absence of the exercise of any earlier right of demand), or that are renewable at the option of the City to a date, more than one year after the original creation or assumption of such Debt by the City.

(o) The term "Government Obligations", as used herein, shall mean any then authorized securities or obligations that may be used to defease obligations such as the Bonds under the then applicable laws of the State of Texas.

(p) The term "Maturity" shall mean, when used with respect to any Debt, the date on which the principal of such Debt or any installment thereof becomes due and payable as therein provided, whether at the Stated Maturity thereof or by declaration of acceleration, call for redemption, or otherwise.

(q) The term "Net Revenues" shall mean the gross revenues of the System less the expenses of operation and maintenance, including all salaries, labor, materials, repairs and extensions necessary to render efficient service, provided, however, that only such repairs and extensions as in the judgment of the Council, reasonably and fairly exercised are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the security of any obligations payable from and secured by a lien on the net revenues of the System shall be deducted in determining "Net Revenues." Depreciation shall not be considered an

operation or maintenance expense of the System.

(r) The term "New Series 2018 Bonds" shall mean the "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018", dated May 15, 2018.

(s) The term "Outstanding" when used in this Ordinance with respect to the Bonds means, as of the date of determination, all Bonds and Bonds Similarly Secured theretofore issued and delivered, except:

(i) those Bonds or Bonds Similarly Secured theretofore cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(ii) those Bonds or Bonds Similarly Secured for which payment has been duly provided by the City in accordance with the provisions of Section 29 hereof by the irrevocable deposit with the Paying Agent/Registrar of money or Government Obligations, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds or Bonds Similarly Secured are to be redeemed, notice of redemption thereof shall have been duly given pursuant to the ordinance authorizing the issuance of such Bonds or Bonds Similarly Secured or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived; and

(iii) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost or stolen and for which replacement bonds have been registered and delivered in lieu thereof.

(t) The term "Owner," with respect to any Bond shall mean the person in whose name such Bond is registered on the register kept by the Paying Agent/Registrar.

(u) The term "Paying Agent/Registrar" shall mean the person or entity designated as such pursuant to Section 5(a) of this Ordinance.

(v) The term "Previously Issued Bonds" shall mean:

(i) "City of Garland, Texas, Water and Sewer System Revenue Refunding and Improvement Bonds, New Series 2014," dated June 1, 2014;

(ii) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2016", dated November 15, 2016;

(iii) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2017", dated May 15, 2017;

(iv) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018", dated May 15, 2018;

(v) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018A", dated December 1, 2018;

(vi) "City of Garland, Texas, Water and Sewer System Revenue Bonds, New Series 2019", dated June 1, 2019;

(vii) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2019A", dated December 1, 2019;

(viii) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2021", dated January 15, 2021;

(ix) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2022", dated May 1, 2022; and

(x) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2023", dated May 1, 2023.

(w) The term "Stated Maturity" shall mean, when used with respect to any Debt or any installment of interest thereon, any date specified in the instrument evidencing or authorizing such Debt or such installment of interest as a fixed date on which the principal of such Debt or any installment thereof or the fixed date on which such installment of interest is due and payable.

(x) The term "System" shall mean the City's combined Water and Sewer System, including all present and future extensions, additions, replacements and improvements thereto.

(y) The term "Tax-Exempt Bonds" shall mean any Bond, the interest on which is excludable from gross income for federal income tax purposes.

(z) The term "Taxable Bonds" shall mean any Bond, the interest on which is includable in gross income for federal income tax purposes.

(aa) The term "Term of Issue" shall mean, with respect to any Balloon Debt, a period of time equal to the greater of (i) the period of time commencing on the date of issuance of such Balloon Debt and ending on the final maturity date of such Balloon Debt or (ii) twenty-five (25) years.

(bb) The term "Variable Rate Obligations" shall mean Bonds Similarly Secured that bear interest at a rate per annum which is subject to adjustment so that the actual rate of interest is not ascertainable at the time such Bonds Similarly Secured are issued; provided, however, that upon the conversion of the rate of interest on a Variable Rate Obligation to a fixed rate of interest (whether or not the interest rate thereon is subject to conversion back to a variable rate of interest), such Bond Similarly Secured shall not be treated as a "Variable Rate Obligation" for so long as such Bond Similarly Secured bears interest at a fixed rate.

The City reserves the right to establish accounts within the Bond Fund for the payment of

obligations, including specifically obligations incurred under a Credit Agreement, that is declared to be Bonds Similarly Secured in the ordinance authorizing the execution of such Credit Agreement.

SECTION 11. PLEDGE OF REVENUES. The City hereby covenants and agrees that the Net Revenues of the System, with the exception of those in excess of the amounts required for the payment and security of the Outstanding Bonds Similarly Secured, are hereby irrevocably pledged to the payment and security of the Outstanding Bonds Similarly Secured, including the maintenance of the special funds herein created in connection with the issuance of the Bonds, all as hereinafter provided, and it is hereby ordained that the Bonds Similarly Secured, and the interest thereon, shall be equally and ratably secured by a parity first lien on and pledge of the Net Revenues of the System and be valid and binding without any filing or recording except for the filing of this Ordinance in the records of the City.

Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds and the pledge of the revenues granted by the City under this Section of this Ordinance, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the revenues granted by the City under this Section of this Ordinance is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the Holders of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 12. RATES AND CHARGES. The City hereby covenants and agrees with the Owners of the Bonds that rates and charges for water and sewer services afforded by the System will be established and maintained to provide revenues sufficient at all times to:

(a) Pay for all operation and maintenance charges of said System;

(b) Maintain the Bond Fund; and

(c) Pay all other outstanding indebtedness against said System as and when the same becomes due.

In determining the rates and charges for water and sewer services afforded by the System, the City can take into account funds transferred from any rate mitigation fund or account and applied to the items specified in (a), (b) and (c) above.

SECTION 13. FUND DESIGNATIONS. The City hereby covenants and agrees that all revenues derived from the operation of the System shall be kept separate and apart from all other funds of the City, and the following Funds or Accounts shall be created and established in connection with the issuance of the Bonds (to the extent such funds have not previously been created and established) and shall continue to be kept and maintained during the period of time any Bonds Similarly Secured and any Additional Bonds are Outstanding, to wit:

(a) City of Garland, Texas Water and Sewer System Fund, hereinafter called the "System Fund," which Fund is kept and maintained at a depository bank of the City.

(b) City of Garland, Texas Water and Sewer System Interest and Sinking Fund, hereinafter called the "Bond Fund," which Bond Fund is hereby declared to be the combined interest and sinking fund created for the payment of principal of and interest on any Outstanding Bonds Similarly Secured, and the same shall continue to be a single fund for the payment of principal of and interest on such Outstanding Bonds Similarly Secured. The Bond Fund shall be kept and maintained at a City depository, as custodian of the pledged revenues, and moneys deposited therein shall be used solely for the purpose of paying the principal of and interest on the Outstanding Bonds Similarly Secured when and as the same become due and payable.

It is specifically provided, however, that the City may change the custodian of the Bond Fund without impairing the obligation of contract with the Owners of the Bonds, if the new custodian for such Fund is a financial institution with trust powers. In no event shall a change of the custodian of the Bond Fund be considered as a change in the purpose for which such Fund was created and established as provided in this Ordinance, and the City covenants that it will cause such Funds to be timely utilized for the respective purposes for which they were created.

The City reserves the right to establish and maintain additional funds and accounts in connection with payment or support of the Outstanding Bonds Similarly Secured and the money on deposit in any such fund or account on the last day of the Fiscal Year may be used for any lawful purpose related to the Outstanding Bonds Similarly Secured and any proposed obligations which would be Bonds Similarly Secured when issued, including being applied to any Net Revenue calculations associated with Additional Bonds.

SECTION 14. SYSTEM FUND. The City hereby covenants and agrees that all revenues and income of every nature derived and to be derived from the operation of the System shall be deposited from day to day as collected into the System Fund, and the reasonable and proper maintenance and operation expenses of the System shall be paid therefrom. All moneys deposited therein which are not required for the payment of maintenance and operating expenses of the System shall be appropriated and used, first to the payment of any principal, interest or reserve requirements of any Outstanding Bonds Similarly Secured, second to the payment of any principal, interest or reserve requirements of any outstanding obligations payable from and secured by a lien on and pledge of the Net Revenues of the System subordinate to the lien on and pledge of the Net Revenues to any Outstanding Bonds Similarly Secured and third, for any purpose authorized by applicable law.

SECTION 15. BOND FUND. The following provisions shall govern the maintenance and use of the Bond Fund: the City covenants that from the funds in the System Fund, after paying or making provision for the payment of the necessary and reasonable expenses of operation and maintenance of the System, the City shall pay into the Bond Fund during each year in which any of the Bonds Similarly Secured are Outstanding, an amount equal to one hundred percent (100%) of the amount required to meet the principal and interest payments falling due on or before the next maturity date of the Outstanding Bonds Similarly Secured. An amount of moneys in the Bond

Fund sufficient to pay principal and interest next coming due shall be transferred to the Paying Agent/Registrar on or before the principal or interest payment date.

SECTION 16. DEFICIENCIES IN FUNDS. If in any month the City shall, for any reason, fail to pay into the Bond Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Fund from the first available and unallocated Net Revenues of the System for the following month or months, and such payments shall be in addition to the amounts otherwise required to be paid into said Fund during such month or months.

SECTION 17. EXCESS REVENUES. Any Net Revenues in excess of those required to establish and maintain the special Funds as herein required may be used for any other lawful purpose.

SECTION 18. SECURITY OF FUNDS. All moneys deposited in the Funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State for the security of public funds, and shall be used only for the purposes permitted by this Ordinance and the ordinances authorizing the issuance of other Bonds Similarly Secured.

SECTION 19. NO ADDITIONAL OBLIGATIONS TO BE ISSUED ON A BASIS SUPERIOR TO THE BOND SIMILARLY SECURED - OBLIGATIONS OF INFERIOR LIEN AND PLEDGE. The City will not hereafter issue any additional obligations or create or issue evidences of indebtedness for any purpose possessing a lien on the Net Revenues of the System superior to that to be possessed by the Bonds Similarly Secured. The City, however, retains the right to create and issue evidences of indebtedness whose lien on and pledge of the Net Revenues of the System shall be subordinate to that possessed by the Bonds Similarly Secured.

SECTION 20. ISSUANCE OF ADDITIONAL BONDS. In addition to the right to issue obligations of inferior lien as authorized by the laws of the State, the City hereby reserves the right to issue additional parity obligations. The Additional Bonds, when issued, shall be payable from and secured by a lien on and pledge of the Net Revenues of the System in the same manner and to the same extent as the Outstanding Bonds Similarly Secured. The Outstanding Bonds Similarly Secured and any Additional Bonds shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments, provided, however, that none shall be issued unless and until the following conditions have been met:

(a) A certificate is executed by the Mayor and Finance Director (or other officer of the City having primary responsibility for the financial affairs of the City) to the effect that no default exists in connection with any of the covenants or requirements of the ordinances authorizing the issuance of all then Outstanding Bonds Similarly Secured;

(b) A certificate is executed by the Mayor and Finance Director (or other officer of the City having primary responsibility for the financial affairs of the City) to the effect that the Bond Fund contains the amount then required to be on deposit therein;

(c) A certificate is executed by a certified public accountant to the effect that, in his or her opinion, the Net Revenues of the System either for the last complete Fiscal Year of the City,

or for any 12 consecutive calendar month period ending not more than 90 days prior to the passage of the ordinance authorizing the issuance of such Additional Bonds were, for the calculation period, at least 1.25 times the then current average annual principal and interest requirements for all then Outstanding Bonds Similarly Secured and for the installment or series of Additional Bonds then proposed to be issued and 1.00 times the maximum annual principal and interest requirements for all Outstanding Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds then being issued. However, (i) should the certificate of the accountant certify that the Net Revenues of the System for the period covered thereby were less than required above, and (ii) a change in the rates and charges for water and sewer services afforded by the System became effective at least 60 days prior to the last day of the period covered by the accountant's certificate, and (iii) a Consultant will certify that, had such change in rates and charges been effective for the entire period covered by the accountant's certificate, the Net Revenues of the System covered by the accountant's certificate would have been, in his or her opinion, equal to at least 1.25 times the then current average annual and 1.00 times the maximum annual principal and interest requirements (calculated on a Fiscal Year basis) of the Bonds Similarly Secured after giving effect to the issuance of the proposed Additional Bonds, then, in such event, the coverage specified in the first sentence of this subparagraph (c) shall not be required for the period specified, and such accountant's certificate will be sufficient if accompanied by a Consultant's certificate to the above effect. For purposes of the calculation in this subparagraph (c), Net Revenues as used in this subparagraph (c), shall mean the Net Revenues of the System, but excluding and not deducting any charges or disbursements which under standard accounting practice should be charged to depreciation, betterment or capital expenditures;

(d) The Additional Bonds are scheduled to mature on March 1 or September 1, or both, and the interest thereon is scheduled to be paid on March 1 and September 1, provided, however, if the City issues Variable Rate Obligations, such Variable Rate Obligations may mature and pay interest on such date or dates provided in the ordinance authorizing the issuance of such Variable Rate Obligations;

(e) All calculations of maximum annual debt service requirements made pursuant to this Section shall be made based upon the actual rate of interest to be borne by the Additional Bonds then proposed to be issued.

Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the City may deem to be in the best interest of the City and its inhabitants, and if fewer than all such Outstanding Bonds Similarly Secured are refunded, the proposed refunding bonds shall be considered as "Additional Bonds" under the provisions of this Section, and the certificate(s) required in subdivision (c) shall give effect to the issuance of the proposed refunding bonds (and shall not give effect to the Bonds Similarly Secured being refunded following their cancellation or provision being made for their payment).

SECTION 21. MAINTENANCE AND OPERATION - INSURANCE. The City covenants and agrees that the System shall be maintained in good condition and operated in an efficient manner and at reasonable cost. So long as any of the Bonds are Outstanding, the City agrees to maintain insurance on the System of a kind, and in an amount not less than, customarily carried by municipal corporations in the State engaged in a similar type of business. Nothing in this

Ordinance shall be construed as requiring the City to expend any funds which are derived from sources other than the operation of the System, but nothing herein shall be construed as preventing the City from doing so.

SECTION 22. RECORDS - ACCOUNTS - ACCOUNTING REPORTS.

(a) The City hereby covenants and agrees that so long as any of the Bonds remain Outstanding, it will keep and maintain a proper and complete system of records and accounts pertaining to the operation of the System separate and apart from all other records and accounts of the City in accordance with accepted accounting principles prescribed for municipal corporations. The Owner of any Bond or any duly authorized agent or agents of such Owner shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, and to inspect the System and all properties comprising same. The City further agrees that as soon as possible following the close of each Fiscal Year it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants or licensed public accountants.

(b) Expenses incurred in making the audits above referred to are to be regarded as maintenance and operating expenses of the System and paid as such.

SECTION 23. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State, the City covenants and agrees particularly that in the event the City (a) defaults in payments to be made to the Bond Fund as required by this Ordinance or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Owner or Owners of any Bond shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive. Notwithstanding anything in this Ordinance to the contrary, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

SECTION 24. SPECIAL COVENANTS. The City hereby further covenants as follows:

(a) That it has the lawful power to pledge the revenues supporting this issue of Bonds and has lawfully exercised said power under the Constitution and laws of the State, including said power existing under Texas Government Code, Chapter 1502, as amended, that the Bonds when issued, shall be ratably secured under said pledge of income in such manner that one Bond Similarly Secured shall have no preference over any other Bond Similarly Secured.

(b) That, other than for the payment of the Outstanding Previously Issued Bonds and the Bonds herein authorized, the Net Revenues of the System are not in any manner pledged to the

payment of any debt or obligation of the City or of the System, except on a basis subordinate to that for the Bonds Similarly Secured.

(c) That, as long as any of the Bonds Similarly Secured or any interest thereon remain Outstanding, the City will not sell or encumber the System or any substantial part thereof; provided that this shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the System; also, with the exception of the Additional Bonds expressly permitted by this Ordinance to be issued, it will not encumber the Net Revenues thereof unless such encumbrance is made subordinate to the lien on and pledge of said Net Revenues to any Bonds Similarly Secured.

(d) That no free service of the System shall be allowed, and should the City or any of its agents or instrumentalities make use of the services and facilities of the System, payment of the reasonable value thereof shall be made by the City out of funds from sources other than the revenues and income of the System.

(e) At such time as there are no Bonds Similarly Secured issued prior to the issuance of the New Series 2018 Bonds, the City may sell or exchange at any time and from time to time any properties and facilities constituting the System if the City shall have received a certificate executed by the Finance Director stating that the sale or exchange of such property or facilities will not materially adversely affect the financial condition of the City or its ability to satisfy the System's rate covenants. The proceeds of any such sale or exchange shall be used by the City, at the option of the City, (i) to acquire additional System facilities; (ii) to purchase, defease, or redeem System Debt; or (iii) for any other lawful purpose. Additionally, the portion of property comprising personal property or machinery, properties, and equipment which has become obsolete or otherwise unneeded in the operation of the System may be sold or otherwise disposed in any manner deemed appropriate by the City acting through the City Manager, the Finance Director or a designee of either of such City representatives.

(f) To the extent that it legally may, the City further covenants and agrees that, so long as any of the Bonds Similarly Secured, or any interest thereon, are Outstanding, no franchise shall be granted for the installation or operation of any competing water or sewer system other than those owned by the City, and the operation of any such system by anyone other than the City is hereby prohibited.

SECTION 25. BONDS ARE SPECIAL OBLIGATIONS. The Bonds are special obligations of the City payable from the pledged Net Revenues of the System, and the Owners thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 26. BONDS ARE NEGOTIABLE INSTRUMENTS. That each of the Bonds shall be deemed and construed to be a "security," and as such a negotiable instrument, within the meaning of Texas Business and Commerce Code, Chapter 8, as amended.

SECTION 27. INVESTMENTS. Moneys in the Bond Fund may at the option of the City be invested or reinvested from time to time in direct obligations of the United States of America, or other obligations permitted by the Texas Public Funds Investment Act, as amended.

SECTION 28. PAYMENT OF BONDS. While any of the Bonds are Outstanding, the Mayor, the Finance Director and the City Secretary, individually or jointly, are hereby authorized to transfer or cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Bond Fund, amounts sufficient to fully pay and discharge promptly each installment of interest on and principal of the Bonds as the same accrue or mature; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds on or before the date of payment for the Bonds.

SECTION 29. DEFEASANCE OF BONDS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Government Obligations that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the revenues herein pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Government Obligations, and thereafter the City will have no further responsibility with respect to amounts available to the Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bonds, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by applicable law) to receive payment when due on the Government Obligations. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection 30(a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from such Government Obligations received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect

to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Government Obligations are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Government Obligations or the substitution of other Government Obligations upon the satisfaction of the requirements specified in subsection 30(a)(i) or (ii). All income from such Government Obligations received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

SECTION 30. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Owner of any Bond from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 36 hereof. The City, may, without the consent of or notice to any Owners of Bonds, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners of any Bond, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the written consent of the Owners of Bonds owning a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of Outstanding Bonds affected thereby, no such amendment, addition or rescission shall (a) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (b) give any preference to any Bond over any other Bond or (c) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition or rescission.

SECTION 31. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS. (a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the Owner applying for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or

indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Chapter 1201, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 5(b) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 32. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION AND ENGAGEMENT; ATTORNEY GENERAL FILING FEE; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED. (a) The Mayor of the City is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State, and their registration by the Comptroller of Public Accounts of the State. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the initial purchaser to accept delivery of the Bonds is subject to the initial purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the City, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the initial purchaser. The engagement of such firm as bond counsel to the City in connection with issuance, sale and delivery of the Bonds is hereby approved and confirmed, and the execution and delivery of an engagement letter between the City and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor (or in the absence of the Mayor, the Mayor Pro-tem) of the City and an Authorized Officer (as hereinafter defined) is hereby authorized to execute such engagement letter.

(c) In accordance with the provisions of Section 1202.004, Tex. Gov't Code Ann., in connection with the submission of the Bonds by the Attorney General of Texas for review and approval, a statutory fee (an amount equal to 0.1% principal amount of each series of Bonds, subject to a minimum of $750 and a maximum of $9,500) is required to be paid to the Attorney General upon the submission of the transcript of proceedings for the Bonds. The City hereby authorizes and directs that a check in the amount of the Attorney General filing fee for each series of Bonds, made payable to the "Texas Attorney General," be promptly furnished to the City's Bond Counsel, for payment to the Attorney General in connection with his review of the Bonds.

SECTION 33. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE TAX-EXEMPT BONDS. With respect to Bonds that are issued as tax-exempt obligations (as specified in the Pricing Certificate pertaining thereto), the City covenants to refrain from taking any action which would adversely affect, and to take any required action to ensure, the treatment of such as obligations described in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in Section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance, or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Tax-Exempt Bonds, in contravention of Section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of Section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of $5,000,000, or 5 percent of the proceeds of the Tax-Exempt Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of Section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Tax-Exempt Bonds being treated as "private activity bonds" within the meaning of Section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Tax-Exempt Bonds being "federally guaranteed" within the meaning of Section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Tax-Exempt Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax-Exempt Bonds, other than investment property acquired with --

(1) proceeds of the Tax-Exempt Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the Tax-Exempt Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Tax-Exempt Bonds;

(g) to otherwise restrict the use of the proceeds of the Tax-Exempt Bonds or amounts treated as proceeds of the Tax-Exempt Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(h) to refrain from using the proceeds of the Tax-Exempt Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Tax-Exempt Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(i) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Tax-Exempt Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Tax-Exempt Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

For the purposes of the foregoing (a) and (b), the City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Tax-Exempt Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Tax-Exempt Bonds, the City will not be required to comply with any covenant

contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax-Exempt Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Tax-Exempt Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Tax-Exempt Bonds under Section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor (or in the absence of the Mayor, the Mayor Pro-tem), the City Manager or the Finance Director of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax-Exempt Bonds.

In order to facilitate compliance with the above covenant (i), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with Section 148 of the Code.

SECTION 34. COVENANTS REGARDING TAXABLE BONDS.

(a) To the extent required by the Code, and the rules and regulations of the United States Department of the Treasury, it shall be the duty of the Paying Agent/Registrar to report to the owners of the Taxable Bonds and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to back up withholding during each year and the amount of tax withheld, if any, with respect to the payments on the Taxable Bonds and (ii) the amount of interest or amount treated as interest, such as original issue discount, on the Taxable Bonds required to be included in the gross income of the owners thereof for federal income tax purposes.

(b) It is the intention of the Issuer that the Taxable Bonds not be obligations described in section 103 of the Code interest on which is excludable from the gross income of the holders and in that regard the Issuer agrees not to file a form 8038 G, or any comparable information return relating to tax-exempt obligations, with the Internal Revenue Service.

SECTION 35. DISPOSITION OF REFINANCED FACILITIES. The City covenants that the property financed with the proceeds of the Refunded Obligations will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION 36. COMPLIANCE WITH RULE 15c2-12. If the Bonds are sold by private placement, the Pricing Officer may agree to provide for an undertaking in accordance with the

Rule (as defined below) or may agree to provide other public information to the purchaser as may be necessary for the sale of the Bonds on the most favorable terms to the City. If the Bonds are sold by public offering, and are subject to the Rule, the following provisions shall apply:

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii); provided however, that a "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports.

(i) The City shall provide annually to the MSRB, in the electronic format prescribed by the MSRB, financial information and operating data (the "Annual Operating Report") with respect to the City of the general type included in Tables 1 through 12 in the final Official Statement authorized by this Ordinance. The City will additionally provide financial statements of the City (the "Financial Statements"), that will be (i) prepared in accordance with the accounting principles described in Appendix B to the final Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation and shall be in substantially the form included in the final Official Statement and (ii) audited, if the City commissions an audit of such Financial Statements and the audit is completed within the period during which they must be provided. The City will update and provide the Annual Operating Report within six months after the end of each fiscal year and the Financial Statements within 12 months of the end of each fiscal year, in each case beginning with the fiscal year ending in and after 2023. The City may provide the Financial Statements earlier, including at the time it provides its Annual Operating Report, but if the audit of such Financial Statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited Financial Statements within such 12-month period and audited Financial Statements for the applicable fiscal year, when and if the audit report on such Financial Statements becomes available.

(ii) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific

reference to any documents available to the public on the MSRB's internet website or filed with the SEC.

(c) Event Notices. The City shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor trustee or change in the name of the trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding item (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental

authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by subsection (b).

(d) Limitations, Disclaimers, and Amendments.

(i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes the Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under the Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(v) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an

underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Owners and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

SECTION 37. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) The Bonds shall be sold and delivered subject to the provisions of Section 1 and Section 4 and pursuant to the terms and provisions of a bond purchase agreement, notice of sale and bidding instructions or private placement agreement (collectively, the "Purchase Agreement") which the Pricing Officer is hereby authorized to execute and deliver and in which the purchaser or purchasers (collectively, the "Purchaser") of the Bonds shall be designated. The Bonds shall initially be registered in the name of the purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the City, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Purchaser in the marketing of the Bonds.

(c) The Mayor and Mayor Pro Tem, the City Manager, the City Secretary and the Finance Director of the City (each, an "Authorized Officer") shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City a Paying Agent/Registrar Agreement with the Paying Agent/Registrar, a commitment for municipal bond insurance, if the Bonds shall be so insured, and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Pricing Certificate, the Bonds, the sale of the Bonds and the Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 38. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS. In furtherance of authority granted by Section 1207.007(b), Texas Government Code, and in accordance with Section 4(d) of this Ordinance, an Authorized Officer is further authorized to enter into and execute on behalf of the City with the escrow agent named therein, one or more escrow or similar agreements, which agreement or agreements will provide for the refunding of the Refunded Obligations.

In addition, on or immediately prior to the date of the delivery of the Bonds to the initial purchaser, an Authorized Officer is authorized to transfer and deposit cash from available funds to the paying agent/registrars of the Refunded Obligations, as applicable, if needed, to (i) fund the account described in the escrow or similar agreements as the City's contribution to the refunding of the Refunded Bonds and (ii) accomplish the refunding of the Refunded CP Notes. In addition, an Authorized Officer is authorized to purchase such securities, to execute such subscriptions for the purchase of the securities, if any are required for the defeasance of the Refunded Bonds.

SECTION 39. REDEMPTION OF REFUNDED OBLIGATIONS.

(a) Subject to the execution and delivery of the Purchase Agreement with the initial purchaser, the City hereby directs that the Refunded Obligations be called for redemption or otherwise retired on the dates and at the prices set forth in the Pricing Certificate.

(b) The paying agent/registrars for the Refunded Obligations are hereby directed to provide the appropriate notice of redemption as required by the Refunded Obligations (if applicable) and are hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed or otherwise retired on the appropriate redemption or maturity date.

(c) If the redemption of the Refunded Obligations results in the partial refunding of any maturity of the Refunded Obligations, the Pricing Officer shall direct the paying agent/registrar for the Refunded Obligations to designate at random and by lot which of the Refunded Obligations will be payable from and secured solely from the Net Revenues of the System pledged pursuant to the ordinance of the City authorizing the issuance of such Refunded Obligations (the "Refunded Bond Ordinance"). For purposes of such determination and designation, all Refunded Obligations registered in denominations greater than $5,000 shall be considered to be registered in separate $5,000 denominations. The paying agent/registrar shall notify by first-class mail all Owners of all affected bonds of such maturities that: (i) a portion of such bonds have been refunded and are secured until final maturity solely with cash and investments maintained by the Escrow Agent in the Escrow Fund, (ii) the principal amount of all affected bonds of such maturities registered in the name of such Owner that have been refunded and are payable solely from cash and investments in the Escrow Fund and the remaining principal amount of all affected bonds of such maturities registered in the name of such Owner, if any, have not been refunded and are payable and secured solely from the Net Revenues of the System described in the Refunded Obligation Ordinance, (iii) the Owner is required to submit his or her Refunded Obligations to the paying agent/registrar, for the purposes of re-registering such Owner's bonds and assigning new CUSIP numbers in order to distinguish the source of payment for the principal and interest on such bonds, and (iv) payment of principal of and interest on such bonds may, in some circumstances, be delayed until such bonds have been re-registered and new CUSIP numbers have been assigned as required by (iii) above.

(d) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the escrow agent for the Refunded Obligations, pursuant to the escrow or similar agreements approved in Section 38 of this Ordinance, or from amounts deposited with the paying agent/registrar for the Refunded Obligations from proceeds of the Bonds, if there is no escrow or similar agreement for one or both series of the Refunded Obligations.

SECTION 40. BENEFITS OF ORDINANCE. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar, and the Owners, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Owners.

SECTION 41. GOVERNING LAW. This Ordinance shall be construed and enforced in accordance with the laws of the State and the United States of America.

SECTION 42. EFFECT OF HEADINGS. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 43. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 44. PUBLIC NOTICE. It is hereby officially found and determined that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

SECTION 45. EFFECTIVE DATE. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

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GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **8.**

Meeting Date: 04/02/2024

Title: Agreement with Good Samaritans of Garland, Inc. Regarding the Purchase and Leaseback of 210/214 N. Twelfth St. and the Lease of 3319 Edgewood Drive

Submitted By: Becky King, Managing Director

Strategic Focus Area: Vibrant Neighborhoods and Commercial Centers

Issue/Summary

The Office of Neighborhood Vitality requests Council consider approval of an Agreement with Good Samaritans of Garland, Inc. regarding the purchase and leaseback of 210/214 N. Twelfth St. and the lease of City-owned property located at 3319 Edgewood Drive. The purpose of this agreement is to partner with Good Samaritans of Garland, Inc. in relocating to a larger facility to support the growing need for their services.

Background

There is a growing need for services for the community's food insecure residents. Good Samaritans of Garland is seeking a larger facility from which to meet those needs.

The property located at 210/214 N. Twelfth Street is currently owned and operated by Good Samaritans of Garland, Inc. On October 9, 2023, and February 19, 2024, City Council discussed negotiations in Executive Session related to the acquisition of this property and the future lease of City owned property at 3319 Edgewood Drive, Garland, TX. The contract for sale includes a leaseback to allow Good Samaritans of Garland to continue operations from their current location until the Walnut Branch Library, located at 3319 Edgewood Drive, can be vacated and modified to meet the lessee's operating needs. The property located at 3319 Edgewood Drive, Garland, TX is owned by the City of Garland and is currently operating as the Walnut Branch Library. A new, expanded library is currently under construction in the vicinity. Library operations are expected to cease at 3319 Edgewood Drive during the first quarter of 2025, at which time, the property will become vacant.

Following acquisition of the property at 210/214 N. Twelfth Street, Neighborhood Vitality will partner with the Community Development Department to convert the existing structure back to use as a single family home, as well as explore subdivision of the lot to accommodate construction of a HOME Infill house. Funding for the renovation and redevelopment of this lot will be considered during the upcoming CDBG/HOME budget approval process.

Staff proposes to partner with Good Samaritans of Garland by entering into an Agreement with them regarding the future lease of the Edgewood property after Library operations relocate to their new facility on Walnut. The purpose of the Agreement is to give Good Sam a feasibility period to investigate the Edgewood site for its needs and to confirm the forms of the agreements to be used going forward.

Council participated in negotiations on these agreements in previous Executive Sessions.

Consideration / Recommendation

Staff recommends City Council approval by minute action to enter into an Agreement with Good Samaritans of Garland, Inc. regarding the purchase of 210/214 N. Twelfth Street and the lease of 3319 Edgewood Drive, Garland, TX and to authorize the City Manager and Mayor to execute such documents necessary to complete the transactions.

Attachments

Good Sams Agreement

AGREEMENT REGARDING REAL ESTATE TRANSACTIONS

BETWEEN

CITY OF GARLAND, TEXAS AND GOOD SAMARITANS OF GARLAND, INC.

This Agreement Regarding Real Estate Transactions (hereinafter referred to as the "Agreement"), is made and entered into by and between the **City of Garland, Texas** ("Garland"), a Texas home rule municipality, and **Good Samaritans of Garland, Inc.** ("Good Sam"), a Texas non-profit entity, (each a "Party" and collectively referred to as "the Parties") acting by and through their respective representatives.

