

**CITY OF CORPUS CHRISTI, TEXAS
RESOLUTION NO. _____**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS, ACCEPTING A PETITION TO CREATE THE WHITECAP PRESERVE PUBLIC IMPROVEMENT DISTRICT; CALLING FOR A PUBLIC HEARING UNDER SECTION 372.009 OF THE TEXAS LOCAL GOVERNMENT CODE FOR THE CREATION OF THE WHITECAP PRESERVE PUBLIC IMPROVEMENT DISTRICT WITHIN THE CORPORATE LIMITS OF THE CITY OF CORPUS CHRISTI, TEXAS; TO CONSIDER THE FEASIBILITY AND ADVISABILITY OF ESTABLISHING THE DISTRICT; AUTHORIZING AND DIRECTING THE PUBLICATION AND MAILING OF NOTICES OF THE PUBLIC HEARING; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 372 of the Texas Local Government Code (the “*Act*”) authorizes the creation of public improvement districts; and

WHEREAS, on April 7, 2022, the owners of real property delivered to the City of Corpus Christi, Texas (the “*City*”) a petition for the property described in Exhibit A thereto (the “*Petition*”, which is attached as **Exhibit A** and incorporated herein for all purposes) meeting the requirements of the Act and indicating: (i) the owners of more than fifty percent (50%) of the appraised value of the taxable real property liable for assessment, and (ii) the owners of more than fifty percent (50%) of the area of all taxable real property liable for assessment within the District have executed the Petition requesting that the City Council create the Whitecap Preserve Public Improvement District (the “*District*”); and

WHEREAS, the Act states that the Petition is sufficient if signed by owners of more than fifty percent (50%) of the taxable real property, according to appraised value, and either of the following: more than fifty percent (50%) of the area of all taxable real property liable for assessment under the proposal, or more than fifty percent (50%) of all record owners of property liable for assessment; and

WHEREAS, the Act further requires that prior to the adoption of the resolution creating the District, the City Council must hold a public hearing on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City.

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct and are hereby approved and incorporated by reference as though fully set forth herein.

Section 2. City staff reviewed the Petition and determined that same complied with the requirements of the Act and the City Council accepts the Petition. The Petition is filed with the office of the City Secretary and is available for public inspection.

Section 3. The City Council calls a public hearing to be scheduled at or after 11:30 a.m. on May 17, 2022, to be held at the regular meeting place of the City Council of the City at City Hall located at 1201 Leopard Street, Corpus Christi, Texas on the advisability of the improvements, the nature of the improvements contemplated, the estimated costs of the improvements, the boundaries of the District, the method of assessment, and the apportionment, if any, of the costs between the District and the City. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and speak on the creation of the District.

Section 4. The City Council hereby authorizes and directs the City Secretary, on or before May 1, 2022, in accordance with the Act, to: (a) publish notice of the public hearing in a newspaper of general circulation in the City and in the part of the City's extraterritorial jurisdiction in which the proposed District is to be located or in which the improvements are to be undertaken; and (b) mail notice of the public hearing to the owners of property located in the proposed District as reflected on the tax rolls.

Section 5. If any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision.

Section 6. This Resolution shall be in full force and effect from and after the date of its passage, and it is accordingly so resolved.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CORPUS
CHRISTI, TEXAS THIS THE 26th DAY OF APRIL, 2022.**

CITY OF CORPUS CHRISTI, TEXAS

PAULETTE M. GUAJARDO, MAYOR

ATTEST:

Rebecca L. Huerta, CITY SECRETARY

APPROVED THIS 26th DAY OF APRIL, 2022

Miles Risley, City Attorney

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

I, the undersigned, City Secretary of the City of Corpus Christi, Texas, do hereby certify that the above and foregoing is a true, full and correct copy of a Resolution passed by the City Council of the City of Corpus Christi, Texas (and of the minutes pertaining thereto) on the 26th day of April, 2022, relating to City’s acceptance of a petition to create a public improvement district and calling a public hearing relating thereto, which Resolution is duly of record in the minutes of said City Council, and said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Texas Government Code, Chapter 551.

EXECUTED UNDER MY HAND AND SEAL of said City, this the ___ day of _____, 2022.

