



**NORTHLAKE TOWN COUNCIL
REGULAR MEETING AGENDA
FEBRUARY 27, 2025, AT 5:30 PM
TOWN HALL - COUNCIL CHAMBER ROOM
1500 COMMONS CIRCLE, SUITE 300, NORTHLAKE, TEXAS 76226**

Notice is hereby given as required by Title 5, Chapter 551.041 of the Government Code that the Northlake Town Council will meet in a Regular Meeting on February 27, 2025, at 5:30 PM, at the Northlake Town Hall in the Chamber Room, 1500 Commons Circle, Suite 300, Northlake, Texas 76226. The items listed below are placed on the agenda for discussion and/or action. Town Councilmembers may appear virtually via video conference pursuant to Texas Government Code § 551.127. The following items will be considered:

1. CALL TO ORDER

- A. Roll Call, Invocation, Pledge of Allegiance

2. PUBLIC INPUT

This item is available for citizens to address the Town Council on any matter. The presiding officer may ask the citizen to hold his or her comment on an agenda item until that agenda item is reached. By law, no deliberation or action may be taken on the topic if the topic is not posted on the agenda. The presiding officer reserves the right to impose a time limit on this portion of the agenda.

3. CONSENT ITEMS

Items listed under Consent will be enacted with one motion, one second, and one vote. Any Council member may request an item on the Consent Agenda to be taken up for Individual Consideration.

- A. Consider approval of the Town Council Meeting Minutes for February 13, 2025
- B. Consider approval of a Resolution of the Town of Northlake, Texas, providing notification of intent to establish a reinvestment zone to provide for tax abatement; providing for required public hearing set to be held on March 13, 2025, at 5:30 p.m., during the Regular Town Council Meeting; and providing an effective date
- C. Consider approval of a Resolution of the Town of Northlake, Texas, authorizing continued participation with the steering committee of cities served by ATMOS; and authorizing the payment of five cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to ATMOS Energy Corporation

4. ACTION ITEMS

The Following Items will be Considered:

- A. Consider an Ordinance of the Town of Northlake, Texas, amending Chapter 9A of the Code of Ordinances of the Town, the same being the Unified Development Code of the Town of Northlake,

and amending Ordinance No. 21-0722F, by changing the development standards and concept plan on that certain tract of land legally described as an approximately 251.044 acre tract of land situated in the M.E.P. & P.R.R. Survey, Abstract No. 910, the H. Anderson Survey, Abstract No. 25, and the S.A. Venters Survey, Abstract No. 1313; providing that such tract of land shall be used in accordance with the requirements of the Unified Development Code and all other applicable ordinances of the Town except as modified herein; providing severability, repealing and savings clauses; providing a penalty; providing for publication and an effective date. Case # 25-PDA00001

- i. Public Hearing
- ii. Consider Approval

- B. Consider approval of an Ordinance of the Town of Northlake, Texas, authorizing the issuance of Town of Northlake, Texas, General Obligation Bonds, Taxable Series 2025 in the aggregate estimated principal amount of \$22,290,000; awarding the sale thereof; levying a tax, and providing for the security for and payment of said bonds; authorizing the execution and delivery of a paying agent/registrars agreement; approving the official statement; enacting other provisions relating to the subject; and declaring an effective date
- C. Consider approval of an Ordinance of the Town of Northlake, Texas, authorizing the Issuance and Sale of Town of Northlake, Texas, Hotel Occupancy Tax Revenue Bonds, Taxable Series 2025 in an aggregate estimated principal amount of \$5,210,000; providing for the award and sale of the bonds; approving the official statement; approving execution and delivery of a paying agent agreement; enacting other provisions relating to the subject

5. EXECUTIVE SESSION

The Town Council will convene in an Executive Session, pursuant to Texas Government Code, annotated, Chapter 551 Subchapter D:

A. Section 551.071 - Consultation with Attorney

The Town Council may convene in an executive session to consult with its attorney to seek advice on a legal matter. It provides as follows: A governmental body may not conduct a private consultation with its attorney except: (1) When the governmental body seeks the advice of its attorney about: (a) pending or contemplated litigation; or (b) a settlement offer; or (2) on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter. The Town Council may adjourn into executive session for consultation with the Town Attorney regarding:

- i. Potential annexation and development agreement for T and R Investment Holdings LLC property consisting of 0.8-acre, 1.3-acre, 2.1-acre, 0.4-acre, and part of 32.4-acre tracts of land generally located northeast of the intersection of FM 407 and Thompson Road in the extraterritorial jurisdiction of the Town.
- ii. Potential annexation and development agreement for property consisting of a 5.001-acre tract of land generally located on the north side of FM 407, northeast of the intersection with Pecan Parkway, in the extraterritorial jurisdiction of the Town.
- iii. Potential annexation and development agreement for Lot 2, Block A, The Hills of Northlake West, approximately 2.127 acres of land generally located on the north side of 1500 block of FM 407 in the extraterritorial jurisdiction of the Town.
- iv. Potential annexation and development agreement for Lots 3 & 4, Block A, The Hills of

Northlake West, approximately 4.253 acres of land generally located on the north side of 1500 block of FM 407 in the extraterritorial jurisdiction of the Town.

- v. Potential amendment to development agreement between Sandstrom Development Tx, LTD and the Town of Northlake for development of Hawthorne Estates.
- vi. Potential amendment to development agreement between Gaddy Commercial Venture, LLC and the Town of Northlake for development of Florance Road Business Park.
- vii. Legal matters regarding Northlake Code of Ordinances, Chapter 5, Article 5.11 - Short-Term Rentals, related to enforcement, regulations, permit term, and appeal.
- viii. Potential violations of Section II. A. "Retail Water Service" of the March 14, 2024, interlocal agreement by and between the Town of Northlake and the City of Justin allocating extraterritorial jurisdiction and retail water and sewer service areas.

B. Section 551.072 - Real Property

The Town Council may convene in an executive session to discuss or deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

- i. Deliberation regarding the purchase, exchange, lease, or value of real property to be acquired for the construction and maintenance of roadway, drainage, and sanitary sewer improvements for commercial areas north of FM 407 and east of Faight Road.
- ii. Deliberation regarding the purchase, exchange, lease, or value of real property to be acquired for the construction and maintenance of water system improvements in the Town's northwest pressure plain.

C. Section 551.087 - Economic Development Negotiations

The Town Council may convene in an executive session to discuss or deliberate regarding commercial or financial information that the Town has received from a business prospect that the Town seeks to have locate, stay, or expand in or near the Town and with which the Town is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect described below.

- i. Potential development agreement for La Estancia Investments LP property consisting of a 110.6-acre and part of a 295.5-acre tracts of land, Bob Smith Management Co. LTD property consisting of a 239.6-acre tract of land, and JHGS Investments LTD property consisting of a 66.5-acre, a 8.6-acre, a 14.5-acre, 4.2-acre, a 13.6-acre, a 28.8-acre, and a 12.6-acre tracts of land generally located south of FM 1171 and west of Cleveland-Gibbs Road.
- ii. Potential economic development agreement with Northport Partners, LLC for the development of 1.32 acres of land owned by the Town of Northlake generally located at the northeast corner of Interstate 35W and Ashmore Lane.

6. RECONVENE INTO OPEN SESSION

The Town Council will reconvene into Open Session for possible action resulting from any items posted and legally discussed or deliberated in Executive Session.

- A. Consider approval of a Resolution of the Town of Northlake, Texas, authorizing the Town Manager to negotiate and execute an amendment to the Development Agreement between Gaddy Commerical Venture, LLC, and the Town of Northlake (Florance Road Business Park)

- B. Consider approval of a Resolution of the Town of Northlake, Texas, authorizing the Town Manager to negotiate and execute an amendment to the Development Agreement between Sandstrom Development Tx, Ltd, subsequently assigned to successor owner Hawthorne Land and Cattle, Ltd, and the Town of Northlake (Hawthorne Estates)

7. **ADJOURN**

With no further items to consider, the meeting will be adjourned.

NOTE: The Town Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above as authorized by Texas Government Code Section 551.071(Consultation with Attorney); Section 551.072 (Deliberations about Real Property);551.073 (Deliberations about Gifts and Donations); 551.074 (Personnel Matters); 551.076 (Deliberations about Security Devices); 551.087(Economic Development Negotiations).

CERTIFICATION

I, Zolaina R. Parker, Town Secretary for the Town of Northlake, Texas, hereby certify that the above agenda was posted on the official bulletin board located at Town Hall, 1500 Commons Circle, Suite 300, Northlake, Texas 76226, on February 21, 2025, by 6:00 p.m., in accordance with Chapter 551 of the Texas Government Code.



Zolaina R. Parker
Zolaina R. Parker, Town Secretary

NOTICE: THE TOWN OF NORTHLAKE'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT(ADA). THE TOWN WILL PROVIDE ACCOMMODATIONS, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED IF REQUESTED AT LEAST FORTY-EIGHT (48) HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE TOWN SECRETARY'S OFFICE AT 940-242-5702 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD), BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATIONS CAN BE ARRANGED.

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
Section: 1. CALL TO ORDER

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025

Section: 2. PUBLIC INPUT

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
Section: 3. CONSENT ITEMS

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
REF. DOC.: Northlake Home Rule Charter
SUBJECT: Consider approval of the Town Council Meeting Minutes for February 13, 2025
**GOALS/
OBJECTIVES:** Invest in Infrastructure; 4.5 - Leverage technology and equipment to deliver services

BACKGROUND INFORMATION:

- Approval of Meeting Minutes:
 - February 13, 2025

COUNCIL ACTION/DIRECTION:

Approve Minutes Draft as Presented



**NORTHLAKE TOWN COUNCIL
REGULAR MEETING MINUTES
TOWN HALL - COUNCIL CHAMBER ROOM
1500 COMMONS CIRCLE, SUITE 300, NORTHLAKE, TEXAS 76226
FEBRUARY 13, 2025**

The Northlake Town Council convened in a Regular Meeting on February 13, 2025, at 5:30 PM, in the Northlake Town Hall – Council Chamber Room, 1500 Commons Circle, Suite 300, Northlake, Texas.

1. CALL TO ORDER

Mayor Montini called the meeting to order at 5:30 p.m., and a quorum was present as follows:

Roll Call:

Brian Montini, Mayor
Alexandra Holmes, Place 1
Michael Ganz, Place 2
Aaron Fowler, Place 3 - Absent with Notice

Roger Sessions, Place 4
Maryl Lorencz, Mayor Pro Tem Place 5
John Kelley, Place 6 - Absent with Notice

Also present were:

Drew Corn, Town Manager
Dean Roggia, Town Attorney
Zolaina Parker, Town Secretary

- Invocation was given by Drew Corn, Town Manager.
- The Pledge of Allegiance to the United States and Texas Flags was led by Webelos Pack #192.

