

RESOLUTION AUTHORIZING THE USE OF PROCEEDS FROM THE SALE
OF BOND-FINANCED LAND FOR AUTHORIZED PROJECTS; AND
ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the City of Coppel, Texas (the “City”) previously issued its City of Coppel, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2008A (the “Certificates”), which Certificates were refunded by the City of Coppel, Texas, General Obligation Refunding Bonds, Series 2015 (the “Bonds”); and

WHEREAS, the Certificates were issued for the following purposes: the acquisition of approximately 360 acres, together with the acquisition of approximately 115 acres from the proceeds of the City’s Combination Tax and Revenue Certificates of Obligation, Taxable Series 2008B, being a total of approximately 475 acres all out of a tract of land of approximately 940 acres known as North Lake property owned by Luminant (the “Northlake Property”), being located east of south Beltline, south of east Beltline, west of Valley Ranch Road being located in Irving and north of Hackberry Road, to be used in part for water system improvements including storage facilities and pumping station and in part for future municipal improvements, facilities and purposes, and for paying legal, fiscal, and engineering fees in connection with such projects (collectively, the “Authorized Projects”); and

WHEREAS, on October 1, 2021, the City closed the sale of the Northlake Property to a private, non-governmental entity (the “Land Sale”); and

WHEREAS, the Internal Revenue Code of 1986, as amended (the “Code”), requires governmental entities to expend proceeds from the sale of tax-exempt bond-financed property within two years of the date the sale of such property closes; and

WHEREAS, the City Council of the City (the “Council”) finds and determines that it is in the best interests of the City to authorize the use of the proceeds from the Land Sale (the “Sale Proceeds”) on Authorized Projects in accordance with the terms hereof; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Resolution has been adopted was open to the public and public notice of the date, hour, place and subject of said meeting, including this Resolution, was given, all as required by the applicable provisions of Texas Government Code, Chapter 551;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COPPELL, TEXAS:

Section 1. Findings. The declarations, determinations and findings declared, made and found in the preambles to this Resolution are hereby adopted, restated and made a part of the operative provisions hereof.

Section 2. Authorized Projects. The Council hereby authorizes and directs that all of the Sale Proceeds be expended on Authorized Projects, with all of the Sale Proceeds to be expended no later than October 1, 2023.

Section 3. Accounting. The Sale Proceeds shall be segregated and accounted for separately from all other City funds and accounts to ensure that all Sale Proceeds are expended (i) on Authorized Projects and (ii) within the timeframe set forth in Section 2 above.

Section 4. Redemption of Bonds. In the event that all of the Sale Proceeds have not been expended on or before October 1, 2023, the Council shall be required to use all unexpended Sale Proceeds as of such date to redeem a portion of the then-outstanding Bonds. To accomplish such redemption, the Council shall determine the principal amount and maturities to be redeemed and adopt a resolution calling such portion of the Bonds for redemption prior to maturity.

PASSED, APPROVED AND EFFECTIVE this October 12, 2021.

Mayor
City of Coppell, Texas

ATTEST:

City Secretary
City of Coppell, Texas