City Secretary

(CITY SEAL)

PASSED AND APPROVED on the 26th DAY OF APRIL, 2022:

Paulette M. Guajardo _____

Roland Barrera _____

Gil Hernandez _____

Michael Hunter _____

Billy Lerma _____

John Martinez _____

Ben Molina _____

Mike Pusley _____

Greg Smith _____

ATTEST:

CITY OF CORPUS CHRISTI

Rebecca Huerta
City Secretary

Paulette M. Guajardo
Mayor

**EXHIBIT A
PETITION FOR CREATION**

PETITION FOR THE CREATION OF A
PUBLIC IMPROVEMENT DISTRICT WITHIN THE
CORPORATE LIMITS OF CORPUS CHRISTI, TEXAS

This petition (the "Petition") is submitted and filed with the City Secretary of the City of Corpus Christi, Texas (the "City"), by Diamond Beach Holdings, LLC (the "Owner"), acting pursuant to the provisions of Chapter 372, Texas Local Government Code, as amended (the "Act"), requesting that the City create a public improvement district (the "District") to include property located within the corporate limits of the City (the "Property"), more particularly described in Exhibit A and depicted in Exhibit B, Owner hereby represents that: (1) Owner represents more than fifty percent (50%) of the appraised value of taxable real property liable for assessment in the proposed District, as determined by the current roll of the appraisal district in which the Property is located; and (2) Owner is the record owner of real property liable for assessment under the proposed District who: (A) constitutes more than fifty percent (50%) of all record owners of property that is liable for assessment under the proposed District; and (B) owns taxable real property that constitutes more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposed District. In support of this Petition, the Owner presents the following:

Section 1. General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by §372.003(b) of the Act that are necessary for the development of the Property, which public improvements may include, but not be limited to: (1) design, construction and other allowed costs related to street and roadway improvements, including related earthwork, sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) costs related to special supplemental services for improvement and promotion of the District, including services related to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; (9) payment of expenses incurred in the establishment, administration and operation of the District; and (10) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Section 2. Estimated Cost of the Authorized Improvements. The Owner estimates that the total cost of the Authorized Improvements is \$100,000,000.

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Section 3. Boundaries of the Proposed District. The District is proposed to include the Property.

Section 4. Proposed Method of Assessment. The City shall levy an assessment on each lot within the District to pay the cost of the Authorized Improvements in a manner that results in imposing equal shares of the cost on property similarly benefited. Each assessment may be paid in full or in part (including accrued and unpaid interest) without penalty at any time or may be paid in annual installments (including interest and debt). If paid in annual installments, such installments must be paid in amounts necessary to meet annual costs for the Authorized Improvements and must continue for a period necessary to retire any indebtedness incurred to pay the costs of the Authorized Improvements.

Section 5. Proposed Apportionment of Cost between the District and the City. The City shall not be obligated to provide any funds to finance the Authorized Improvements. The cost of the Authorized Improvements will be paid from the assessments and from other sources of funds, if any, available to the Owner.

Section 6. Management of the District. The Owner proposes that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

Section 7. Owner Requests Establishment of the District. The persons signing this Petition request the establishment of the District. This petition may be signed in multiple counterparts which, when taken together, shall be deemed one original.

Section 8. Advisory Board. The Owner proposes that the District be established and managed without the creation of an advisory body.

This Petition has been signed by (1) the owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and (2) record owners of real property liable for assessment under the proposal who: (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.

This Petition is hereby filed with the City Secretary of the City in support of the creation of the District by the City Council as herein provided. The undersigned requests that the City Council grant its consent as above stated.

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RESPECTFULLY SUBMITTED THIS 7th DAY OF APRIL, 2022.