2. ANNOUNCEMENTS, PROCLAMATIONS, AND PRESENTATIONS

A. Employee Anniversary - Alex Arnold, Police Department - 15 Years

The award was presented by Robert Crawford, Chief of Police, and commentary followed.

B. Employee Anniversary - Lora Hutchings, Development Services - 10 Years

The award was presented by Nathan Reddin, Development Services Director, and commentary followed.

C. Briefing - Denton County Bond Program and Texas Department of Transportation Road Projects

The item was presented by John Polster, ITS, and discussion followed.

There was no consensus as the item was for information and presentation purposes only.

D. Briefing - Northlake Police Department Recap 2024

The item was presented by Robert Crawford, Chief of Police, and Dwight Thornton, Captain, and discussion followed.

There was no consensus as the item was for information and presentation purposes only.

E. Briefing - Fiscal Year 2025 First Quarter Investment & Financial Report (Oct - Dec 2024)

The item was presented by John Thomson, Finance Director, and commentary followed.

There was no consensus as the item was for information and presentation purposes only.

3. **PUBLIC INPUT**

The following individuals shared comments as allowed under the Public Input portion of the agenda. All comments may be viewed in their entirety on the Town's Website at <https://www.town.northlake.tx.us/337/Watch-Council-Meetings>.

- Joel McGregor, address on file - confusion regarding what sales tax can be spent on; bribing businesses to come into Town; 99% of Northlake residents buy online; quit paying businesses
- Rena Hardeman, address on file - DOGE, giveaways, incentives; some giveaways fail; look at abatements; enviable geographic location; don't further burden citizens

4. **CONSENT ITEMS**

The Consent Agenda consisted of Item 4.A. - 4.D., and Mayor Pro Tem Lorencz pulled item 4.B. for individual consideration.

Councilmember Ganz moved to approve the Consent Agenda now consisting of Items 4.A., and 4.C-D. Motion seconded by Councilmember Sessions. Motion Passed.

AYES (5): Holmes, Ganz, Montini, Lorencz, Sessions

NAYS (0): None

ABSENT (2): Fowler, Kelley

A. Consider approval of the Town Council Meeting Minutes for January 9, 2025

APPROVED

- C. Consider an Ordinance of the Town of Northlake, Texas, authorizing and ordering a General Uniform (Municipal) Election to be held in the Town of Northlake on May 3, 2025, and if required, a Runoff Election on June 7, 2025, for the purpose of electing Council Members to Places 4, 5, and 6; prescribing the time and designating the locations, and manner of conducting the election to be in accordance with the Joint Election Agreement and Contract for Election Services with Denton County and the Denton County Elections Administrator; authorizing the Mayor to execute the agreement and contract; and providing an effective date
APPROVED ORDINANCE NO. 25-0213A
- D. Consider approval of a Resolution of the Town of Northlake, Texas, authorizing continued participation with the steering committee of cities served by ONCOR; and authorizing the payment of eleven cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to ONCOR Electric Delivery Company, LLC
APPROVED RESOLUTION NO. 25-06

INDIVIDUAL CONSIDERATION

- B. Consider acceptance of the Northlake Police Department Racial Profiling Report for 2024
Item pulled for Individual Consideration - by Mayo Pro Tem Lorencz
APPROVED RESOLUTION NO. 25-05

The item was presented, and commentary followed.

Mayor Pro Tem Lorencz moved to approve the item as presented. Motion seconded by Councilmember Holmes. Motion Passed.

AYES (5): Holmes, Ganz, Montini, Lorencz, Sessions

NAYS (0): None

ABSENT (2): Fowler, Kelley

5. ACTION ITEMS

- A. Consider approval of a Resolution of the Town of Northlake, Texas, approving the terms and conditions of an incentives policy to promote economic development and stimulate business and commercial activity in the town; establishing guidelines and criteria for approval of tax abatements and other incentives; electing to become eligible to participate in tax abatement; and providing an effective date
- i. Public Hearing
 - ii. Consider Approval
- APPROVED RESOLUTION NO. 25-07**

The item was presented and discussion followed.

Mayor Montini recessed the Regular Meeting and opened the public hearing at 6:33 p.m., with the following coming forward to speak:

- Joel McGregor, address on file - Laura McGregor was on CDC and spoke to businesses who advised will come anyways and take the money

With no further speakers, Mayor Montini closed the public hearing and reconvened the Regular Meeting at 6:34 p.m.

Councilmember Holmes moved to approve the item as presented. Motion seconded by Mayor Montini. Motion Passed.

AYES (4): Holmes, Montini, Lorencz, Sessions

NAYS (1): Ganz

ABSENT (2): Fowler, Kelley

6. EXECUTIVE SESSION

The Town Council convened into an Executive Session, at 6:35 p.m., consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law to address the following:

A. Section 551.071 - Consultation with Attorney

- i. Potential annexation and development agreement for T and R Investment Holdings LLC property consisting of 0.8-acre, 1.3-acre, 2.1-acre, 0.4-acre, and part of 32.4-acre tracts of land generally located northeast of the intersection of FM 407 and Thompson Road in the extraterritorial jurisdiction of the Town.
- ii. Potential annexation and development agreement for property consisting of a 5.001-acre tract of land generally located on the north side of FM 407, northeast of the intersection with Pecan Parkway, in the extraterritorial jurisdiction of the Town.
- iii. Potential annexation and development agreement for Lot 2, Block A, The Hills of Northlake West, approximately 2.127 acres of land generally located on the north side of 1500 block of FM 407 in the extraterritorial jurisdiction of the Town.
- iv. Potential annexation and development agreement for Lots 3 & 4, Block A, The Hills of Northlake West, approximately 4.253 acres of land generally located on the north side of 1500 block of FM 407 in the extraterritorial jurisdiction of the Town.
- v. Potential amendment to development agreement between Sandstrom Development Tx, LTD and the Town of Northlake for development of Hawthorne Estates.
- vi. Potential amendment to development agreement between Gaddy Commercial Venture, LLC and the Town of Northlake for development of Florance Road Business Park.

B. Section 551.072 - Real Property

- i. Proposed purchase of 0.0180 acre (786 sq. ft) tract of land on property situated in the George Shamblin Survey, Abstract No. 1191, Town of Northlake, Denton County, Texas, and being part of Lot 2R1, Block 1, Creekside at Northlake II, for the use by the Town of Northlake for the construction and maintenance of Elizabethtown Road Bridge and for other public purposes permitted by law.

- ii. Proposed purchase of 0.0797 acre (3,473 sq. ft) tract of land on property situated in the George Shamblin Survey, Abstract No. 1191, Town of Northlake, Denton County, Texas, and being part of a tract of land described to Puskoor M. Kumar, Trustee of the Puskoor M. Kumar Irrevocable Trust, for the use by the Town of Northlake for the construction and maintenance of Elizabethtown Road Bridge and for other public purposes permitted by law.
- iii. Proposed purchase of 0.1898 acre (8,266 sq. ft) tract of land on property situated in the George Shamblin Survey, Abstract No. 1191, Town of Northlake, Denton County, Texas, for the use by the Town of Northlake for the construction and maintenance of Elizabethtown Road Bridge and for other public purposes permitted by law.
- iv. Deliberation regarding the purchase, exchange, lease, or value of real property to be acquired for the construction and maintenance of roadway, drainage, and sanitary sewer improvements for commercial areas north of FM 407 and east of Faught Road.
- v. Deliberation regarding the purchase, exchange, lease, or value of real property to be acquired for the construction and maintenance of water system improvements in the Town's northwest pressure plain.

C. Section 551.087 - Economic Development Negotiations

- i. Potential development agreement for La Estancia Investments LP property consisting of a 110.6-acre and part of a 295.5-acre tracts of land, Bob Smith Management Co. LTD property consisting of a 239.6-acre tract of land, and JHGS Investments LTD property consisting of a 66.5-acre, a 8.6-acre, a 14.5-acre, 4.2- acre, a 13.6-acre, a 28.8-acre, and a 12.6-acre tracts of land generally located south of FM 1171 and west of Cleveland-Gibbs Road.
- ii. Potential economic development agreement with Northport Partners, LLC for the development of 1.32 acres of land owned by the Town of Northlake generally located at the northeast corner of Interstate 35W and Ashmore Lane.

7. RECONVENE INTO OPEN SESSION

Mayor Montini reconvened the Regular Meeting at 7:13 p.m., to address Council action regarding the items deliberated during Executive Session as follows:

- A. Consider approval of a resolution of the Town of Northlake, Texas, authorizing the purchase of 0.0180 acre (786 sq. ft) tract of land on property situated in the George Shamblin Survey, Abstract No. 1191, Town of Northlake, Denton County, Texas, and being part of Lot 2R1, Block 1, Creekside at Northlake II, for the use by the Town of Northlake for the construction and maintenance of Elizabethtown Road Bridge and for other public purposes permitted by law
APPROVED RESOLUTION NO. 25-08

Mayor Pro Tem Lorencz moved to approve the item as presented. Motion seconded by Councilmember Holmes. Motion Passed.

AYES (5): Holmes, Ganz, Montini, Lorencz, Sessions

NAYS (0): None

ABSENT (2): Fowler, Kelley

- B. Consider approval of a resolution of the Town of Northlake, Texas, authorizing the purchase of 0.0797 acre (3,473 sq. ft) tract of land on property situated in the George Shamblin Survey, Abstract No. 1191, Town of Northlake, Denton County, Texas, and being part of a tract of land described to Puskoor M. Kumar, Trustee of the Puskoor M. Kumar Irrevocable Trust, for the use by the Town of Northlake for the construction and maintenance of Elizabethtown Road Bridge and for other public purposes permitted by law

APPROVED RESOLUTION NO. 25-09

Mayor Pro Tem Lorencz moved to approve the item as presented. Motion seconded by Councilmember Holmes. Motion Passed.

AYES (5): Holmes, Ganz, Montini, Lorencz, Sessions

NAYS (0): None

ABSENT (2): Fowler, Kelley

- C. Consider approval of a resolution of the Town of Northlake, Texas, authorizing the purchase of 0.1898 acre (8,266 sq. ft) tract of land on property situated in the George Shamblin Survey, Abstract No. 1191, Town of Northlake, Denton County, Texas, for the use by the Town of Northlake for the construction and maintenance of Elizabethtown Road Bridge and for other public purposes permitted by law

APPROVED RESOLUTION NO. 25-10

Mayor Montini moved to approve the item as presented. Motion seconded by Mayor Pro Tem Lorencz. Motion Passed.