RECITALS

WHEREAS, Good Sam is the current owner and occupier of that certain real property commonly known as 210/214 North Twelfth Street, Garland, Dallas County, Texas (the "Good Sam Property");

WHEREAS, Garland is the current owner and occupier of that certain real property commonly known as 3319 Edgewood Drive, Garland, Dallas County, Texas (the "Edgewood Property");

WHEREAS, Good Sam desires to move its operations to a larger location than the Good Sam Property and Garland desires to purchase the Good Sam Property;

WHEREAS, while Garland is currently using the Edgewood Property for library operations, a new library building is currently under construction in the same vicinity wherein said library operations will be relocated upon completion of construction;

WHEREAS, following the relocation of library operations from the Edgewood Property, Garland is amenable to lease the Edgewood Property on a long-term basis to Good Sam;

WHEREAS, Good Sam is amenable to considering the Edgewood Property as a site for future operations, but desires an opportunity to inspect the premises, including structural engineering inspections; and

WHEREAS, the Parties desire to enter into this Agreement for the purpose of outlining the terms, covenants, and conditions for the Feasibility Period and to set forth the forms of Contract for Sale of the Good Sam Property and Lease Agreement of the Edgewood Property agreed upon by the Parties (collectively, the "Contemplated Real Estate Agreements") should Good Sam decide not to terminate this Agreement within the Feasibility Period as specified below;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the Parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Article I

Purpose of the Agreement; Term

The purpose of this Agreement is to provide Good Sam a Feasibility Period to investigate the Edgewood Property before the Parties execute the Contemplated Real Estate Agreements. This Agreement shall be effective as of the date it is signed by all Parties to the Agreement (the "Effective Date") and shall terminate upon either (i) Good Sam's election to terminate this Agreement pursuant to the Feasibility Period provision below or (ii) upon the execution of the Contemplated Real Estate Agreements, whichever is earlier.

Article II
Feasibility Period and Consideration

2.1 **Consideration.** Within five (5) business days of the Effective Date, Good Sam shall deliver to Garland an amount equal to One Hundred and 00/100 Dollars ($100.00) as earnest money, which funds shall be deposited and held by Garland (the "Consideration"). In the event the Contemplated Real Estate Agreements are executed and closed, the Consideration will be applied in payment of the first annual rent owed by Good Sam to Garland pursuant to the Lease Agreement for the Edgewood Property. In the event Good Sam elects to not proceed with the Contemplated Real Estate Agreements and terminates this Agreement pursuant to Section 2.2 below, the Consideration shall be kept by Garland as consideration for the Feasibility Period granted herein.

2.2 **Feasibility Period.**

(a) Good Sam is granted the right to conduct engineering, market, and economic feasibility studies of the Edgewood Property, and/or a physical inspection of the Edgewood Property, including studies or inspections to determine the existence of any environmental hazards or conditions (collectively, "Feasibility Study") during the period commencing on the Effective Date and ending at 5:00 p.m., Dallas, Texas time, on that date that is Sixty (60) days thereafter ("Feasibility Period"). Parties may agree to extend the Feasibility Period in writing. Good Sam or its designated agents may enter upon the Edgewood Property for purposes of analysis or other tests and inspections which may be deemed necessary by Good Sam for the Feasibility Study. Good Sam shall not alter the physical condition of the Edgewood Property without obtaining the written consent of Garland to any physical alteration of the Edgewood Property, which consent may be withheld in Garland's sole and absolute discretion. In particular, Good Sam shall not perform any invasive or destructive testing of the Edgewood Property (including, without limitation, any soil sampling, excavation, or other physical testing), or what is commonly known as a Phase II environmental inspection, without the prior written consent of Garland, which consent may be withheld in Garland's sole and absolute discretion. In the event Good Sam determines that the Edgewood Property is not suitable for its intended use due to its physical condition or environmental hazards, Good Sam may terminate this Agreement by written notice to Garland prior to the expiration of the Feasibility Period, or any extension of the Feasibility Period pursuant to this Section.

(b) If Good Sam determines, in its sole judgment, that the Edgewood Property is not suitable for any reason (or no reason at all) for Good Sam's intended use or purpose, or is not in satisfactory condition in any regard, then Good Sam may terminate this Agreement by written notice to Garland prior to expiration of the Feasibility Period or any extension of the Feasibility Period pursuant to Section 2.2(a), in which case the Consideration, including any additional Consideration deposited for an extended feasibility period, shall be issued to Garland, and neither Party shall have any further right or obligation hereunder other than as set forth herein with respect to rights or obligations which expressly survive termination of this Agreement. If this Agreement is not terminated in the manner and within the time provided in this Article II, the conditions provided in this Article II and any and all objections with respect to the Feasibility Study shall be deemed to have been satisfied and/or waived by Good Sam for all purposes, and it shall be conclusively presumed that Good Sam (i) has approved any surveys obtained, and the condition of the Edgewood Property, (ii) has acknowledged and agreed that Good Sam has been given adequate access to inspect the Edgewood Property, (iii) has acknowledged that it has the full and complete knowledge necessary to lease the Edgewood Property, or has chosen not to obtain the full and complete knowledge, although provided with the opportunity by Garland, and (iv) has conducted, or had the opportunity to conduct, sufficient examination of the building, building envelope, building systems, building grounds, building components, and surrounding conditions, including but not limited to soils and the environmental condition, of the Edgewood Property.

(c) The Feasibility Study shall be at Good Sam's sole cost and expense. Good Sam shall promptly restore the Edgewood Property to its original condition if damaged or changed due to the tests and inspections performed by Good Sam, free of any mechanic's or materialman's liens or other encumbrances arising out of any of the inspections or tests. In the event that Good Sam terminates this Agreement pursuant to Section 2.2 or this Agreement is terminated due to a default of Good Sam, Good Sam shall provide Garland, at no cost to Garland, with a copy of the results of any tests and inspections made by Good Sam, excluding any market and economic feasibility studies. To the extent allowed by law, Good Sam shall keep confidential the results of any tests and inspections made by Good Sam, and shall not disclose said results to any third parties; provided, however, nothing herein shall prevent Good Sam from disclosing any information (i) as may be reasonably required for applying for, qualifying for, and otherwise processing governmental approvals; (ii) as may be reasonably required for purposes of income tax reporting; (iii) as may be reasonably required by accountants, attorneys, engineers, consultants, or other persons providing professional advice; (iv) as may be reasonably required regarding financing of the lease or improvements; (v) in court or arbitral proceedings, or as otherwise may be required by law; and (vi) as otherwise as may be consented to in writing by Garland. To the extent allowed by law, Good Sam hereby indemnifies, defends, and holds Garland harmless from all claims, liabilities, damages, losses, costs, expenses (including, without limitation, reasonable attorneys' fees), actions, and causes of action arising out of or in any way relating to the Feasibility Study performed by Good Sam, its agents, contractors, servants, and/or employees. Good Sam further waives and releases any claims, demands, damages, actions, causes of action, or other remedies of any kind whatsoever against Garland for property damages or bodily and/or personal injuries to Good Sam, its agents, contractors, servants, and/or employees arising out of the Feasibility Study or use in any manner of the Edgewood Property, unless due to the gross negligence or intentional misconduct of Garland, its agents, employees, and/or contractors. Notwithstanding anything in this

Agreement to the contrary, the provisions of Section 2.2(c) shall survive any termination of this Agreement.

Article III
Contemplated Real Estate Agreements

3.1 **Contract for Sale of Good Sam Property.** If Good Sam does not terminate this Agreement pursuant to Section 2.2 above, within seven (7) days from the expiration date of the Feasibility Period, Good Sam shall deliver to Garland an executed original Contract for Sale and Leaseback – Real Property, in the form attached hereto as Exhibit "A," for the sale of the Good Sam Property to Garland. This Agreement shall not be merged into the Contract for Sale and Leaseback – Real Property, and both Parties agree to be bound by the terms and conditions as set forth therein following its execution by both Parties.

3.2 **Lease Agreement for Edgewood Property.**

(a) The Parties recognize the intent of Garland to lease the Edgewood Property to Good Sam following its vacation of the building. However, because Garland's vacation of the Edgewood Property depends on construction of new facilities, the time frame for Garland's occupation and the potential building contents to be included in the lease cannot be known at this time.

(b) The Parties agree that the form of Lease Agreement attached hereto as Exhibit "B" shall be used in Good Sam's leasing the Edgewood Property from Garland. As attached, Exhibit "B" is only missing the date on which the lease term starts (Section 2) and the Building Contents (Exhibit C to the Lease Agreement). The Parties agree that as soon as reasonably practical following the identification of these missing terms to the lease, those terms shall be inserted, and the Lease Agreement shall executed by both Parties within seven (7) days of a complete draft being circulated.

(c) The Parties agree that this Agreement shall not be merged into the Lease Agreement, and both Parties agree to be bound by the terms and conditions as set forth therein following the its execution by both Parties.

Article IV
Default

4.1 Unless otherwise provided for herein, if the transactions contemplated hereby are not consummated by reason of Good Sam's breach or other failure to timely perform all obligations and conditions to be performed by Good Sam, and such breach or other failure is not due to default, breach, and/or failure by Garland hereunder, then Garland may, as Garland's sole and exclusive remedy, either (i) terminate this Agreement and receive the Consideration as liquidated damages; or (ii) enforce specific performance of Good Sam's obligations hereunder.

4.2 Unless otherwise provided for herein, if the transactions contemplated hereby are not consummated by reason of Garland's breach or other failure to timely perform all obligations and

conditions to be performed by Garland, and such breach or other failure is not due to default, breach, and/or failure by Good Sam hereunder, then Good Sam may, as Good Sam's sole and exclusive remedy, either (i) terminate this Agreement and receive the Consideration as liquidated damages; or (ii) enforce specific performance of Garland's obligations hereunder.

Article V
Miscellaneous

5.1 **Third Party Beneficiaries.** There are no third-party beneficiaries of this Agreement.

5.2 **Entire Agreement.** The recitals and exhibits to this Agreement are incorporated herein for all purposes. This Agreement constitutes the entire agreement of Garland and Good Sam with respect to the subject matter hereof. There is no other collateral agreement, oral or written, between the Parties that in any manner relates to the subject matter of this Agreement, except as provided in any exhibits attached hereto and which are incorporated herein.

5.3 **Amendment.** This Agreement may not be amended except by the mutual agreement of the Parties. The Parties shall provide to each other board minutes, resolutions, certificates of incumbency, and other documents reasonably requested by either Party evidencing the authority of the Party signing this Agreement, any amendments hereto, or any other document related hereto on behalf of a Party so signing.

5.4 **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Texas. The Parties agree that venue for any action shall be in state district court of Dallas County, Texas.

5.5 **Headings; Construction.** The descriptive headings of the paragraphs of this Agreement are inserted for convenience only and do not constitute a part of this Agreement. Both parties have participated in the preparation of this Agreement, and this Agreement shall not be construed either more or less favorably for or against any Party.

5.6 **Terminology.** Where appropriate, all references to the singular shall include the plural and vice versa and all references to any gender shall include any and every other gender.

5.7 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original.

5.8 **Authority to Execute.** The individual signatories below each represent they have authority to sign for and bind the respective Party.

5.9 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing) or on the day actually received if sent by courier, facsimile, or otherwise hand delivered and received by 5:00 P.M. on such day:

Garland: Michael Hesser, Assistant City Manager
City of Garland, Texas
200 N. Fifth Street
Garland, Texas 75040

Copy To: City of Garland
Attention: City Attorney
PO Box 469002
Garland, Texas 75046

Good Sam: Good Samaritans of Garland, Inc.
Attn: Sara Kenefake, Executive Director
210 North Twelfth Street
Garland, Texas 75040

Copy To: _____
_____
_____
_____

5.10 **Current Funds.** Each Party paying for the performance of governmental functions or services pursuant to this Agreement shall make those payments from current revenues available to the paying Party.

5.11 **Severability and Legal Construction.** In the event any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision(s) hereof, and this Agreement shall be revised so as to cure such invalid, illegal, or unenforceable provision(s) to carry out as nearly as possible the original intent of the Parties.

5.12 **Relationship of Parties.** Nothing contained in this Agreement shall be deemed or construed by the Parties hereto or by any third party to create the relationship of principal and agent or of partnership, joint venture, or employment, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the Parties hereto shall be deemed to create any relationship between the Parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement. Neither Party has the authority to enter into contacts or to assume any obligations for the other, nor to make warranties or representations on behalf of the other.

5.13 **Computation of Deadlines.** If any deadline contained herein ends on a Saturday, Sunday, or a legal holiday recognized by the Texas Supreme Court, such deadline shall automatically be extended to the next day that is not a Saturday, Sunday, or legal holiday.

5.14 **No Waiver of Immunity.** Nothing in this Agreement shall constitute, or is intended to constitute, a waiver of any immunity or defense to suit or liability for damages which may be

available to Garland as a Texas municipal corporation, home rule municipality, or subdivision of the State of Texas.

(signatures on next page)

GOOD SAM:

GOOD SAMARITANS OF GARLAND, INC.

By: _____
Name: Sara Kenefake
Title: Executive Director
Email: sara@goodsamofgarland.org
Date: _____ ____, 2024

Address:

_____
_____

GARLAND:

CITY OF GARLAND, TEXAS, A TEXAS HOME-RULE MUNICIPALITY

By: _____
Name: Judson Rex
Title: City Manager
Date: _____ ____, 2024

Address:

PO Box 469002
Garland, Texas
Attention: Andy Hesser
ahesser@garlandtx.gov

Exhibit A

Contract for Sale and Leaseback – Real Property

For

Good Sam Property

CONTRACT FOR SALE AND LEASEBACK – REAL PROPERTY

THIS CONTRACT FOR SALE AND LEASEBACK ("Contract") is made and entered into as of the "Effective Date" (as hereinafter defined) by and between **GOOD SAMARITANS OF GARLAND, INC.** ("Seller"), and **The City of Garland, Texas**, a Texas home-rule municipality ("Buyer").

For and in consideration of the mutual covenants and agreements contained in this Contract and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. PURCHASE AND SALE: Seller agrees to sell and convey to Buyer, and Buyer agrees to buy from Seller, the Property (hereinafter defined) for the consideration and upon and subject to the terms, provisions and conditions hereinafter set forth. The "Property" shall mean real property commonly known as **210/214 North Twelfth Street, Garland, Dallas County, Texas (the "Property"),**

as more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes, together with all right, title and interest of Seller, if any, in and to (i) any and all improvements and buildings owned by Seller located on such Property (if any), excepting the climate-controlled industrialized building on the Property which will be removed at Seller's sole expense at the termination of the Leaseback contemplated herein, (ii) any and all singular rights, benefits, privileges, easements, tenements, and appurtenances thereon and pertaining to the Property, including, without limitation, any right, title and interest of Seller in and to adjacent public roadways or public alleys, rights of ingress and egress and any reversionary interests thereto, and (iii) strips and gores between the Property and abutting properties.

2. CONTRACT SALES PRICE: The purchase price for the Property shall be **Two Hundred Forty Thousand and 00/100 Dollars ($240,000.00)** ("Sales Price"), payable by Buyer in cash at Closing. "Payable in cash" shall mean by cashier's check or certified check drawn on a national banking association acceptable to Seller, or by wire transfer of immediately available federal funds ("Immediately Available Funds").

3. EARNEST MONEY: Within five (5) business days of the Effective Date, Buyer shall deliver to **Mindy Coover, Old Republic Title Insurance Co., 8201 Preston Road, Ste. 450, Dallas, TX 75225** ("Title Company"), as escrow agent, an amount equal to **Five Thousand and 00/100 Dollars ($5,000.00)** (by Immediately Available Funds) as earnest money, which funds shall be deposited and held by the Title Company in an interest-bearing account. In the event the transaction contemplated by this Contract is closed, the Earnest Money will be applied in payment of the Sales Price to be paid at Closing. In the event the transaction contemplated by this Contract is not closed, the Earnest Money shall be disbursed in accordance with the provisions of this Contract. If Buyer does not timely deliver the Earnest Money, or if the Title Company is not immediately able to obtain good funds in respect of the Earnest Money, Seller may, at its option, terminate this Contract. Upon request from the Title Company, Seller and Buyer will enter into such escrow agreement as Escrow Agent may reasonably request and will jointly and severally hold the Title Company harmless with respect to the performance of its duties as escrow agent, except to the extent caused by the gross negligence or willful misconduct of the Title Company.

4. FEASIBILITY STUDY AND INSPECTION:

(a) Buyer is granted the right to conduct engineering, market and economic feasibility studies of the Property, and/or a physical inspection of the Property, including studies or inspections to determine the existence of any environmental hazards or conditions (collectively, "Feasibility Study") during the period ("Feasibility Period") commencing on the Effective Date and ending at 5:00 p.m., Dallas, Texas time, on that date that is **Forty-Five (45) days thereafter**. Parties may agree to extend the Feasibility Period in writing. Buyer or its designated agents may enter upon the Property for purposes of analysis or other tests and inspections which may be deemed necessary by Buyer for the Feasibility Study. Buyer shall not alter the physical condition of the Property without obtaining the written consent of Seller to any physical alteration of the Property, which consent may be withheld in Seller's sole and absolute discretion. In particular, Buyer shall not perform any invasive or destructive testing of the Property (including, without limitation, any soil sampling, excavation, or other physical testing), or what is commonly known as a Phase II environmental inspection, without the prior written consent of Seller, which consent may be withheld in Seller's sole and absolute discretion. In the event Buyer determines that the Property is not suitable for its intended use due to its physical condition or environmental hazards, the Buyer may terminate this Contract by written notice to Seller prior to the expiration of the Feasibility Period, or any extension of the Feasibility Period pursuant to this Section.

(b) If Buyer determines, in its sole judgment, that the Property is not suitable for any reason (or no reason at all) for Buyer's intended use or purpose, or is not in satisfactory condition in any regard, then Buyer may terminate this Contract by written notice to Seller prior to expiration of the Feasibility Period or any extension of the Feasibility Period pursuant to Section 4(a), in which case the Earnest Money, including any additional Earnest Money deposited for an extended feasibility period, shall be issued to the Seller, and neither party shall have any further right or obligation hereunder other than as set forth herein with respect to rights or obligations which expressly survive termination of this Contract. If this Contract is not terminated in the manner and within the time provided in this Section 4, the condition provided in this Section 4 and any and all objections with respect to the Feasibility Study shall be deemed to have been satisfied and/or waived by Buyer for all purposes, and it shall be conclusively presumed that Buyer (i) has approved the Diligence Documents (hereinafter defined), any surveys obtained, and the condition of title and condition to the Property, (ii) has acknowledged and agreed that Buyer has been given adequate access to inspect the Property, (iii) has acknowledged that it has the full and complete knowledge necessary to purchase the Property, or has chosen not to obtain the full and complete knowledge, although provided with the opportunity by Seller, and (iv) has conducted, or had the opportunity to conduct, sufficient examination of the building, building envelope, building systems, building grounds, building components and surrounding conditions including but not limited to soils and the environmental condition of the Property.

(c) The Feasibility Study shall be at Buyer's sole cost and expense. Buyer shall promptly restore the Property to its original condition if damaged or changed due to the tests and inspections performed by Buyer, free of any mechanic's or materialman's liens or other encumbrances arising out of any of the inspections or tests. In the event that Buyer terminates this Contract pursuant to Section 4(b) or this Contract is terminated due to a default of Buyer, Buyer shall provide Seller, at no cost to Seller, with a copy of the results of any tests and inspections

made by Buyer, excluding any market and economic feasibility studies. To the extent allowed by law, Buyer shall keep confidential the results of any tests and inspections made by Buyer, and shall not disclose said results to any third parties; provided, however, nothing herein shall prevent Buyer from disclosing any information (i) as may be reasonably required for applying for, qualifying for, and otherwise processing governmental approvals; (ii) as may be reasonably required in processing the closing and issuance of the title policies regarding the Property; (iii) as may be reasonably required for purposes of income tax reporting; (iv) as may be reasonably required by accountants, attorneys, engineers, consultants or other persons providing professional advice; (v) as may be reasonably required regarding financing of the purchase; (vi) in court or arbitral proceedings, or as otherwise may be required by law; and (vii) as otherwise as may be consented to in writing by Seller. To the extent allowed by law, Buyer hereby indemnifies, defends and holds Seller harmless from all claims, liabilities, damages, losses, costs, expenses (including, without limitation, reasonable attorneys' fees), actions and causes of action arising out of or in any way relating to the Feasibility Study performed by Buyer, its agents, contractors, servants and/or employees. Buyer further waives and releases any claims, demands, damages, actions, causes of action or other remedies of any kind whatsoever against Seller for property damages or bodily and/or personal injuries to Buyer, its agents, contractors, servants and/or employees arising out of the Feasibility Study or use in any manner of the Property, unless due to the gross negligence or intentional misconduct of Seller, its agents, employees and/or contractors. Notwithstanding anything in this Contract to the contrary, the provisions of Section 4 shall survive the Closing or any termination of this Contract.

5. CLOSING: The closing of the sale of the Property to Buyer and consummation of the transaction(s) contemplated by this Contract ("Closing") shall take place at the offices of the Title Company in Dallas, Texas on the date ("Closing Date") no later than fifteen (15) days after the expiration of the Feasibility Period unless such date is changed in writing by Seller and Buyer.

(a) At the Closing, Seller shall deliver to Buyer, at Seller's sole cost and expense (except as otherwise provided in this Section 5(a)), the following:

(i) a duly executed and acknowledged Special Warranty Deed ("Deed") in substantially the same form as shown on Exhibit "B" attached hereto and made a part hereof, conveying good and indefeasible title in fee simple to the Property, free and clear of any and all liens, encumbrances, easements, and assessments, except for the Permitted Exceptions (hereinafter defined) and any others approved by Buyer in writing.

(ii) a proforma basic Owner's Policy of Title Insurance (the "Owner's Title Policy") in the standard form in use in the State of Texas to be issued by the Title Company in the full amount of the Sales Price, dated as of the Closing Date, insuring Buyer's fee simple title to the Property to be good and indefeasible subject only to Permitted Exceptions and others approved by Buyer in writing, and the standard printed exceptions, provided, however:

(A) if Buyer obtains a survey that is acceptable to the Title Company, the exception as to area and boundaries may, at the option and expense of Buyer, be deleted except for "any shortages in area";

(B) the standard exception as to restrictive covenants may be limited to any restrictive covenants that are Permitted Exceptions and the Restrictions; and

(C) the exception as to standby fees and taxes shall be limited to standby fees and taxes for the year of Closing and subsequent years, and subsequent assessments for prior years due to changes in land usage or ownership;

(iii) the duly executed and acknowledged Lease Agreement ("Leaseback") in the form attached hereto as Exhibit "C",

(iv) a non-foreign affidavit as permitted by Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder;

(v) evidence of Seller's capacity and authority for the closing of this transaction as may be reasonably required by the Title Company;

(vi) such other documents as may be reasonably required to close this transaction, duly executed (including, without limitation, an affidavit as to debts, liens and parties in possession in form and content reasonably satisfactory to Seller and the Title Company).

(b) At the Closing, Buyer shall perform and deliver to Seller, at Buyer's sole cost and expense, the following:

(i) the Sales Price in Immediately Available Funds;

(ii) the duly executed and acknowledged Leaseback in the form attached hereto as Exhibit "C",

(iii) evidence of Buyer's capacity and authority for the closing of the transaction contemplated herein; and

(iv) such other documents as may be reasonably required to close this transaction duly executed.

(c) Seller shall pay: the premium for the basic Owner's Title Policy, except for the premium for the area and boundary deletion and any requested endorsements which shall be paid by Buyer; one half (1/2) of any escrow fee and recording costs; costs of tax certificates; Seller's attorneys' fees; and other expenses stipulated to be paid by Seller under other provisions of this Contract. Buyer shall pay: one half (1/2) of any escrow fee and recording costs; Survey costs; Buyer's attorneys' fees; and other expenses stipulated to be paid by Buyer under other provisions of this Contract. All other closing costs not addressed in this Section or elsewhere in this Contract shall be allocated in accordance with the customary practice in the county in which the Property is located.

(d) All normal and customarily pro-ratable items, including, without limitation, payments relating to agreements affecting the Property which survive the Closing, shall be prorated as of the Closing Date, Seller being charged and credited for all of same up to such date and Buyer being charged and credited for all of same on and after such date.

(e) All ad valorem real estate taxes and assessments levied or assessed against the Property (including, without limitation, any rollback taxes) shall be prorated according to the calendar year as of the Closing Date, based on the most recent tax bill for the Property. Such prorations shall be adjusted after Closing, based upon the actual tax bill. This Section 5(e) shall survive Closing.

6. TITLE APPROVAL: Seller shall deliver to Buyer within three (3) business days after the opening of escrow by the Title Company (i) any topographical plans, site plans, surveys, plats, soils and substrata studies, utility plans, and environmental reports pertaining to the Property currently in the possession of Seller ("Diligence Documents"), which Diligence Documents are provided for informational purposes only and shall not to be relied upon by or certified to Buyer, and nothing in this Section shall constitute a representation or warranty as to the delivery, accuracy, or completeness of any Diligence Documents described herein or otherwise in Seller's possession, and (ii) a Commitment for Title Insurance with copies of all recorded instruments affecting the Property and recited as exceptions in said Commitment for Title Insurance ("Commitment"). Within thirty (30) days after the Effective Date, if a survey acceptable to the Title Company does not exist, Buyer shall obtain a current ALTA survey of the Property ("Survey"), providing Seller and the Title Company with a copy of same. If Buyer has an objection to items disclosed in the Commitment or Survey, Buyer shall have fifteen (15) days after receipt of the Commitment and Survey, but in no event later than ten (10) days prior to the expiration of the Feasibility Period, to give Seller written notice of its objections ("Title Objections"). If Buyer gives timely written notice of any Title Objections, Seller shall have the opportunity, but not an obligation, for ten (10) days from the date of Seller's receipt of the Title Objections to cure same. Seller will utilize reasonable diligence to cure any errors in the Commitment, provided Seller shall have no obligation to expend any money, to incur any contractual or other obligations, or to institute any litigation in pursuing such efforts. If any Title Objection is not satisfied within such time period, Buyer shall elect prior to the end of the Feasibility Period as its sole and exclusive remedy to either (a) terminate this Contract, in which case the Earnest Money shall be refunded to Buyer, and neither party shall have any further rights or obligations pursuant to this Contract, other than as set forth herein with respect to rights or obligations which survive termination, or (b) waive the unsatisfied objection (which shall thereupon become a Permitted Exception) and proceed to Closing without reduction of the Sales Price. Any exception to Commitment or Survey not objected to by Buyer in the manner and within the time period specified in this Section 6 shall be deemed accepted by Buyer and shall be a Permitted Exception. The phrase "Permitted Exceptions" shall mean (i) real estate taxes and assessments not yet due and payable, (ii) documents or agreements contemplated by the terms of this Contract, (iii) matters arising from acts of or at the direction of Buyer, its consultants or any of their respective agents, representatives or employees, and (iv) those exceptions to title set forth in the Commitment, Deed, or Survey and which have been accepted or deemed accepted by Buyer. In no event shall the failure of Seller to deliver a Commitment satisfying the requirements of this Section 6 extend the period for review of such Commitment beyond the Feasibility Period; and Buyer's sole remedy on account of any such

failure shall be to terminate this Contract prior to the expiration of the Feasibility Period in accordance with the provisions of Section 4 hereof. Buyer shall notify Seller in writing of any failure of the Commitment or Survey to satisfy the requirements of this Section 6 within ten (10) days after the Commitment and Survey are received by Buyer; and if Buyer fails to do so, they shall be deemed to satisfy such requirements. Notwithstanding the foregoing and regardless of any applicable Title Objections, (x) Seller agrees to cure prior to or upon Closing any liens affecting the Property created by Seller, other than those created by or on behalf of Buyer, and (y) voluntary conveyances of interests in the Property by Seller after the Effective Date ("Mandatory Cure Matters"). In no event shall the Mandatory Cure Matters be a Permitted Exception, and if Seller is unable to cure any Mandatory Cure Matters on or before the Closing, then Buyer shall be entitled, as Buyer's sole and exclusive remedy, to terminate this Contract upon written notice to Seller on or before the Closing Date, whereupon the Earnest Money and any and all Extension Payments (if applicable) shall be promptly delivered to Buyer, and all obligations and liabilities of the parties under this Contract shall be discharged and shall be null and void and of no further force or effect (except those that expressly survive the termination of this Contract).

7. BROKER'S FEE: Buyer and Seller represent and warrant to each other that no real estate commissions, finders' fees, or brokers' fees have been or will be incurred in connection with the sale of the Property by Seller to Buyer. To the extent allowed by law, Buyer and Seller shall indemnify, defend, and hold each other harmless from any claim, liability, obligation, cost or expense (including reasonable attorneys' fees and expenses) for fees or commissions relating to Buyer's purchase of the Property asserted against either party by any broker or other person claiming by, through or under the indemnifying party or whose claim is based on the indemnifying party's acts. The provisions of this Section 7 shall survive the Closing or any termination of this Contract.

8. DEFAULT:

(a) Unless otherwise provided for herein, if the transaction contemplated hereby is not consummated by reason of Buyer's breach or other failure to timely perform all obligations and conditions to be performed by Buyer, and such breach or other failure is not due to default, breach and/or failure by Seller hereunder, then Seller may, as Seller's sole and exclusive remedy, either (i) terminate this Contract and receive the Earnest Money as liquidated damages; or (ii) enforce specific performance of Buyer's obligations hereunder.

(b) If the transaction contemplated hereby is not consummated by reason of Seller's breach or other failure to timely perform all obligations and conditions to be performed by Seller, such breach or other failure is not cured within ten (10) days of Seller's receipt of written notice of such breach from Buyer, and such breach or other failure is not due to default, breach, and/or failure by Buyer hereunder, then Buyer may, as its sole and exclusive remedy, either (i) enforce specific performance of Seller's obligations hereunder, provided that Buyer asserts such claim for specific performance within thirty (30) days from the scheduled Closing Date, or (ii) terminate this Contract and receive the Earnest Money; provided, however, notwithstanding anything to the contrary contained in this Contract, under no circumstances shall Buyer be permitted or entitled to file a claim of *lis pendens* against the Property. Buyer hereby waives and releases to the greatest extent allowed by law all other claims, causes of action, or remedies against Seller arising under or in connection with this Contract, and Seller shall not be liable to Buyer for any type of incidental,

punitive, special, exemplary, reliance, indirect or consequential damages, regardless of the foreseeability of such damages. No trustee, beneficiary, director, officer, shareholder, employee, advisor, agent, attorney, or manager in or of Seller (each, a "Seller Party") has any personal liability, directly or indirectly, under this Contract. Buyer and Buyer's successors and assigns and all other interested parties are entitled only to, and shall only, look to Seller's interest in the Property (and the proceeds thereof) for the payment of any claim or for any performance, and Buyer waives all other rights relating thereto. These limitations are in addition to, and not in limitation of, any other Seller limitation of liability.

(c) Except as otherwise expressly provided in this Contract, the rights and remedies set forth in this Section 8 shall be the sole and exclusive remedies available to Seller and Buyer in the event of a breach or default by the other party of this Contract.

9. REPRESENTATIONS AND WARRANTIES OF SELLER: Seller hereby represents and warrants to Buyer, that to Seller's current actual knowledge, no special investigation or inquiry having been made:

(a) That the persons executing this Contract on behalf of Seller have full power and authority to execute this Contract, and to bind Seller to the terms hereof;

(b) With the exception of Seller, there are no parties in possession of any portion of the Property;

(c) Seller has, or on or before the Closing Date will have, the corporate power and authority to sell and convey the Property as provided in this Contract and to carry out Seller's obligations hereunder, and that all requisite corporate action necessary to authorize Seller to enter into this Contract and to carry out Seller's obligations hereunder has been, or on or before the Closing Date will have been taken;

(d) Seller has not received written notice of (i) any pending or threatened litigation which would materially and adversely affect the Property, or (ii) governmental proceeding which would materially and adversely affect the Property; and

(e) Seller is not a foreign person, as that term is defined in Section 1445 and 7701 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

(f) If any representation or warranty above is known by Buyer prior to Closing to be untrue and is not remedied by Seller prior to Closing, Buyer may as Buyer's sole and exclusive remedy, either (i) terminate this Contract whereupon the Earnest Money shall be refunded to Buyer, and neither party shall have any further rights or obligations pursuant to this Contract, other than as set forth herein with respect to rights or obligations which survive termination, or (ii) waive its objections and close the transaction. The foregoing representations and warranties shall not survive the Closing.