DIAMOND BEACH HOLDINGS, LLC
a Texas limited liability company

By:  _____

Name: JENNIFER L. HOFF

Title: Vice President

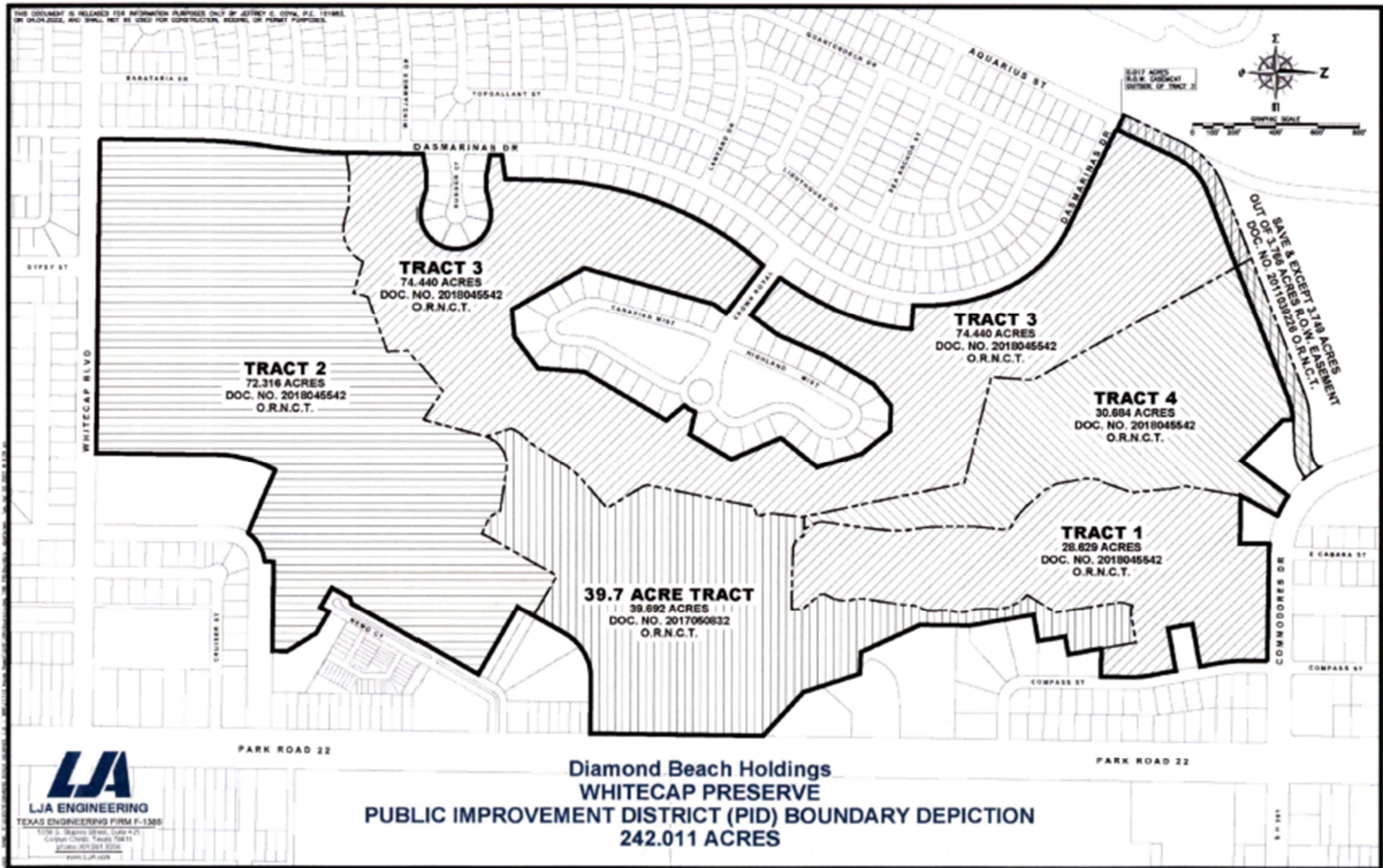
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EXHIBIT A
Metes and Bounds Description of the Property
(approximately 242.011 acres)