AYES (5): Holmes, Ganz, Montini, Lorencz, Sessions

NAYS (0): None

ABSENT (2): Fowler, Kelley

8. ADJOURN

With no further business, Mayor Montini adjourned the meeting at 7:16 p.m.

Brian Montini, Mayor

ATTEST:

Zolaina R. Parker, Town Secretary

MINUTES APPROVED ON: _____

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
REF. DOC.: Chapter 312, Texas Tax Code; Northlake Business Park Development Agreement
SUBJECT: Consider approval of a Resolution of the Town of Northlake, Texas, providing notification of intent to establish a reinvestment zone to provide for tax abatement; providing for required public hearing set to be held on March 13, 2025, at 5:30 p.m., during the Regular Town Council Meeting; and providing an effective date
**GOALS/
OBJECTIVES:** Advance Northlake's Interest; 5.2 - Capture and incorporate the extraterritorial jurisdiction, Promote Economic Vitality; 6.2 - Target business development through economic incentives

BACKGROUND INFORMATION:

- DFW Northlake Business Park, LLC owns 67.95 acres in Northlake (formerly in ETJ)
 - North of FM 407 in 1600 and 1700 blocks of FM 407
 - Proposed commercial/light industrial development to be known as Northlake Business Park
- June 22, 2023: Development Agreement (DA) approved by Town Council
 - DA includes provisions for:
 - Annexation (approved September 12, 2024)
 - Land use and future zoning: Industrial
 - Development standards: Match County Building and Fire Codes
 - Tax abatement
- January 9, 2025: Council briefed on Northlake Business Park progress and next steps per DA
 - Next steps include consideration of tax abatement
- February 13, 2025: Town Council adopted updated incentives policy
 - Includes guidelines and criteria for tax abatements
- Next steps
 - March 13, 2025 Town Council Meeting
 - Hold public hearing
 - Adopt ordinance to create reinvestment zone covering Northlake Business Park
 - Remaining schedule for consideration of tax abatement depends on submittal of application by Owner

COUNCIL ACTION/DIRECTION:

Approve notice of intent to establish Reinvestment Zone No. 5



**TOWN OF NORTHLAKE, TEXAS
OFFICIAL RESOLUTION**

NO.

A RESOLUTION OF THE TOWN OF NORTHLAKE, TEXAS, PROVIDING NOTIFICATION OF INTENT TO ESTABLISH A REINVESTMENT ZONE TO PROVIDE FOR TAX ABATEMENT; PROVIDING FOR REQUIRED PUBLIC HEARING; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Town of Northlake, Texas ("Town") recognizes the importance of its role in local economic development; and

WHEREAS, on February 13, 2024, the Town Council approved Resolution No. 25-06 electing to become eligible to participate in tax abatement pursuant to the guidelines and criteria set out in the Incentives policy established therein, said Incentives Policy governs tax abatement agreements to be entered into by the Town as required by the Property Redevelopment and Tax Abatement Act, as amended, V.T.C.A Tax Code, Chapter 312 (the "Act"); and

WHEREAS, the Town has determined that the approximate 67.95 acres depicted on the boundary survey attached hereto as Exhibit "A" (the "Property") meets the criteria for a reinvestment zone under the Act; and

WHEREAS, the Act further requires that prior to the adoption of the ordinance providing for the establishment of a reinvestment zone to promote development or redevelopment within such zoned through the use of tax abatement as authorized by the Act, the Town must hold a public hearing on adoption of the proposed reinvestment zone and find that the improvements sought are feasible and practical and would be of benefit to the land to be included in the zone and to the community and provide interested persons the opportunity to speak and present evidence for or against the designation; and

WHEREAS, the Town desires, by calling and holding such public hearing, to provide a reasonable opportunity for any owner of property located within the proposed zone, any other taxing unit, and any other interested persons to speak for or against the creation of the proposed reinvestment zone or the inclusion of any property therein.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS THAT:

Section 1. That a public hearing shall be held at 5:30 P.M. on March 13, 2025, in the Town Council Chambers, Northlake Town Hall, 1500 Commons Circle, Suite 300, Northlake, Texas, at

which time any interested person may appear and speak for or against the creation of Reinvestment Zone No. 05 for the purpose of considering certain tax abatement agreements and at the close of the public hearing the Town Council shall consider an ordinance creating Town of Northlake Reinvestment Zone No. 05.

Section 2. That notice of such public hearing shall be published in the official newspaper of the Town not later than seven (7) days prior to the date of such hearing, and that written notice of such hearing along with a copy of this resolution shall be delivered in writing to the presiding officer of the governing body of each taxing unit that has real property that is to be included in the proposed reinvestment zone within its boundaries.

Section 3. That this resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED by the Town Council of the Town of Northlake, Texas, on February 27, 2025.

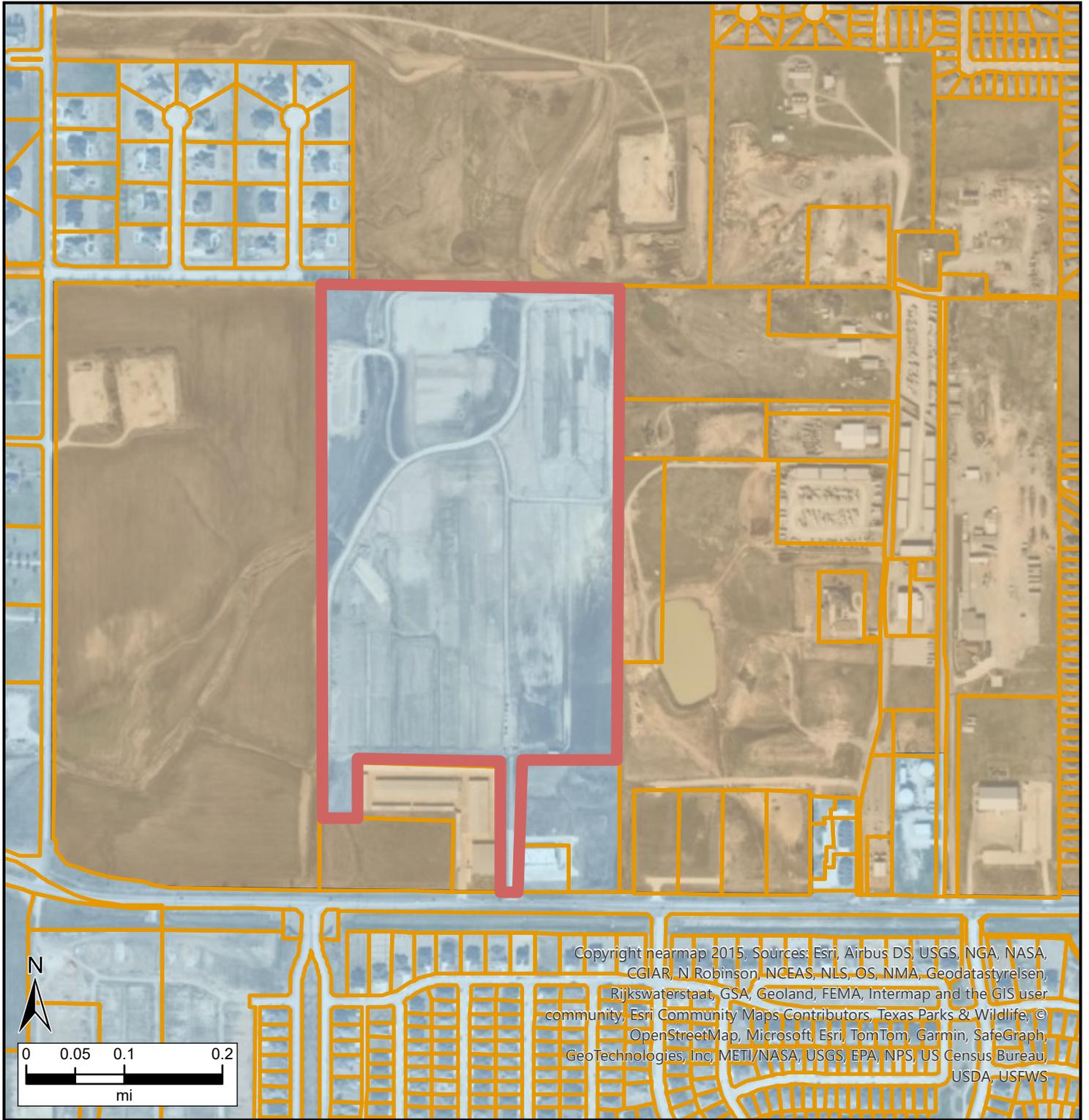
Town of Northlake, Texas

Brian Montini, Mayor

Attest:

Zolaina Parker, Town Secretary

Northlake Business Park



Legend

-  Parcels
-  Northlake Boundary
- Town of Northlake Incorporated Area and ETJ**
-  Incorporated Area
-  Extraterritorial Jurisdiction
-  Limited Purposes Annexation

Nearmap Reference Layer

RGB

-  Red: Band_1
-  Green: Band_2
-  Blue: Band_3



NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
REF. DOC.: Texas Utilities Code, Chapter 33
SUBJECT: Consider approval of a Resolution of the Town of Northlake, Texas, authorizing continued participation with the steering committee of cities served by ATMOS; and authorizing the payment of five cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to ATMOS Energy Corporation
GOALS/ OBJECTIVES: Advance Northlake's Interest; 5.4 - Partner regionally to mitigate adverse impacts, Advance Northlake's Interest; 5.3 - Influence local- regional - and state issues

BACKGROUND INFORMATION:

- Benefits of membership:
 - Advocates for municipalities and residents to ensure reasonable gas transmission and distribution rates
 - Protect municipal authority, and save ratepayers millions by challenging unreasonable charges
- Membership cost \$0.5 per capita, total cost \$472.65
- Town has had annual participation for nearly 20 years

COUNCIL ACTION/DIRECTION:

Approve the Resolution allowing the Town to renew membership with the ATMOS Steering Committee



**TOWN OF NORTHLAKE, TEXAS
OFFICIAL RESOLUTION**

NO. 25-06

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ATMOS; AND AUTHORIZING THE PAYMENT OF FIVE CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Town of Northlake is a regulatory authority under the Gas Utility Regulatory Act (GURA) and has exclusive original jurisdiction over the rates and services of Atmos Energy Corporation, Mid-Tex Division (Atmos) within the municipal boundaries of the city; and

WHEREAS, the Atmos Cities Steering Committee (ACSC) has historically intervened in Atmos rate proceedings and gas utility related rulemakings to protect the interests of municipalities and gas customers residing within municipal boundaries; and

WHEREAS, ACSC is participating in Railroad Commission dockets and projects, as well as court proceedings and legislative activities, affecting gas utility rates; and

WHEREAS, the Town would like to remain a member of ACSC; and

WHEREAS, in order for ACSC to continue its participation in these activities which affects the provision of gas utility service and the rates to be charged, it must assess its members for such costs.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS THAT:

Section 1. That the Town is authorized to become a member in the Atmos Cities Steering Committee to protect the interests of the Town of Northlake and protect the interests of the customers of Atmos Energy Corporation, Mid-Tex Division residing and conducting business within the Town limits.

