

Resolution establishing the City's binding intention to issue General Improvement Bonds to design, develop, construct, renovate, and improve Destination Bayfront upon obtaining the approval of City voters and upon raising private contributions and other financial support of such Project; authorizing other matters incident and related thereto; and providing an effective date.

WHEREAS, the City Council (the *Council*) of the City of Corpus Christi, Texas (the *City*) will hold an election on Tuesday, November 5, 2013 (the *Election*) at which all residents, qualified electors of the City shall be entitled to vote concerning the issuance of not to exceed \$44,600,000 of general improvements bonds, to be secured by and payable from an ad valorem tax levied, within the legal limits prescribed by law, upon all taxable property located in the City (the *Bonds*) for the purpose of making permanent public improvements and other public purposes, being the design, demolition, construction, acquisition, improvement, and equipment of a joint public-private participation parks, recreation, and cultural enrichment revitalization project known as Destination Bayfront, being the result of the collaborative efforts of the public and private sectors through a process of community input to develop a plan to make improvements to, renovate, and enhance an approximately 34-acre parcel of public land and beach located in the City's downtown area (the *Project*); and

WHEREAS, the City has the authority under applicable Texas law, including Chapters 1331 and 1509, as amended, Texas Government Code, and Chapter 331, as amended, Texas Local Government Code, to issue the Bonds for the purpose of financing the capital costs of the Project; and

WHEREAS, the Council wishes to take action in the event the resident, qualified voters of the City approve the issuance of the Bonds; and

WHEREAS, the details of the Project have been developed based upon significant community input from both the public and private sectors; and

WHEREAS, a significant component of the Project includes the raising of funds from other sources, in addition to proceeds of the Bonds, that will support ongoing Project maintenance and operating expenses, as well as continued improvements over its life; and

WHEREAS, the Council has specified the City's intention at public meetings, presentations, and in written documents that have been disseminated for public information to issue the Bonds approved by City voters only upon receiving confirmation and assurance that these other funds have been raised or identified to pay the costs of operating and maintaining the Project; and

WHEREAS, the entity known as Destination Bayfront is a Texas nonprofit corporation with a business address of 800 North Shoreline Ste 100, South Tower, Corpus Christi, Texas, 78401; and

WHEREAS, prior to issuance of the Bonds and prior to construction, Destination Bayfront will raise \$15 million dollars for an endowment to pay for long term programming, operation and maintenance of the park that will result from the completion of the Project; and

WHEREAS, in this Resolution, the term *raise* or *raised* shall mean deposited or pledged where pledges will be discounted according to standard allowances for non-payment; and

WHEREAS, dedicated Hotel Occupancy Tax funds may be counted toward the requisite pledge total, along with long term multi-year sponsorships, grants, and gifts, as long as those commitments are in writing and from a credit worthy source; and

WHEREAS, the Council would like to formally establish its intention to issue the Bonds only upon receiving assurance that these other other funding sources to support the completed Project have been Raised, as that term is described above; and

WHEREAS, the Council recognizes that the adoption of this Resolution and the specifications to issue the Bonds only upon identifying and obtaining reasonable assurance that the other funds to support the maintenance and operation of the completed Project have been Raised constitutes a contract with the City voters which will bind this Council and future Councils and such covenant may not be changed or revised; and

WHEREAS, the Council hereby finds and determines that these actions are in the best interests of the residents of the City; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI THAT:

SECTION 1: The Council covenants and pledges to the City voters that the City will not issue any Bonds until it has identified and obtained reasonable assurance that Destination Bayfront has Raised other funds to support the maintenance and operation of the Project.

SECTION 2. Prior to issuance of the Bonds and prior to construction, Destination Bayfront will Raise \$15 million dollars for an endowment to pay for long term programming, operation and maintenance of the park that will result from the completion of the Project, where the term *Raise* or *Raised* shall mean deposited or pledged, where pledges will be discounted according to standard allowances for non-payment under US GAAP or GAAP, the “generally accepted accounting principles” and rules used in the United States.

SECTION 3. Dedicated Hotel Occupancy Tax funds may be counted toward the requisite pledge total, along with long term multi-year sponsorships, grants, and gifts, as long as those commitments are in writing and from a credit worthy source.

SECTION 4: City officials, City staff, and City consultants are authorized and directed to publicise the adoption of this Resolution to emphasize the City's covenant and pledge to the residents of the City to issue Bonds only after until it has identified and obtained reasonable assurance that the other funds have been Raised to support the maintenance and operation of the park that will result from the completion of the Project.

SECTION 5: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Council.

SECTION 6: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provisions of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 7: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and this Council hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 9: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10: This Resolution shall become effective immediately upon passage.

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PASSED AND APPROVED, this the ____ day of _____, 2013.

CITY OF CORPUS CHRISTI, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

Corpus Christi, Texas

_____ of _____, 2013

The above resolution was passed by the following vote:

Nelda Martinez _____

Kelley Allen _____

Rudy Garza _____

Priscilla Leal _____

David Loeb _____

Chad Magill _____

Colleen McIntyre _____

Lillian Riojas _____

Mark Scott _____