10. CONDEMNATION: If, prior to the Closing Date, Seller receives written notice that condemnation proceedings are being commenced against any material portion of the Property, then

Seller shall promptly notify Buyer of such condemnation, and Buyer shall thereafter have, as its sole and exclusive remedy: (a) the option to terminate this Contract within three (3) business days following receipt of said notice by Seller of such event, in which case the parties shall have no further rights or obligations hereunder except as expressly provided herein, and the Earnest Money shall be returned to Buyer, or (b) if Buyer does not elect to terminate this Contract, this Contract shall remain in full force and effect, and in such event Seller shall assign to Buyer any and all condemnation proceeds of such condemnation of the Property, and Buyer shall take title to the Property with the assignment of such proceeds and subject to such condemnation of the Property without reduction of the Sales Price. If Buyer does not elect to terminate within said three (3) business day period following such notice by Seller, Buyer shall be deemed to have waived all rights to terminate pursuant to this Section 10 and this Contract shall remain in full force and effect.

11. REPRESENTATIONS AND WARRANTIES OF BUYER: Buyer represents and warrants to Seller, which representations and warranties shall be deemed made by Buyer to Seller as of the Effective Date and also as of the Closing Date:

(a) Buyer has the full right, power, and authority to purchase the Property as provided in this Contract and to carry out Buyer's obligations hereunder, and that all requisite action necessary to authorize Buyer to enter into this Contract and to carry out Buyer's obligations hereunder has been, or on or before the Closing Date will have been, taken.

(b) There are no actions, suits, claims or other proceedings pending or, to the best of Buyer's knowledge, contemplated or threatened against Buyer that could affect Buyer's ability to perform its obligations when and as required under the terms of this Contract.

(c) Buyer is not, and will not become, a person or entity with whom United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control, Department of the Treasury of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons list), or under any statute, executive order (including the September 24, 2002, Executive Order blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit or Support Terrorism) or other governmental action and is not and will not engage in any dealing or transaction or be otherwise associated with such persons or entities.

(d) Notwithstanding anything herein to the contrary, any breach by Buyer of any of the foregoing representations or warranties shall constitute a default by Buyer hereunder, and Seller may thereupon, at its option, terminate this Contract by giving written notice thereof, in which event the Earnest Money shall be paid to Seller as liquidated damages, and neither Buyer nor Seller shall have any further rights or liabilities hereunder, except as otherwise provided herein.

12. MISCELLANEOUS:

(a) Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received (i) when personally delivered, (ii) five (5) days after deposit in the United States mail, postage prepaid, registered or certified mail, return receipt requested, and properly addressed, (iii) when deposited with a nationally recognized overnight courier service, charges

prepaid, and properly addressed for delivery on the next business day, or (iv) upon sending the e-mail to the applicable party's designated e-mail address if sent before the close of business, or the next day if sent by e-mail after the close of business; provided, however, that if a notice is sent by e-mail, the party sending the notice also must send, on the date that the e-mail is sent, a confirmation copy of the notice by one of the other methods set forth in this Section 12(a) (or else such e-mail notice is void). For purposes of this subsection, the addresses of each party shall be that set forth below the signature of such party hereto with a copy to the other addressees set forth below the signature of such party. Either party may change its address for notice from time to time by delivery of at least ten (10) days prior written notice of such change to the other party hereto in the manner prescribed herein.

(b) This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Dallas County, Texas

(c) This Contract shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns.

(d) In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Furthermore, in lieu of any such invalid, illegal or unenforceable provision there shall be automatically added to this Contract a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

(e) **THIS CONTRACT AND ITS EXHIBITS CONSTITUTE THE FINAL AGREEMENT BETWEEN THE PARTIES. IT IS THE COMPLETE AND EXCLUSIVE EXPRESSION OF THE PARTIES' AGREEMENT ON THE MATTERS CONTAINED IN THIS CONTRACT. ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS AND AGREEMENTS BETWEEN THE PARTIES ON THE MATTERS CONTAINED IN THIS CONTRACT ARE EXPRESSLY MERGED INTO AND SUPERSEDED BY THIS CONTRACT. THE PROVISIONS OF THIS CONTRACT MAY NOT BE EXPLAINED, SUPPLEMENTED, OR QUALIFIED THROUGH EVIDENCE OF TRADE USAGE OR A PRIOR COURSE OF DEALINGS. IN ENTERING INTO THIS CONTRACT, THE PARTIES HAVE NOT RELIED UPON ANY STATEMENT, REPRESENTATION, WARRANTY, OR AGREEMENT OF THE OTHER PARTY EXCEPT FOR THOSE EXPRESSLY CONTAINED IN THIS CONTRACT. THERE IS NO CONDITION PRECEDENT TO THE EFFECTIVENESS OF THIS CONTRACT OTHER THAN THOSE EXPRESSLY STATED IN THIS CONTRACT.**

(f) The parties may amend this Contract only by a written agreement of the parties that identifies itself as an amendment to this Contract.

(g) Time is of the essence with this Contract.

(h) Words of any gender used in this Contract shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

(i) The parties may execute this Contract in one or more identical counterparts, all of which when taken together will constitute one and the same instrument. The signatures of all of the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by e-mail is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement.

(j) The parties hereto acknowledge that the parties and their respective counsel have each reviewed and revised this Contract, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Contract or any amendments or exhibits hereto.

(k) Whenever any determination is to be made or action to be taken on a date specified in this Contract, if such date shall fall upon a Saturday, Sunday or holiday observed by federal savings banks in the State of Texas, the date for such determination or action shall be extended to the first business day immediately thereafter.

(l) Except as to those obligations which specifically survive the Closing, all of Seller's other obligations hereunder shall merge with the Deed.

13. ASSIGNMENT: Buyer may not assign this Contract to any party or entity, without Seller's prior written consent. Notwithstanding anything in this Section 13 to the contrary, Buyer may assign this Contract without Seller's consent to: (i) any entity controlling, controlled by or under common control with Buyer; and (ii) any successor or newly created entity in the event of a merger or consolidation involving Buyer; provided, however, that in the event of such an assignment, Buyer shall not be relieved of its obligations hereunder. Buyer shall notify Seller of any assignment no later than ten (10) business days prior to the Closing Date. Seller reserves the unilateral right, exercisable in Seller's sole discretion at any time prior to the Closing Date without the necessity of obtaining Buyer's consent, to convey the Property to an affiliate of Seller (a "Permitted Assignee"). The Permitted Assignee shall expressly assume in writing all of Seller's duties and obligations under this Contract, and the original party designated as the Seller shall thereafter be released from all duties and obligations hereunder. Buyer agrees to close the transaction contemplated herein with the Permitted Assignee, subject to the terms and conditions of this Contract.

14. NONREFUNDABLE CONSIDERATION: Notwithstanding anything seemingly to the contrary contained herein, if the Earnest Money is returned to Buyer for any reason other than due to Seller's default hereunder, the sum of $100.00 shall be retained by Seller as independent consideration (the "Independent Consideration") for Seller's agreement to sell the Property to Buyer in accordance with the terms and conditions provided herein. The Independent Consideration shall be applied against the Sales Price at Closing.

15. **WAIVER OF CONSUMER RIGHTS: BUYER, AFTER CONSULTATION WITH**

AN ATTORNEY OF ITS OWN SELECTION (WHICH COUNSEL WAS NOT DIRECTLY OR INDIRECTLY IDENTIFIED, SUGGESTED, OR SELECTED BY SELLER OR ANY AGENT OF SELLER) HEREBY VOLUNTARILY WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT (SECTION 17.41, *ET SEQ.*, BUSINESS AND COMMERCE CODE), A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. BUYER HEREBY ACKNOWLEDGES TO SELLER THAT BUYER AND SELLER ARE NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION.

16. NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES: If for the current ad valorem tax year, the taxable value of the Property is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, the person to whom the land is transferred may not be allowed to qualify the Property for that special appraisal in a subsequent year, and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.

17. TAX DEFERRED EXCHANGE: It is agreed between Buyer and Seller that either party may elect to effectuate a tax deferred exchange in accordance with the Internal Revenue Service code, Section 1031. Both parties agree to reasonably cooperate with the other in effectuating said tax deferred exchange. In cooperating with such party, the other party shall incur no additional expense, obligation or liability and there will be no delay in closing.

18. TENANTS: Seller represents there are no current tenants on the Property, but if a tenant is present, the Seller must relocate any tenants of the Property at is sole cost, expense, and liability prior to Closing.

19. EFFECTIVE DATE: The "Effective Date" of this Contract shall be the date an original of this Contract (or original counterparts of this Contract) are executed by both Seller and Buyer and the Title Company acknowledges receipt of this Contract.

20. WAIVER OF JURY TRIAL: **EACH PARTY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS CONTRACT AND THE TRANSACTIONS IT CONTEMPLATES. THIS WAIVER APPLIES TO ANY ACTION OR OTHER LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. EACH PARTY ACKNOWLEDGES THAT IT HAS RECEIVED THE ADVICE OF COMPETENT COUNSEL.**

IN WITNESS WHEREOF, the parties have executed this Contract to be effective as of the Effective Date.

SELLER:

GOOD SAMARITANS OF GARLAND, INC.

By: _____
Name: Sara Kenefake
Title: Executive Director
Email: sara@goodsamofgarland.org
Date: _____ ____, 2024

Address:

_____
_____

BUYER:

CITY OF GARLAND, TEXAS, A TEXAS HOME-RULE MUNICIPALITY

By: _____
Name: Judson Rex
Title: City Manager
Date: _____ ____, 2024

Address:

PO Box 469002
Garland, Texas
Attention: Andy Hesser
ahesser@garlandtx.gov

TITLE COMPANY:

Receipt of $5,000.00 Earnest Money is acknowledged in the form of

_____

Old Republic Title Insurance Co.

By: _____
Name: Mindy Coover
Title: _____
Date Signed: _____ _____, 20234

EXHIBITS:

Exhibit "A" - Legal Description
Exhibit "B" - Special Warranty Deed
Exhibit "C" - Lease Agreement

EXHIBIT "A"
(PROPERTY LEGAL DESCRIPTION)

210 North Twelfth Street:

Being Lot 3 and sixteen and two thirds feet off the North side of Lot 4 of James Terrace, First Installment, an Addition to the City of Garland, Dallas County, Texas, according to the Map recorded in Volume 2, Page 244 of the Map Records of Dallas County, Texas.

214 North Twelfth Street:

Being a tract of land located on State Street in the City of Garland, Texas and being situated in the Joel Crumpacker Survey, Abstract No. 328, Dallas County, Texas, and being part of Lot 4 and part of Lot 5 of James Terrance, First Installment, an addition to the City of Garland, Texas recorded in Volume 2, Page 244 of the Map Records of Dallas County, Texas, and being a part of that same tract of land conveyed to the City of Garland, Texas, a municipal corporation, in deed recorded in Volume 5556, Page 623 of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

COMMENCING at a 1" iron pipe found for the northwest corner of Lot 3 of said addition and being in the East right-of-way line of Twelfth Street (50' R.O.W.); thence South along the West line of said Lot 3 and said East right-of-way line passing the northwest corner of said Lot 4 at 51.15 feet and continuing for a total distance of 67.82 feet to 'X' set for the Northwest corner of said City of Garland tract; thence East along the North line of said City of Garland tract 30.95 feet to a ½" iron rod with yellow cap stamped "RPLS 5405" set for corner and **POINT OF BEGINNING;**

THENCE EAST along said North line of City of Garland tract 169.37 feet to a ½" iron rod found for the Northeast corner of said City of Garland tract and being in the West line of a variable width alley;

THENCE SOUTH 00 deg. 04 min. 13 sec. East along the East line of said City of Garland tract and said west line of variable width alley passing the Southeast corner of said Lot 4 at 33.33 feet and continuing for a total distance of 51.37 feet to a ½" iron rod with yellow plastic cap stamped "RPLS 5405" set for corner and being in the northeasterly right-of-way line of State Street, generally being a 60' right-of-way at this point by virtue of this description;

THENCE North 73 deg. 08 min. 02 sec. West along said northeasterly right-of-way line of State Street 177.05 feet to the **POINT OF BEGINNING** and containing **4350** square feet of land, more or less.

EXHIBIT "B"
(DEED)

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

That **GOOD SAMARITANS OF GARLAND, INC.** ("Grantor"), for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration paid to Grantor by **CITY OF GARLAND, TEXAS,** a Texas home-rule municipality ("Grantee"), whose address is PO BOX 469002, Attn: Judson Rex, Garland, Texas, 75046, the receipt of which is hereby acknowledged, has GRANTED, SOLD, AND CONVEYED, and by these presents does GRANT, SELL, AND CONVEY unto Grantee, all of the real property in Dallas County, Texas, which is more particularly described on **Exhibit "A"** attached hereto and made a part hereof for all purposes, together with all right, title and interest of Seller, if any, in and to (i) any and all improvements and buildings owned by Seller located on such Property (if any), excepting the climate-controlled industrialized building on the Property which will be removed at Seller's sole expense at the termination of the Leaseback contemplated herein, (ii) any and all singular rights, benefits, privileges, easements, tenements, and appurtenances thereon and pertaining to the Property, including, without limitation, any right, title and interest of Seller in and to adjacent public roadways or public alleys, rights of ingress and egress and any reversionary interests thereto, and (iii) strips and gores between the Property and abutting properties., (collectively, "Property").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, and Grantee's successors and assigns forever; and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee, and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the Property or any part thereof, by, through or under Grantor, but not otherwise.

Effective as of the _____ day of _____, 2024.

GRANTOR:

GOOD SAMARITANS OF GARLAND, INC.

By: _____
Name: Sara Kenefake
Title: Executive Director

ACKNOWLEDGMENT:

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the County and State aforesaid, on this day personally appeared Sara Kenefake, known to me to be the person whose name is subscribed to the foregoing instrument for and as Executive Director of **GOOD SAMARITANS OF GARLAND, INC.**; and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said company, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ____ day of _____, 2024.

_____
Notary Public in and for Dallas County, Texas

EXHIBIT "A" TO DEED
(Legal Description)

210 North Twelfth Street:

Being Lot 3 and sixteen and two thirds feet off the North side of Lot 4 of James Terrace, First Installment, an Addition to the City of Garland, Dallas County, Texas, according to the Map recorded in Volume 2, Page 244 of the Map Records of Dallas County, Texas.

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EXHIBIT "C"
(LEASE AGREEMENT)

LEASE AGREEMENT

This Lease Agreement ("Lease") is entered into by and between the City of Garland, Texas, a Texas home-rule municipality, as landlord (the "City"), and Good Samaritans of Garland, Inc., as tenant (the "Lessee").

Recitals

The City and Lessee acknowledge and agree that the following preliminary statements are true and correct and that the same are a material part of this Lease:

A. Pursuant to the Contract for Sale and Leaseback ("Contract"), the City is the owner of the Leased Area.

B. Subject to the Permitted Exceptions, as defined in the Contract, and all applicable laws, rules, regulations, and/or statutes now or hereafter in effect, the City desires to lease to Lessee, and Lessee desires to lease from the City, the Leased Area, as below defined, upon and subject to the terms and conditions hereinafter set forth.

C. This Lease is executed and delivered pursuant to the Contract. In the event any term or provision contained in this Lease is inconsistent with the Contract, the Contract shall control.

Agreements

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. DEMISE OF LEASED AREA; CONDITIONS OF OCCUPANCY

A. The City, for and in consideration of the covenants and promises herein contained to be kept, performed, and observed, has demised and leased and by these presents does hereby demise and lease unto Lessee, and Lessee, for and in consideration of the covenants and agreements herein reserved on the part of the City to be kept and performed, does hereby accept from the City, the property commonly referred to as 210/214 North Twelfth Street, Garland, Dallas County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Leased Area"). The City hereby covenants not to encumber title to the Leased Area and to cooperate with Lessee's efforts to remove, at Lessee's sole cost and expense, any encumbrance to the Leased Area caused by a third-party unrelated to the City.

B. Lessee acknowledges that Lessee has inspected the Leased Area to the complete satisfaction of Lessee and, by entry onto the Leased Area under this Lease, accepts the Leased

Area "AS IS – WHERE IS" with all faults, subject to all interests that effect the Leased Area, save and except any matter which was created by the City unless done so at the request of Lessee. Lessee acknowledges that the decision to lease the Leased Area is based solely upon Lessee's comprehensive inspection of the Leased Area and is not based upon any warranty or representation of the City, or of the City's employees, agents, or representatives with regard thereto. Lessee is not being charged, nor has Lessee made, a security deposit for the occupancy or use of the Leased Area under this Lease. In consideration of the waiver of the payment of a security deposit, Lessee ACKNOWLEDGES THAT THE CITY HAS MADE NO WARRANTY OR REPRESENTATION OF ANY SORT, EXPRESS OR IMPLIED, AS TO THE CONDITION, HABITABILITY, OR USEFULNESS OF THE LEASED AREA AND FURTHER ACKNOWLEDGES THAT THE CITY HAS NOT MADE ANY OTHER REPRESENTATIONS TO LESSEE AS TO WHETHER THE LEASED AREA IS FIT AND SATIFACTORY FOR THE USE OR USES INTENDED BY LESSEE. TO THE FULLEST EXTENT PERMITTED BY LAW, LESSEE WAIVES AND DISCLAIMS ANY CAUSE OF ACTION THAT LESSEE MAY HAVE OR HEREAFTER OBTAIN ARISING FROM THE USE, OCCUPATION, OR CONDITION OF THE LEASED AREA, OR THE EXISTENCE OF THIS LEASE.

C. Lessee acknowledges that the conditions of occupancy, disclaimers, and waivers contained in this Lease are material inducements to the City's agreement to and execution of this Lease and that the City would not have entered into this Lease without those conditions, disclaimers, and waivers. Lessee agrees that those conditions, disclaimers, and waivers shall survive the termination of this Lease and further agrees that Lessee shall never contest, dispute, or disavow the validity of those conditions, disclaimers, or waivers.

ARTICLE 2. LEASE TERM

A. Subject to the terms and conditions of this Lease and, unless sooner terminated as provided below, the demise and Lease shall be for a term from the Effective Date until March 31, 2025 ("the Initial Term"). Following the Initial Term, Lessee may extend the Lease for three (3) additional renewal terms of six (6) months each for up to a total of eighteen (18) months (the "Renewal Term;" collectively with the Initial Term as "Lease Term"). To exercise its extension of the Lease into the Renewal Term, Lessee shall provide Lessor written notice of its election at least thirty (30) days prior to the end of the current term.

B. Any holding over, use, or occupancy by Lessee after the termination of this Lease or beyond the Lease Term shall not constitute renewal hereof or give Lessee any rights hereunder in or to the Leased Area.

ARTICLE 3. LEASE RENT

A. Lessee shall pay to the City, on or before the first business day following the commencement of the Lease Term a rental payment in the amount of One Hundred and No/100 Dollars ($100.00) ("Lease Rent"). The Lease Rent shall be paid to the City at the City's address as provided on the signature page of this Lease or to such other person or at such other address as the City may from time to time designate in writing. The City may, at its option, bill Lessee for Lease Rent, but no delay or failure by the City in providing such bill shall relieve Lessee from the

obligation to pay Lease Rent as provided herein. All payments shall be in the form of wired funds, check, or such other manner agreeable to the Parties.

ARTICLE 4. USE AND OCCUPANCY OF LEASED AREA

A. The Leased Area is to be used and occupied solely by Lessee for its continued non-profit operations in the same manner and scope as exist as of the date of execution of this contract, including existing agreements with service providers. Expansion in the type of services provided or the addition of outdoor fixtures shall require the written consent of the City.

B. Lessee agrees to use and maintain the Leased Area in accordance with all ordinances, regulations, permit requirements, and other laws of the City of Garland and State of Texas that may be applicable to such use and maintenance. This Lease does not provide any zoning classification or any manner change or affect the applicable ordinances (including zoning ordinances) of the City. Any violation of such ordinances, regulations, or permit requirements shall constitute a breach of this Lease by Lessee, for which the City shall be entitled to take appropriate action if such violation is not cured within the time period provided in this Lease.

C. Lessee shall maintain, or cause to be maintained, the Leased Area at all times during the Lease Term in good condition and repair, and in a safe, neat, and attractive condition, and shall not permit the accumulation of trash or debris within the Leased Area. The Leased Area shall be regularly mowed, weeded, and appropriately landscaped for the season, as applicable.

D. Lessee agrees that it will not make or allow to be made, any unlawful, improper, or offensive use of the Leased Area that would violate the law of the United States or the State of Texas, or any ordinances of the City. Lessee shall be subject to the terms and penalties associated with the violation of any ordinances, regulations, permit requirements, or other laws, in addition to the provisions of this Lease. The enforcement of any ordinance, regulation, permit requirement, and other law is not exclusive of the enforcement of any provision of this Lease even if the conduct providing the basis of the violation(s) is the same.

E. All personal property placed in or on the Leased Area shall be at the role risk of Lessee or the owner of such personal property. Lessee shall be responsible or shall cause a third-party to be responsible, at no cost or expense to the City, for all maintenance, repair, and replacement of Leased Area Improvements, and shall promptly repair all damages to such Leased Area in a good, workmanlike, and attractive manner.

F. The City retains the right to make regular or special inspections of the Leased Area in a commercially reasonable manner to ensure that the Leased Area Improvements are being maintained and used in accordance with the terms of this Lease and that all terms of this Lease are being upheld.

G. Lessee shall commit no waste of the Leased Area and shall be responsible for any damages to the Leased Area caused by the activities of Lessee, its agents, employees, guests, and invitees. Lessee may not discharge any waste or hazardous materials on the Leased Area. Any use of fertilizers, herbicides, pesticides, or other hazardous or regulated chemicals by Lessee shall

be done in strict accordance with all applicable federal, state, and local laws.

H. Lessee shall assume and pay when due all charges for water, gas, power, telephone, light, and any other utility services accruing or payable in connection with its occupancy of the Leased Area, including deposits, connection fees or charges, and equipment rental required by the supplier of any such utility service.

ARTICLE 5. LEASED AREA IMPROVEMENTS

A. The City and Lessee acknowledge the existence of improvements on the Leased Area: specifically a single-family residence, a fixed storage building, a climate-controlled industrialized building (the "Industrialized Building"), and a variable number of portable on-demand storage containers (PODs).

B. In accordance with the terms above, Lessee shall maintain the improvements in a good, workmanlike, and attractive manner. Lessee shall not have the right to construct additional improvements on the Leased Area or to expand the existing improvements.

C. At the termination of this Lease, title to the Leased Area Improvements and facilities fixed to the Leased Area, and any fixtures or appurtenances in connection therewith, except the Industrialized Building, shall remain the property of the City. The Industrialized Building, any PODs, and other temporary or moveable improvements must be removed by Lessee prior to the termination of this Lease.

ARTICLE 6. INDEMNITY; INSURANCE

A. Lessee agrees to indemnify, defend, and hold harmless the City and all of its present, future, and former agents, employees, officials, and representatives in their official, individual, and representative capacities from and against any and all liability created by, arising from, or in any manner relating to the use, condition, or occupancy of the Leased Area, save and except any liability imposed as a result of the City's intentional acts. As used herein, the term "liability" includes, but is not limited to, any and all claims, demands, causes of action, judgments, liens, and expenses (including attorney's fees, whether contractual or statutory), costs, and damages (whether common law or statutory, and whether actual, punitive, consequential, or incidental), of any conceivable character, due to or arising from injuries to persons (including death) or to property (both real and personal). The indemnity provided herein expressly includes any liability arising through the doctrine of strict or products liability and any liability arising under the constitutions of the United States or Texas. The indemnity provided herein also expressly includes liability arising from the negligence (but not gross negligence or intentional misconduct) of the City to the extent BUT ONLY TO THE EXTENT that liability is related to the use or condition of the Leased Area.

B. Lessee agrees to carry, during the Lease Term, comprehensive general liability insurance insuring against bodily injury (including death) and property damage with a company or companies qualified to do business and to write insurance in the State of Texas of the types and in the minimum amounts set forth in Exhibit "B", attached to this Lease and made a part of this

Lease for all purposes. The policy or policies shall name the City as an additional insured. The cost of the premiums for all such policies shall be paid by Lessee. The policy or policies shall bear an endorsement providing at least thirty (30) days written notice to the City of cancellation, non-renewal, or material change.

ARTICLE 7. MISCELLANEOUS

A. Default under Lease. Notwithstanding any matter to the contrary, Lessee shall not be in default of any of Lessee's obligations under this Lease until Lessee shall have received written notice and twenty (20) days to cure such defaults and, if the default cannot be cured within twenty (20) days, so long as Lessee is diligently pursuing curing the default, Lessee may have as much additional time as necessary to cure the default, not to exceed one hundred and twenty (120) days. The City and Lessee may enforce any and all rights and remedies at law or available to such party.

B. Liquidated Damages for Breaches Subject to Cure. If Lessee fails to meet, comply with, or perform any of Lessee's obligations under this Lease, or otherwise materially breaches any provision of this Lease for any reason other than breach of this Lease by the City after such written notice and opportunity to cure, then the City may assess liquidated damages against Lessee in the sum of Two Hundred and No/100 Dollars ($200.00) for each such failure or breach. The parties agree that the City's actual damages arising from Lessee's breach of its obligations under this Lease are difficulty to calculate and that the sum of $200.00 adequately represents the amount of those actual damages and does not represent a penalty. The City may exercise its option of liquidated damages without prejudice to or waiver of any other remedy available at law.

C. Assignment of Lease. Lessee may not assign and/or sublet all or any portion of the Leased Area without the City's prior, written consent, such consent to be given or not given in the City's sole and absolute discretion. Any attempt to assign this Lease without the prior, written consent of the City shall be null and void.

D. Subordination, Non-Disturbance, and Attornment. The City agrees to cooperate with Lessee's lienholder, if any, and use good faith efforts to execute and deliver an non-disturbance and attornment agreement in favor of Lessee's lienholder or any future owner, successor, or assignee of Lessee, or their respective representatives, on terms reasonably acceptable to all parties thereto.

E. Bankruptcy. Subject to the provisions of the United States Bankruptcy Code, as amended, if Lessee (i) files a voluntary petition in bankruptcy; (ii) is adjudged bankrupt either upon the voluntary petition in bankruptcy of Lessee or upon the involuntary petition of creditors of Lessee; (iii) seeks a remedy afforded by any statute of the United States related to bankruptcy; (iv) makes an assignment for the benefit of its creditors; (v) has a receiver appointed over its assets; or (vi) has an attachment levied that is permitted to remain for a period of more than sixty (60) days upon any interest of Lessee under this Lease, then all interest of Lessee in this Lease shall, at the sole option of the City, terminate upon ninety (90) days written notice to Lessee, and the City may thereafter enter and take possession of the Leased Area.

F. Severability. If any term or provision of this Lease is held to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remaining terms or provisions of this Lease shall not be affected thereby, and in lieu of such illegal, invalid, or unenforceable term or provision, therein shall be added automatically to this Lease a legal, valid, or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

G. Waiver. Either the City or Lessee shall have the right to waive any requirement contained in this Lease that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended.

H. Governing Law; Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. Exclusive venue for any action arising under this Lease shall be in the City of Dallas, Dallas County, Texas.

I. Paragraph Headings; Construction. The paragraph headings contained in this Lease are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the preparation of this Lease, and this Lease shall not be construed either more or less favorably for or against any party.

J. Complete Agreement. This Lease, the Contract, and Exhibits to each contain the entire agreement between the City and Lessee with respect to the Leased Area and, except as set forth herein and in written instruments executed in connection herewith, neither the City nor Lessee has made any agreements, covenants, warranties, or representations of any kind or character, express or implied, oral or written, with respect to the Leased Area, including without limitation, any warranties of habitability, merchantability, workmanship, income to be derived from the Leased Area, expenses to be incurred in connection with the Leased Area, or with respect to any other conditions, facts, or requirements relating or pertaining to the Leases Area.

K. Binding Effect. Except as limited herein, the terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective assignees, sublessees, successors, and assigns.

L. Gender. Within this Lease, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

M. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which taken together shall constitute but one and the same instrument.

N. Exhibits. All exhibits to this Lease are incorporated into this Lease by reference and made a part of this Lease for all purposes wherever reference is made to the same.

O. Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership, joint venture, or employment, it being expressly understood and agreed that no provision contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Lease. Neither party has the authority to enter into contacts or to assume any obligations for the other, nor to make warranties or representations on behalf of the other except in accordance with the express terms of this Lease relating to the indemnification of employees, agents, and representatives of the City, there are no third-party beneficiaries to this Lease and no third-party beneficiaries are intended by implication or otherwise.

P. Computation of Deadlines. If any deadline contained herein ends on a Saturday, Sunday, or a legal holiday recognized by the Texas Supreme Court, such deadline shall automatically be extended to the next day that is not a Saturday, Sunday, or legal holiday.

Q. Notices. Any notice, demand, request, consent, approval, designation, or other communication made pursuant to this Lease shall be in writing and shall be given or made or communicated by personal delivery, by United States registered or certified mail, return receipt requested, or by prepaid FedEx or other nationally recognized overnight delivery service addressed to the following addresses set forth below:

If to the City: Michael Hesser, Assistant City Manager
City of Garland, Texas
200 N. Fifth Street
Garland, Texas 75040

with a copy to: Office of the City Attorney
City of Garland, Texas
PO Box 469002
Garland, Texas 75046

If to Lessee: Good Samaritans of Garland, Inc.
Attn: Sara Kenefake, Executive Director
210 North Twelfth Street
Garland, Texas 75040

with a copy to: _____
_____
_____
_____

R. No Waiver of Immunity. Nothing in this Lease shall constitute, or is intended to constitute, a waiver of any immunity or defense to suit or liability for damages which may be available to the City as a Texas municipal corporation, home rule municipality, or subdivision of the State of Texas.

This Lease is executed to be effective as of the Effective Date.

[*Signatures on following pages*]

SEPARATE SIGNATURE PAGE OF THE CITY OF GARLAND

The City of Garland, Texas,
A Texas home-rule municipality

By: _____
Name: Scott LeMay
Title: Mayor

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me, the undersigned notary, on _____, 2024 by Scott LeMay, the Mayor of the City of Garland, Texas, a Texas home-rule municipality, on behalf of such entity.

[SEAL]

Notary Public in and for the State of Texas

My commission expires:

_____

_____
Printed Name of Notary Public

SEPARATE SIGNATURE PAGE OF GOOD SAMARITANS OF GARLAND, INC.

Good Samaritans of Garland, Inc.

By: _____
Name: Sara Kenefake
Title: Executive Director

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me, the undersigned notary, on _____, 2024 by Sara Kenefake, the Executive Director of Good Samaritans of Garland, Inc., on behalf of such entity.

[SEAL]

Notary Public in and for the State of Texas

My commission expires:

_____

_____
Printed Name of Notary Public

EXHIBIT "A" to the Lease Agreement

Legal Description

210 North Twelfth Street:

Being Lot 3 and sixteen and two thirds feet off the North side of Lot 4 of James Terrace, First Installment, an Addition to the City of Garland, Dallas County, Texas, according to the Map recorded in Volume 2, Page 244 of the Map Records of Dallas County, Texas.

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THENCE North 73 deg. 08 min. 02 sec. West along said northeasterly right-of-way line of State Street 177.05 feet to the **POINT OF BEGINNING** and containing **4350** square feet of land, more or less.

EXHIBIT "B" to the Lease Agreement

Insurance Requirements

Lessee to Provide Insurance. Lessee agrees to carry, during the term of this Lease, comprehensive general liability insurance insuring against bodily injury - including death - and property damage with a company or companies qualified to do business and to write insurance in the State of Texas. The policy or policies shall provide coverage of at least $500,000.00 for bodily injury or death, per occurrence, and $250,000.00 for property damage, per occurrence. The cost of premiums for all such policies shall be paid by Lessee and the policy or policies shall bear an endorsement providing at least ten (10) days written notice to Lessor of cancellation or material alteration. Lessee shall provide the Lessor with a copy of the insurance policy reflecting the required minimum coverage amounts herein at the time of executing this Lease. Also, Lessee shall provide the Lessor with a copy of the insurance policy on an annual basis throughout the term of the lease beginning on the 1st anniversary of the Effective Date and continuing on the same date throughout the term of this Lease.

Exhibit B

Lease Agreement

For

Edgewood Property

GARLAND

TEXAS MADE HERE

LEASE AGREEMENT

This Lease Agreement ("Lease") is made and entered between **the City of Garland, Texas**, a Texas home-rule municipality ("Lessor"), and **Good Samaritans of Garland, Inc.** ("Lessee"), subject to the Terms and Conditions ("Terms"), which is attached hereto as **Exhibit "A"** and incorporated herein by reference. In the event of an express conflict between this Lease and the Terms, the provisions of the Terms shall control.

