

AN ORDINANCE OF THE CITY OF UHLAND, TEXAS

ORDINANCE NO. 283

AN ORDINANCE OF THE CITY OF UHLAND, TEXAS, AMENDING SECTION 23, ORDINANCE NO. 268, TO APPROVE A FORM OF PID DEPOSIT AGREEMENT AND AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE SUCH AGREEMENT; PROVIDING A SEVERABILITY CLAUSE, PROVIDING SAVINGS, EFFECTIVE DATE AND OPEN MEETINGS CLAUSES, AND PROVIDING FOR RELATED MATTERS.

WHEREAS, the City Council of the City of Uhlend, Texas (the "City") finds that it is reasonable and necessary to adopt this ordinance to authorize the form of PID Deposit Agreement, which provides for a deposit and reimbursement for professional fees the City incurs in reviewing, processing, and implementing applications to create public improvement districts and development approvals related to the proposed development;

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

SECTION 1. Findings of Fact. The above and foregoing recitals are hereby found to be true and correct and are incorporated herein as findings of fact.

SECTION 2. PID Deposit Agreement Form Authorized: Section 23, Ordinance No. 268 is hereby amended by adding the following paragraph to read as follows;

The form of PID Deposit Agreement attached as Appendix A is hereby approved. The City Administrator is authorized to execute PID Deposit Agreements in a form substantially similar to that attached as Appendix A from time to time in response to applications for the City to consider the creation of a public improvement district. The form may be modified to include a deposit to recover professional fees for the purpose of analyzing tax increment financing districts, 380 agreements, and other similar agreements or development approvals related to the proposed development.

SECTION 3. Conflicting Ordinances. Section 23, Ordinance No. 268 is hereby amended as provided herein. All ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance as adopted herein, are hereby amended to the extent of such conflict. In the event of a conflict or inconsistency between this ordinance and any other code or ordinance of the City, the terms and provisions of this ordinance shall govern. The City Secretary is authorized to add the content of Section 2 above to Section 23, Ordinance 268 and to attach the PID Deposit Agreement

attached hereto as Appendix A as Appendix A to Ordinance No. 268.

SECTION 4. Savings Clause. All rights and remedies of the City of Umland are expressly saved as to any and all violations of the provisions of any ordinances affecting fees within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 5. Effective Date. This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Tex. Loc. Gov't. Code.

SECTION 6. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable and, if any phrase, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this ordinance of any such invalid phrase, clause, sentence, paragraph or section. If any provision of this Ordinance shall be adjudged by a court of competent jurisdiction to be invalid, the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 7. Open Meetings. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on the 13th day of July, 2022.

THE CITY OF UHLAND, TEXAS

Naomi Schrock, Mayor

ATTEST:

Kim Weatherford
Kim Weatherford, City Secretary



APPENDIX A

PID Deposit Agreement Form

**CITY OF UHLAND, TEXAS DEPOSIT AND REIMBURSEMENT AGREEMENT
PROPOSED PUBLIC IMPROVEMENT DISTRICT**

_____ – **Consultants Fees**

THIS DEPOSIT AGREEMENT (this “**Agreement**”) is made and entered into as of _____ (the “**Effective Date**”) by and between the **CITY OF UHLAND, TEXAS** (the “**City**”) and _____, a _____ (including its designated successors and assigns, the “**Developer**”).

WHEREAS, the Developer has requested that the City enter into a Development Agreement, and conduct proceedings pursuant to the provisions of Texas Local Government Code Chapter 372 to form a public improvement district (the “**District**”), to enter into a PID Financing Agreement, to levy special assessments, and to issue one or more series of bonds (the “**Bonds**”) to provide for the construction, acquisition, or furnishing of certain public improvements within the District; and

WHEREAS, the Developer has agreed to advance moneys to be used by the City Administrator of the City (the “**City Administrator**”) to pay costs and expenses associated with retaining the Consultants (herein defined) to assist the City with assessing the feasibility and desirability of (i) annexing the property; (ii) entering into a Development Agreement (the “**Development Agreement**”) and a PID Financing Agreement, (ii) forming the district, (iii) levying assessments, and (iv) issuing Bonds (the “**PID Feasibility Matters**”) such advances being subject to reimbursement or credit upon the approval of the Attorney General and City Council and a successful issuance of the Bonds, or the termination or abandonment of such proceedings as provided herein; and

WHEREAS, the parties hereto wish to enter into the Agreement to define the terms and conditions under which moneys will be advanced by and reimbursed to the Developer.