242.011 acres being all of a 39.692 acre tract referenced and described by metes & bounds in Substitute Trustee's Deed, Doc. No. 2017050832, Official Records, Nueces County, Texas, said 39.692 acre tract being out of Tract 27C and 27D of the Padre Island – Corpus Christi Island Fairway Estates, hereafter referred to as P.I.C.C.I.F.E., Lots 27C and 27D, a map of which is recorded in Vol. 67, Pg. 779, Map Records, Nueces County, Texas; and 202.319 acres referenced in Correction Warranty Deed, Doc. No. 2018045542, Official Records, Nueces County, Texas, and described by metes & bounds of a 28.629 acre tract (Tract 1), a 72.316 acre tract (Tract 2), a 74.440 acre tract (Tract 3), and a 30.684 acre tract (Tract 4), save & except 3.749 acres, said 3.749 acres being a portion of a 60-foot wide street tract, also known as 'Aquarius Street Re-Alignment', recorded in Doc. No. 2011039226, Official Records, Nueces County, Texas; said 202.319 acres including portions of Tract 27C and 27D of P.I.C.C.I.F.E., Lots 27C and 27D, a map of which is recorded in Vol. 67, Pg. 779, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Blocks 45 & 46, a map of which is recorded in Vol. 42, Pg. 153-154, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Block 3, a map of which is recorded in Vol. 40, Pg. 145-146, Map Records, Nueces County, Texas; all of P.I.C.C.I.F.E., Blocks 37, 38, 39, and 40, a map of which is recorded in Vol. 41, Pg. 128, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Blocks 24-33, a map of which is recorded in Vol. 40, Pg. 154-159, Map Records, Nueces County, Texas; a portion of P.I.C.C.I.F.E., Blocks 43 & 44, a map of which is recorded in Vol. 42, Pg. 10-11, Map Records, Nueces County, Texas; and portions of P.I.C.C.I.F.E., Blocks 34, 35, and 36, a map of which is recorded in Vol. 40, Pg. 183-184, Map Records, Nueces County, Texas, said Blocks 26, 35, 36, 43, 44, and a portion of Block 34 now vacated as per plat recorded in Vol. 67, Pg. 688, Map Records, Nueces County, Texas.

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EXHIBIT B
Depiction of the Property



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EXHIBIT B

CITY OF CORPUS CHRISTI, TEXAS NOTICE OF PUBLIC HEARING REGARDING THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended, notice is hereby given that the City Council of the City of Corpus Christi, Texas (“City”), will hold a public hearing to accept public comments and discuss the petition (the “Petition”), filed by Diamond Beach Holdings, LLC, a Texas Limited Liability Company (the “Petitioner”), requesting that the City create the Whitecap Preserve Public Improvement District (the “District”) to include property owned by the Petitioner.

Time and Place of the Hearing. The public hearing will start at or after 11:30 a.m. on May 17, 2022 at the regular meeting place of the City Council of the City at City Hall located at 1201 Leopard Street, Corpus Christi, Texas.

General Nature of the Proposed Authorized Improvements. The purposes of the District include the design, acquisition, construction, and improvement of public improvement projects authorized by the Public Improvement District Assessment Act, codified as Chapter 372, Texas Local Government Code, as amended (the “Act”), that are necessary for the development of the property within the District, which public improvements may include, but not be limited to: (1) design, construction and other allowed costs related to street and roadway improvements, including related earthwork, sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, and rights-of-way; (2) design, construction and other allowed costs related to storm drainage improvements; (3) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities; (4) design, construction and other allowed costs related to erection of fountains, distinctive lighting and signs, and acquisition and installation of pieces of art; (5) design, construction and other allowed costs related to parks, open space, and recreational improvements, including trails, landscaping, and irrigation related thereto; (6) design, construction and other allowed costs related to off-street parking facilities, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and rights-of-way; (7) design, construction and other allowed costs related to projects similar to those listed in subsections (1) - (6) above authorized by the Act, including similar off-site projects that provide a benefit to the Property within the District; (8) design, construction and other allowed costs related to special supplemental services for improvement and promotion of the District, including services related to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; (9) payment of expenses incurred in the establishment, administration and operation of the District; and (10) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with issuance and sale of revenue bonds secured by assessments levied against the Property (collectively, the “Authorized Improvements”). These Authorized Improvements shall promote the interests of the City and confer a special benefit on the Property.

Estimated Cost of the Authorized Improvements. The estimated cost to design, acquire and construct the Authorized Improvements, including eligible costs related to the establishment, administration and operation of the District and expenses associated with financing Authorized Improvements is \$100,000,000.

Proposed District Boundaries. The District is proposed to include approximately 242.011 acres of land generally located 0.1 miles west of the intersection of Park Road 22 and Highway 361 along Commodores Drive; and as more particularly described by a metes and bounds description available from the City Secretary's Office at City Hall located at 1201 Leopard Street, Corpus Christi, Texas and available for public inspection during regular business hours.

Proposed Method of Assessment. City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. Each assessment may be paid in full at any time (including accrued and unpaid interest), and certain assessments may be paid in annual installments (including interest and debt). If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessments and must continue for a period necessary to retire the indebtedness issued to finance or refinance those Authorized Improvements (including interest).

Proposed Apportionment of Cost between the District and City. City will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the District property. No municipal property in the District shall be assessed. The Petitioner may also pay certain costs of the improvements from other funds available to it as developer of the District.