W I T N E S E T H

1. **Agreement to Lease.** Subject to the terms and conditions of this Lease, Lessor hereby grants, demises, and lets to Lessee, and Lessee hereby leases and takes as tenant of Lessor, the premises located in Garland, Dallas County, Texas, and being more particularly described in **Exhibit "B"** ("Premises").

2. **Term.** The term of this Lease shall commence on _____, 202__ ("Effective Date"), and shall end at midnight on the same date twenty (20) years thereafter ("Termination Date" or "Initial Term"), unless sooner terminated as provided herein. The Initial Term may be extend for additional 5 year terms ("Renewal Term"), under the same terms and conditions of the Initial Term, if agreed upon in writing by the Parties prior to the 90th day preceding the Termination Date.

3. **Use.** The Premises leased are to be used and occupied by Lessee as a non-profit for the times and purposes indicated in the Terms. Lessee shall not use or permit the use of the Premises, or any part thereof, for any purpose other than as stipulated without the written consent of Lessor.

4. **Rent; Deposit.** Lessee shall pay Lessor an amount under the terms and conditions indicated within the Terms. The Parties agree that no security deposit amount is required to be paid by Lessee to Lessor prior to the Effective Date hereof.

5. **As Is Condition.** After execution of this Agreement, but prior to the Effective Date, Lessee shall have the right to enter onto the Premises and to have full access to the Premises for the purpose of conducting such inspections, investigations, studies, and tests as Lessee may deem fit. In the event that Lessee determines, in its sole discretion, based upon its inspections, investigations, studies, or tests, that the Premises is not satisfactory for Lessee's purposes or is not suitable for Lessee's intended use, then Lessee shall deliver written notice of such determination to Lessor on or before the Effective Date. Lessee, by entry of the Premises under this Lease, accepts the Premises **"AS IS - WHERE IS, WITH ALL FAULTS"** in the present state of repair. Lessee has been given the opportunity to perform, such inspections, investigations, studies, and tests as Lessee has deemed appropriate and Lessee has satisfied itself, without any representation or warranty on the part of Lessor or anyone acting on Lessor's behalf, that the Premises are fit and satisfactory in all respects for Lessee's purposes.

LESSEE ACKNOWLEDGES THAT LESSOR EXPRESSLY DISCLAIMS AND LESSEE EXPRESSLY WAIVES, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, USEABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PREMISES, AND LESSEE FURTHER ACKNOWLEDGES THAT LESSOR HAS NOT MADE ANY OTHER REPRESENTATIONS TO LESSEE AS TO WHETHER OR NOT THE PREMISES ARE FIT AND SATISFACTORY FOR THE USE INTENDED BY LESSEE. LESSOR DISCLAIMS RESPONSIBILITY AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION RELATING TO THE PREMISES, WHETHER PROVIDED BY LESSOR OR OTHERWISE. WITHOUT LIMITING THE FOREGOING, LESSOR MAKES NO REPRESENTATIONS OF ANY NATURE REGARDING THE PREMISES AND SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY, OR REPRESENTATION, ORAL OR WRITTEN, EXPRESS OR IMPLIED, PAST, PRESENT, OR FUTURE, CONCERNING: (I) THE NATURE AND CONDITION OF THE PREMISES, INCLUDING WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, AND THE SUITABILITY THEREOF AND THE PREMISES FOR ANY AND ALL ACTIVITIES AND USES WHICH LESSEE MAY ELECT TO CONDUCT THEREON, AND THE EXISTENCE OF ANY ENVIRONMENTAL SUBSTANCES, HAZARDS, OR CONDITIONS OR PRESENCE OF ANY ENDANGERED OR PROTECTED SPECIES THEREON OR COMPLIANCE WITH ALL APPLICABLE LAWS, RULES, OR REGULATIONS; (II) THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION, OR OTHERWISE; (III) THE COMPLIANCE OF THE LAND

OR ITS OPERATION WITH ANY LAW, ORDINANCE, OR REGULATION OF ANY FEDERAL, STATE, OR LOCAL GOVERNMENTAL AUTHORITY; AND (IV) WHETHER OR NOT THE PROPERTY CAN BE DEVELOPED OR UTILIZED FOR ANY PURPOSE. FOR PURPOSES HEREOF, "ENVIRONMENTAL SUBSTANCES" MEANS THE FOLLOWING: (A) ANY "HAZARDOUS SUBSTANCE" UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980, 42 U.S.C.A. SECTION 9601 ET.SEQ., AS AMENDED, (B) ANY "HAZARDOUS SUBSTANCE" UNDER THE TEXAS HAZARDOUS SUBSTANCES SPILL PREVENTION AND CONTROL ACT, TEX. WATER CODE, SECTION 26.261, ET. SEQ., AS AMENDED, (C) PETROLEUM OR PETROLEUM-BASED PRODUCTS (OR ANY DERIVATIVE OR HAZARDOUS CONSTITUENTS THEREOF OR ADDITIVES THERETO), INCLUDING WITHOUT LIMITATION, FUEL AND LUBRICATION OILS, (D) ANY "HAZARDOUS CHEMICALS" OR "TOXIC CHEMICALS" UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT, 29 U.S.C.A. SECTION 651 ET. SEQ., AS AMENDED, (E) ANY "HAZARDOUS WASTE" UNDER THE RESOURCE CONSERVATION AND RECOVERY ACT, 42 U.S.C.A. SECTION 6901 ET. SEQ., AS AMENDED, (F) ASBESTOS, (G) POLYCHLORINATED BIPHENYLS, (H) UNDERGROUND STORAGE TANKS AND WELLS, WHETHER EMPTY, ABANDONED, CAPPED, UNCAPPED, FILLED, OR PARTIALLY FILLED WITH ANY SUBSTANCE, (I) ANY SUBSTANCE, THE PRESENCE OF WHICH IS PROHIBITED BY FEDERAL, STATE, OR LOCAL LAWS AND REGULATIONS, AND (J) ANY OTHER SUBSTANCE WHICH BY FEDERAL, STATE, OR LOCAL LAWS AND REGULATIONS REQUIRES SPECIAL HANDLING OR NOTIFICATION OF GOVERNMENTAL AUTHORITIES IN ITS COLLECTION, STORAGE, TREATMENT OR DISPOSAL. REFERENCES TO PARTICULAR ACTS OR CODIFICATIONS IN THIS DEFINITION INCLUDE ALL PAST AND FUTURE AMENDMENTS THERETO, AS WELL AS APPLICABLE RULES AND REGULATIONS AS NOW OR HEREAFTER PROMULGATED THEREUNDER.

TO THE FULLEST EXTENT OF THE LAW, LESSEE WAIVES AND DISCLAIMS ANY CAUSE OF ACTION THAT LESSEE MAY NOW OR HEREAFTER HAVE OR OBTAIN AGAINST LESSOR, ITS AGENTS, EMPLOYEES, OR SERVANTS ARISING FROM THE USE, OCCUPATION, OR CONDITION OF THE PREMISES OR THE EXISTENCE OF THIS LEASE.

LESSEE FURTHER AGREES TO INDEMNIFY AND HOLD LESSOR AND ALL OF ITS PRESENT, FUTURE, AND FORMER AGENTS, EMPLOYEES, OFFICIALS, AND REPRESENTATIVES HARMLESS IN THEIR OFFICIAL, INDIVIDUAL, AND REPRESENTATIVE CAPACITIES FROM ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, LIENS AND EXPENSES (INCLUDING ATTORNEY'S FEES), COSTS, AND DAMAGES (WHETHER COMMON LAW OR STATUTORY, AND WHETHER CHARACTERIZED AS ACTUAL, PUNITIVE, CONSEQUENTIAL, INCIDENTAL, OR BASED ON STRICT LIABILITY AND EXPRESSLY INCLUDING THOSE CAUSED BY

THE NEGLIGENCE OR OTHER FAULT OF ANY PARTY INDEMNIFIED HEREIN), OF ANY CONCEIVABLE CHARACTER, DUE TO OR ARISING FROM INJURIES TO PERSONS (INCLUDING DEATH) OR TO PROPERTY (BOTH REAL AND PERSONAL) CREATED BY, ARISING FROM OR IN ANY MANNER RELATING TO THE USE, OCCUPATION, OR CONDITION OF THE PREMISES OR THE EXISTENCE OF THIS LEASE.

6. **Fixtures, Improvements, and Liability for Loss or Damage to Property.** The Parties acknowledge the existence of a building (previously the "Walnut Branch Library") on the property (the "Existing Building").

Prior to constructing any other improvements or attachments, including, but not limited to, alterations, additions, or improvements on or within the Existing Building, on the Premises, Lessee must first obtain written authorization from Lessor, such authorization to not be unreasonably withheld, conditioned, or delayed. Such request and approval shall be in conformance with Section 3 of the Terms attached hereto. All approved improvements or modifications shall be completed in a professional manner, comply with all applicable federal, state, and local laws and regulations.

As of the Execution Date, Lessee is authorized to construct and attach to the Premises security lighting, camera(s), and alarm systems, in accordance with Section 3.3 of the Terms.

During the term of this Lease, Lessee shall have a duty to maintain all fixtures and improvements constructed pursuant with this Section in accordance with the provisions of Sections 7 and 8 below. Title to any fixtures and improvements constructed by Lessee and attached to the Premises shall transfer to the Lessor upon termination of this Lease, subject to Lessor's reservation of the right to require Lessee to remove any improvements installed by Lessee and restore the Premises, as close as reasonably practical, to the condition in which it existed immediately prior to the Effective Date of this Lease, normal wear and tear excepted. Personal property and chattel placed in or on the Premises shall be at the sole risk of Lessee or the owner of such property.

The Parties further acknowledge the existence of the contents ("Building Contents") of the Existing Building, which are included in this Lease, to be used by Lessee in

the operation of its business. The Building Contents are itemized in Exhibit C. The Building Contents shall remain the property of Lessor but leased with the Existing Building to Lessee for its use. Following the termination of this Lease, possession of the Building Contents be returned by Lessee to Lessor with possession of the Existing Building.

7. **No Waste or Contamination.** Lessee shall commit no waste of the Premises, including but not limited to any fixtures or improvements, and shall be responsible for any damages to the Premises, including but not limited to fixtures and improvements, caused by the activities of Lessee. Lessee shall, on the Termination Date or any earlier termination of this Lease, surrender the Premises clean, free of debris, and in substantially the same condition as received, except for normal wear and tear. Lessee may not discharge any waste or hazardous materials on the Premises. Any use of fertilizers, herbicides, pesticides, or other similar chemicals by Lessee shall be done in strict accordance with all applicable federal, state, and local laws. Lessee shall, upon request, provide Lessor with copies of all chemical constituents and MSDS sheets prior to the application of any fertilizer, herbicide, pesticide, or other chemicals to the Premises.

8. **Maintenance**. Subject to the provisions of paragraph 7, Lessor shall be responsible for maintaining the roof, foundation, exterior walls, and structural elements of the Existing Building in good repair. Lessor shall also be responsible for the maintenance and repair of the Existing Building's base plumbing, electrical, HVAC systems, and other core building systems. Lessee shall be responsible for all interior maintenance and repairs including, but not limited to, interior walls, flooring, ceilings, doors, windows, fixtures, and finishes. Lessee shall also be responsible for the maintenance, repair, and replacement of any supplemental plumbing, electrical, or HVAC systems installed specifically for the leased premises. In the event Lessee notices a problem with any of the above enumerated items and or systems, Lessee may notify Lessor's Facility Maintenance department at 972-205-3333.
Lessee shall provide custodial services for the premises including office cleaning, waste removal, etc. Lessee shall arrange for periodic carpet cleaning as needed. Upon lease expiration, the Lessee shall arrange for professional carpet cleaning of the premises. Lessee shall maintain the

Premises in a neat and orderly fashion and in compliance with all applicable laws including, but not limited to, landscaping, mowing, weed control, and trash and litter removal.
As used in this Section, "maintain" includes performing any necessary repairs to conduct the approved use on the Premises, in accordance with the Terms.

9. **Utilities.** Lessee shall pay for all utilities including electricity, gas, water/sewer, and trash removal for the Premises.

10. **Loss or Destruction of Property Leased.** If the Premises become, as a practical matter, totally untenantable after a casualty loss such as fire, storm, explosion, earthquake, or other casualty, and if the casualty loss is not due to the negligence or fault of the Lessee or the Lessee's employees, guests, or invitees, either Lessor or Lessee may terminate the Lease at any time by giving written notice to the other.

11. **Lessee to Provide Insurance.** Lessee agrees to carry, during the term of this Lease, comprehensive general liability insurance insuring against bodily injury - including death - and property damage with a company or companies qualified to do business and to write insurance in the State of Texas. The policy or policies shall provide coverage of at least $500,000.00 for bodily injury or death, per occurrence, and $250,000.00 for property damage, per occurrence. The cost of premiums for all such policies shall be paid by Lessee and the policy or policies shall bear an endorsement providing at least ten (10) days written notice to Lessor of cancellation or material alteration. Lessee shall provide the Lessor with a copy of the insurance policy reflecting the required minimum coverage amounts herein at the time of executing this Lease. Also, Lessee shall provide the Lessor with a copy of the insurance policy on an annual basis throughout the term of the lease beginning on the 1st anniversary of the Effective Date and continuing on the same date throughout the term of this Lease.

12. **Assignment or Sublease.** Lessee shall not assign this Lease or sublet the Premises, or any part thereof, without the prior written consent of the Lessor, which may be denied for any reason or no reason at all.

13. **Composition of Rent.** Except as otherwise provided in this Lease, all costs, expenses, and obligations of every kind or nature whatsoever relating to the Premises which may arise or become due during the Term of this Lease including, without limitation, all costs and expenses of maintenance and repairs, insurance and taxes, shall be paid by Lessee. Nothing herein contained shall be deemed to require Lessee to pay or discharge any liens or mortgages of any character whatsoever which may exist or hereafter be placed upon the Premises by an affirmative act or omission of Lessor.

14. **Right to Audit; Inspections**. Lessee grants Lessor the right to enter into and upon the Premises to conduct routine inspections of the Premises and Lessee will provide audited financial statements to Lessor annually. In the event Lessor elects to do a compliance audit to confirm Lessee is maintaining the minimum insurance requirements, is operating its business as described in above Section 3, and is in conformance with all material provisions of this Lease, Lessor shall give Lessee written notice three business days in advance of entering the Premises to conduct a compliance audit.

15. **Termination.** This Lease may be terminated by Lessor, for cause, upon thirty (30) days written notice to Lessee. "Cause" shall be deemed to be any of the following, separately or in any combination:

(A) Failure to maintain insurance coverage on the Premises or provide Lessor proof thereof upon demand;

(B) Failure to maintain the Premises in accordance with the provisions of paragraph 8 or applicable laws, rules, or regulations;

(C) Use of the Premises in violation of paragraph 3 hereof and/or in violation of the Terms attached hereto;

(D) Failure to comply with any material provision of this Lease; or

(E) Failure of Lessee to continue operations as a non-profit entity offering the same or similar services to those being offered by Lessee as of the Effective Date of this Lease.

Lessee may terminate this Lease at any time for convenience upon at least thirty (30) days written notice to Lessor. Should Lessee terminate this Lease for convenience in this manner, all provisions in this Lease related to possession and ownership of the Premises upon termination shall apply as written.

16. **Severability.** If any term or provision of this Lease is held to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remaining terms or provisions of this Lease shall not be affected thereby, and in lieu of each such illegal, invalid, or unenforceable term or provision, there shall be added automatically to this Lease a legal, valid, or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

17. **Waiver.** Either Lessor or Lessee shall have the right to waive any requirement contained in this Lease which is intended for the waiving party's benefit but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended.

18. **Governing Law.** This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Lease are performable in Dallas County, Texas such that exclusive venue for any action arising out of this Lease shall be in Dallas County, Texas.

19. **Paragraph Headings; Construction.** The paragraph headings contained in this Lease are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Lease and this Lease shall not be construed either more or less strongly against or for either party.

20. **Complete Agreement.** This Lease, including the Exhibits attached hereto, contains the entire agreement between Lessor and Lessee with respect to the Premises and, except as set forth herein and in written instruments executed in connection herewith, neither Lessor nor Lessee has made any agreements, covenants, warranties, or representations of any kind or character, express or

implied, oral or written, with respect to the Premises including, without limitation, any warranties of habitability, merchantability, workmanship, income to be derived from the Premises, expenses to be incurred in connection with the Premises, or with respect to any other conditions, facts, or requirements relating or pertaining to the Premises.

21. **Binding Effect.** Except as limited herein, the terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors, and assigns.

22. **Gender.** Within this Lease, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

23. **Counterparts.** This Lease has been executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

24. **Exhibits.** All exhibits to this Lease are incorporated herein by reference for all purposes wherever reference is made to the same.

25. **Dispute Resolution.** In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties will first attempt to resolve the dispute by taking the following steps: (1) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied party to the other party, which notice shall request a written response to be delivered to the dissatisfied party not less than 5 days after receipt of the notice of dispute. (2) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. (3) If those persons cannot or do not resolve the dispute, then the parties shall each appoint a person

from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

26. **No Waiver of Immunity or Defense.** No party, by execution of this Agreement, waives nor shall be deemed to have waived, any immunity or defense that would otherwise be available to it including, without limitation, immunity from liability and suit for damages to one another or to any third-party except as otherwise provided by law.

27. **Relationship of Parties.** Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of Lessor and Lessee as those terms are understood herein.

28. **Non-Discrimination.** Lessee promises and warrants that no person shall on the grounds of race, color, national origin, or sex, as provided by Title VI of the Civil Rights Act of 1964, and the Civil Rights Restoration Act of 1987 be excluded from participation in, be denied access or benefits of, or be otherwise subjected to discrimination under any program, activity, or transaction on the Premises.

29. **Signature Authority.** Both Parties represent, warrant, and agree that they have the full right and authority to enter into this Lease, and that the person executing this Lease on behalf of the respective Party has the full right and authority to enter into this Lease and bind the Party to each and every obligation contained herein. Lessee understands and acknowledges that Lessor cannot be lawfully held responsible for any obligation contained herein and this Lease cannot be amended, without the authorization of the City Council of the City of Garland and executed by the Mayor of the City of Garland.

[Signatures on following page]

EXECUTED as of the ___ day of _____, 202_.

LESSOR: CITY OF GARLAND, TEXAS

By: _____
Name: Scott LeMay
Title: Mayor
Date: _____

LESSEE: GOOD SAMARITANS OF GARLAND, INC.

By: _____
Name: Sara Kenefake
Title: Executive Director
Date: _____

Address:

City of Garland
200 N. Fifth Street
P. O. Box 469002
Garland, Texas 75046-9002
Attn: City Manager

Address:

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of _____, 202_, by Scott LeMay, Mayor of the City of Garland, Texas, on behalf of the City.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 202_.

_____
Notary Public in and for the
State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of _____, 202_, by Sara Kenefake as Executive Director acting on behalf of **Good Samaritans of Garland, Inc**.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____, 202_.

_____

Notary Public in and for the State of Texas

EXHIBIT "A"
TERMS AND CONDITIONS FOR LEASE

This Lease is administered by the Office of Neighborhood Vitality of the City of Garland, Texas ("Department"), and is made and entered into between the **City of Garland, Texas** ("LESSOR") AND **Good Samaritans of Garland, Inc.** ("LESSEE").

LESSEE is prohibited from and hereby agrees not to lease, sublease, or assign this LEASE, or any part thereof, except on prior written consent of LESSOR or as authorized in this agreement. In the event written consent is granted, LESSEE shall submit the written contract from assignee or sub-LESSEE stating all provisions regarding utilization of Premises and fees to be paid to LESSEE. The contract must be submitted for written approval of LESSOR prior to entering into an agreement with sub-LESSEE or assignee.

1.0 Agreement Period; Location; LEASE Rent:

1.1 TERM: The term of this Lease shall be as described in Section 2 of the Lease.

1.2 PREMISES: The Premises is located at the following address 3319 Edgewood, Garland, Dallas County, Texas, and is more particularly described in Exhibit B.

1.3 RENT: In consideration for LESSEE'S use of the Premises, throughout any Term of this Lease, LESSEE shall pay LESSOR rent in the amount of $100.00 annually.

2.0 Allowed Use:

2.1 LESSEE is granted permission to conduct the following activities on the Premises during the Term of this Agreement ("Use"):

Any lawful activity related directly to LESSEE's operation as a non-profit entity offering food pantry, medical, referral, counseling or similar, services.

3.0 Premises Improvements by LESSEE:

3.1 Prior to the construction or installation of any improvement, fixture, alternation, or modification by LESSEE, LESSEE shall submit a written site plan, with design drawings, to LESSOR. Upon confirmation that LESSEE"s request meets all applicable City codes and regulations and upon a determination, in its sole discretion, as to whether the proposed improvements are beneficial to the Premises, LESSOR may issue written authorization for work to proceed. LESSEE may not begin work on any Premises improvements without prior written consent of LESSOR to proceed.

3.2 Any unauthorized structures, building installations, or additions on City owned property shall be removed by LESSEE at LESSEE'S sole cost and expense.

3.3 LESSEE shall construct, install, and maintain a security lighting, camera, and alarm system. LESSOR also acknowledges LESSEE's intention to alter the back door of the Existing Building into a double door and to install commercial refrigeration units. Further, LESSOR acknowledges LESSEE's intention to alter the back windows of the Existing Building into roll-up doors and to install a sink in the Northwest portion of the Existing Building, so long as the construction is conducted and completed pursuant to Garland Development Code and the City's permitting regulations. Finally, LESSOR acknowledges LESSEE's intention to place a climate-controlled industrialized building ("Industrialized Building") on the Premises behind the

Existing Building to be generally located in the area marked on Exhibit "A-1". LESSOR has no objection to these modifications so long as they meet all applicable City codes and regulations. All costs incurred or associated with premises improvements by Lessee performed pursuant to this paragraph shall be borne solely by LESSEE.

4.0 Articles of Formation: LESSEE shall provide LESSOR a copy of its Articles of Formation filed with the Secretary of State, contemporaneously with the execution of this LEASE.

5.0 Independent Contractor:

5.1 While engaged in carrying out and complying with the terms and conditions of this Lease, the LESSEE is, and shall be, an Independent Contractor and shall not, with respect to its acts or omissions, be deemed an officer, employee or agent of the City. The LESSEE shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the City.

5.2 LESSEE is and shall be an Independent Contractor, with full, complete and exclusive power and authority to direct, supervise, and control its own employees and agents and to determine the method of the performance of the activities covered hereby. The fact that the City's representative shall have the right to observe LESSEE'S work during his performance and to carry out the other prerogatives which are expressly reserved to and vested in the City's representative hereunder, is not intended to and shall not at any time change or affect the status of the LESSEE as an Independent Contractor with respect to either the City's representative or to the LESSEE'S own employees or agents or to any other person, firm or corporation.

6.0 Miscellaneous/Additional Provisions:

6.1 Lessee shall at all times comply with all applicable federal, state, and local laws and regulations.

6.2 The following activities shall not be allowed on the Premises at any time, and Lessee agrees to make reasonable efforts to discourage, prevent, or request assistance from law enforcement personnel in removing individuals, vehicles, or items engaged in or affiliated with:

a. Camping;
b. Overnight parking; and
c. Loitering on the Premises after operating hours.

6.3 Construction/installation of permanent or temporary outdoor storage, shower, and/or toilet facilities shall not be allowed on the premises without prior written permission by Lessor.

6.4 Occasional food preparation for consumption on premises by Lessee's volunteers or clients is allowed, so long as Lessee meets all applicable City codes and regulations. Daily food preparation for consumption on premises shall not be allowed without the prior written permission of Lessor.

6.5 Notices: Any notice, demand, request, consent, approval, designation, or other communication made pursuant to this Lease shall be in writing and shall be given or made or communicated by personal delivery, by United States registered or certified mail, return receipt requested, or by prepaid FedEx or other nationally recognized overnight delivery service addressed to the following addresses set forth below:

If to the City: Michael Hesser, Assistant City Manager
City of Garland, Texas
200 N. Fifth Street
Garland, Texas 75040

with a copy to: Office of the City Attorney
City of Garland, Texas
PO Box 469002
Garland, Texas 75046

If to Lessee: Good Samaritans of Garland, Inc.
Attn: Sara Kenefake, Executive Director
3319 Edgewood
Garland, Texas 75042

with a copy to: _____
_____
_____
_____

EXHIBIT "A-1"
GENERAL LOCATION FOR INDUSTRIALIZED BUILDING

EXHIBIT B
PREMISES DESCRIPTION

Being commonly known as 3319 Edgewood Drive, Garland, Texas, and being situated in the C.G. Newton Survey, Abstract No. 1099, Dallas County, Texas, and being that certain 1.141 acre tract of land described in Warranty Deed from K.B. Albright to the City of Garland , Texas, as recorded in Volume 73132, Page 320, of the Deed Records of Dallas County, Texas ("DRDCT"), and being Lot 7, Block A, of Walnut Creek Center No. 8, an Addition to the City of Garland, Texas, according to the plat thereof, recorded in Volume 74036, Page 1337, DRDCT.

EXHIBIT C
BUILDING CONTENTS

[Insert itemization of contents to be included]

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **9. a.**
Meeting Date: 04/02/2024
Title: Z 24-03 ZoneDev (District 5)
Submitted By: Will Guerin, Planning Director

Issue/Summary
Zoning Ordinance Z 24-03 ZoneDev

Background
Case Z 24-03 was approved via public hearing during the March 19, 2024 Regular City Council meeting.

Consideration / Recommendation
Consider adoption of the attached ordinance.

Attachments
Z 24-03 Ordinance
Z 24-03 Exhibit A
Z 24-03 Exhibit B
Z 24-03 Exhibit C

ZONING FILE NO. Z 24-03

ORDINANCE NO._____

AN ORDINANCE AMENDING THE GARLAND DEVELOPMENT CODE OF THE CITY OF GARLAND, TEXAS, BY APPROVING AN AMENDMENT OF CONDITIONS TO PLANNED DEVELOPMENT (PD) DISTRICT 01-26 FOR HEAVY COMMERCIAL (HC) USES TO ALLOW AUTOMOBILE SALES, NEW OR USED BY RIGHT; AND BOAT SALES, LEASING AND REPAIR; MOTORCYCLE/ATV SALES LEASING AND REPAIR (NEW AND USED-INDOORS ONLY); PERSONAL WATERCRAFT SALES, LEASING AND REPAIR (NEW OR USED); AND RECREATIONAL VEHICLES/TRAILER SALES, LEASING AND REPAIR BY SPECIFIC USE PROVISION ONLY ON A 6.150-ACRE TRACT OF LAND LOCATED AT 11675 LYNDON B. JOHNSON FREEWAY; PROVIDING FOR CONDITIONS, RESTRICTIONS, AND REGULATIONS; PROVIDING A PENALTY UNDER THE PROVISIONS OF SEC. 10.05 OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A NOTICE OF CONDITIONS OF COMPLIANCE CLAUSE; PROVIDING A SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at its regular meeting held on the 26th day of February, 2024, the Plan Commission did consider and make recommendations on a certain request for an amendment of conditions to Planned Development (PD) District 01-26 for Heavy Commercial Uses to allow Automobiles Sales, New or Used by right; and Boat Sales, Leasing and Repair; Motorcycle/ATV Sales Leasing and Repair (new and used-indoors only); Personal Watercraft Sales, Leasing and Repair (new or used); and Recreational Vehicle/Trailer Sales, Leasing and Repair by Specific Use Provision only by **ZoneDev**; and

WHEREAS, The City Council, after determining all legal requirements of notice and hearing have been met, has further determined the following amendment to the zoning laws would provide for and would be in the best interest of the health, safety, morals, and general welfare:

Now, therefore, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS, that:

Section 1

The Garland Development Code is hereby amended by approving an amendment of conditions to Planned Development (PD) District 01-26 for Heavy Commercial Uses to allow Automobiles Sales, New or Used by right; and Boat Sales, Leasing and Repair; Motorcycle/ATV Sales Leasing and Repair (new and used-indoors only); Personal Watercraft Sales, Leasing and Repair (new or used); and Recreational Vehicle/Trailer Sales, Leasing and Repair by Specific Use Provision only.

Section 2

Development shall be in conformance with the conditions, restrictions, and regulations set forth in the Garland Development Code.

Section 3

That a violation of this Ordinance shall be a misdemeanor punishable in accordance with Section 10.05 of the Code of Ordinances, City of Garland, Texas.

Section 4

NOTICE OF CONDITIONS OF COMPLIANCE: Notwithstanding the provisions of any other ordinance of the City, the full, complete, and continuing compliance with all the conditions, restrictions, and regulations of this Ordinance is a condition to the issuance and continuation of any permit, approval, authorization or consent by the City, including without limitation the issuance or continuation of any certificate of occupancy for any building or structure located on any portion of the property described in Exhibit A. All promises, representations, obligations and undertakings made or assumed by the applicant to the City Council at any public presentation in connection with the granting of this Ordinance are hereby incorporated into and made a part of this Ordinance as if expressly set forth herein at length. No substantial deviation from any material portion of the conditions, restrictions, and regulations contained within this Ordinance are allowed except as may be provided by the City Council after a public hearing.

Section 5

That the Garland Development Code, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 6

That the terms and provisions of this Ordinance are severable and are governed by Sec. 10.06 of the Code of Ordinances of the City of Garland, Texas.

FILE NO. Z 24-03

Section 7

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

PASSED AND APPROVED this_____ day of _____, 2024.

THE CITY OF GARLAND, TEXAS

By:

_____
Mayor

ATTEST:

_____
City Secretary

Published:

EXHIBIT A

LEGAL DESCRIPTION

Zoning File Z 24-03

Whereas Donald E. Massey is the owner of a tract of land situated in the Hinson C. Davis Survey, Abstract No. 410, City of Garland, Dallas County, Texas, and being part of a called 16.4872 acre tract of land described in a deed to Robert M. Brittingham et al, of record in Volume 90172, Page 3742, Deed Records, Dallas County, Texas, and being more particularly described as follows:
BEGINNING at a ½ inch iron rod found for corner at the intersection of the southwest right-of-way of the Atchison Topeka & Santa Fe Railroad (150 feet ROW) with the North ROW line of Lyndon B. Johnson Freeway (I.H. 635) (variable width ROW) and being the most eastern of said 16.4872 acre tract;

THENCE North 88 degrees 01 minutes 45 seconds along the North right-of-way line of said Lyndon B. Johnson Freeway a distance of 125.03 feet to a ½ inch iron rod found for corner at the beginning of non-tangent curve to the right having a radius of 2,864.79 feet, a central angle of 19 degrees 34 minutes 00 seconds, and a chord which bears North 70 degrees 42 minutes 20 seconds West, a distance of 973.58 feet;
THENCE in a Northwesterly direction along the curving right-of-way line of said Lyndon B. Johnson Freeway an arc distance of 978.33 feet a ½ inch iron rod set for corner;
THENCE North 34 degrees 24 minutes 16 seconds East, a distance of 399.04 feet to a ½ inch iron rod set for corner in the Southwest right-of-way line of said Atchison Topeka and Santa Fe Railroad;

THENCE South 55 degrees 29 minutes 00 seconds East, along the southwest right-of-way line of said railroad a distance of 23.34 feet to a ½ inch iron rod found for comer at the beginning of a curve to the right having a radius of 6,800.60 feet, a central angle of 08 degrees 38 minutes 41 seconds, and a chord which bears South 51 degrees 13 minutes 24 seconds East, a distance of 1025.09 feet;

THENCE in a Southeasterly direction along the curving right-of-way line of said Atchison Topeka & Santa Fe Railroad an arc distance of 1026.06 feet to the Place of Beginning and containing 6.150 acres of land or 267,894 square feet of land.

EXHIBIT A

PLANNED DEVELOPMENT CONDITIONS

ZONING FILE Z 24-03

11675 Lyndon B. Johnson Freeway

I. **Statement of Purpose:** The purpose of this Planned Development is to approve Automobiles Sales, New or Used by right. Boat Sales, Leasing and Repair; Motorcycle/ATV Sales Leasing and Repair (new and used-indoors only); Personal Watercraft Sales, Leasing and Repair (new or used); and Recreational Vehicle/Trailer Sales, Leasing and Repair may be allowed by Specific Use Provision only.