NOW THEREFORE, the parties, for mutual consideration, agree as follows:

SECTION 1. ADVANCEMENT OF MONEYS. The Developer shall advance up to a maximum of \$20,000.00 (the “**Moneys**”) to the City Administrator as provided in Section 3 hereof, which Moneys shall be used by the City exclusively to pay costs generally described in Section 2 hereof. If the Moneys are not advanced in accordance with Section 3, the City shall not proceed with assessing the feasibility and desirability of the PID Feasibility Matters. The City will notify the Developer if the costs generally described in Section 2 exceed or are expected to exceed \$20,000.00. Upon notification by the City of the costs in Section 2 exceeding \$20,000.00, City and Developer agree to modify this Agreement to increase the amount of Moneys advanced (the “**Additional Moneys**”). If the Additional Moneys are not advanced in accordance with Section 3, the

City shall not proceed with assessing the feasibility and desirability of the PID Feasibility Matters. The City anticipates requesting Additional Moneys in the event the City decides to proceed with creation of the PID.

SECTION 2. **USE OF MONEY ON DEPOSIT.** The City has retained The Knight Law Firm, LLP as attorneys and P3-Works as PID consultant. The City may engage additional consultants including but not limited to bond counsel, appraisers, market study consultants, and attorneys (collectively, "**Consultants**"). The Consultants will assist the City with assessing the feasibility and desirability of the PID Feasibility Matters. The Consultants will be responsible to, and will act as consultants to, the City in connection with the PID Feasibility Matters. The City Administrator will use the Moneys to pay costs and expenses of the Consultants that are associated with or incidental to the PID Feasibility Matters (collectively, "**Project Costs**"). The City Administrator may also use the Moneys for other direct City expenses relating to creation of the PID, such as statutorily required public notices. The City Administrator shall maintain records of the payment of all Project Costs and keep such records on file and available for inspection and review by the Developer in the City Administrator's office. Upon request, but not more frequently than monthly, the City agrees to provide the Developer with copies of all invoices for PID Feasibility Matters that have been paid since the last request. If the Developer objects to any portion of an invoice, the City and the Developer agree to, in good faith, attempt to resolve the dispute within a reasonable period of time.

SECTION 3. **DEPOSITS.** The Developer shall deposit with the City the amount of \$20,000.00 within fifteen (15) business days after the Effective Date. Whenever the account reaches a balance below \$5,000.00, the Developer shall deposit an additional \$20,000.00 within five business days of notification by the City Administrator. The City Administrator shall cause all Moneys received from the Developer to be deposited into a separate account maintained by or at the direction of the City Administrator and the Office of the City Director of Finance. All interest or other amounts earned on Moneys (if any) in such account shall be held in such account for the payment of Project Costs or otherwise applied as set forth in Section 4 hereof.

SECTION 4. **REIMBURSEMENT.** If proceedings for approval of the formation of the District are unsuccessful and are terminated or abandoned prior to the issuance of the Bonds, the City Administrator shall transfer to the Developer all Moneys, then on deposit in the account established and maintained pursuant to Section 3, exclusive of Moneys necessary to pay Project Costs or portions thereof that (i) have been actually incurred and (ii) are due and owing as of the date of such termination or abandonment.

The Developer shall have the following options upon the successful issuance of the Bonds:

- A. Contingent on the Attorney General's and City Council approval, the Developer may direct the City to reimburse the Developer for the Moneys, previously advanced by the Developer, from the proceeds of the Bonds, provided that the

- amount of the Moneys are included in the Calculation of the Bonds;
- B. The Developer may direct the City to return unexpended Moneys to Developer;
or
- C. The Developer may direct the City to do any combination of the above.

SECTION 5. **RESERVED RIGHTS.** This Agreement does not in any way create an obligation or commitment that the City will execute any agreements, create the District, or proceed with the issuance of the Bonds, and the City expressly reserves the right to terminate or abandon the proceedings at any time prior to the issuance of the Bonds, if in the City's sole discretion, it deems such termination or abandonment to be in the best interests of the City.

SECTION 6. **BINDING EFFECT.** This Agreement shall be binding on the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date above written.

EXECUTED and ACCEPTED this _____ of _____, 202__

CITY OF UHLAND, TEXAS, a municipal corporation

BY: _____
Mayor

DATE: _____

AGREED TO and ACCEPTED this _____ of _____, 202__

By: _____

Name: _____

Title: _____