Section 2. The Town is further authorized to pay its 2025 assessment to the ACSC in the amount of five cents (\$0.05) per capita.

Section 3. A copy of this Resolution and approved assessment fee payable to “City of Arlington, c/o Atmos Cities Steering Committee,” shall be sent to: City of Arlington, Brandi Stigler, PO Box 90231, Arlington, Texas 76004

Section 4. All the above premises are true and correct legislative and factual findings of the Town Council, and they are hereby approved, ratified, and incorporated into the body of this resolution as if copied in their entirety.

Section 5. This resolution shall be effective immediately upon approval by the Town Council.

PASSED AND APPROVED by the Town Council of the Town of Northlake, Texas, on February 27, 2025.

Town of Northlake, Texas

Brian Montini, Mayor

Attest:

Zolaina Parker, Town Secretary

MEMORANDUM

TO: Atmos Cities Steering Committee
FROM: Meg Jakubik, Chair, Atmos Cities Steering Committee
DATE: January 13, 2025
RE: **Action Needed - 2025 Atmos Cities Steering Committee Membership Assessment Invoice**

On December 12, 2025, the Atmos Cities Steering Committee (“ACSC”) held a quarterly meeting with representatives from Atmos Energy. During the meeting, the group held a discussion of upcoming natural gas issues and approved the assessment for ACSC membership. Using the population-based assessment protocol previously adopted by ACSC, the assessment for 2025 is a per capita fee of \$0.05. This is the same amount as was adopted for 2019-2024.

ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of the residential and small commercial customers within the cities. Cities are the only consumer advocates that work to keep natural gas rates reasonable. The work undertaken by ACSC has saved ratepayers millions of dollars in unreasonable charges. In order to continue to be an effective voice at the Railroad Commission, at the Legislature, and in the courts, ACSC must have your support. Please take action to pay the membership assessment as soon as possible. Payment of the membership assessment fee shall be deemed to be in agreement with the terms of the ACSC participation agreement.

Although ACSC does not require that your city take action by resolution to approve the assessment, some members have requested a model resolution authorizing payment of the 2025 membership assessment. To assist you in the assessment process, we have provided the following documents for your use:

- ACSC 2024 Year in Review
- Model resolution approving the 2025 assessment (optional, provided for those cities that have requested a resolution to authorize payment)
- Model staff report supporting the resolution
- List of Atmos Cities Steering Committee members
- 2025 Assessment invoice
- 2024 Assessment invoice and statement (only included if not yet paid)
- Blank member contact form to update the distribution lists

Please forward the membership assessment fee and, if applicable, the signed resolution to City of Arlington, Brandi Stigler, PO Box 90231, Arlington, Texas 76004. Checks should be made payable to: *“City of Arlington, c/o Atmos Cities Steering Committee.”*

If you have any questions, please contact ACSC Chairperson, Meg Jakubik ((972) 874-6082). ACSC’s counsel, Thomas Brocato (tbrocato@lglawfirm.com) at 512/322-5857 is also available to assist you.

Atmos Cities Steering Committee
 C/O City of Arlington
 Attn: Brandi Stigler
 PO Box 90231
 Arlington, TX 76004

Invoice

Date	Invoice #
1/30/2025	25-183

Bill To
Town of Northlake

Item	Population	Per Capita	Amount
2025 Membership Assessment	9,453	0.05	472.65
Please make check payable to: Atmos Cities Steering Committee and mail to Atmos Cities Steering Committee, C/O City of Arlington, Attn: Brandi Stigler, PO Box 90231, Arlington, Texas 76004			Total \$472.65

ACSC Master List of Members (186 Total)

- | | | |
|----------------------------|---------------------------|---------------------------|
| 1. Abilene | 63. Fairview | 125. Nocona |
| 2. Addison | 64. Farmers Branch | 126. North Richland Hills |
| 3. Albany | 65. Farmersville | 127. Northlake |
| 4. Allen | 66. Fate | 128. Oak Leaf |
| 5. Alvarado | 67. Flower Mound | 129. Ovilla |
| 6. Angus | 68. Forest Hill | 130. Palestine |
| 7. Anna | 69. Forney | 131. Pantego |
| 8. Archer City | 70. Fort Worth | 132. Paris |
| 9. Argyle | 71. Frisco | 133. Parker |
| 10. Arlington | 72. Frost | 134. Pecan Hill |
| 11. Aubrey | 73. Gainesville | 135. Petrolia |
| 12. Azle | 74. Garland | 136. Plano |
| 13. Bartonville | 75. Garrett | 137. Ponder |
| 14. Bedford | 76. Georgetown | 138. Pottsboro |
| 15. Bellmead | 77. Glenn Heights | 139. Prosper |
| 16. Belton | 78. Grand Prairie | 140. Quitman |
| 17. Benbrook | 79. Grapevine | 141. Red Oak |
| 18. Beverly Hills | 80. Groesbeck | 142. Reno (Parker County) |
| 19. Blossom | 81. Gunter | 143. Rhome |
| 20. Blue Ridge | 82. Haltom City | 144. Richardson |
| 21. Bowie | 83. Harker Heights | 145. Richland |
| 22. Boyd | 84. Haskell | 146. Richland Hills |
| 23. Bridgeport | 85. Haslet | 147. River Oaks |
| 24. Brownwood | 86. Hewitt | 148. Roanoke |
| 25. Bryan | 87. Highland Park | 149. Robinson |
| 26. Buffalo | 88. Highland Village | 150. Rockwall |
| 27. Burkburnett | 89. Honey Grove | 151. Roscoe |
| 28. Burleson | 90. Hurst | 152. Rowlett |
| 29. Caddo Mills | 91. Hutchison | 153. Royse City |
| 30. Canton | 92. Hutto | 154. Sachse |
| 31. Carrollton | 93. Iowa Park | 155. Saginaw |
| 32. Cedar Hill | 94. Irving | 156. Sansom Park |
| 33. Celeste | 95. Justin | 157. Seagoville |
| 34. Celina | 96. Kaufman | 158. Seymour |
| 35. Centerville | 97. Keene | 159. Sherman |
| 36. Cisco | 98. Keller | 160. Snyder |
| 37. Clarksville | 99. Kemp | 161. Southlake |
| 38. Cleburne | 100. Kennedale | 162. Springtown |
| 39. Clyde | 101. Kerens | 163. Stamford |
| 40. College Station | 102. Kerrville | 164. Stephenville |
| 41. Colleyville | 103. Killeen | 165. Sulphur Springs |
| 42. Colorado City | 104. Krum | 166. Sweetwater |
| 43. Comanche | 105. Lakeside | 167. Temple |
| 44. Coolidge | 106. Lake Dallas | 168. Terrell |
| 45. Coppell | 107. Lake Worth | 169. The Colony |
| 46. Corinth | 108. Lancaster | 170. Trophy Club |
| 47. Crandall | 109. Lavon | 171. Tyler |
| 48. Cross Roads | 110. Lewisville | 172. University Park |
| 49. Crowley | 111. Little Elm | 173. Venus |
| 50. Dalworthington Gardens | 112. Little River Academy | 174. Vernon |
| 51. Denison | 113. Llano | 175. Waco |
| 52. Denton | 114. Lorena | 176. Watauga |
| 53. DeSoto | 115. Madisonville | 177. Waxahachie |
| 54. Draper | 116. Malakoff | 178. Westlake |
| 55. Duncanville | 117. Mansfield | 179. Westover Hills |
| 56. Early | 118. McKinney | 180. Westworth Village |
| 57. Eastland | 119. Melissa | 181. Whitesboro |
| 58. Edgecliff Village | 120. Mesquite | 182. White Settlement |
| 59. Emory | 121. Midlothian | 183. Wichita Falls |
| 60. Ennis | 122. Murphy | 184. Wilmer |
| 61. Euless | 123. Newark | 185. Woodway |
| 62. Everman | 124. New Fairview | 186. Wylie |

2024 ACSC Newsletter



2024 YEAR IN REVIEW ISSUE

This past year was a busy one for ACSC. This annual review highlights the significant events of 2024 that impacted ACSC and what's on the horizon next year.

ACSC Thanks Outgoing President Jennifer Richie

The Atmos Cities Steering Committee offered its sincere thanks in 2024 to Jennifer Richie, who resigned her post as City Attorney for the City of Waco. With her Aug. 12 departure, Ms. Richie also left her post as head of ACSC, a position she has held with distinction since 2014.

Thomas Brocato, general counsel for ACSC, praised Ms. Richie for her leadership. "Jennifer is the consummate professional and a great friend. It has been my pleasure partnering with her over the years."

Waco Mayor Jim Holmes also expressed his thanks. "We are appreciative of Jennifer's contributions to our city — her expertise and dedication have been vital in navigating the complex landscape of municipal governance," he said.

Richie, who received her law degree in 1998 from the Paul M. Hebert Law Center at Louisiana State University, said she is leaving her post to pursue other opportunities. She praised the City of Waco's legal team and said "it has been a true joy" working with her colleagues during a period of unprecedented growth for the city. "I have been so lucky to lead a legal team made up of smart, talented, and diligent professionals," she said. "I am confident that this team will continue to excel and support Waco's growth and development."

On December 17, 2014, ACSC held a quarterly meeting at the Arlington Convention Center during which Ms. Richie was elected as president to replace Jay Doegey, who had retired from the City of Arlington.

With Ms. Richie's departure, the ACSC officers for 2025 are Chair Meg Jakubik, Treasurer David Johnson, and Secretary Lupe Orozco. The vice chair position remains open.



From left: Lloyd Gosselink attorney Jamie Mauldin, outgoing ACSC Chair Jennifer Ritchie, and Lloyd Gosselink attorney Thomas Brocato

ACSC Welcomed New Members in 2024

The Atmos Cities Steering Committee welcomed two new members in 2024 — the town of Bartonville and the city of Llano. Bartonville and Llano became ACSC's 185th and 186th members respectively.

Town of Bartonville. Located eight miles south of Denton in south central Denton County, Bartonville was settled in 1878, and by 1890 had twenty-five residents, a general store, a gristmill, and cotton gin — all owned by the family of the town's namesake, T. Bent Barton. The present town of Bartonville, which incorporated in 1973, continues to grow as part of the general development of the area north of the Dallas / Fort Worth International Airport.