II. **Statement of Effect:** This Planned Development shall not affect any regulation found in the Garland Development Code, Ordinance No. 6773, as amended prior to adoption of this ordinance, except as specifically provided herein.

III. **General Regulations:** All regulations of Planned Development (PD) District 01-26 and the Heavy Commercial (HC) District as set forth in Chapter 2 of the Garland Development Code are included by reference and shall apply, except as otherwise specified by this ordinance.

IV. **Specific Conditions:**

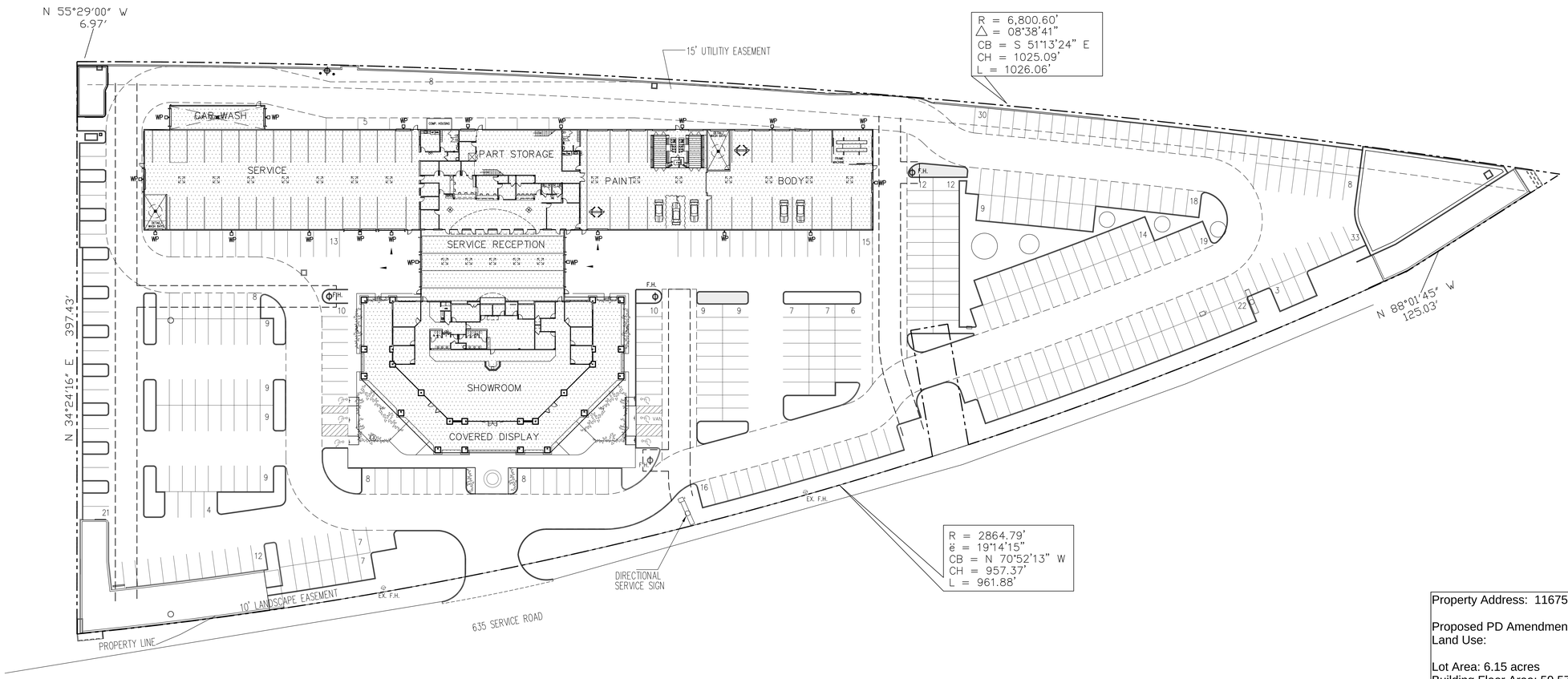
A. Permitted Uses: Automobiles Sales, New or Used shall be allowed by right.

Boat Sales, Leasing and Repair; Motorcycle/ATV Sales Leasing and Repair (new and used-indoors only); Personal Watercraft Sales, Leasing and Repair (new or used); and Recreational Vehicle/Trailer Sales, Leasing and Repair may be permitted only with approval of a Specific Use Provision.

B. Certificate of Occupancy: Only one (1) Certificate of Occupancy shall be issued on the site.

EXHIBIT B

EXHIBIT C



1 **SITE PLAN**
SCALE: 1" = 30'-0"

TRUE NORTH PLAN NORTH

Vicinity Map

Property Address: 11675 LBJ Freeway

Proposed PD Amendment - C-1 Uses
Land Use:

Lot Area: 6.15 acres
Building Floor Area: 59,571 SF
Lot Coverage: 25%
Building Height: 2-story, 30 FT
Total Site Landscaping: 40,789 SF

Parking:

Required: 1/400 SF of GFA + 1 per employee
59,571/400 SF = 149 spaces
35 employees = 35 spaces
Total parking required: 184 spaces
Total parking provided: 450 spaces
(Includes 266 spaces for inventory.)

Property Owner:

CARS-DB10. L.P
8484 Westpark Drive, Suite 200
McLean Virginia, 22012
Ph: 703.776.9794

Maxwell Fisher, AICP
ZoneDev - Land Use Consultants
Richardson, TX 75080
Phone: 945.248.4167

ASM
ARCHITECTS, INC.
ARCHITECTS
PLANNERS
INTERIOR DESIGNERS
17000 PRESTON RD.
SUITE 322
DALLAS, TEXAS 75248
PHONE (972)267-0588
FAX (972)713-7955

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REVISIONS

NO	DESCRIPTION	DATE

AS-BUILT DRAWINGS FOR:
MASSEY CADILLAC
GARLAND, TEXAS

ISSUE DATE: 12/13/10
DRAWN BY:
CHECKED BY:
APPROVED BY:
PROJ. NO.: 2122
SHEET TITLE: SITE PLAN
DWG. NO.: A1-1

GARLAND

CITY COUNCIL STAFF REPORT

City Council Regular Session **9. b.**

Meeting Date: 04/02/2024

Title: Z 23-47 Prime Data Centers/Munsch Hardt Kopf & Harr (District 7)

Submitted By: Will Guerin, Planning Director

Issue/Summary

Zoning Ordinance Z 23-47 Prime Data Centers/Munsch Hardt Kopf & Harr

Background

Case Z 23-47 was approved via public hearing during the March 19, 2024 Regular City Council meeting.

Consideration / Recommendation

Consider adoption of the attached ordinance.

Attachments

Z 23-47 Ordinance
Z 23-47 Exhibit A
Z 23-47 Exhibit B
Z 23-47 Exhibits C-E

ZONING FILE NO. Z 23-47

ORDINANCE NO._____

AN ORDINANCE AMENDING THE GARLAND DEVELOPMENT CODE OF THE CITY OF GARLAND, TEXAS, BY APPROVING A CHANGE IN ZONING FROM AGRICULTURAL (AG) DISTRICT TO A PLANNED DEVELOPMENT (PD) DISTRICT BASED IN THE COMMUNITY OFFICE (CO) DISTRICT AND 2) A DETAIL PLAN FOR A DATA CENTER AND ELECTRIC SUBSTATIONS ON A 48.93-ACRE TRACT OF LAND LOCATED AT 2000 HOLFORD ROAD; PROVIDING FOR CONDITIONS, RESTRICTIONS, AND REGULATIONS; PROVIDING A PENALTY UNDER THE PROVISIONS OF SEC. 10.05 OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A NOTICE OF CONDITIONS OF COMPLIANCE CLAUSE; PROVIDING A SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at its regular meeting held on the 26th day of February, 2024, the Plan Commission did consider and make recommendations on a certain request for of 1) a Change in Zoning from Agricultural (AG) District to a Planned Development (PD) District based in the Community Office (CO) District and 2) a Detail Plan for a Data Center and Electric Substations by **Prime Data Centers / Munsch Hardt Kopf & Harr**; and

WHEREAS, The City Council, after determining all legal requirements of notice and hearing have been met, has further determined the following amendment to the zoning laws would provide for and would be in the best interest of the health, safety, morals, and general welfare:

Now, therefore, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS, that:

Section 1

The Garland Development Code is hereby amended by approving 1) a Change in Zoning from Agricultural (AG) District to a Planned Development (PD) District based in the Community Office (CO) District and 2) a Detail Plan for a Data Center and Electric Substations and being more particularly described in Exhibit A, attached hereto and made a part hereof.

Section 2

Development shall be in conformance with the conditions, restrictions, and regulations set forth in the Garland Development Code.

Section 3

That a violation of this Ordinance shall be a misdemeanor punishable in accordance with Section 10.05 of the Code of Ordinances, City of Garland, Texas.

Section 4

NOTICE OF CONDITIONS OF COMPLIANCE: Notwithstanding the provisions of any other ordinance of the City, the full, complete, and continuing compliance with all the conditions, restrictions, and regulations of this Ordinance is a condition to the issuance and continuation of any permit, approval, authorization or consent by the City, including without limitation the issuance or continuation of any certificate of occupancy for any building or structure located on any portion of the property described in Exhibit A. All promises, representations, obligations and undertakings made or assumed by the applicant to the City Council at any public presentation in connection with the granting of this Ordinance are hereby incorporated into and made a part of this Ordinance as if expressly set forth herein at length. No substantial deviation from any material portion of the conditions, restrictions, and regulations contained within this Ordinance are allowed except as may be provided by the City Council after a public hearing.

Section 5

That the Garland Development Code, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 6

That the terms and provisions of this Ordinance are severable and are governed by Sec. 10.06 of the Code of Ordinances of the City of Garland, Texas.

Section 7

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

FILE NO. Z 23-47

PASSED AND APPROVED this_____ day of _____, 2024.

THE CITY OF GARLAND, TEXAS

By:

_____
Mayor

ATTEST:

_____
City Secretary

Published:

EXHIBIT A

LEGAL DESCRIPTION

Zoning File Z 23-47

Being a 48.93-acre lot in all of Lot 2, Block 1, of Sanctuary Addition, an addition to the City of Garland, Texas, according to the plat thereof recorded under Clerk's File No. 201900010075, Official Public Records of Dallas County, Texas.

PLANNED DEVELOPMENT CONDITIONS

ZONING FILE Z 23-47

2000 Holford Road

I. **Statement of Purpose:** The purpose of this Planned Development is to approve a Data Center and Electric Substations.

II. **Statement of Effect:** This Planned Development shall not affect any regulation found in the Garland Development Code, Ordinance No. 6773, as amended prior to adoption of this ordinance, except as specifically provided herein.

III. **General Regulations:** All regulations of the Community Office (CO) District are included by reference and shall apply, except as otherwise specified by this ordinance.

IV. **Development Plans:**

Detail Plan: Development shall be in general conformance with the Detail Plan labeled Exhibit C through Exhibit E. In the event there is conflict between the approved Detail Plan and the Specific Regulations below, the Specific Regulations shall apply.

V. **Specific Conditions:**

A. Permitted Uses: Only a Data Center Use and Electric Substation Use shall be permitted on the subject property.

B. Site Plan: The site layout, building placement, parking and other development proposed shall be in general conformance with the approved Site Plan labeled Exhibit C.

C. Landscape Plan: Screening and landscaping shall be in general conformance with the landscape plan labeled Exhibit D.

If an easement interferes with landscaping along Holford Road, the large canopy trees may be

substituted with small ornamental trees.

1. Landscaping must be regularly maintained in a healthy, growing condition and in compliance with this PD Ordinance, the Garland Development Code, the Code of Ordinances of the City of Garland, and the landscaping plan attached hereto at all times. The property owner is responsible for regular weeding, mowing of grass, irrigation, fertilizing, pruning, or other maintenance of all plantings as needed. All exposed ground surfaces on or within the premises shall be properly improved, covered with screening or other approved solid material, or protected with a vegetative growth that prevents soil erosion and ameliorates objectionable dust conditions.

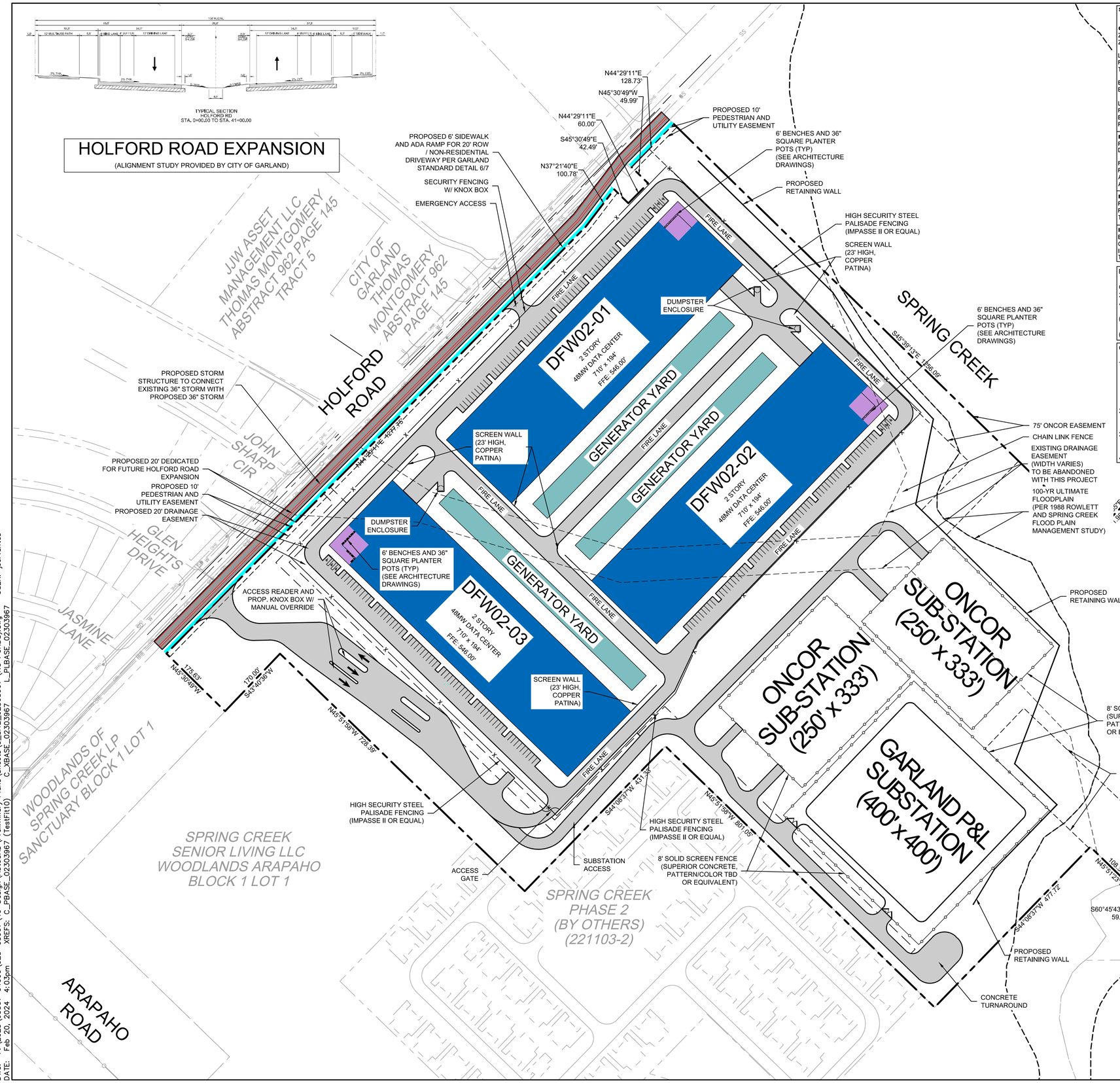
2. Any plant or vegetation that dies must be replaced with another approved plant variety that complies with the approved landscape plan within sixty (60) days after receipt of written notification from the City. In the event the property owner fails to remedy a violation of any landscaping maintenance regulation within sixty (60) days after receipt of written notification from the City, the City may, in addition to any other remedy available by law, withhold future city permits, licenses and/or certificates requested by the property owner for the premises to which such violation applies.

3. Screening and paving must be regularly maintained in compliance with this PD Ordinance, the Garland Development Code, and the Code of Ordinances of the City of Garland at all times. The property owner is responsible for regular maintenance of all screening and paving as needed. In the event the property owner fails to remedy a violation of any screening or paving maintenance regulation within sixty (60) days after receipt of written notification from the City, the City may, in addition to any other remedy available by law, withhold future city permits, licenses and/or certificates requested by the property owner for the premises to which such violation applies.

D. Elevations: Building Elevations shall be in general conformance with the elevations labeled Exhibit E.

EXHIBIT B

EXHIBIT C



SITE DATA SUMMARY TABLE - CASE NUMBER 230928-1	
GENERAL SITE DATA	
ZONING (CURRENT)	AGRICULTURAL (AG)
ZONING (PROPOSED)	PLANNED DEVELOPMENT (PD)
LOT AREA (SQUARE FEET & ACRES) (REMAINING LOT AFTER PREVIOUS ROW DEDICATIONS)	2,131,285 SF/48.93 ACRES
TOTAL BUILDING AREA (SQUARE FEET)	826,440 SF
BUILDING HEIGHT (# STORIES)	2 STORY
BUILDING HEIGHT (FEET –DISTANCE TO TALLEST BUILDING ELEMENT)	50'–0" (Top Of Roof) 65'–0" (Top Of Screen)
LOT COVERAGE (PERCENT –X.XX%)	19.4%
FLOOR AREA RATIO (RATIO X.XX:1)	0.194:1
EXISTING OPEN STORAGE (SQUARE FEET)	N/A
PROPOSED OPEN STORAGE (SQUARE FEET)	N/A
PARKING	
PARKING RATIO (FROM ZONING ORDINANCE) DATA CENTER PARKING RATIO	1 SPACE PER 5,000 SF
REQUIRED PARKING (# SPACES)	82
PROVIDED PARKING (# SPACES)	180
ACCESSIBLE PARKING REQUIRED (# SPACES)	9
ACCESSIBLE PARKING PROVIDED (# SPACES)	9
PERMEABLE AREA	
PERMEABLE (GRASSY AREA) (SUBSTATION) (SQUARE FEET)	1,407,673 SF
PERMEABLE COVERAGE (PERCENT)	66.05%
TOTAL PERMEABLE AREA (SQUARE FEET)	1,407,673 SF
IMPERVIOUS AREA	
BUILDING FOOTPRINT AREA (SQUARE FEET)	413,220 SF
CONCRETE PAVEMENT (SQUARE FEET)	310,392 SF
IMPERVIOUS COVERAGE (PRECENT)	33.95%
TOTAL IMPERVIOUS AREA	723,612 SF

BENCHMARK:

GPS 112:
2" BRASS DISK STAMPED 112, LOCATED ON INLET TOP @ N. COR. OF HOLFORD RD & ARAPAHO RD. INT. APPROX. 86' N.W. OF HOLFORD RD C/L @ ARAPAHO RD APPROX. 17' N.E. OF ARAPAHO RD. WEST BOUND C/L.

(COG MAP GRIDC-5***MAPSCO 9-W***)

(N=7036786.88768 E=2532030.22464 ELEV=564.78)

GENERAL NOTES:

1. PER THE THOROUGHFARE PLAN, HOLFORD ROAD IS PROGRAMMED TO BE EXPANDED IN THE FUTURE. PER THE GDC, SECTION 3.47, IF HOLFORD ROAD BOND PROJECT CONSTRUCTION HAS NOT COMMENCED AT THE TIME OF SITE PERMIT THEN THE DEVELOPER SHALL PAY ADDITIONAL ROADWAY IMPACT FEES TO PAY FOR THE CONSTRUCTION COST OF ONE-HALF OF THE ROAD IMPROVEMENTS ADJACENT TO THEIR PROPERTY, NOT TO EXCEED THE DEVELOPER'S PROPORTIONAL SHARE.
2. LANDSCAPE BUFFER, ALONG HOLFORD ROAD, IS BETWEEN 16' TO 40' WIDE FROM PROPOSED BOUNDARY TO EDGE OF LOOP ROAD.
3. HOLFORD ROAD EXPANSION IS SHOWN IN PLAN AS A VISUAL. CONSTRUCTION OF ROAD, TRAIL, SIDEWALKS, AND BARRIER FREE RAMPS IS NOT INCLUDED WITH THE SCOPE OF THIS PROJECT.
4. THE EXISTING CONTOURS WERE PROVIDED BY THE USGS WEBSITE.

APPLICANT / DEVELOPER
PRIME DATA CENTERS
400 NORTH ERVAY STREET
PO BOX 131465
DALLAS, TX 75313
(925)786–8722

OWNER
WOODLANDS OF SPRING CREEK LP
14114 N. DALLAS PARKWAY, SUITE 265
DALLAS, TX 75254
CONTACT: MICHAEL HOLIGAN
PH: (972)385–2620

ENGINEER
OLSSON
5700 TENNYSON PARKWAY,
SUITE 100
PLANO, TX 75024
CONTACT: RUSTY COAN, P.E.
FIRM REGISTRATION NO.: 4253
PH: (479)443–3404

olsson
5700 Tennyson Parkway
Suite 100
Plano, TX 75024
TEL 817.268.9775
Firm No. F- 4253
www.olsson.com

REV. NO.	DATE	REVISIONS DESCRIPTION	BY

REVISIONS

PRELIMINARY SITE PLAN

PRIME DATA CENTER - 2000 HOLFORD ROAD
CASE NUMBER 230928-1

GARLAND, TX

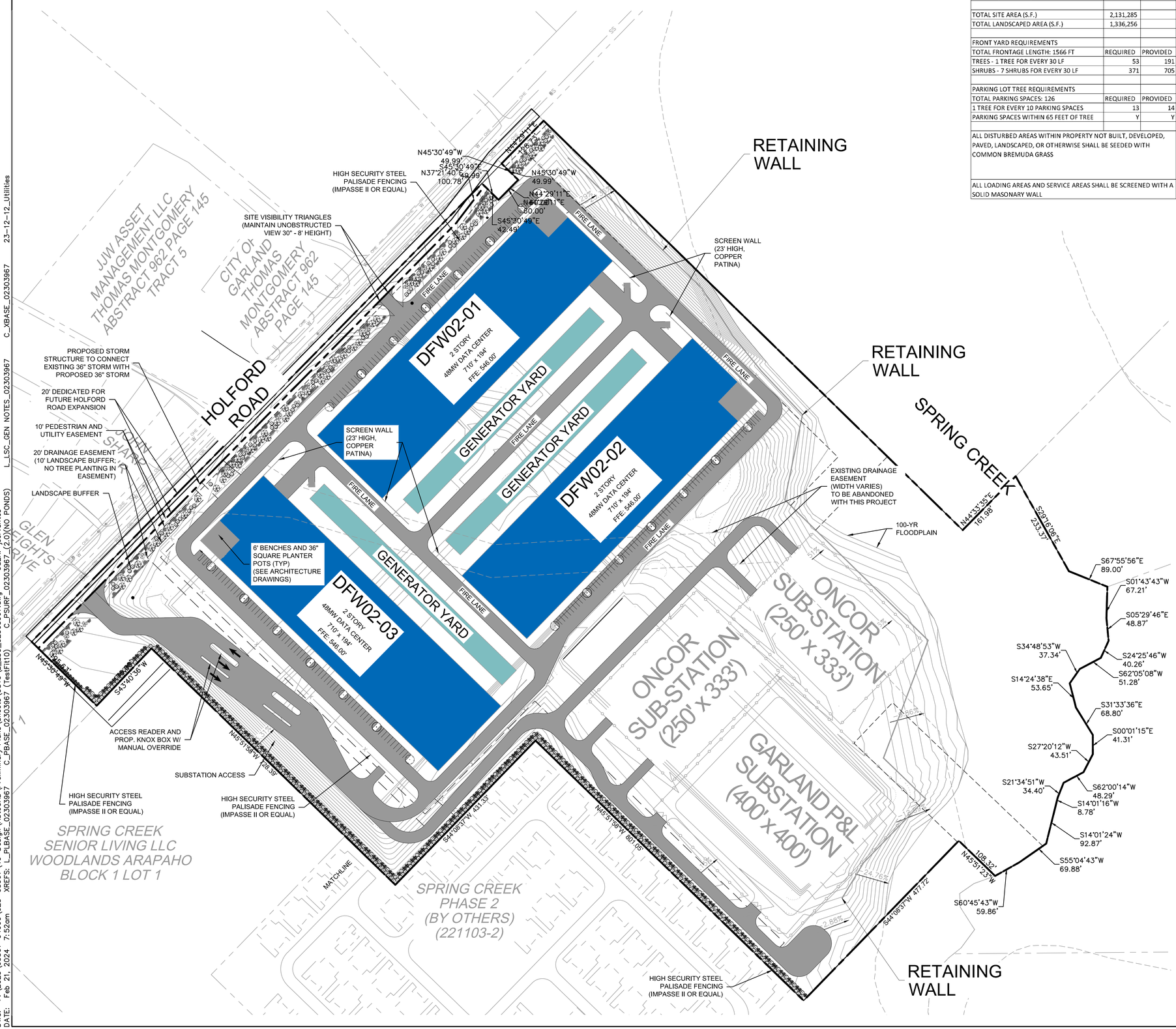
2023

drawn by:	JEC
checked by:	RAC
approved by:	RAC
QA/QC by:	-
project no.:	023-03967
drawing no.:	C_SITE 02303967.DWG
date:	01.03.24

SHEET
1 of 14

DWG: F:\2023\03501-04000\023-03967\40-Design\AutoCAD\Preliminary Plans\Sheets\C_SITE_02303967 (NO PONDS).dwg USER: jcervantes
DATE: Feb 20, 2024 4:03pm XREFS: C_PBASE_02303967 (TestFit10) C_XBASE_02303967 L_PLBASE_02303967

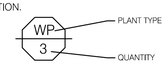
EXHIBIT D



ZONING (CURRENT)	AG	
ZONING (PROPOSED)	PD	
TOTAL SITE AREA (S.F.)	2,131,285	
TOTAL LANDSCAPED AREA (S.F.)	1,336,256	
FRONT YARD REQUIREMENTS		
TOTAL FRONTAGE LENGTH: 1566 FT	REQUIRED	PROVIDED
TREES - 1 TREE FOR EVERY 30 LF	53	191
SHRUBS - 7 SHRUBS FOR EVERY 30 LF	371	705
PARKING LOT TREE REQUIREMENTS		
TOTAL PARKING SPACES: 126	REQUIRED	PROVIDED
1 TREE FOR EVERY 10 PARKING SPACES	13	14
PARKING SPACES WITHIN 65 FEET OF TREE	Y	Y
ALL DISTURBED AREAS WITHIN PROPERTY NOT BUILT, DEVELOPED, PAVED, LANDSCAPED, OR OTHERWISE SHALL BE SEEDED WITH COMMON BREMUDA GRASS		
ALL LOADING AREAS AND SERVICE AREAS SHALL BE SCREENED WITH A SOLID MASONARY WALL		

LANDSCAPE GENERAL NOTES:

1. THE CONSTRUCTION COVERED BY THESE PLANS SHALL CONFORM TO ALL APPLICABLE STANDARDS AND SPECIFICATIONS OF THE CITY OF GARLAND, TEXAS IN CURRENT USAGE. ALL STANDARDS NOT COVERED BY THE CITY SHALL BE APWA STANDARDS IN CURRENT USAGE UNLESS OTHERWISE NOTED.
2. CONTRACTOR SHALL VERIFY EXACT LOCATION OF ALL EXISTING UTILITIES, DRAIN LINES AND IRRIGATION PIPING PRIOR TO COMMENCING WORK AND AGREES TO BE FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES WHICH MIGHT BE OCCASIONED BY THE CONTRACTOR'S FAILURE TO EXACTLY LOCATE AND PRESERVE ANY AND ALL UNDERGROUND UTILITIES, DRAIN LINES AND IRRIGATION PIPING.
3. CONTRACTOR SHALL VERIFY AND COORDINATE ALL FINAL GRADES WITH LANDSCAPE ARCHITECT PRIOR TO COMPLETION.
4. DEBRIS SHALL NOT BE ALLOWED TO ACCUMULATE AND SHALL BE REMOVED AT FREQUENT INTERVALS. AT COMPLETION OF WORK IN EACH AREA, THE CONTRACTOR SHALL GATHER AND REMOVE ALL DEBRIS, EQUIPMENT, AND EXCESS MATERIAL FROM THAT AREA. AT FINAL COMPLETION OF ALL WORK HE SHALL REMOVE ALL SUCH ITEMS FROM THE PREMISES.
5. LOCATION AND PLACEMENT OF ALL PLANT MATERIAL SHALL BE COORDINATED WITH LANDSCAPE ARCHITECT PRIOR TO INSTALLATION.
6. THE LANDSCAPE PLANTING PLAN GRAPHICALLY ILLUSTRATES OVERALL PLANT MASSINGS. EACH PLANT SPECIES SHALL BE PLACED IN THE FIELD TO UTILIZE THE GREATEST COVERAGE OF THE GROUND PLANE. THE FOLLOWING APPLIES FOR INDIVIDUAL PLANTINGS:
   - ALL EVERGREEN SHRUBS AND CREEPING GROUNDCOVERS SHALL BE MINIMUM OF 2' FROM ANY PAVING EDGE.
   - ALL PLANTS OF THE SAME SPECIES SHALL BE EQUALLY SPACED AND SITED FOR THE BEST AESTHETIC VIEWING.
   - ALL TREES, EVERGREEN OR DECIDUOUS, SHALL BE A MINIMUM OF 4' FROM ANY PAVING EDGE.
6. FOR ALL PLANTING BEDS:
   a. MECHANICALLY TILL ENTIRE EXISTING BED TO 12" DEPTH.
   b. SPREAD 4" DEPTH ORGANIC COMPOST AND 1" DEPTH EXPANDED SHALE ACROSS ENTIRE BED AREA.
   c. MECHANICALLY TILL INTO EXISTING SOIL TO CREATE LOOSE, FRIABLE SOIL MIXTURE.
7. ALL LANDSCAPE BEDS SHALL BE MOUNDED AS SHOWN ON PLANS AND DETAILS.
8. MULCH ALL PLANTING AREAS TO A DEPTH OF 3" DEPTH. SAMPLES SHALL BE APPROVED BY LANDSCAPE ARCHITECT.
9. LANDSCAPE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING ACTUAL PLANT QUANTITIES REQUIRED TO COMPLETE THE PROJECT AS SHOWN ON THE PLANS, AND BASE THEIR BID ACCORDINGLY.
10. ANY SUBSTITUTION OF SPECIFIED PLANT MATERIAL WILL NOT BE ALLOWED WITHOUT WRITTEN AUTHORIZATION FROM LANDSCAPE ARCHITECT PRIOR TO INSTALLATION.
11. ALL PLANT MATERIAL WILL BE HEALTHY, VIGOROUS AND FREE OF DISEASE AND INSECTS PER AAN STANDARDS. LANDSCAPE ARCHITECT RESERVES THE RIGHT TO REJECT ANY INFERIOR OR OTHERWISE UNSUITABLE PLANT MATERIAL PROPOSED FOR USE ON THE PROJECT.
12. ALL PLANTING BEDS NOT FULLY CONTAINED BY CONCRETE CURBS OR WALKS SHALL BE EDGED WITH 6" WIDE x 1/4" THICK, HEAVY DUTY COMMERCIAL GRADE STEEL EDGING, IN BLACK POWDERCOAT FINISH ACCORDING TO PLANS.
13. PLANTS AND LANDSCAPE MATERIALS SHALL BE INSTALLED AS DETAILED ON PLANS.
14. ALL PLANTING BEDS SHALL BE TREATED WITH DACTHAL PRE-EMERGENT HERBICIDE AT MANUFACTURER RECOMMENDED RATES AND SHALL BE COVERED WITH SPECIFIED MULCH APPLICATION. APPLY LIGHTER APPLICATION OF DACTHAL HERBICIDE TO TOP OF MULCH LAYER.
15. ALL PLANT MATERIAL SHALL BE GUARANTEED FOR A PERIOD OF ONE YEAR AFTER OWNER'S FINAL ACCEPTANCE OF FINISHED JOB. ALL DEAD AND DAMAGED PLANT MATERIAL SHALL BE REPLACED BY LANDSCAPE CONTRACTOR AT THEIR EXPENSE. LANDSCAPE CONTRACTOR SHALL MAINTAIN PLANT MATERIAL UNTIL FINAL ACCEPTANCE.
16. PLANT KEY DESCRIPTION.



17. ALL LANDSCAPING WILL BE WATERED WITH AN AUTOMATIC SPRINKLER SYSTEM DESIGNED BY A LICENSED IRRIGATOR LICENSED BY TCEQ PER TCEQ STANDARDS. HAND WATER ALL NEW AND TRANSPLANTED PLANTINGS FOR DURATION OF CONSTRUCTION UNTIL AUTOMATIC SYSTEM IS FULLY OPERATIONAL AND ACCEPTED BY OWNER.

APPLICANT / DEVELOPER
PRIME DATA CENTERS
400 NORTH ERVAY STREET
PO BOX 131465
DALLAS, TX 75313
(925)786-8722

OWNER
WOODLANDS OF SPRING CREEK LP
14114 N. DALLAS PARKWAY, SUITE 265
DALLAS, TX 75254
CONTACT: MICHAEL HOLIGAN
PH: (972)385-2620

ENGINEER
OLSSON
5700 TENNYSON PARKWAY,
SUITE 100
PLANO, TX 75024
CONTACT: RUSTY COAN, P.E.
FIRM REGISTRATION NO.: 4253
PH: (479)443-3404

0' 50' 100' 200'
SCALE IN FEET

N

olsson
5700 Tennyson Parkway
Suite 100
Plano, TX 75024
Firm No. F- 4253
TEL 817.268.9775
www.olsson.com

REV. NO.	DATE	REVISIONS DESCRIPTION	BY

REVISIONS

PRELIMINARY OVERALL LANDSCAPE PLAN

PRIME DATA CENTER - 2000 HOLFORD ROAD
CASE NUMBER 230928-1

GARLAND, TX

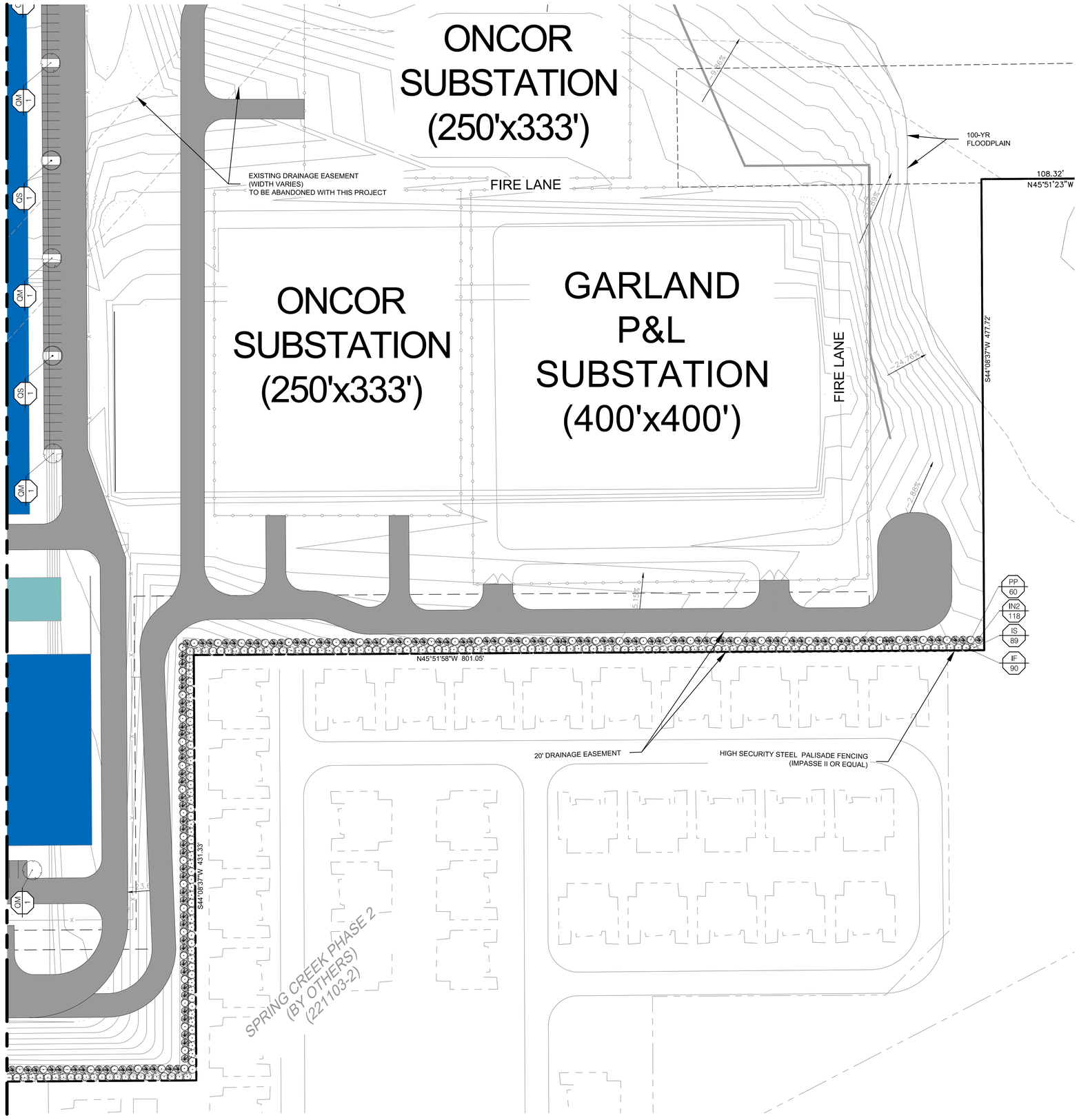
2024

drawn by:	AEF
checked by:	SJP
approved by:	SJP
QA/QC by:	-
project no.:	023-03967
drawing no.:	L_LSC_02303967
date:	02.16.24

SHEET
7 OF 14

DWG: F:\2023\03501-04000\023-03967\40-Design\AutoCAD\Preliminary Plans\Sheets\0STU\L_LSC_02303967.dwg USER: jcervantes
DATE: Feb 21, 2024 7:52am XREFS: L_PLBASE_02303967 C_PBASE_02303967 (TestFit10) C_PSURF_02303967_(2.0)(NO PONDS) L_LSC_GEN NOTES_02303967 C_XBASE_02303967 23-12-12_Utilities

EXHIBIT D



PLANT SCHEDULE

SYMBOL	CODE	COMMON / BOTANICAL NAME	SIZE		QTY
TREES					
	PP	AFGHAN PINE / PINUS BRUTIA ELDARICA	30 GAL		164
	QM	BURR OAK / QUERCUS MACROCARPA	4" CAL.		12
	PC	CHINESE PISTACHE / PISTACIA CHINENSIS	4" CAL.		64
	IF	FOSTER'S HOLLY / ILEX X ATTENUATA 'FOSTERI'	15 GAL		137
	LN	NATCHEZ CRAPE MYRTLE / LAGERSTROEMIA INDICA X FAURIEI 'NATCHEZ'	15 GAL		52
	IN2	NELLIE R. STEVENS HOLLY / ILEX X 'NELLIE R. STEVENS'	15 GAL		190
	IS	SAVANNAH HOLLY / ILEX X ATTENUATA 'SAVANNAH'	15 GAL		137
	QS	SHUMARD OAK / QUERCUS SHUMARDII	4" CAL.		10
SYMBOL	**CODE**	**COMMON / BOTANICAL NAME**	**SIZE**	**SPACING**	**QTY**
SHRUBS					
	AE	EDWARD GOUCHER ABELIA / ABELIA X `EDWARD GOUCHER`	5 GAL	36" o.c.	334
	LS	SILVER CLOUD TEXAS SAGE / LEUCOPHYLLUM CANDIDUM `SILVER CLOUD`	5 GAL	36" o.c.	371

olsson
5700 Tennyson Parkway
Suite 100
Plano, TX 75024
TEL 817.268.9775
Firm No. F- 4253
www.olsson.com

NOT FOR CONSTRUCTION FOR REVIEW AND APPROVAL ONLY

REV. NO.	DATE	REVISIONS DESCRIPTION	BY

REVISIONS

PRELIMINARY LANDSCAPE PLAN - EAST

PRIME DATA CENTER - 2000 HOLFORD ROAD
CASE NUMBER 230928-1

GARLAND, TX

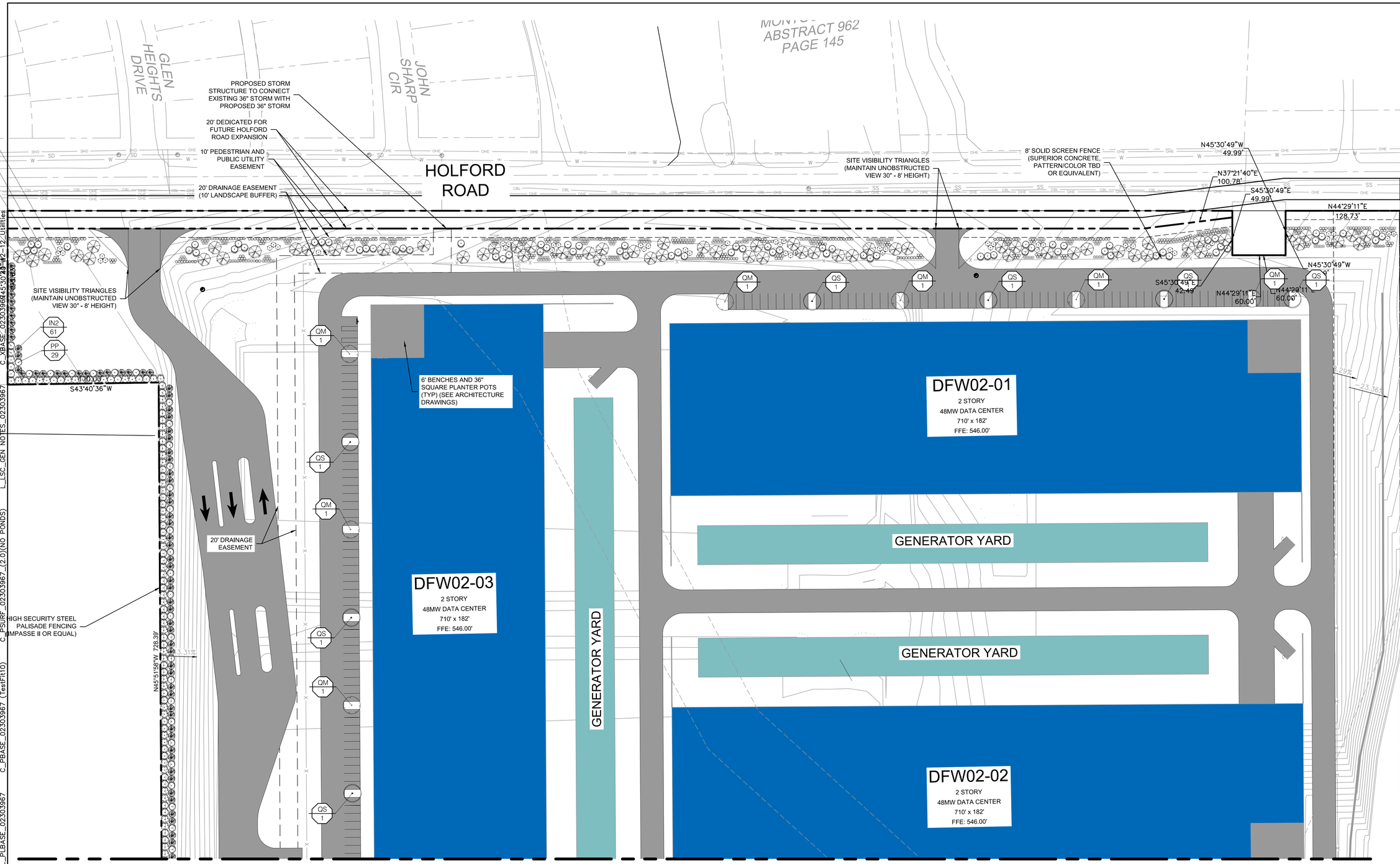
2024

drawn by:	AEF
checked by:	SJP
approved by:	SJP
QA/QC by:	-
project no.:	023-03967
drawing no.:	L_LSC_02303967
date:	02.16.24

SHEET
8 OF 14

DWG: F:\2023\03501-04000\023-03967\40-design\AutoCAD\preliminary plans\Sheets\OSTU\L_LSC_02303967.dwg USER: ewilson
DATE: Feb 16, 2024 12:30pm XREFS: L_PLBASE_02303967 C_PBASE_02303967 (TestFit10) C_PSURF_02303967_(2.0)(NO PONDS) L_LSC_GEN NOTES_02303967 C_XBASE_02303967 23-12-12_Utilities

EXHIBIT D



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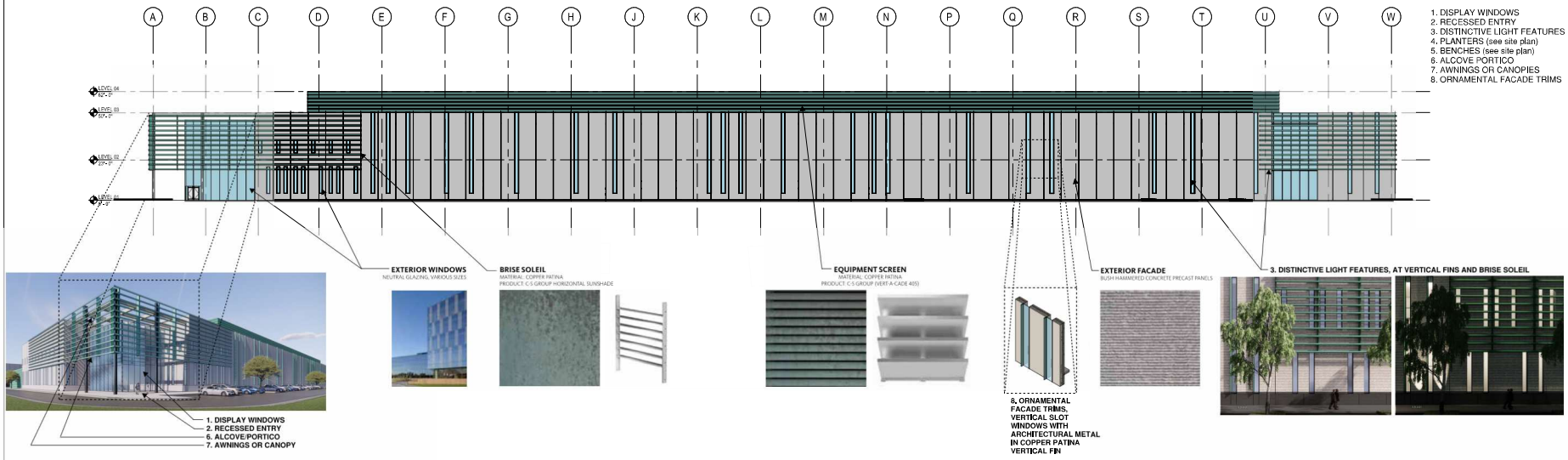
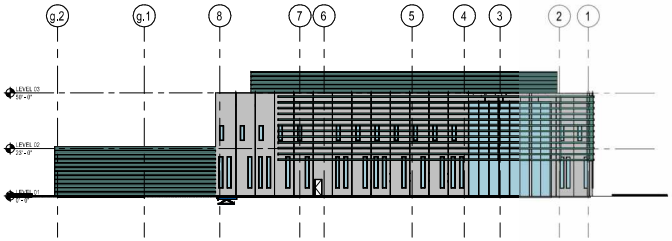
DATE: Feb 16, 2024 12:30pm XREFS: L_PLBASE_02303967 C_PBASE_02303967 (TestFit10) C_PSURF_02303967_(2.0)(NO PONDS) L_LSC_GEN NOTES_02303967 C_XBASE_02303967 L_PP_02303967 L_IN2_02303967 L_PC_02303967 L_LS_02303967 L_AE_02303967 L_LN_02303967 L_IF_02303967 L_IS

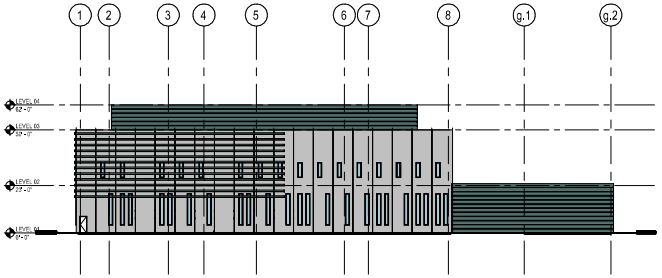
EXHIBIT E



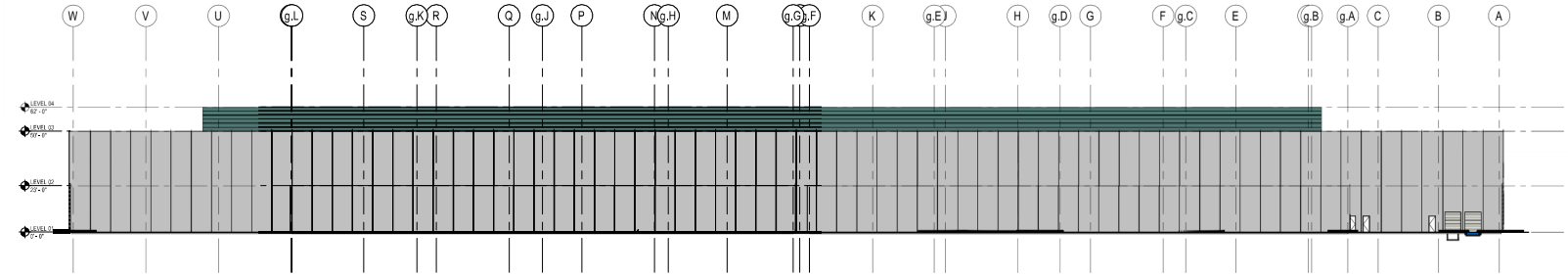
3 EXTERIOR ELEVATION - NORTHWEST
SCALE: 3/64" = 1'-0"



4 EXTERIOR ELEVATION - NORTHEAST
SCALE: 3/64" = 1'-0"



2 EXTERIOR ELEVATION - SOUTHWEST
SCALE: 3/64" = 1'-0"



1 EXTERIOR ELEVATION - SOUTHEAST
SCALE: 3/64" = 1'-0"

Prime Data Centers DFW02
Conceptual Design

Garland, TX

PRIME DATA CENTERS

Owner
3140 Peacekeeper Way
McClellan Park, CA 95652
United States
Tel: 415.896.4481

Gensler

Architect
11 East Madison Street
Suite 300
Chicago, IL 60602
United States
Tel: 312.456.0123
Fax: 312.456.0124

SYSKA HENNESSY

MEP/FP Engineer
330 N. Wabash Avenue
Suite 1505
Chicago, IL 60611
United States
Tel: 312.588.3660

Date	Description

Seal / Signature

NOT FOR CONSTRUCTION

Project Name
Prime Data Centers DFW02
Conceptual Design

Project Number
21.1286.000

Description
DFW02-01 - ELEVATIONS

Scale

01-A2.100

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IMPASSE II®

HIGH SECURITY **STEEL PALISADE FENCE**

2.75"w x 14ga PALES | 2" x 2" x 11ga RAILS | 3" x 2.75" x 12ga & 4" x 2.75" x 11ga I-BEAM POSTS

EXHIBIT E

TRIDENT™

The Impasse Trident *pale rises above the topmost rail and terminates with a menacing triple-pointed splayed spear tip.* The intimidating look of the Trident corrugated pale is a *visual deterrent* to any who would dare to intrude.

- **3-RAIL PANELS | 6', 7', 8', 9' & 10' HEIGHTS**
- **2-RAIL PANELS | 6', 7' & 8' HEIGHTS**

STRONGHOLD™

The blunt, slightly rounded tip of the Stronghold offers strength when necessary, while providing *safety and security to the general public.* The Stronghold features the *same structural configurations of its high-security counterparts.*

- **3-RAIL PANELS | 6', 7', 8', 9' & 10' HEIGHTS**
- **2-RAIL PANELS | 6', 7' & 8' HEIGHTS**

PROPOSED FENCE TYPE

GAUNTLET™

Gauntlet is designed with *high-tensile steel corrugated pales that rise above the topmost rail with an outward curve* and terminate with a triple-pointed splayed spear tip. The outward curved pales *discourage attempts to gain access* by would be intruders.

- **3-RAIL PANELS | 6', 7', 8', 9' & 10' HEIGHTS**
- **2-RAIL PANELS | 6', 7' & 8' HEIGHTS**

ANTI-SCALE OPTION

The Impasse II *Anti-Scale fence system* has *decreased pale spacing,* which helps deter the assailant from climbing, and *increases the delay time when trying to cut or pry through the fence.*

COLOR OPTIONS

BLACK | BRONZE | SAND | WHITE

Custom colors also available

GARLAND

PLANNING REPORT

City Council Regular Session **10. a.**
Meeting Date: 04/02/2024
Item Title: DD 24-01 SignSmiths of TX (District 2)
Submitted By: Will Guerin, Planning Director

REQUEST
Approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow an awning sign on a property zoned Downtown (DT) District, Uptown (U) sub-district.

LOCATION
823 Main Street

OWNER
Robert Smith

APPLICANT
SignSmiths of TX

PLAN COMMISSION RECOMMENDATION
On March 11, 2024 the Plan Commission, by a vote of eight (8) to zero (0), recommended approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow the addition of an Awning Sign on a property zoned Downtown (DT) District, Uptown (U) sub-district.

STAFF RECOMMENDATION
Approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow an awning sign on a property zoned Downtown (DT) District, Uptown (U) sub-district.

BACKGROUND
The building on the subject property will have a new restaurant to occupy it. The building previously hosted Paw Paw's Cafe. The applicant requests to install a new sign on the existing metal awning. Due to the application's deviation from particular GDC Downtown Signage standards found in Chapter 7, Table 7-7 regarding awning signage, a Major Waiver is required through the public hearing process in order for sign permits to be issued.

SITE DATA
The subject site contains approximately 0.63 acres. The overall site has approximately 150 lineal feet of frontage along Main Street, although the restaurant/tenant frontage, including the outdoor seating area, has approximately 40 lineal feet of frontage along Main Street. The site has side frontage along North 9th Street and rear frontage along West State Street.

USE OF PROPERTY UNDER CURRENT ZONING
The property is zoned within the Uptown (U) Sub-district of the overall Downtown (DT) District. The Uptown (U) Sub-district allows a variety of mixed uses. The previous and new use of the property [restaurant] is allowed by right. The public hearing Major Waiver process is triggered due to the type of awning signage request.

CONSIDERATIONS

1. *Awning Sign:*

   The following table summarizes the request:

Development Standard	Required	Proposed
Awning Sign	Per the GDC, signs on awnings shall be printed, painted or applied directly on the surface of the awning and include only the name, logo, and type of service of the business. Letters shall be a maximum of eight inches high.	The proposed sign will be mounted on top of the existing metal awning and the lettering will be more than eight (8) inches in vertical height. The sign will be approximately 33 square feet in size and will be illuminated. The sign is intended to serve as the primary building signage. A wall sign would be limited in visibility because of the awning, and the applicant wishes to keep the awning in place. It should be noted that Paw Paw's sign was located on the awning.

2. The applicant states, "The vision and purpose of this sign is to revitalize the store front and follow a theme of the ‘50s as that's when the building was constructed. To create the desired atmosphere, the story starts with the restaurant's signage curb appeal."

3. The intent of the Downtown (DT) District is to create a pedestrian-oriented area in context with the current Downtown. The Downtown (DT) District combines minimum and maximum specifications and standards for site layout, building design, and streetscape. One of the flexibility mechanisms in the Downtown (DT) District is the option of Major Waivers, which allow relief from the standards of the District.

   Section 7.30(C) of the GDC states that Major Waivers are material and substantial changes to the design standards in the DT District, or changes which may initially appear to be in conflict with the goals and intent of this district, including possible standards changes to land uses in the Downtown sub-districts. Major Waivers may be approved by the City Council, following a recommendation by the Planning Director and the Plan Commission. In order to approve a Major Waiver, the City Council findings are listed as follows:

- Meets the general intent of this district; and
- Will result in an improved project which will be an attractive contribution to the Downtown District.

COMPREHENSIVE PLAN

The Future Land Use Map of the Envision Garland Plan recommends Neighborhood Centers for the subject property. Neighborhood centers provide a mix of retail, services and community gathering places. This center should be appropriately scaled to adjacent residential areas. This type of center is predominantly, but not exclusively, non-residential. Neighborhood centers are served by local roads and transit routes.

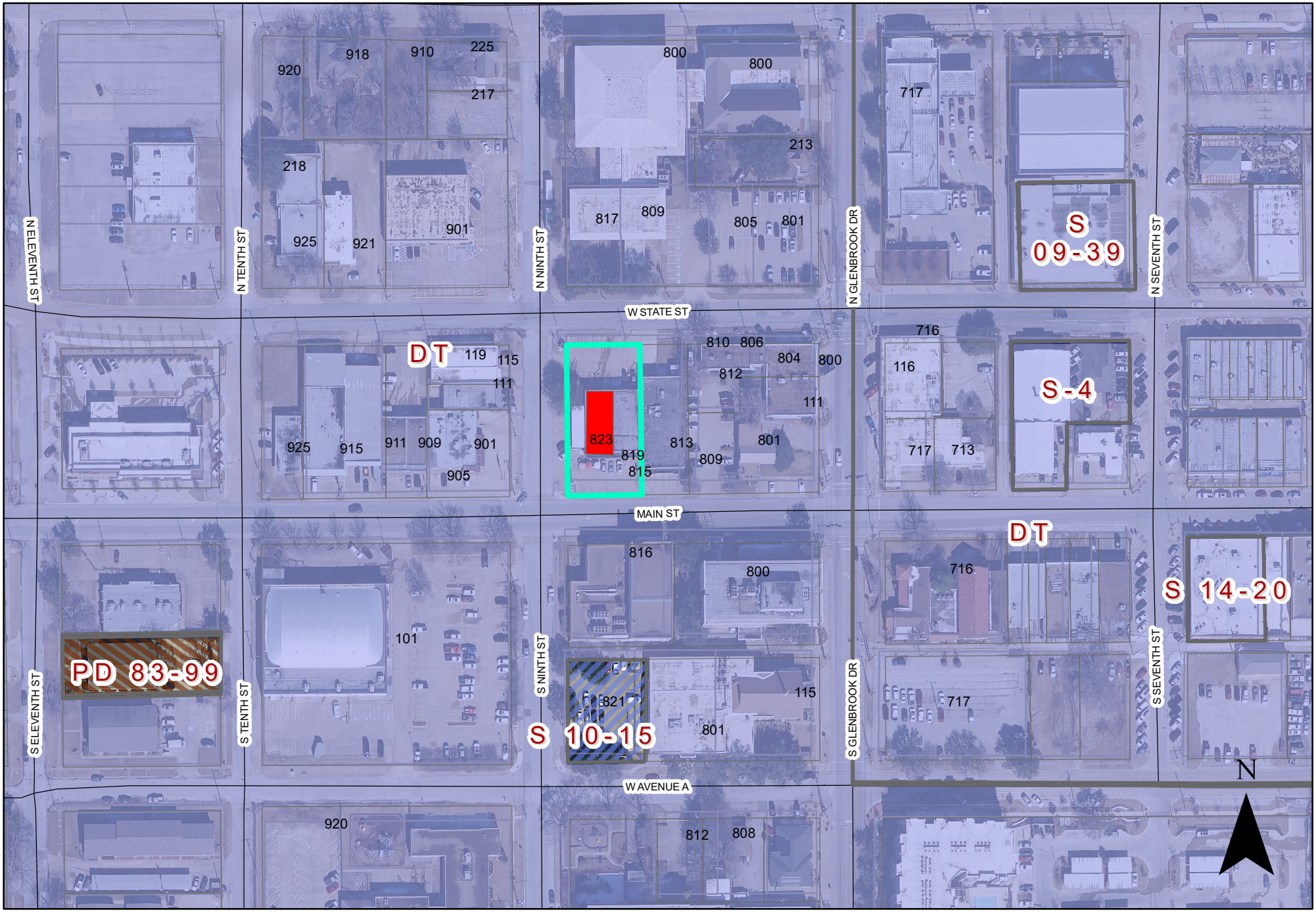
In addition, the Garland Cultural Arts Master Plan Strategy 5.1 [Foster Relationships with the Business Sector] encourages creative signage. Further, it states, "Following the exception made for Downtown Garland, develop a signage variance that allows for creative signage that provides an opportunity for private businesses to contribute to the visual vibrancy of the City."

COMPATIBILITY OF REQUEST WITH SURROUNDING ZONING AND LAND USES

The surrounding properties are located in the Downtown (DT) District, particularly in the Uptown (U) Sub-District. These properties are developed with an array of land uses including retail, personal services, and office uses. Other existing business signage in this area includes awning/canopy signage, wall signs, and freestanding signs.

Attachments

DD 24-01 Location Map
DD 24-01 Plans
DD 24-01 R&M
DD 24-01 Responses
DD 24-01 Staff Presentation



0 100 200 Feet

1 inch = 153 feet

DOWNTOWN DEVELOPMENT PLAN DD 24-01

INDICATES AREA OF REQUEST

INDICATES SUBJECT PROPERTY

823 Main Street

South Elevation - Proposed Signage A

Smith Spot BBQ

823 Main Street
Garland, TX 75040

Account Rep:

Robert Smith
214-882-4493
robertalansmith@att.net

All electrical scope to be completed in a U.L. approved method and shall meet current N.E.C. standards

UL LISTED nec

* All electrical components shall be U.L. Listed.
* Sign shall be grounded per N.E.C. Article 250.
* Insulated conductors as per N.E.C. Code 310.8. type to be used - metallic insulated sealtite.
*Disconnect switch as per N.E.C. Code 600.6.

Page 2

***This is an artist's rendition of how the design approximately represents the finished product. Colors and placement may vary due to** size and complexity. It is the customers responsiblity to proofread for accurate verbiage and spelling, and approve the proof prior to Signsmiths of Texas proceeding with manufacturing. Any changes after approval are subject to additional charges for design and manufacturing.

Sign Smiths

REPORT & MINUTES

P.C. Meeting, March 11, 2024

3a. APPROVED Consideration of the application of **SignSmiths of TX,** requesting approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow an awning sign on a property zoned Downtown (DT) District, Uptown (U) sub-district. This property is located at 823 Main Street. (District 2) (File DD 24-01).

Motion was made by Commissioner Jenkins to **approve** the application as presented. Seconded by Commissioner Aubin. **Motion carried**: **8** Ayes, **0** Nays.

0 130 260 Feet
1 inch = 204 feet

DOWNTOWN DEVELOPMENT PLAN DD 24-01

INDICATES AREA OF REQUEST

INDICATES NOTIFICATION AREA

823 Main Street

To date we have not received any responses for this case.

GARLAND
TEXAS MADE HERE

The applicant requests a “Major Waiver” to the Downtown Sign Standards to install a new awning sign.