City of Llano. The county seat of Llano County, this Central Texas municipality was founded in 1855 as a frontier trading hub. Various 19th century buildings remain standing in the city's historic downtown area — including the charming Llano County courthouse, which was completed in 1893; and the grey granite building known as the Red Top Jail, built in 1895.

Welcome aboard Bartonville and Llano!

2024 Rate Case Round-Up

Atmos West Texas Seeks \$66.1 Million Hike; ACSC Intervenes for Consumers

Atmos Energy has filed paperwork seeking to increase system-wide base rates in its West Texas Division by approximately \$66.1 million. If approved, annual revenues received from the incorporated areas of that division would increase by approximately \$26.9 million, which equates to 32.27 percent, excluding gas costs. Average monthly residential bills also would go up by about \$16.66, or 10 percent, according to the company's Oct. 25 filing. The company seeks a rate of return of 8.21 percent.

In addition to establishing new rates, the company seeks in its filing to establish a new "System Safety and Integrity Rider" through which it could recover expenses for inspection activities, incremental leak surveying, pipeline integrity testing, and other associated costs. Atmos likewise seeks to obtain approval to recover cloud computing costs through the interim Gas Reliability Infrastructure Program, and it seeks approval to increase limits on recoverable meals and lodging expenditures.

ACSC has intervened in the matter. The case number is 00018879.

Atmos Rev Rider Filing

On Oct. 15, the Texas Railroad Commission ordered a \$38,875,709 reduction in Atmos Pipeline Texas rates, the result of a utility filing earlier in the year through the Rider Revenue Adjustment process.

Under the new Rev Rider Adjustment, the city gate capacity charge decreased by \$.100616, bringing the new charge to \$20.30379. Measured in million British thermal

units of maximum gas quantity flowing over the pipeline system, the charge gets allocated in an indirect fashion to residential customers. According to ACSC calculations, typical bills would decrease by approximately \$1.20 per month as a result.

The effective date was Nov. 1, 2024. More information can be found at the Railroad Commission website, under Case No. 00018176.

Rate Review Mechanism and GRIP

Atmos has a statutory right to an annual rate increase associated with recovery of capital investment made in the preceding 12 months. The statutory right to recovery of capital costs is pursuant to a process referred to as Gas Reliability Infrastructure Program (also known as "GRIP," see below). However, ACSC has always objected to GRIP as piecemeal ratemaking because it does not evaluate rising revenues or declining expenses that may offset the need for a rate increase associated with increased capital investment.

Additionally, cities are not entitled to challenge any portion of a GRIP filing as unreasonable. In response, ACSC negotiated a Rate Review Mechanism ("RRM") with Atmos as a substitute for GRIP. The RRM has no existence in statutes and exists only pursuant to city ordinances.

Environs (areas outside municipal limits) are subject to GRIP, and some non-ACSC member cities have chosen to remain under GRIP. ACSC current rates are lower than GRIP rates, and research has shown that consumer outcomes under the RRM process are generally better than under GRIP.

Atmos RRM Filings

Mid-Tex RRM. On April 1, Atmos Energy filed its annual Rate Revenue Mechanism rate case for the RRM cities of its Mid-Tex Division. The company initially sought a \$196.8 million annual revenue increase on a system-wide basis. The initial request was reduced to \$182.5 million due to limitations in the RRM tariff. ACSC consultants conducted a review of the filing and prepared a report identifying other potential decreases totaling \$32.9 million. The company subsequently agreed to settle for a \$164.7 million increase, or a reduction of \$32.1 million from its initial request.

West Texas RRM. On April 1, Atmos filed its annual RRM request for its West Texas service territory. As filed, the request would have resulted in a \$6.7 million revenue increase for affected customers. The initial request for the utility's West Texas Division was subsequently reduced to \$5.8 million due to limitations in the RRM tariff. Consultants for the Cities Served by Atmos West Texas conducted a review of the filing and prepared a report identifying more potential decreases totaling \$2.7 million. The company subsequently agreed to settle for a \$4.3 million increase, or a reduction of \$2.4 million from its initial request.

Atmos GRIP Filings

Mid-Tex. On May 14, the Texas Railroad Commission approved an interim \$173.4 million increase for the environs in the Atmos Mid-Tex region, of which \$8,529,031 is recoverable from the 97,217 customers subject to the order.

Atmos made the rate request on February 23 under the state's GRIP statute. The residential charge set in the last

environs base rate case in 2018 was \$17.05. Since then, six consecutive GRIP cases have added \$29.06 to the customer charge (including \$6.73 in the current filing). With the new Railroad Commission action, the residential customer charge in the environs will be \$46.11, or more than 170 percent of the charge set in the last rate case. More information in Case No. 00016391.

Atmos West Texas. On May 14, the Texas Railroad Commission approved a \$16.8 million increase for the Atmos West Texas region, of which \$1,379,450 is recoverable from 25,257 customers subject to the order. Atmos made the rate request on February 23 under the state's GRIP statute. The residential charge set in the last base rate case was \$16.10. Since then, six consecutive GRIP cases have added \$19.01 to the environs customer charge (including \$3.62 in the current filing), more than doubling the charge set in the 2018 rate case. With the new Railroad Commission action, the residential customer charge now becomes \$35.11. Find more information in Case No. 00016393.

Atmos Pipeline. On May 14, the Texas Railroad Commission approved an \$82,440,179 million increase for Atmos Pipeline Texas. The company requested the increase on February 27. The increase represents the first such GRIP adjustment for Atmos Pipeline Texas since the last base rate case (Case No. 00013758) in 2023. The adjustment adds \$2.12 to the Atmos Pipeline capacity charge, bringing the total to \$20.35. (The capacity charge is measured in million British thermal units of MDQ, where MDQ is defined as the maximum daily quantity of gas over the pipeline system). Find more information in Case No. 00016396.

RRC Chair Craddick Elected to Third Term

Railroad Commission Chair Christi Craddick has won reelection for her third term to the powerful energy-related regulatory agency.

In addition to regulating the Texas oil and gas industries, the Railroad Commission oversees gas utility regulatory matters. The GCCC intervenes in gas utility rate cases at the Railroad Commission.

As a top campaign issue, Craddick pointed to the growth of the Texas oil and gas industries during her tenure. She also criticized federal regulations intended to reduce emissions and fight climate change but that she said would damage the fossil fuel industries.

Each of Craddick's opponents — Democrat Katherine Culbert, Libertarian Hawk Dunlap, and Green Party Candidate Eddie Espinoza — called for reform, arguing that the fossil fuel industry exerts too much control over the Railroad Commission.

Because the Texas Railroad Commission regulates the economically and politically powerful Texas fossil fuel industry, a seat there has been called one of the nation's most important elected offices relating to energy.

However, the agency has no authority over Railroads, and members of the public often report confusion about the agency's mission.

The elected officials who sit on the three-member commission serve six-year terms and run in staggered elections. As such, one commission is always up for re-election every two years.

All Railroad commissioners have been Republicans since the mid-1990s.

RRC Approves Gas Conservation Program Rules

New regulations to implement House Bill 2263, state legislation that authorized gas utilities to create ratepayer-supported energy conservation programs, received final approval in 2024.

HB 2263 specifies that local gas distribution companies such as Atmos in the Dallas-Fort Worth area and CenterPoint in Houston can offer energy conservation programs to their residential and commercial customers. The legislation also sets forth rules for cost recovery by utilities.

The Texas Railroad Commission adopted the final rules on March 20 after a public comment period and input from various stakeholders, including the Atmos Cities Steering Committee. As adopted, the rules establish a new section in state law, 16 Texas Administrative Code §7.480, that specifically addresses the implementation of Energy Conservation Programs by gas utilities.

The Details

- The new rules create a cost cap for energy conservation programs, such that the maximum rate for them may not exceed a volumetric charge of \$0.20 per Mcf for residential and commercial customers. The rate increase due to an ECP charge would be no more than approximately 1.2 percent of the 2023 average cost of residential gas service in Texas according to the U.S. Energy Information Administration. Various stakeholder

groups supported this change.

- The final adopted rules did not include a cost-effectiveness standard for the conservation programs, although commission staff indicated that they may revisit the issue after the program is up and running. ASCC and other stakeholder groups recommended the inclusion of such a standard.
- The rules did not include a contested case prudence review of costs, as recommended by consumer and city groups, including the ACSC.
- The rule included a 120-day deadline in which commission staff must complete its administrative review of an ECP application. This deadline was suggested by ACSC.
- ACSC asked that the Commission allow program modifications more frequently than once every three years. The Commission pointed to its limited staff resources and said that once every year would not be manageable. However, it agreed with ACSC that once every three years is too infrequent, so the Commission included a provision in the final rule to allow new program applications every other year.
- The final rule contemplates an annual review of the ECP rate to ensure rates match ECP costs, as suggested by ACSC. Staff will instruct the local distribution company to adjust its ECP rate for the next program year if the rate needs to be adjusted.

2025 ACSC Meetings

March 6
June 12 — Virtual
September 11
December 11 — Virtual

2025 Officers

Chair—Meg Jakubik (Bedford)
Vice Chair—Open
Secretary—Lupe Orozco (Keller)
Treasurer—David Johnson (Arlington)

For more questions or concerns regarding any ACSC matter or communication, please contact the following representative, who will be happy to provide assistance:



Thomas L. Brocato
(512) 322-5857
tbrocato@lglawfirm.com

Jamie Mauldin
(512) 322-5890
jmauldin@lglawfirm.com

Atmos Reports Fiscal Year Earnings for 2024

Atmos Energy made \$2.9 billion in capital expenditures during the fiscal year ending Sept. 30 — an increase from the \$2.8 billion in capital expenditures it made during the prior fiscal year.

The company also expects to make another \$3.7 billion in capital expenditures during the 2025 fiscal year.

Those top-line capital expenditure numbers were among the highlights of a conference call conducted by Atmos executives on Nov. 7. Atmos Energy also released additional regulatory information to investment analysts on the call.

Fiscal Year Data

- Atmos reports that about \$1.3 billion in 2024 capital spending — or 83 percent of this year’s \$2.9 billion total — was used to repair and replace transmission and distribution pipelines.
- Atmos reported \$854.5 million in distribution income and \$500.9 million in pipeline income during the 2024 fiscal year. That compares to \$692.6 million in distribution income and \$364.5 million in 2023 pipeline income during the prior fiscal year.
- Some of the key income drivers in 2024 were a \$219.2 million net increase from distribution rate adjustments and \$68.4 million from pipeline rate adjustments.

RRC Makes Big Legislative Ask for IT Funding

The Railroad Commission would receive tens of millions of dollars in additional funding for new hardware, software, and information technology-related capital projects, under a budgeting request issued by the agency in advance of the 89th Texas Legislature.

In all, the commission has requested \$466,560,272 in biennial funding, with revenues from fees and surcharges covering 34.9 percent of its request and tax-supported General Revenue sources comprising 41.2 percent. The federal government will provide 23.3 percent.

But the “last big ask” in its Legislative Appropriations Request is for IT, according to Railroad Commission chairwoman Christi Craddick. “We have to work to get more data,” she said, according to media reports.

Some details:

Microfilm Digitization — \$907,496

The agency endeavors to make all oil and gas records available digitally online for use by the public. However, records held at the district offices won’t be completely digitized until the end of the 2025 fiscal year. The agency requests \$907,496 to complete this project.

Oversight and Safety Regulatory Filing Systems — \$6,288,068

The Railroad Commission collects multiple reports with large amounts of data from natural gas utilities

related to the sale of natural gas. The Commission uses this data to audit utility companies and ensure the accuracy of collected Natural Gas Utility Taxes. As such, the agency requests \$6,288,068 to create a new online filing system to make reporting easier for utility companies and an Alternative Fuels Online System to streamline the permitting process for operators.

Data Center Services Adjustment — \$7,700,000

The agency seeks an additional \$7,700,000 to fund Data Center Services (DCS) for the biennium. The agency says the extra funding is needed because its DCS costs are estimated to increase by 50.5 percent beyond the 2024-2025 appropriated amount.

Capital Budget— \$40,844,771

The agency seeks capital spending authority totaling \$40,844,771 for four capital projects: \$21,475,647 for mainframe modernization; \$15,280,374 for Data Center Services capital expenditures; \$3,000,000 for Inspection and Enforcement Tracking and Reporting System upgrades; and \$1,088,750 for new personal computers.

In addition, the agency notes that funding from the 2021 Infrastructure and Investment Jobs Act supports or is anticipated to support several programs including well plugging and site remediation activities, the Commission’s Brownfields program, and a program providing for the remediation of pre-1977 mining sites in Texas.

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
Section: 4. ACTION ITEMS

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025

REF. DOC.: Unified Development Code (UDC); The Pathway to 2040 Northlake Comprehensive Plan Update

SUBJECT: Consider an Ordinance of the Town of Northlake, Texas, amending Chapter 9A of the Code of Ordinances of the Town, the same being the Unified Development Code of the Town of Northlake, and amending Ordinance No. 21-0722F, by changing the development standards and concept plan on that certain tract of land legally described as an approximately 251.044 acre tract of land situated in the M.E.P. & P.R.R. Survey, Abstract No. 910, the H. Anderson Survey, Abstract No. 25, and the S.A. Venters Survey, Abstract No. 1313; providing that such tract of land shall be used in accordance with the requirements of the Unified Development Code and all other applicable ordinances of the Town except as modified herein; providing severability, repealing and savings clauses; providing a penalty; providing for publication and an effective date. Case # 25-PDA00001

i. Public Hearing

ii. Consider Approval

**GOALS/
OBJECTIVES:** Plan Intentionally and Responsibly; 3.1 - Identify and plan for changes in codes and zoning that enhance desired development

BACKGROUND INFORMATION:

- Site:
- Approximately 251 acres
 - Located on McPherson Drive approximately 2,000 feet west of the intersection with Harmonson Road
- Owner/Developer:
- Exel Inc. d/b/a DHL Supply Chain
- Applicant/Engineer:
- Kimley-Horn
- Current Zoning:
- I-PD - Industrial Planned Development
- Future Land Use:
- Industrial Innovation place type
 - Supports industrial uses that sustain community's tax base.
 - May include corporate headquarters and clean industrial uses, such as:
 - Research and development
 - Data centers
 - Showrooms
 - Shipment and warehousing
 - Heavy industrial uses should be limited
- Proposed Amendment:
- Current Planned Development (PD)
 - Based on I-Industrial zoning standards with few modifications
 - Purpose "to provide flexibility in terms of development while maintaining standards that will encourage future growth."

- Proposed PD Amendments
 - Purpose to more closely align with an adjacent PD district to south and west
 - Changes are highlighted in proposed ordinance and include:
 - Updated concept plan
 - Additional permitted uses
 - Increase in maximum height from 65 feet to 120 feet
 - Increased in Floor Area Ratio (FAR) from 0.5 to 1.0
 - Changes to parking standards including:
 - Allowance of minimum 9' x 18' parking spaces
 - Specific screening and fencing standards
 - Waiver of Town oil and gas drilling regulations
 - Addition of minimum open space requirement
 - All proposed changes match adjacent PD

Staff Analysis:

- Request conforms with future land use designation of the Northlake Comprehensive Plan
- Planned development amendment application is acceptable for consideration

Public Hearing:

- Public hearing is required prior to acting on PD amendment request
- Notice of public hearing provided per UDC
- As of February 20th no written comments have been received

P&Z Action:

February 18th Planning & Zoning Commission Meeting

- Held public hearing
- Recommended approval of PD amendment as presented
- Commissioners vote: 3 ayes, 1 nay

COUNCIL ACTION/DIRECTION:

- Hold public hearing
- Approve, approve with conditions, or disapprove of planned development amendment



**TOWN OF NORTHLAKE, TEXAS
OFFICIAL ORDINANCE**

NO.

AN ORDINANCE OF THE TOWN OF NORTHLAKE, TEXAS, AMENDING CHAPTER 9A, "UNIFIED DEVELOPMENT CODE," OF THE CODE OF ORDINANCES, TOWN OF NORTHLAKE, TEXAS, AND AMENDING ORDINANCE NO. 21-0722F, BY CHANGING THE DEVELOPMENT STANDARDS AND CONCEPT PLAN ON THAT CERTAIN TRACT OF LAND LEGALLY DESCRIBED AS AN APPROXIMATELY 251.044 ACRE TRACT OF LAND SITUATED IN THE M.E.P. & P.R.R. SURVEY, ABSTRACT NO. 910, THE H. ANDERSON SURVEY, ABSTRACT NO. 25, AND THE S.A. VENTERS SURVEY, ABSTRACT NO. 1313, IN THE TOWN OF NORTHLAKE; PROVIDING THAT SUCH TRACT OF LAND SHALL BE USED IN ACCORDANCE WITH THE REQUIREMENTS OF THE UNIFIED DEVELOPMENT CODE ORDINANCE AND ALL OTHER APPLICABLE ORDINANCES OF THE TOWN EXCEPT AS MODIFIED HEREIN; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Town of Northlake, Texas ("Town") is a home rule municipality located in Denton County, Texas; and

WHEREAS, the tracts of land described and depicted in Exhibit "A" (the "Property"), which is incorporated herein for all purposes; and

WHEREAS, the Town Council of the Town ("Town Council") heretofore adopted Ordinance No. 21-0722F, which established the zoning of "I-PD" Industrial Planned Development for the Property and established a Concept Plan for the Property, attached thereto as Exhibit "B," and established Development Standards for the Property, attached thereto as Exhibit "C;" and

WHEREAS, the Town has received a request from the Property owner (the "Owner") to amend the Development Standards and Concept Plan of the established "I-PD" Industrial Planned Development District as set forth in Ordinance No. 21-0722F; and

WHEREAS, all requirements of Chapter 211 of the Local Government Code, and all other laws dealing with notice, publication, and procedural requirements for zoning of property have been complied with; and

WHEREAS, upon review and consideration of the Planning and Zoning Commission following a public hearing at their meeting on February 18, 2025, the Planning and Zoning Commission recommended to the Town Council the adoption of amendments to the Unified Development Code as set forth in this

Ordinance; and

WHEREAS, after complying with all legal notices, requirements, and conditions, a public hearing was held before Town Council at which the Town Council considered the recommendation of the Planning and Zoning Commission, and among other things, the character of the land and its sustainability for particular uses, and compatibility with surrounding uses, with a view of encouraging the most appropriate use of land in the Town, and the Town Council does hereby find that the rezoning approved hereby accomplishes such objectives.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS THAT:

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. Findings. After due deliberation and consideration of the recommendation of the Planning and Zoning Commission and the information and other materials received at the public hearing, the Town Council has concluded that the adoption of this Ordinance is in the best interests of the Town, and of the public health, safety, and welfare. The Property is zoned "I-PD" Industrial Planned Development with the Concept Plan as provided in Exhibit "B" and development standards as provided in Exhibit "C" attached hereto.

Section 3. Amendments. Chapter 9A, "Unified Development Code," of the Code of Ordinances, Town of Northlake, Texas, is hereby amended as follows:

The use of the Property described in Exhibit "A" shall be subject to the Concept Plan attached in Exhibit "B", all applicable regulations contained in the Development Standards provided in Exhibit "C", the Unified Development Code, and all other applicable and pertinent ordinances of the Town of Northlake.

Section 4. This ordinance shall be cumulative of all provisions of ordinances of the Town, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

Section 5. Severability. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality 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 in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. Savings Clause. All rights and remedies of the Town are expressly saved as to any and all violations of the provisions of the Code of Ordinances, Town of Northlake, Texas, as amended, or any other ordinances affecting the matters regulated herein 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 7. Penalty. Any person, firm, entity, or corporation who violates any provision of this Ordinance, shall be deemed guilty of a misdemeanor, and upon conviction therefore, shall be fined in a sum not exceeding Two Thousand and No/100 Dollars (\$2,000.00). Each continuing day's violation shall constitute a separate offense. The penal provisions imposed under this Ordinance shall not preclude Town from filing suit to enjoin the violation, or seek injunctive relief through civil action. Town retains all legal rights and remedies available to it pursuant to local, state, and federal law.

Section 8. Publication. The Town Secretary is hereby directed to publish the caption and penalty clause of this Ordinance as required by law.

Section 9. Effective Date. This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the laws of the State of Texas.

PASSED AND APPROVED by the Town Council of the Town of Northlake, Texas, on February 27, 2025.