City Council Meeting

April 2, 2024

DD 24-01

GARLAND
TEXAS MADE HERE

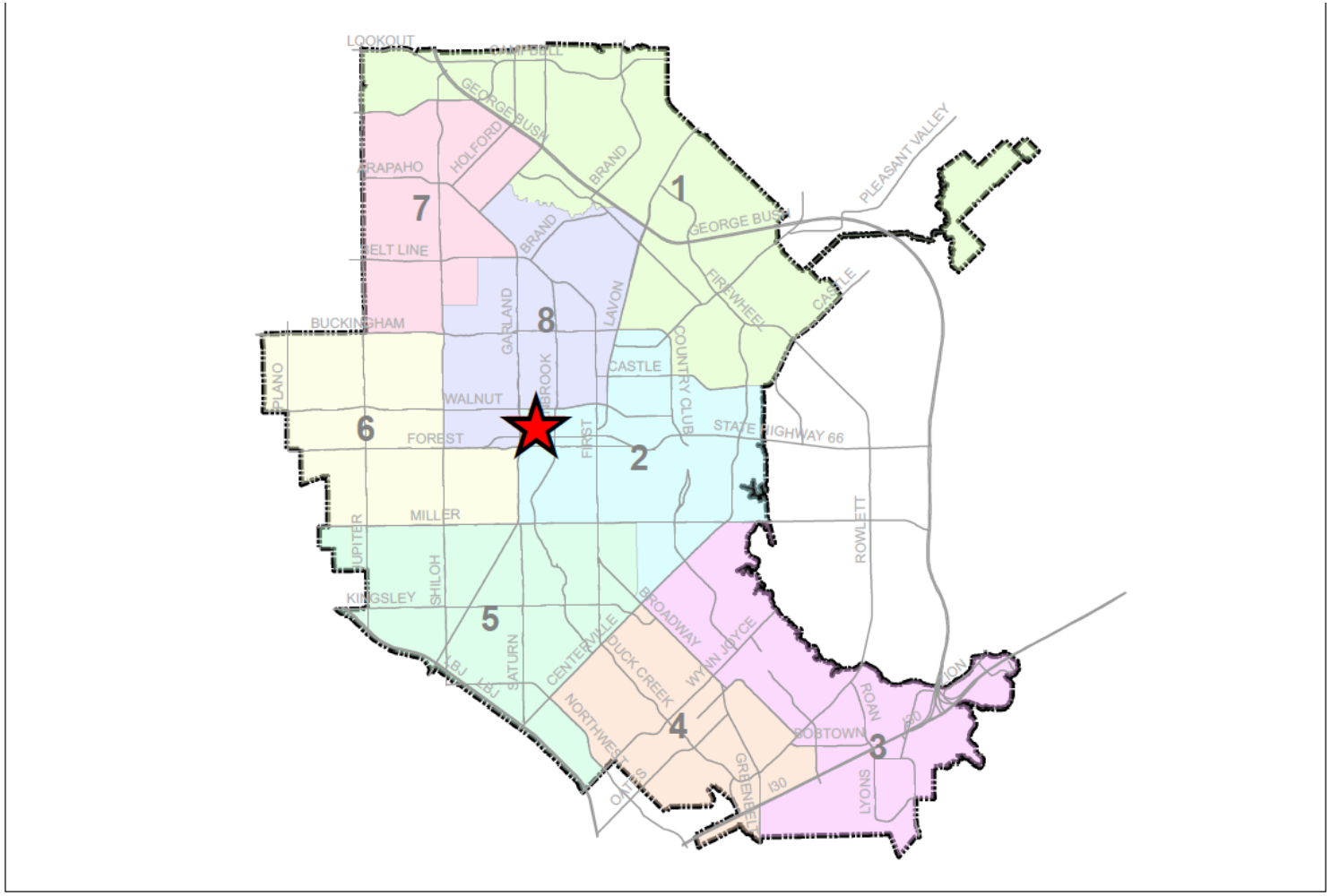
CASE INFORMATION

Location:	823 Main Street
Applicant:	SignSmiths of TX
Owner:	Robert Smith
Acreage:	0.63 acres
Zoning:	Downtown (DT) District Uptown(U) Sub-district

DD 24-01

GARLAND
TEXAS MADE HERE

CITYWIDE LOCATION MAP



0 1 2 Miles
1 in = 2 miles

DOWNTOWN DEVELOPMENT DD 24-01

INDICATES AREA OF REQUEST

DD 24-01

GARLAND
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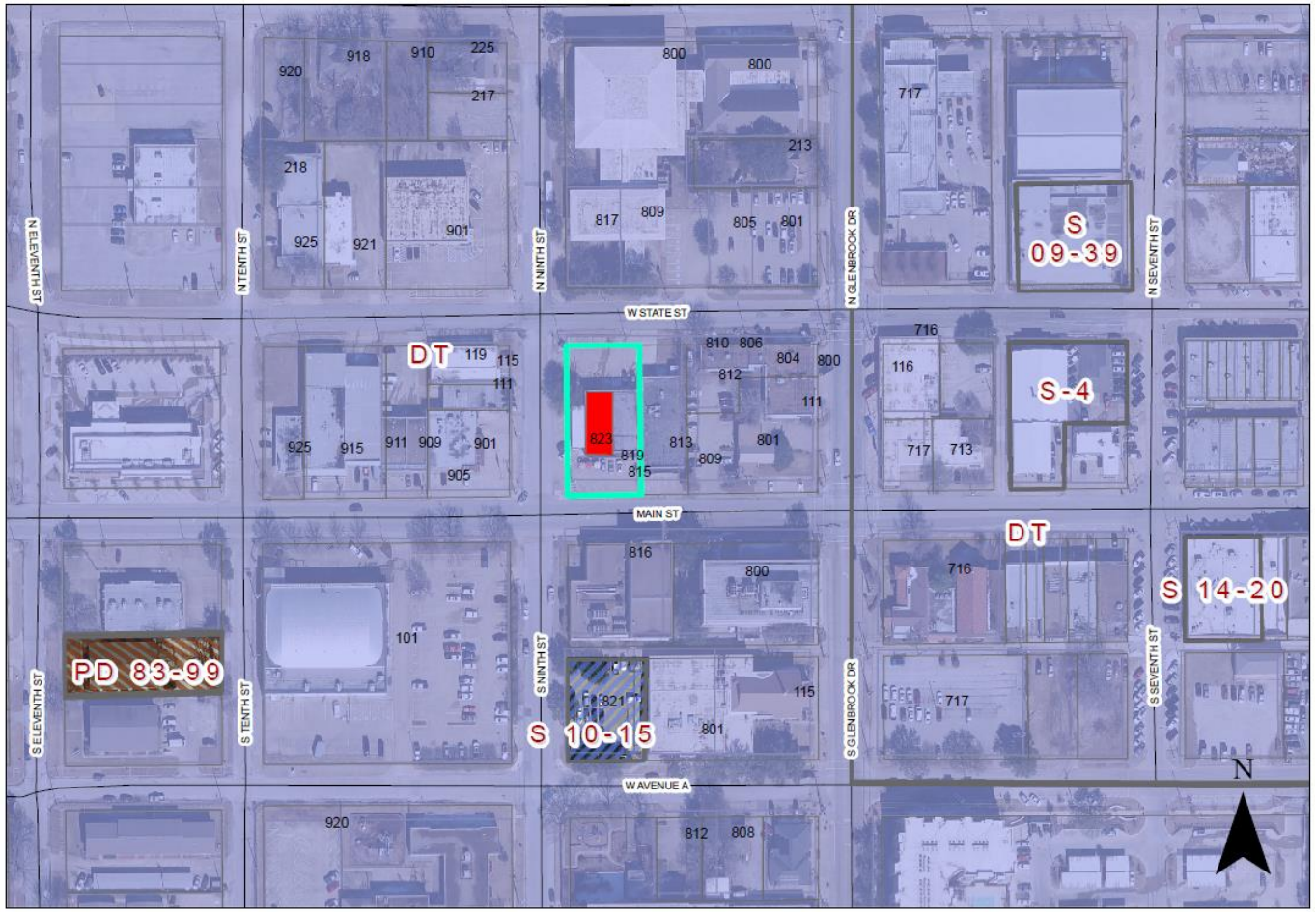
LOCATION MAP



0 100 200 Feet
1 inch = 153 feet

DOWNTOWN DEVELOPMENT PLAN DD 24-01

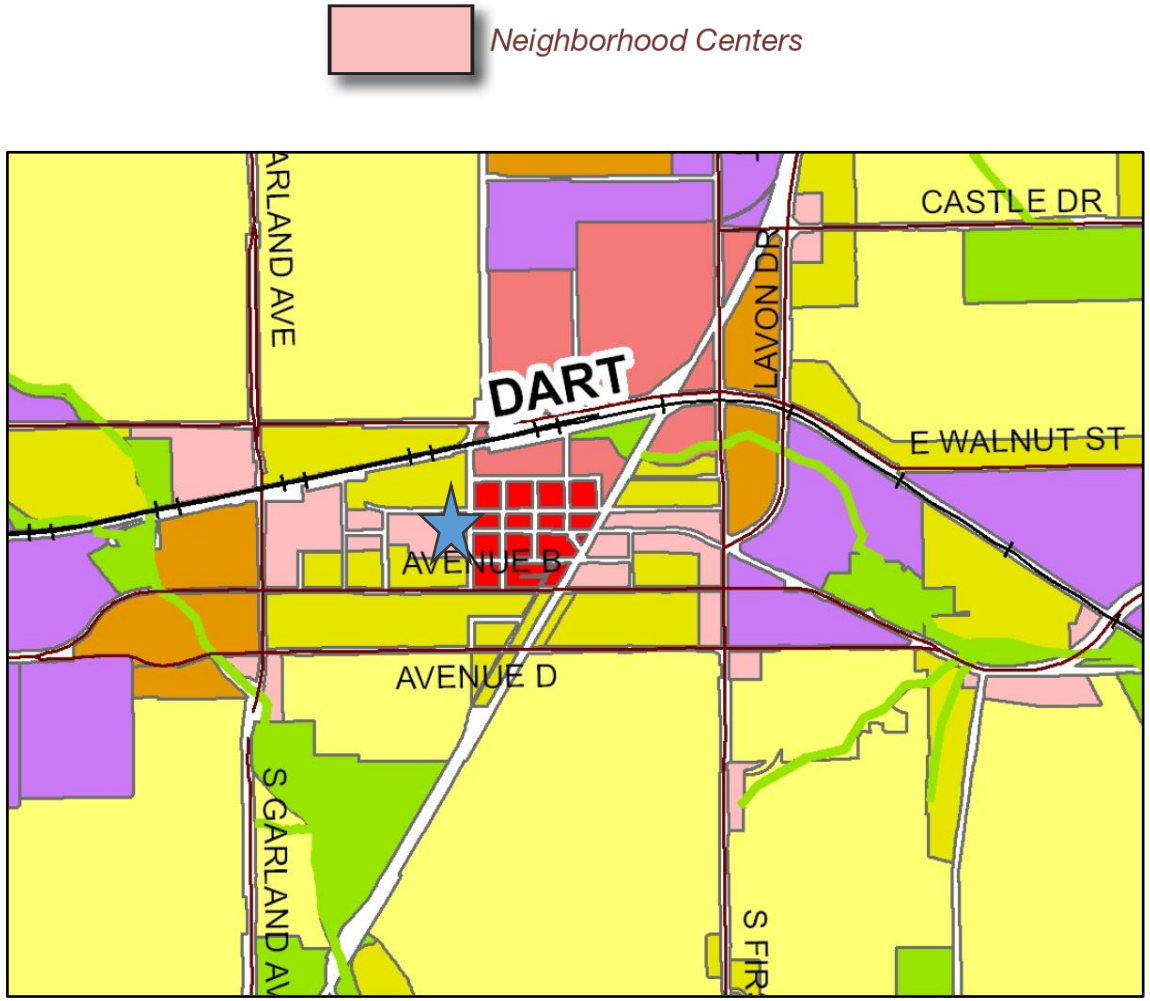
INDICATES AREA OF REQUEST
INDICATES SUBJECT PROPERTY

823 Main Street

DD 24-01

GARLAND
TEXAS MADE HERE

COMPREHENSIVE PLAN



DD 24-01

COMPREHENSIVE PLAN

In addition, the Garland Cultural Arts Master Plan Strategy 5.1 [Foster Relationships with the Business Sector] encourages creative signage. Further, it states, “Following the exception made for Downtown Garland, develop a signage variance that allows for creative signage that provides an opportunity for private businesses to contribute to the visual vibrancy of the City.”

GARLAND
TEXAS MADE HERE

PHOTOS

Looking at the subject property from Main Street

South of the subject property

West of the subject property

East of subject property

DD 24-01

GARLAND
TEXAS MADE HERE

PHOTOS

North of the subject property

DD 24-01

GARLAND
TEXAS MADE HERE

PROPOSED

DD 24-01

GARLAND
TEXAS MADE HERE

Development Standard	Required	Proposed
Awning Sign	Per the GDC, signs on awnings shall be printed, painted or applied directly on the surface of the awning and include only the name, logo, and type of service of the business. Letters shall be a maximum of eight inches high.	The proposed sign will be mounted on top of the existing metal awning and the lettering will be more than eight (8) inches in vertical height. The sign will be approximately 33 square feet in size and will be illuminated. The sign is intended to serve as the primary building signage. A wall sign would be limited in visibility because of the awning, and the applicant wishes to keep the awning in place. It should be noted that Paw Paw's sign was located on the awning.

GARLAND
TEXAS MADE HERE

STAFF RECOMMENDATION

Approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow an awning sign on a property zoned Downtown (DT) District, Uptown (U) sub-district.

PLAN COMMMISSION RECOMMENDATION

On March 11, 2024 the Plan Commission, by a vote of eight (8) to zero (0), recommended approval of 1) a Major Waiver to Chapter 7, Table 7-7 of the Garland Development Code and 2) a Downtown Development Plan to allow the addition of an Awning Sign on a property zoned Downtown (DT) District, Uptown (U) sub-district.

DD 24-01

GARLAND
TEXAS MADE HERE

Major Waivers may be approved by the City Council, following a recommendation by the Planning Director and the Plan Commission. In order to approve a Major Waiver, the City Council findings are listed as follows:

- Meets the general intent of this district; and
- Will result in an improved project which will be an attractive contribution to the Downtown District.

GARLAND

TEXAS MADE HERE

GARLAND

PLANNING REPORT

City Council Regular Session **10. b.**
Meeting Date: 04/02/2024
Item Title: Z 24-09 Texas Taco Cabana, LP (District 4)
Submitted By: Nabiha Ahmed, Lead Development Planner

REQUEST
Approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36)

LOCATION
5959 Broadway Boulevard

OWNER
SB-Babylon, LLC

PLAN COMMISSION RECOMMENDATION
On March 11, 2024, the Plan Commission, by a vote of eight (8) to zero (0), recommended approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36).

STAFF RECOMMENDATION
Approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36)

BACKGROUND
The subject property is developed with a 3,588 square-foot restaurant with a drive-through [Taco Cabana]. The Specific Use Provision was approved in November 2002 and has expired. The applicant is requesting to renew the SUP.

SITE DATA
The site is 1.27 acres and is access from Broadway Boulevard through a mutual access easement.

USE OF PROPERTY UNDER CURRENT ZONING
The subject property is zoned Community Retail (CR) District with a Specific Use Provision (S 02-36) for a restaurant with a drive-through.
The Community Retail (CR) District is intended to accommodate a variety of retail, service, and business establishments that may or may not be designed in a shopping center configuration. The district may be used as a transition district between lower intensity retail or office uses and more intense uses. A CR district is generally appropriate along major transportation corridors, but is generally not appropriate in proximity to low-density residential districts without significant buffering and screening features.

CONSIDERATIONS
Specific Use Provision:

1. The subject property is currently constructed with a 3,588 square-foot restaurant with a drive-through. The applicant is not proposing any changes to the property at this time.

2. The request does not trigger any additional screening or landscaping standards.

3. The request does not trigger any building design standards.

4. The applicant is requesting approval of a twenty-five (25) year Specific Use Provision. The SUP Time Period Guide recommends twenty (20) to twenty-five (25) years for a restaurant with a drive-through.

COMPREHENSIVE PLAN

The Future Land Use Map of the Envision Garland Plan designates this property as Transit-Oriented Center

Transit-oriented centers are areas of concentrated activity and increased density with maximum access to public transportation options. This type of center should be developed as mixed-use with live/work/play/shop opportunities.

The use is an existing restaurant that serves and adds business activity to the area, provides pedestrian sidewalk connections to the adjacent properties, and is compatible with the Comprehensive Plan.

ECONOMIC DEVELOPMENT STRATEGIC PLAN

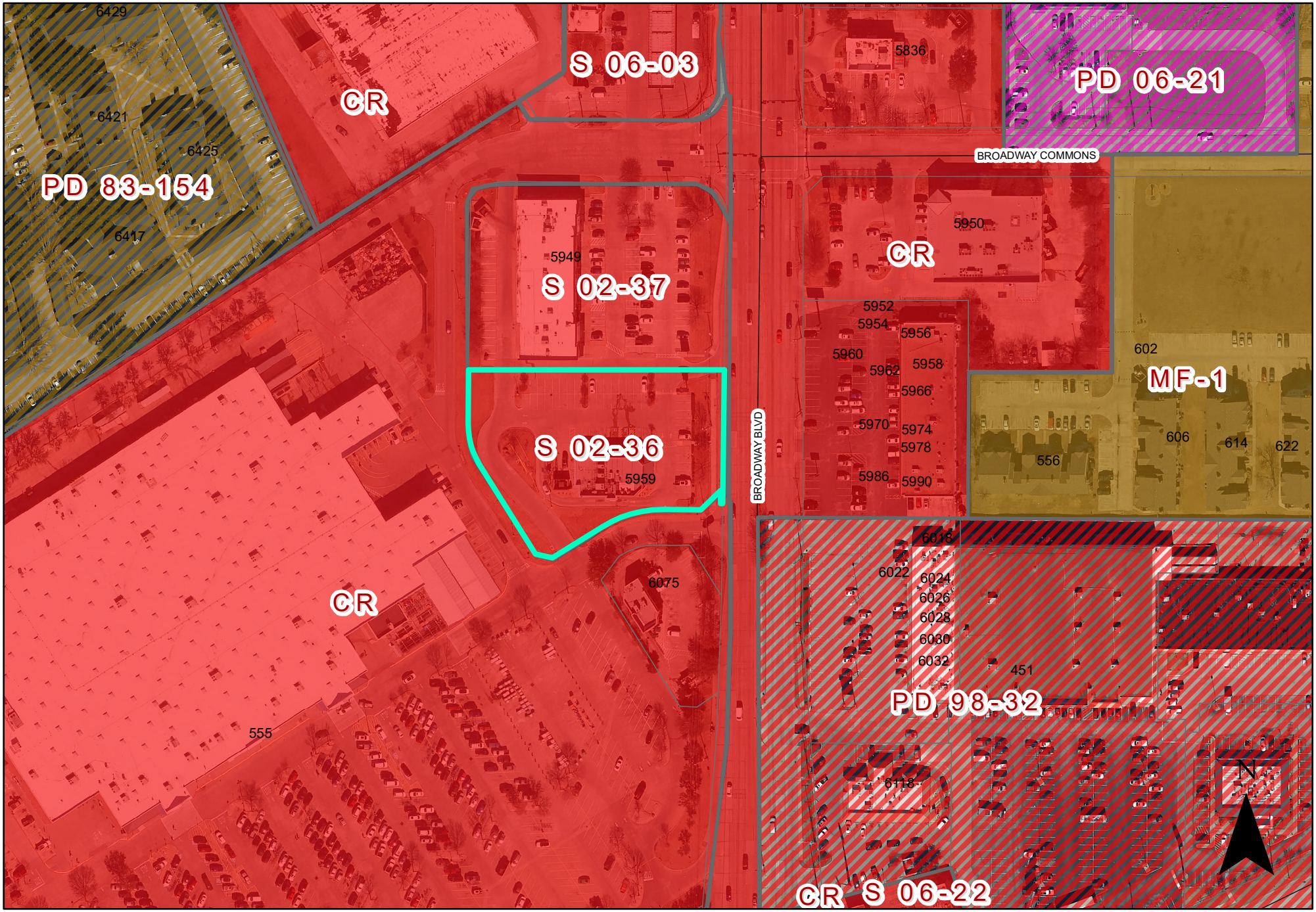
Per the Economic Development Strategic Plan, the proposal is considered "Stand Alone Commercial" and will continue to generate sales tax for the City.

COMPATIBILITY OF REQUEST WITH SURROUNDING ZONING AND LAND USES

The surrounding properties are all zoned Community Retail (CR) District and Planned Development (PD) District 98-32 for Community Retail Uses. These properties are developed with sit-down restaurant, coffee shop, restaurant with drive-through and retail uses.

Attachments

Z 24-09 Location Map
Z 24-09 SUP Conditions
Z 24-09 Exhibits
Z 24-09 R&M
Z 24-09 Responses
Z 24-09 Staff Presentation



0 100 200 Feet
1 inch = 153 feet

ZONING MAP Z 24-09

INDICATES AREA OF REQUEST

5959 Broadway Boulevard

SPECIFIC USE PROVISION CONDITIONS

ZONING FILE Z 24-09

5959 Broadway Boulevard

I. **Statement of Purpose:** The purpose of this Specific Use Provision is to renew the Specific Use Provision (S 02-36) for a Restaurant with a Drive-Through Use.

II. **Statement of Effect:** This Specific Use Provision shall not affect any regulation found in the Garland Development Code, Ordinance No. 6773, as amended prior to adoption of this ordinance, except as specifically provided herein.

III. **General Regulations:** All regulations of the Community Retail (CR) District and Site Development Standards as set forth in Chapter 2 and 4 of the Garland Development Code, Ordinance 6773, are included by reference and shall apply, except as otherwise specified by this ordinance.

IV. **Development Plans:**

Site Layout: The site shall be in general conformance with the approved Site Plan, Landscape Plan, and Elevations labeled Exhibit C, Exhibit D, and Exhibit E. In the event of conflict between the conditions and the site plan, the written conditions listed below are to apply.

V. **Abandonment:** In the event the land use for which this Specific Use Provision was granted ("Land Use") is abandoned, the SUP and all rights to the Land Use are automatically terminated, and the premises must be used in conformance with the GDC, federal, and state law.

For the purposes of this Specific Use Provision, Abandonment is any of the following acts:

A. A failure to apply for a site or building permit on the premises, where applicable, within 180 days of the effective date of this SUP;

B. A failure to obtain a certificate of occupancy for the Land use within 730 days of the effective date of this SUP;

EXHIBIT B

C. A failure to commence operating the Land Use on the premises within 90 days of receiving a final certificate of occupancy for the Land Use;

D. Discontinuance of the Land Use for a period of 180 days;

E. Applying for, and receiving, a new Certificate of Occupancy for a use other than the Land Use; or

F. Operating a use on the premises, whether as a primary or secondary use, that is not allowed within the PD District, by the GDC, or by state or federal law.

The termination of utilities on the premises for a period of 180 calendar days is prima facie evidence of abandonment and the owner shall have the burden to prove that the Land Use has not been abandoned.

VI. Specific Regulations:

A. SUP Time Period: The Specific Use Provision for a Drive-Through, Restaurant Use shall be in effect for a period of twenty-five (25) years.

B. Maintenance requirements:

(1) Landscaping must be continuously maintained in a healthy, growing condition and in compliance with this ordinance, the Garland Development Code, the Code of Ordinances of the City of Garland, and the landscaping plan attached hereto at all times. The property owner is responsible for regular weeding, mowing of grass, irrigation, fertilizing, pruning, or other maintenance of all landscaping as promptly as needed to comply with the requirements of this subsection. All exposed ground surfaces shall be properly improved, covered with screening or other approved solid material, or protected with a vegetative growth that prevents soil erosion and ameliorates objectionable dust conditions.

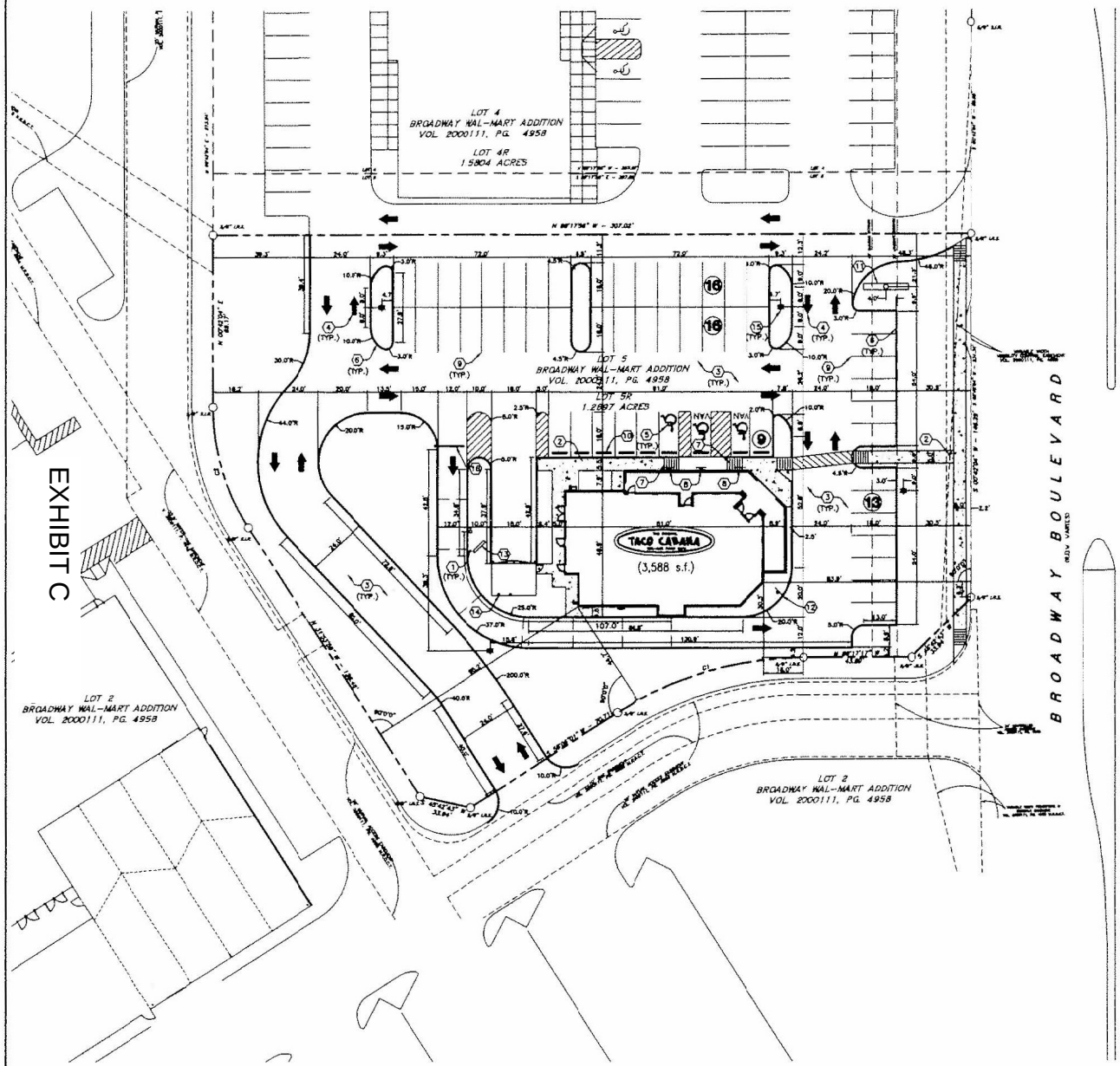
(2) Any dead or dying plant or vegetation, whether or not a component of required landscaping, must be promptly replaced with another approved plant or vegetation variety that complies with the approved landscape plan and in no event later than sixty days after notification by the City. In the event the property owner fails to remedy a violation of any landscaping maintenance regulation within sixty days of the City sending notice, the City may, in addition to any other remedy available by law, suspend, withhold, or revoke city permits, approvals, consents and the certificate of occupancy for the Restaurant

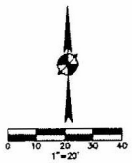
with a Drive-Through Use. See Section 4 of the granting ordinance.

(3) Screening and paving must be installed and continuously maintained in compliance with this ordinance, the Garland Development Code, and the Code of Ordinances of the City of Garland at all times. The property owner is responsible for regular maintenance of all screening and paving as needed. In the event the property owner fails to remedy a violation of any screening or paving maintenance regulation within sixty days of the City sending notice, the City may, in addition to any other remedy available by law, suspend, withhold, or revoke city permits, approval, consents and the certificate of occupancy for the Restaurant with a Drive-Through Use.

C. Signage: One freestanding pole sign, 22 feet in height, 150 square feet in area and set back 25 feet from the property line may remain on the site.

EXHIBIT B





VICINITY MAP
N.T.S.
GARLAND, TEXAS

KEY NOTES:

1. BOLLARD
2. SIDEWALK
3. PAVEMENT
4. TRAFFIC FLOW ARROWS
5. HANDICAP PARKING
6. CURB
7. HANDICAP RAMP
8. HANDICAP SIGN
9. 4" STRIPING (YELLOW)
10. WHEEL STOP
11. TACO CABANA PYLON SIGN
12. "DO NOT ENTER" SIGN
13. MENU BOARD
14. DUMSTER ENCLOSURE
15. LIGHT POST
16. TRAFFIC CLEARANCE BAR

LEGEND

EXISTING	PROPOSED	
		1/2" IRON ROD FOUND
		1/2" IRON ROD SET
		IRON PIPE FOUND
		NAIL FOUND
		COMPUTED POINT
		MONUMENT FOUND
P.O.B.		POINT OF BEGINNING
		BENCHMARK
(RDS)		RECORD INFORMATION
		LIGHT POLE
		POWER POLE
		BORING OUT
		FIRE HYDRANT
		WATER VALVE
		WATER METER
		GAS METER
		MONITORING WELL
		GAS VALVE
		WOOD FENCE
		CHAIN LINK FENCE
		WIRE FENCE
CMH	CMH	ELECTRICAL MANHOLE
WWMH	WWMH	WASTEWATER MANHOLE
SSMH	SSMH	STORMSEWER MANHOLE
WTR	WTR	WATER MANHOLE
CO	CO	CLEAN OUT
		DRAINAGE INLET
		CURB INLET
		CURB & GUTTER
		FIRE LANE
		HANDICAPPED PARKING SPACE
		SIGN
		VARIABLE HEIGHT C.M.U. BUFFERING WALL
		ELECTRIC PULL BOX
		ELECTRIC METER
		ELECTRIC TRANSFORMER
		TELEPHONE SERVICE BOX
		BOLLARD
OH	OH	OVER HEAD ELEC. LINE
OH	OH	OVER HEAD TELEPHONE
SD	SD	STORM SEWER LINE
W	W	WATER LINE
SW	SW	WASTEWATER LINE
FM	FM	FORCE MAIN
UE	UE	UNDERGROUND ELECTRIC
UT	UT	UNDERGROUND TELEPHONE
G	G	GAS LINE
		PROPERTY LINE
		LEASE LINE
		CONTOUR
100	100	SPOT ELEVATION
100	100	TOP OF CURB ELEVATION
100	100	EDGE OF PAVEMENT ELEVATION
100	100	GUTTER ELEVATION
		CUT/FILL SLOPES
		FLOW DIRECTION
		CONCRETE SURFACE
		LEVEL AREA (MAX 2% SLOPE ANY DIRECTION)
	9	NUMBER OF PARKING SPACES

PARKING SUMMARY	
LEASE AREA:	1.2697 ACRES
BUILDING AREA:	1,588 S.F.
DINING AREA:	1,856 S.F.
PARKING REQUIRED:	46 SPACES
PARKING AVAILABLE:	54 SPACES
HANDICAP PARKING REQ'D:	3 SPACES
HANDICAP PARKING PROVIDED:	3 SPACES
(TOTAL BUILDING AREA/TOTAL SPACES)	
STALL SIZE:	9.0'x18.0'
AISLE WIDTH:	24.0'

NOTES:

1. ALL DIMENSIONS ARE TO FACE OF CURB.
2. ALL RADII ARE 5.0' UNLESS OTHERWISE NOTED
3. ALL PROPOSED PARKING SHALL BE 9.0'X18.0' UNLESS OTHERWISE NOTED.

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CHORD DIRECTION	CHORD
C1	32°36'42"	140.00'	79.68'	S74°24'22"W	78.61'
C2	32°36'42"	90.00'	51.21'	N74°24'22"E	50.52'

LEGAL DESCRIPTION:

A 1.2697 ACRE TRACT OUT OF LOT 5 BROADWAY WALMART ADDITION, AN ADDITION TO THE CITY OF GARLAND, TEXAS, AS RECORDED IN VOLUME 2000111 AT PAGE 4958 OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS.

ZONING:

FW- (FREEWAY) DISTRICT WITHIN THE INTERSTATE 30-OVERLAY DISTRICT

DATE	NO.	REVISION	APPROVAL

Bury+Partners
Consulting Engineers and Surveyors
Texas Licensed Engineering Firm No. 1046
Texas Licensed Surveying Firm No. 10194
Copyright 2000 Bury+Partners, Inc.