Town of Northlake, Texas

Brian Montini, Mayor

Attest:

Zolaina Parker, Town Secretary

EXHIBIT A
Legal Description of Property

BEING all that certain 251.044 acre tract of land situated in the M.E.P. & P.R.R. Survey, Abstract No. 910, H. Anderson Survey, Abstract No. 25, and the S. A. Venters Survey, Abstract No. 1313, Town of Northlake, Denton County, Texas, and being a portion of that certain tract of land conveyed to 6 McFarm, LLC, by deed recorded in Document Number 2017-15557, Official Public Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a spike nail found for the most westerly northwest corner of said McFarm tract, same being the most northerly northeast corner of that certain tract of land conveyed to Petrus Investment, L.P., by deed recorded in Volume 4246, Page 546, Deed Records, Denton County, Texas, and being in a westerly bend of Harmonson Road (a prescriptive right-of-way), same being in the south line of that certain tract of land conveyed to Keith Family Limited Partnership, by deed recorded in Document Number 2009-35481, said Official Public Records;

THENCE along the common line of said Mcfarm tract and said Keith tract as follows:

North 89 deg. 44 min. 30 sec. East, a distance of 637.17 feet to a 3/8 inch iron rod with yellow cap stamped "RPLS 1629" found for corner, same being the southeast corner of said Keith tract;

North 00 deg. 15 min. 37 sec. West, a distance of 2176.57 feet to a 3/8 inch iron rod found for the most northerly northwest corner of said McFarm tract, same being the northeast corner of said Keith tract, same being in the south line of that certain tract of land conveyed to Cameron B. Ketchersid, by deed recorded in Document Number 2016-1739, aforesaid Official Public Records;

THENCE along the common line of said McFarm tract and said Ketchersid tract as follows:

North 89 deg. 41 min. 07 sec. East, a distance of 1022.69 feet to a point for corner;

South 00 deg. 20 min. 45 sec. East, a distance of 41.30 feet to a 60D nail found for corner;

South 89 deg. 45 min. 59 sec. East, a distance of 894.40 feet to a 60D nail found for the northeast corner of said McFarm tract, same being the northwest corner of that certain tract of land conveyed to Crockett Concrete Co. Inc., by deed recorded in Volume 1593, Page 275, aforesaid Deed Records;

THENCE South 00 deg. 43 min. 47 sec. East, along the common line of said McFarm tract and said Crockett tract, a distance of 4770.18 feet to a point for the southeast corner of said McFarm tract, same being the southwest corner of said Crockett tract, same being in the north line of that certain tract of land conveyed to Richard Howard Foster, Marilyn Stewart, and Karen Elaine Lewis, by deed recorded in Volume 4301, Page 1840, said Deed Records, same being in the approximate centerline of aforesaid Harmonson Road;

THENCE North 89 deg. 40 min. 48 sec. West, along the common line of said Mcfarm tract and said Foster, Stewart, and Lewis tract, same being the approximate centerline of said Harmonson road, passing at a

distance of 80.07 feet, a 5/8 inch iron rod found for the northwest corner of said Foster, Stewart, and Lewis tract, same being the most easterly northeast corner of aforesaid Petrus tract, and continuing along the common line of said McFarm tract and said Petrus tract, and continuing along the approximate centerline of said Harmonson Road, passing a northwest corner of said Petrus tract, same being the northeast corner of that certain tract of land conveyed to Rita Jane Solomon, by deed recorded in Volume 803, Page 1, said Deed Records, and continuing along the common line of said McFarm tract and said Solomon tract, and continuing along the approximate centerline of said Harmonson Road, a total distance of 2590.04 feet to a 1/2 inch iron rod found for the most southerly southwest corner of said McFarm tract, same being the northwest corner of said Solomon tract, same being in the east line of aforesaid Petrus tract, same being on the west side of a northerly bend of said Harmonson Road;

THENCE North 00 deg. 20 min. 10 sec. West, along the common line of said McFarm tract and said Petrus tract, and continuing along the approximate centerline of said Harmonson Road, a distance of 2615.28 feet to the POINT OF BEGINNING and containing 251.044 acres of computed land, more or less.

EXHIBIT B
Concept Plan Exhibit

[See following page]



GRAPHIC SCALE IN FEET
0 75 150 300

AIL INVESTMENT, L.P.
(INST. NO. 2021-143348)

BUILDING 5
1,972 X 620'
1,222,640 SF
FFE = 608.0

EXISTING
GAS PAD

BUILDING 2
756' X 420'
317,520 SF
FFE = 625.25

TEXAS INDUSTRIES
INC.
(VOL. 1593, PG. 289)

PART OF
PETRUS INVESTMENTS, L.P.
(INST. NO. 1998-117448)

EXEL INC.
(INST. NO. 2021-160275)

EXISTING
GAS PAD

HARMONSON ROAD
(AN APPARENT VARIABLE WIDTH PUBLIC RIGHT-OF-WAY, BY USE &
OCCUPATION. DEDICATION NOT FOUND IN THE PUBLIC RECORD)

BUILDING 4
1,798' X 620'
1,114,760 SF
FFE = 637.05

MCPHERSON ROAD
(60' FROM)

BUILDING 3
1,188' X 310'
368,280 SF
FFE = 629.15

BUILDING 1
870' X 260'
224,640 SF
FFE = 630.0

6 McFarm - Concept Plan

Northlake, TX
01/28/2025

EXHIBIT C
Development Standards
6 McFarm Property
251.044 ACRES

Statement of Purpose and Intent

The intent of this Planned Development ("PD") is to provide regulations for the development of an industrial business park (the "Project") on 251.044 acres of land (the "Property") within the Town of Northlake, Texas (the "Town"). These regulations are intended to provide flexibility in terms of development while maintaining standards that will encourage future growth. Except as modified or amended herein, this Planned Development shall conform to all applicable sections of the Town's Unified Development Code (the "UDC").

Project Location

The Project is located in the M.E.P. & P.R.R. Survey, Abstract No. 910, H. Anderson Survey, Abstract No. 25, and the S. A. Venters Survey, Abstract No. 1313, Town of Northlake, Denton County, Texas and is more fully described in the attached legal description (Exhibit A).

Development Standards

All development within the boundary of this Planned Development District shall adhere to the rules and regulations set forth herein. This zoning document and the Exhibits listed below supersede any existing zoning, use and development regulations for the tract of land described herein.

Exhibit A Legal Description of Property

Exhibit B Concept Plan Exhibit

Development Regulations

1. Except as otherwise defined in this PD, terms used herein shall be the same as those found in the UDC in effect on the effective date of this PD (hereinafter, the "Zoning Ordinance").
2. The base zoning for the Property shall comply with the Industrial (I) zoning district as it exists in the Zoning Ordinance, excluding Article 13 which is hereby made inapplicable to the Property (the "Development Standards").
3. **Land Use Regulations.** Development within the Property shall comply with the following land use regulations:
 - a. **Permitted Uses.** In addition to the uses allowed by right under the Industrial (I) zoning district, the following uses shall be permitted by right within the subject property:
 - Call Center and Telemarketing Services
 - Cold Storage Warehouse

- Data Processing Center and/or Services
- Distribution Warehouse
- Electric power substation (a subsidiary facility of an electric power station through which electricity is passed for transmission, transformation or distribution)
- Electric power generation, or power storage (a facility that generates or stores electricity) to support electric power for multiple properties as either as primary or back-up
- Fueling station (automobiles and trucks plus alternative fueling stations for biodiesel, compressed natural gas, ethanol, electric charging, hydrogen, liquefied natural gas, propane and any other fuel source for vehicles)
- General Warehouse
- Logistics Warehouse
- Moderate manufacturing (manufacturing of finished products or parts, predominantly from previously prepared materials, including fabrication, assembly, and packaging of such products, and incidental storage, sales and distribution of such products, including basic industrial processing, provided that such operations are not noxious or offensive due to odors, smoke, dust, noise, fumes or vibrations)
- Office Showroom
- Outdoor Storage
- Package Delivery Services
- Telecommunication antennas/towers (per Section 8.6 of the UDC)
- Vertical/Indoor farming operation (the practice of growing produce in vertically stacked layers in enclosed structures)

b. Height Regulations. Structures shall not exceed 120 feet in height.

c. Dimensional Regulations. Front, side, side adjacent to street and rear yard setbacks for all uses shall conform to the Industrial dimensions set forth in Table 5.1 of the UDC. Floor Area Ratio (FAR) for all commercial uses shall be 1.0.

d. Off-street Parking. Off-street parking shall conform to the parking regulations set forth in Article 10 of the UDC except as follows:

- All industrial uses shall meet a minimum of 1 space for each 10,000 square feet of total floor area
- Each standard off-street surface parking space shall measure not less than nine feet (9') by eighteen feet (18') feet, exclusive of access drives and aisles, and shall be of usable shape and condition.

e. Off-street Loading. Off-street loading shall conform to the regulations set forth in Article 10 UDC.

f. Exterior Construction and Design Standards. All building products and materials approved for use by a national model code published within the last three code cycles that applies to the construction, renovation, maintenance or other alteration of a building are authorized for exterior use. Otherwise, no exterior building materials design standards shall apply.

g. Landscaping. Landscaping shall conform to the regulations set forth in Section 9.10 of the UDC.

h. Signage. Signage shall conform to the regulations set forth in Article 11 of the UDC.

i. Operational Standards. Permitted uses shall be entitled to operate seven days per week. Hours of operations will be:

Monday through Sunday – Twenty-four hours per day.

j. Screening and Fencing. (i) outdoor storage areas facing public rights-of-way shall be screened with a minimum three-foot (3') undulating berm or with tree and shrub plantings in compliance with the Town's landscaping standards in effect on the effective date hereof; (ii) loading docks facing public rights-of-way shall be exempt from vertical articulation; (iii) rooftop equipment not exceeding six feet (6') in vertical height and located fifty feet (50') from exterior walls shall be permitted but shall be screened with a quality metal material (as reasonably determined by Owner) in a color that is light and/or matches the building color, and such screen may be a maximum height of six feet (6'); and (iv) eight-foot (8') black-coated chain-link fencing shall be permitted.

k. Oil and Gas Drilling Regulations. Article 13 of the UDC shall not apply to the Property.