THE ORIGINAL TACO CABANA
TEX-MEX PATIO CAFE

SITE PLAN

TACO CABANA
I.H. 30 AND BROADWAY
GARLAND, TEXAS

PLOTTING SCALE: 1"= 1'
DATE ISSUED: 06/11/02
FILE:G:\108\72\108725PHOT.DWG
DRAWN BY: AVJ
DESIGNED BY: DER
REVIEWED BY: DER
PROJECT NO.: 108-72.00

SHEET 1 OF 1

Date: Sep 12, 2002, 8:20am User ID: bburns
File: G:\108\72\DWG\108725PHOT.dwg

EXHIBIT D

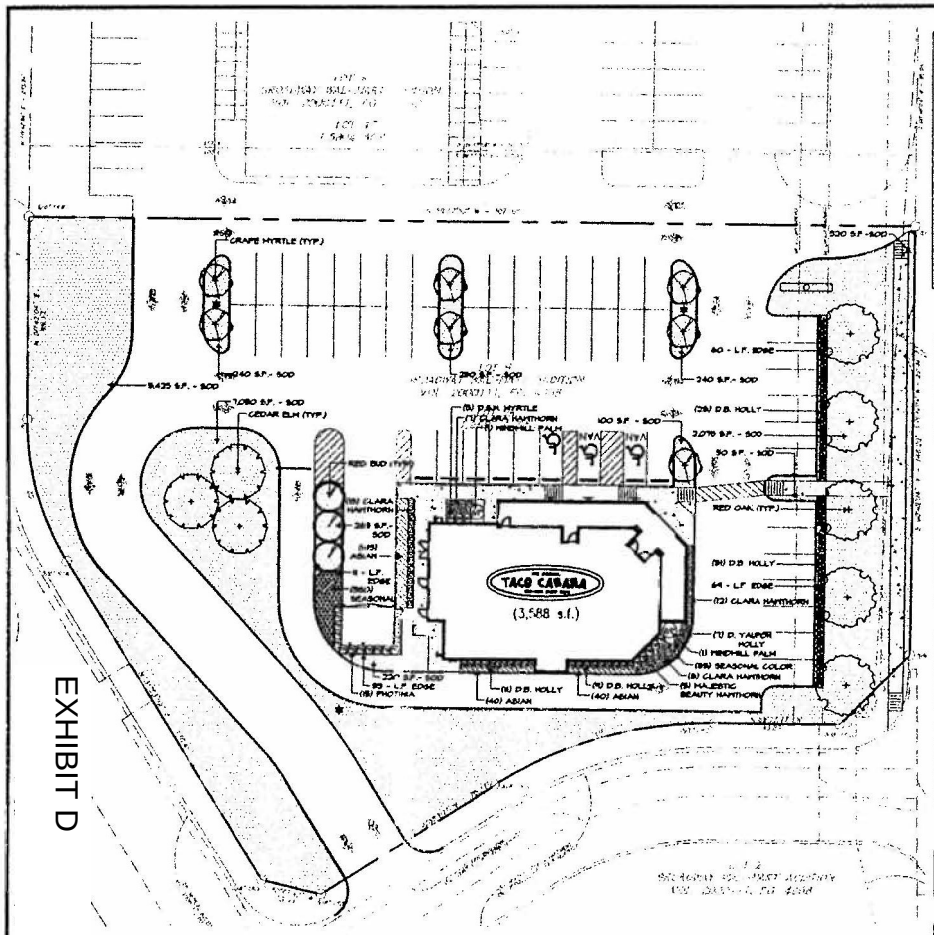
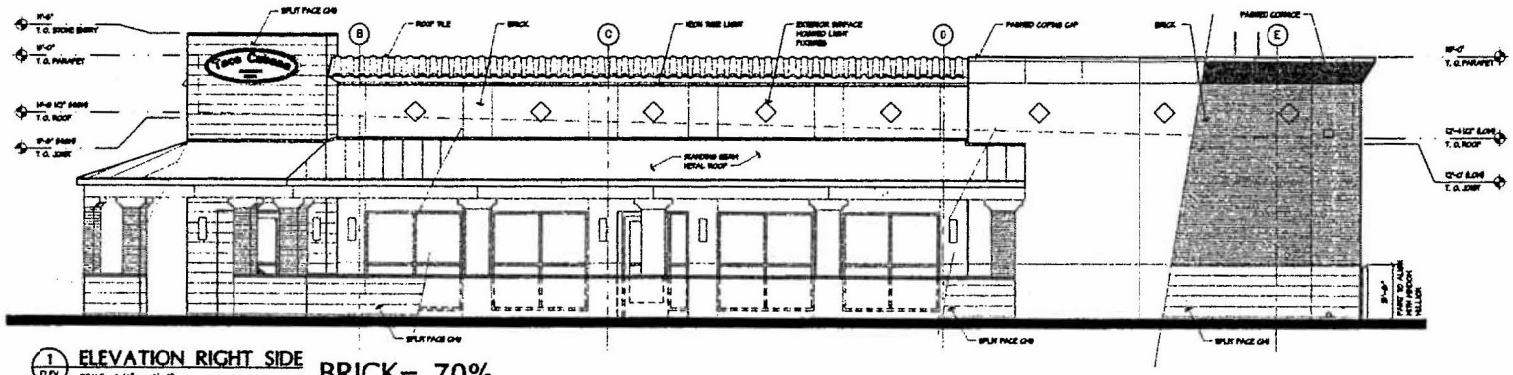
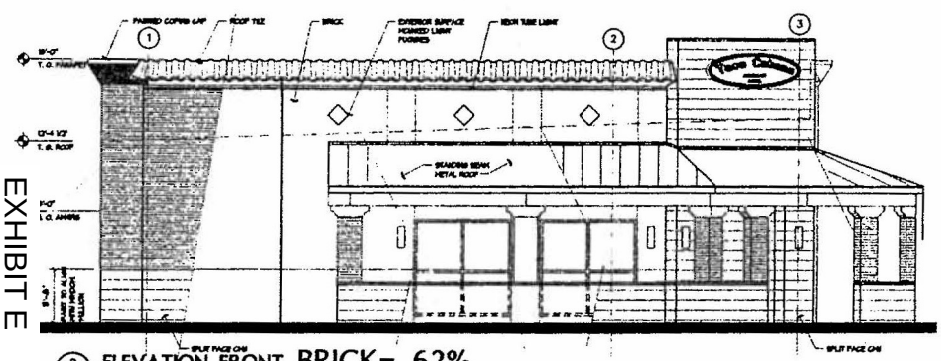

CRAPE MYRTLE (TYP.)
CEDAR ELM (TYP.)
RED BUD (TYP.)
RED OAK (TYP.)
TACO CABANA
(3,588 s.f.)
(5) D.B. HOLLY
(1) MINCHELL PALM
(26) D.B. HOLLY
(64) - L.F. EDGE
(12) CLARA HAWTHORN
(1) D. YAUPON HOLLY
(1) MINCHELL PALM
(99) SEASONAL COLOR
(5) CLARA HAWTHORN
(5) MAJESTIC BEAUTY HAWTHORN
(15) PHOTINIA
(40) ASIAN
(40) ASIAN
(1) D.B. HOLLY
(1) D.B. HOLLY
(1) CLARA HAWTHORN
(1) MINCHELL PALM
(1) D.B. HOLLY
(1) CLARA HAWTHORN
(1) D.B. HOLLY
(1) CLARA HAWTHORN
(1) D.B. HOLLY
(1) CLARA HAWTHORN

EXHIBIT E



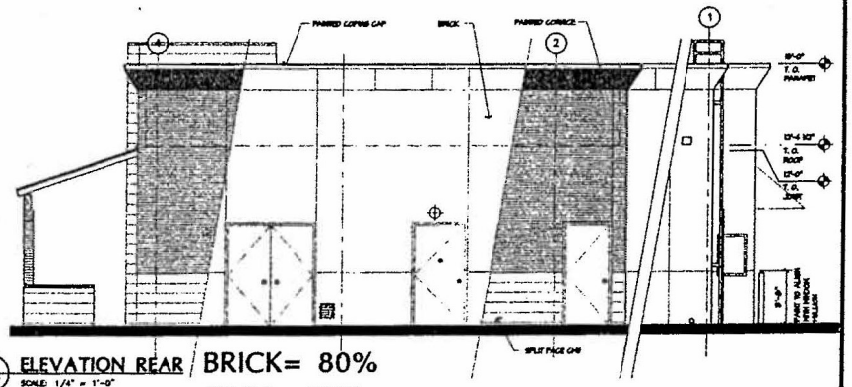
1 ELEV — ELEVATION RIGHT SIDE
SCALE: 1/4" = 1'-0"

BRICK= 70%
CMU= 30%



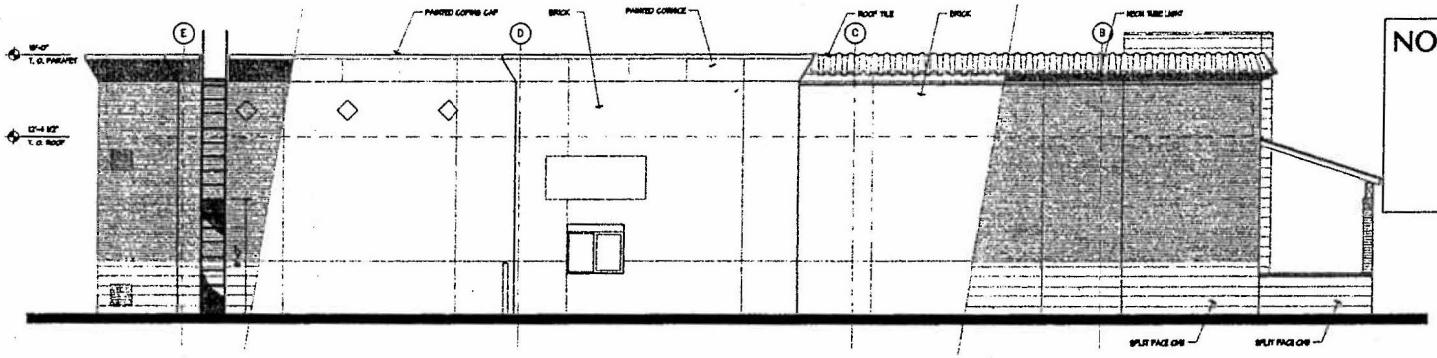
2 ELEV — ELEVATION FRONT
SCALE: 1/4" = 1'-0"

BRICK= 62%
CMU= 38%



4 ELEV — ELEVATION REAR
SCALE: 1/4" = 1'-0"

BRICK= 80%
CMU= 20%



3 ELEV — ELEVATION LEFT SIDE
SCALE: 1/4" = 1'-0"

BRICK= 76%
CMU= 24%

NOTE: NO EXTERIOR INSULATION FINISHING SYSTEM (E.I.F.S) IS TO BE USED IN THIS PROJECT

reviewed by:
date:
revisions:
CITY RESUBMITTAL 9/18/02

GARLAND, TEXAS

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MDN
Middleman + de la Garza + Neugebauer
ARCHITECTS
9430 McCullough, San Antonio, Texas 78216 Tel. 210 340-2400 Fax. 210 340-2448

PROPOSED EXT. ELEVATIONS
TACO CABANA PROTOTYPE III
GARLAND, TEXAS

job: 2001099
date: 10-04-01
drawn:
sheet: 1 of 1

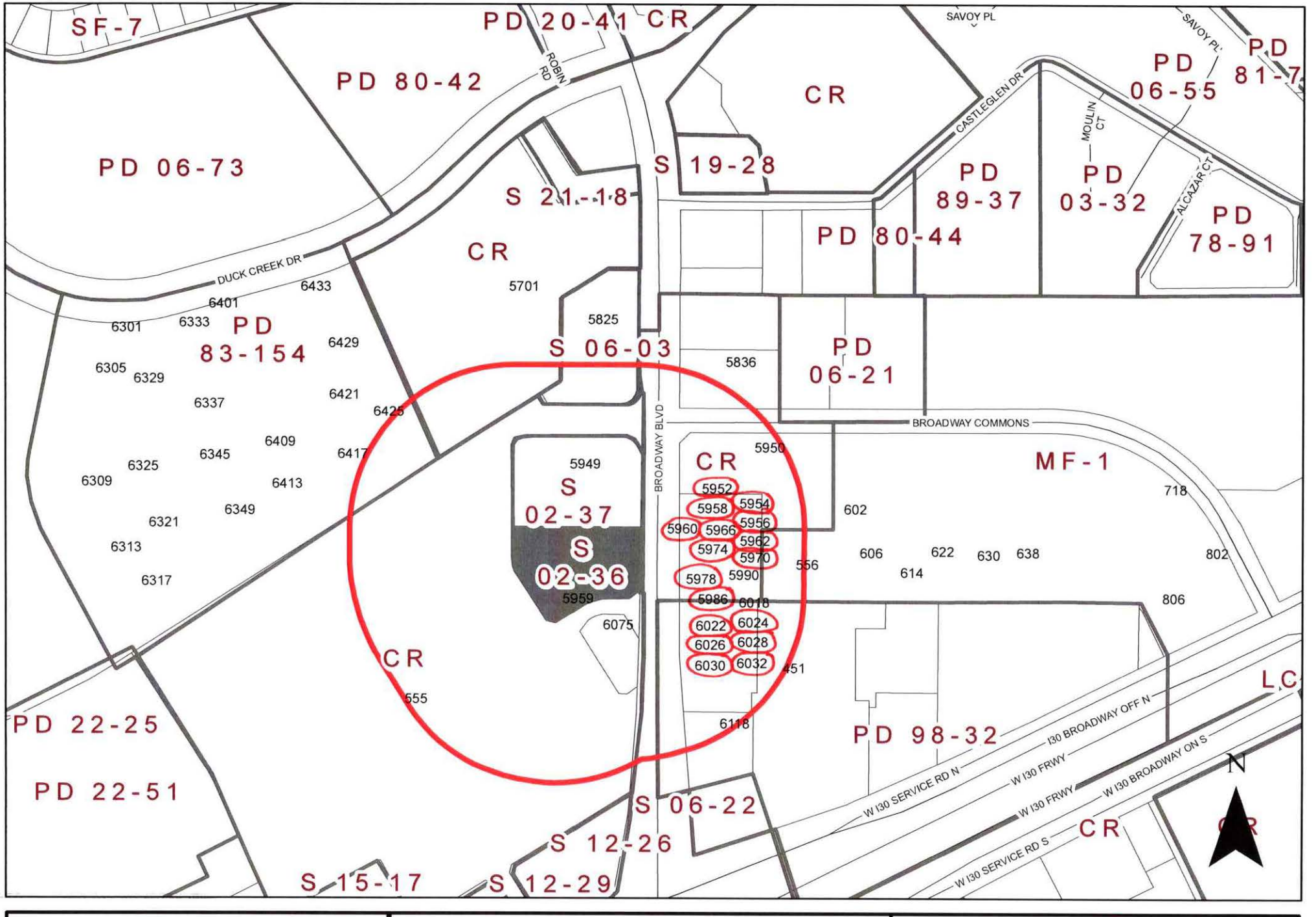
ELEV

REPORT & MINUTES

P.C. Meeting, March 11, 2024

2a. APPROVED Consideration of the application of **Texas Taco Cabana, LP,** requesting approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36). This property is located at 5959 Broadway Boulevard. (District 4) (File Z 24-09).

Motion was made by Commissioner Cornelius to **approve** the application as presented. Seconded by Commissioner Abell. **Motion carried**: **8** Ayes, **0** Nays.



0 200 400 Feet
1 inch = 305 feet

ZONING MAP Z 24-09

INDICATES AREA OF REQUEST

INDICATES NOTIFICATION AREA

5959 Broadway Boulevard

Comment Form
Case Z 24-09

Z 24-09 Texas Taco Cabana, LP. The applicant is requesting to renew the Specific Use Provision for an existing restaurant with a drive-through [Taco Cabana]. The site is located at 5959 Broadway Boulevard. (District 4)

Z 24-09 Texas Taco Cabana, LP. El solicitante solicita renovar la Disposición de uso específico para un restaurante existente con servicio de autoservicio [Taco Cabana]. El sitio está ubicado en 5959 Broadway Boulevard. (Distrito 4)

Z 24-09 Texas Taco Cabana, LP. Người nộp đơn đang yêu cầu gia hạn Điều khoản sử dụng cụ thể cho một nhà hàng hiện có với [Taco Cabana] lái xe qua. Địa điểm tọa lạc tại 5959 Broadway Boulevard. (Quận 4)

Please Check One Below / Marque uno a continuación / Vui lòng kiểm tra một bên dưới

☑ For / A Favor / Đúng

☐ Against / En Contra / Không

Please complete the following information and email the form to Planning@garlandtx.gov; deliver to the Planning Department at 800 Main Street Garland, TX; or mail to City of Garland, Planning Department, P.O. Box 469002 Garland, TX 75406-9002./ Por favor Complete la siguiente información y envíe el formulario por correo electrónico a Planning@garlandtx.gov; entregar al Departamento de Planificación en 800 Main Street Garland, TX; o envíelo por correo a City of Garland, Planning Department, P.O. Box 469002 Garland, TX 75406-9002./ Vui lòng điền đầy đủ thông tin sau và gửi biểu mẫu qua email tới Planning@garlandtx.gov; giao cho Phòng Kế hoạch tại 800 Main Street Garland, TX; hoặc gửi thư đến Thành phố Garland, Sở Kế hoạch, P.O. Hộp 469002 Garland, TX 75406-9002.

Broadway Village LP

Printed Name & Title / Nombre Impreso y Título / Tên in và Tiêu đề

(Property Owner, Business Owner, Tenant, etc.) / (Dueño de la propiedad, Dueño de la empresa, Inquilino, etc.) / (Chủ sở hữu bất động sản, Chủ doanh nghiệp, Người thuê, v.v.)

6022-6032 Broadway Blvd

Your Property Address / La dirección de su propiedad / địa chỉ tài sản

c/o 6210 Campbell Rd
SUITE 140
Dallas, TX 75248

Garland, TX

City, State / Estado de la Ciudad / Thành bang

75043.

Zip Code / Código postal / Mã B u Chính

Signature / Firma / Ch ữ ký

March 4th, 2024

Date / Fecha / Ngày

(Providing email address and phone number is optional. / La dirección de correo electrónico y el número de teléfono son opcionales. / Địa chỉ email và số điện thoại là tùy chọn.)

Comment Form
Case Z 24-09

Z 24-09 Texas Taco Cabana, LP. The applicant is requesting to renew the Specific Use Provision for an existing restaurant with a drive-through [Taco Cabana]. The site is located at 5959 Broadway Boulevard. (District 4)

Z 24-09 Texas Taco Cabana, LP. El solicitante solicita renovar la Disposición de uso especifico para un restaurante existente con servicio de autoservicio [Taco Cabana]. El sitio está ubicado en 5959 Broadway Boulevard. (Distrito 4)

Z 24-09 Texas Taco Cabana, LP. Người nộp đơn đang yêu cầu gia hạn Điều khoản sử dụng cụ thể cho một nhà hàng hiện có với [Taco Cabana] lái xe qua. Địa điểm tọa lạc tại 5959 Broadway Boulevard. (Quận 4)

Please Check One Below / Marque uno a continuación / Vui lòng kiểm tra một bên dưới

[x] For / A Favor / Đúng

[ ] Against / En Contra / Không

lease complete the following information and email the form to Planning@garlandtx.gov; deliver to the Planning epartment at 800 Main Street Garland, TX; or mail to City of Garland, Planning Department, P.O. Box 469002 arland, TX 75406-9002./ Por favor Complete la siguiente información y envíe el formulario por correo electrónico Planning@garlandtx.gov; entregar al Departamento de Planificación en 800 Main Street Garland, TX; o envíelo or correo a City of Garland, Planning Department, P.O. Box 469002 Garland, TX 75406-9002./ Vui lòng điền đầy đủ ông tin sau và gửi biểu mẫu qua email tới Planning@garlandtx.gov; giao cho Phòng Kế hoạch tại 800 Main Street arland, TX; hoặc gửi thư đến Thành phố Garland, Sở Kế hoạch, P.O. Hộp 469002 Garland, TX 75406-9002.

Broadway-30, Ltd.

Printed Name & Title / Nombre Impreso y Título / Tên in và Tiêu đề

(Property Owner, Business Owner, Tenant, etc.) / (Dueño de la propiedad, Dueño de la empresa, Inquilino, etc.) / (Chủ sở hữu bất động sản, Chủ doanh nghiệp, Người thuê, v.v.)

5952-5986 Broadway Blvd.

Your Property Address / La dirección de su propiedad / địa chỉ tài sản

Garland, TX

City, State / Estado de la Ciudad / Thành bang

75043

Zip Code / Código postal / Mã B u Chính

03/04/2024

Signature / Firma / Ch ữ ký — Date / Fecha / Ngày

roviding email address and phone number is optional. / La dirección de correo electrónico y el número de teléfono son opcionales. / Địa chỉ nail và số điện thoại là tùy chọn.)

GARLAND
TEXAS MADE HERE

The applicant is requesting to renew the Specific Use Provision for an existing restaurant with a drive-through [Taco Cabana].

City Council Meeting

April 2, 2024

Z 24-09

GARLAND
TEXAS MADE HERE

CASE INFORMATION

Location: 5959 Broadway Boulevard

Applicant: Texas Taco Cabana, LP

Owner: SB-Babylon, LLC

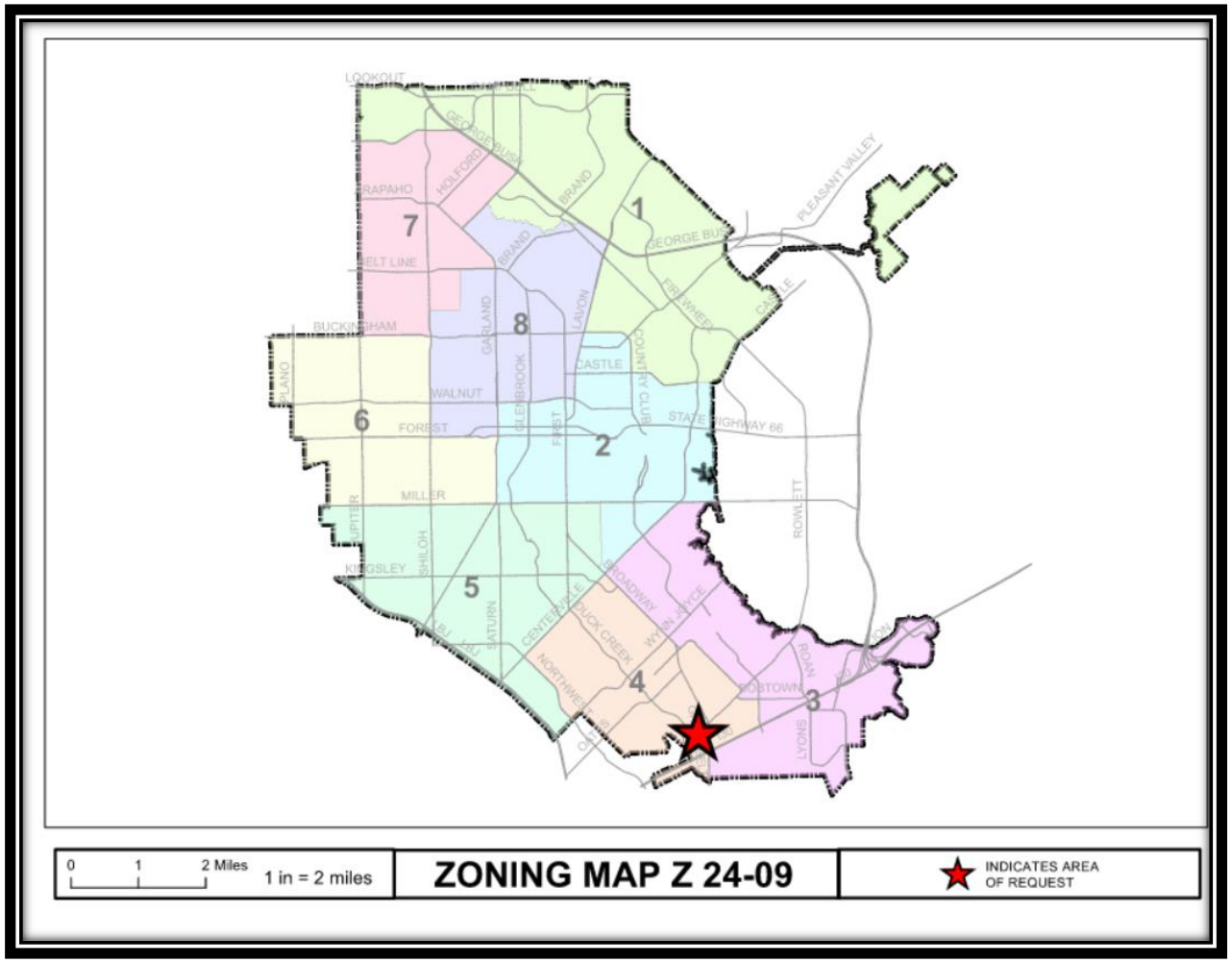
Acreage: 1.27 acres

Zoning: Community Retail (CR) District with a Specific Use Provision (S 02-36)

Z 24-09

GARLAND
TEXAS MADE HERE

CITYWIDE LOCATION MAP



Z 24-09

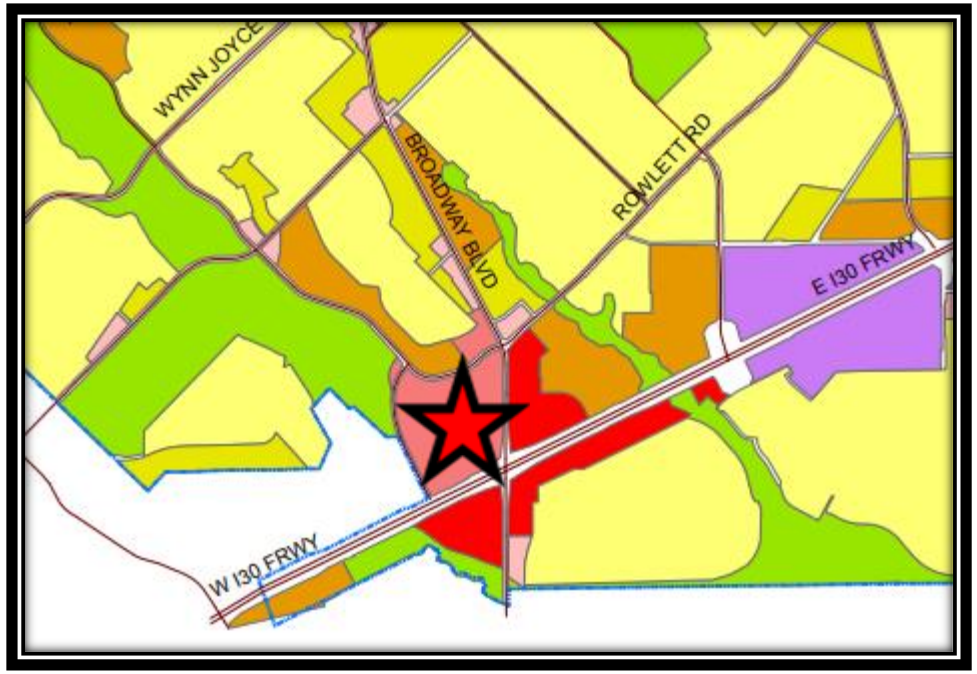
GARLAND
TEXAS MADE HERE

LOCATION MAP

Z 24-09

GARLAND
TEXAS MADE HERE

COMPREHENSIVE PLAN



Z 24-09

GARLAND
TEXAS MADE HERE

COMPREHENSIVE PLAN

The Future Land Use Map of the Envision Garland Plan designates this property as Transit-Oriented Center

Transit-oriented centers are areas of concentrated activity and increased density with maximum access to public transportation options. This type of center should be developed as mixed-use with live/work/play/shop opportunities.

The use is an existing restaurant that serves and adds business activity to the area, provides pedestrian sidewalk connections to the adjacent properties, and is compatible with the Comprehensive Plan.

ECONOMIC DEVELOPMENT STRATEGIC PLAN

Per the Economic Development Strategic Plan, the proposal is considered “Stand Alone Commercial” and will continue to generate sales tax for the City.

GARLAND
TEXAS MADE HERE

PHOTOS

View of the subject property

West of the subject property

GARLAND
TEXAS MADE HERE

PHOTOS

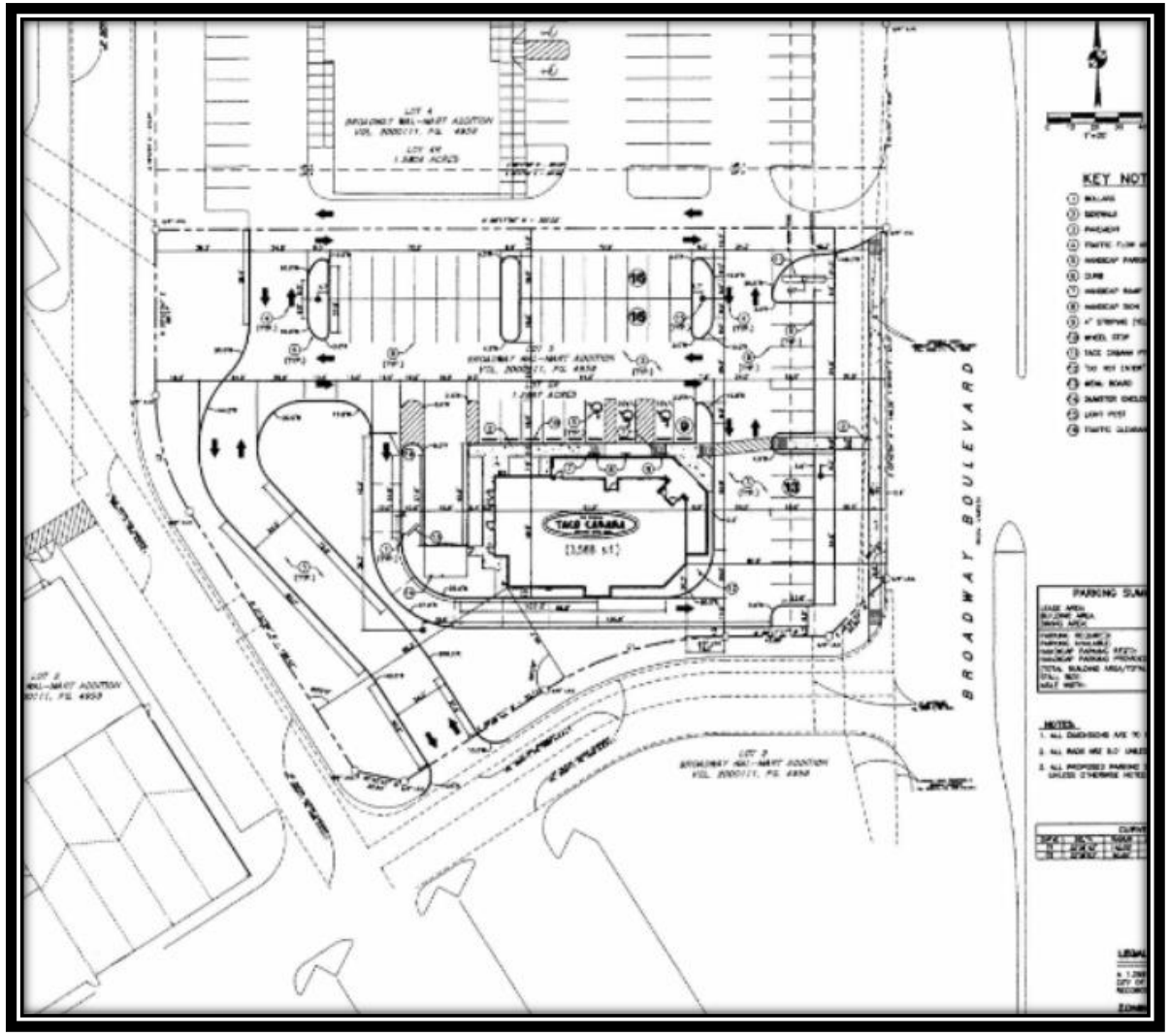
North of the subject property

East of the subject property

Z 24-09

GARLAND
TEXAS MADE HERE

SITE PLAN



Z 24-09

CONSIDERATIONS

The applicant is requesting approval of a twenty-five (25) year Specific Use Provision. The SUP Time Period Guide recommends twenty (20) to twenty-five (25) years for a restaurant with a drive-through.

GARLAND
TEXAS MADE HERE

STAFF RECOMMENDATION

Approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36).

PLAN COMMISSION RECOMMENDATION

On March 11, 2024, the Plan Commission, by a vote of eight (8) to zero (0), recommended approval of 1) a Specific Use Provision Renewal for a Drive-Through, Restaurant Use and 2) a Plan on a property zoned Community Retail (CR) District with a Specific Use Provision (S 02-36).