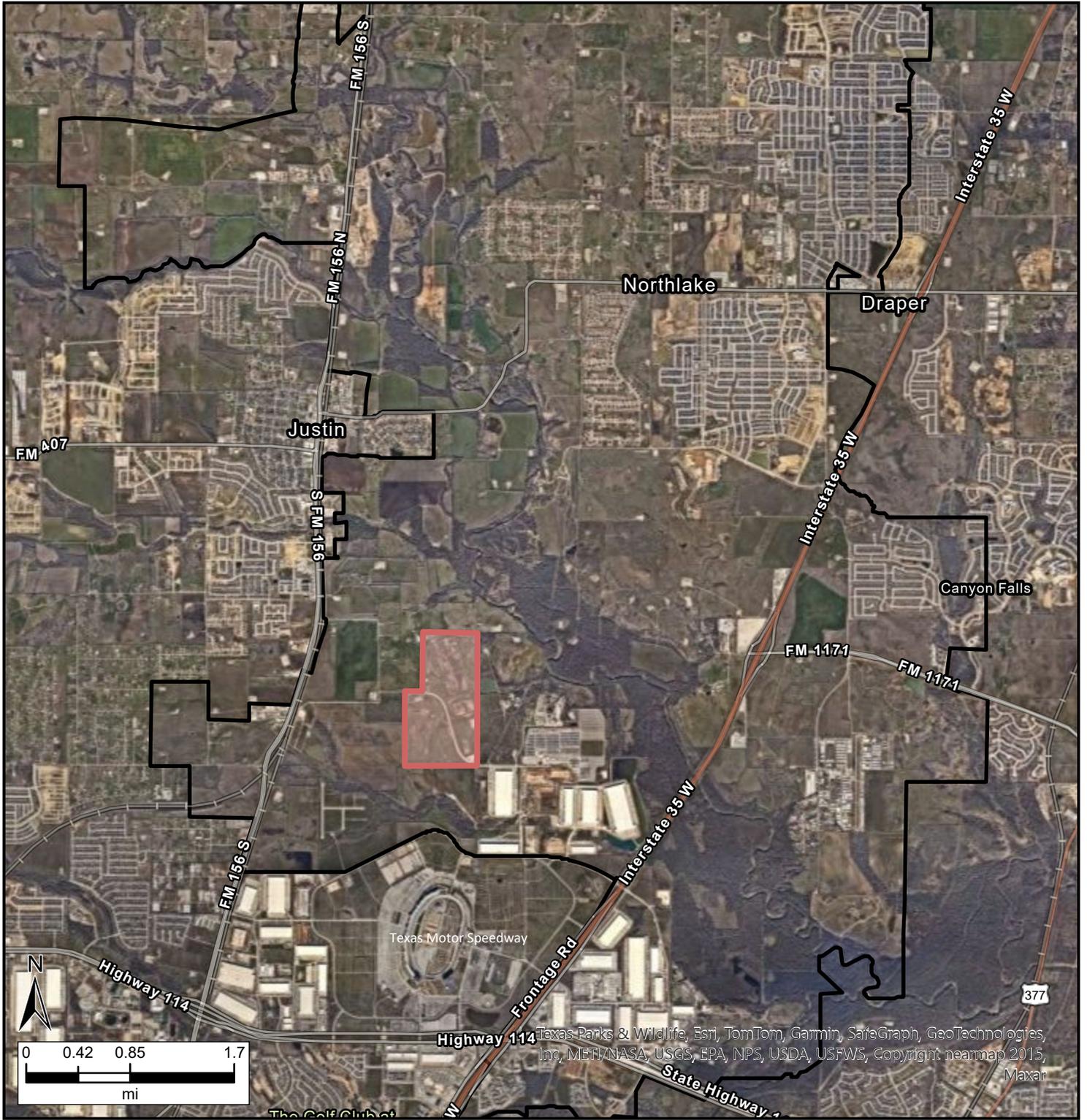
l. Open Space Requirements. A minimum of ten percent (10%) of the gross acreage of the development shall be preserved as open space. Otherwise, the requirements of Section 9.6 of the UDC shall not apply to the Property.

4. **Minor Revisions to Planned Development Regulations.** The Mayor, the Town Manager or a designee may administratively approve in writing minor revisions to the Development Standards, including without limitation, the following: (i) an increase in the height of any structure by ten percent (10%) or less; (ii) a setback reduction of ten percent (10%) or less; (iii) an increase in lot coverage of ten percent (10%) or less; (iv) minor setback reductions associated with oil and gas well, well head or similar improvements or equipment; or (v) relocation of structures provided setbacks are maintained except as otherwise provided above, parking is not reduced, uses are not added to the list of permitted uses, and circulation is approved by the Town Manager or a designee.
5. **Compliance With Planned Development Regulations.** Except for variances specifically authorized to be considered by the Board of Adjustment (the "BOA") in Sec. 3.4 of the UDC, the Town Council may waive strict compliance with the Development Standards on a case-by-case basis when a developer demonstrates, to the reasonable satisfaction of the Town Council, that the requested waiver: (i) is not contrary to the public interest; (ii) does not cause injury to adjacent property; and (iii) does not materially adversely affect the quality of development.
6. **Exceptions to Planned Development Regulations.** The Town Council hereby approves the following exceptions to the Development Standards: (i) loading dock areas for the Project may be oriented facing public rights-of-way so long as a developer utilizes, at a minimum, three foot (3') undulating berms with tree and shrub plantings in compliance with the Town's landscaping standards in effect on the effective date hereof; (ii) the loading docks facing public rights-of-way shall be exempt from vertical articulation; (iii) rooftop equipment not exceeding six feet (6') in vertical height and located

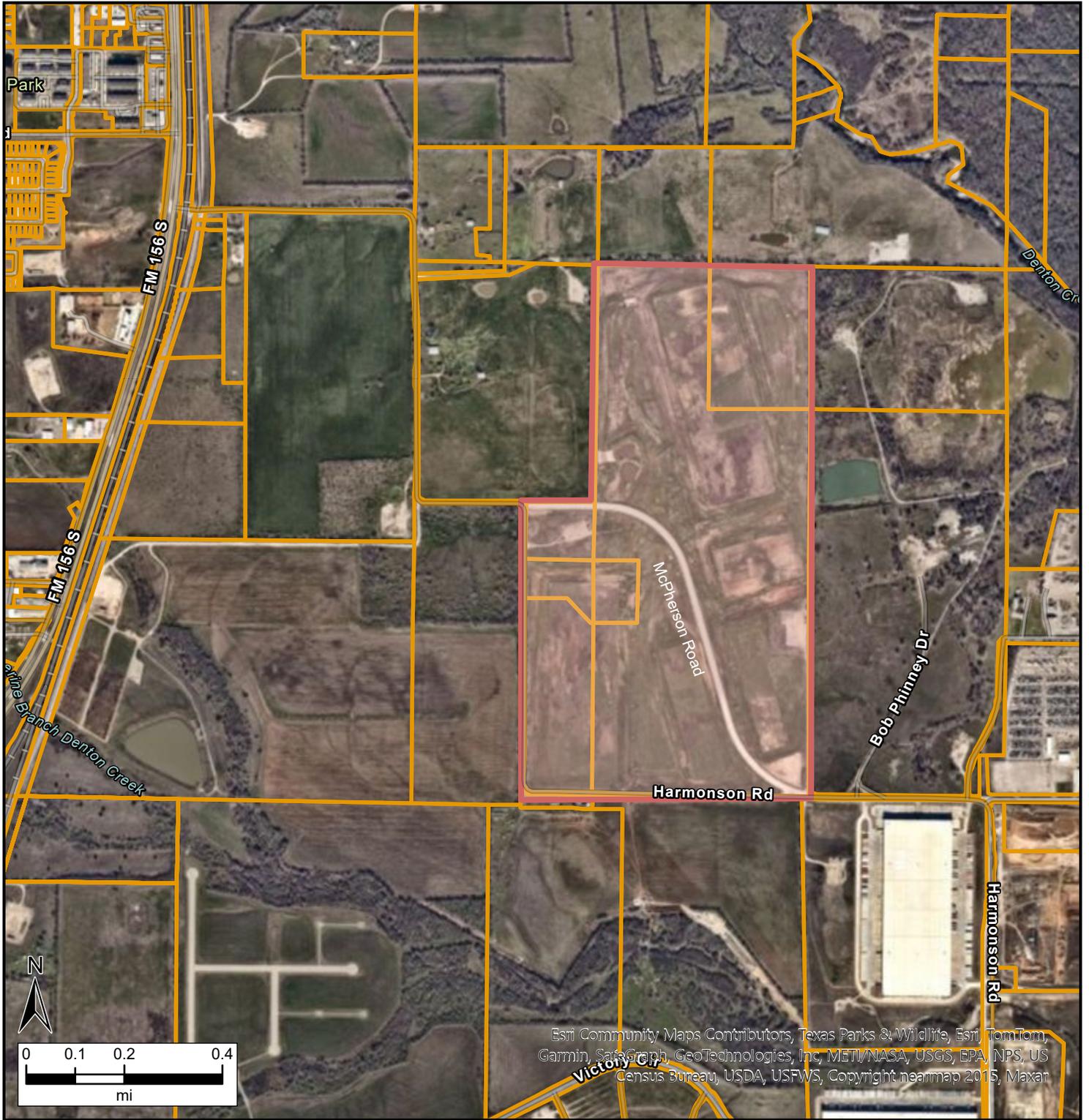
fifty feet (50') from exterior walls shall be permitted for the Project but shall be screened with a quality metal material (as reasonably determined by the developer) in a color that is light and/or matches the building color, and such screen may be a maximum height of six feet (6'); and (iv) the setback from any well head shall be one hundred feet (100").

7. **Compliance With Planned Development Regulations.** Except for variances specifically authorized to be considered by the Board of Adjustment (the "BOA") in Section 3.4 of the UDC, the Town Council may waive strict compliance with the Planned Development Regulations on a case-by-case basis when a developer demonstrates, to the reasonable satisfaction of the Town Council, that the requested waiver: (i) is not contrary to the public interest; (ii) does not cause injury to adjacent property; and (iii) does not materially adversely affect the quality of development.
8. **Conflict.** In the event of any conflict between this PD and any other ordinance, rule, regulation, standard, policy, order, guideline or other Town-adopted or Town-enforced requirement, whether existing on the effective date or hereinafter adopted by the Town (collectively, "Town Zoning Ordinances and Regulations"), this PD shall prevail and control. All Town Zoning Ordinances and Regulations that are inconsistent with the terms and provisions of this PD are hereby made inapplicable to the Property.
9. **Concept Plan.** The Concept Plan attached hereto as Exhibit B and incorporated herein by reference, demonstrates potential locations and relationships of the uses permitted under this PD. Because of anticipated development dynamics, it is anticipated that the overall Concept Plan will change from time to time. Revisions to the Concept Plan shall not be considered to be amendments to the PD zoning requirements and, in addition to the ability of the Town Manager or designee to change the same under Section 5.100 of the UDC, shall be administratively reviewed and approved by the Town Manager, or his/her designee provided the change does not (i) increase the height of any structure by more than ten percent (10%); (ii) reduce a setback by more than ten percent (10%) or less; (iii) increase lot coverage by more than ten percent (10%); or (iv) add uses to the permitted uses.
10. Site Plans shall be required for all developments within this PD in general accordance with the Concept Plan and be processed according to Sec. 12.15 of the UDC. The process for approving required Concept Plans and Site Plans may not be used to require conditions that conflict with or are inconsistent with the terms of this document. Concept Plans and Site Plans may be submitted and approved on a project-by-project basis, and no particular phasing or development schedule shall be required.

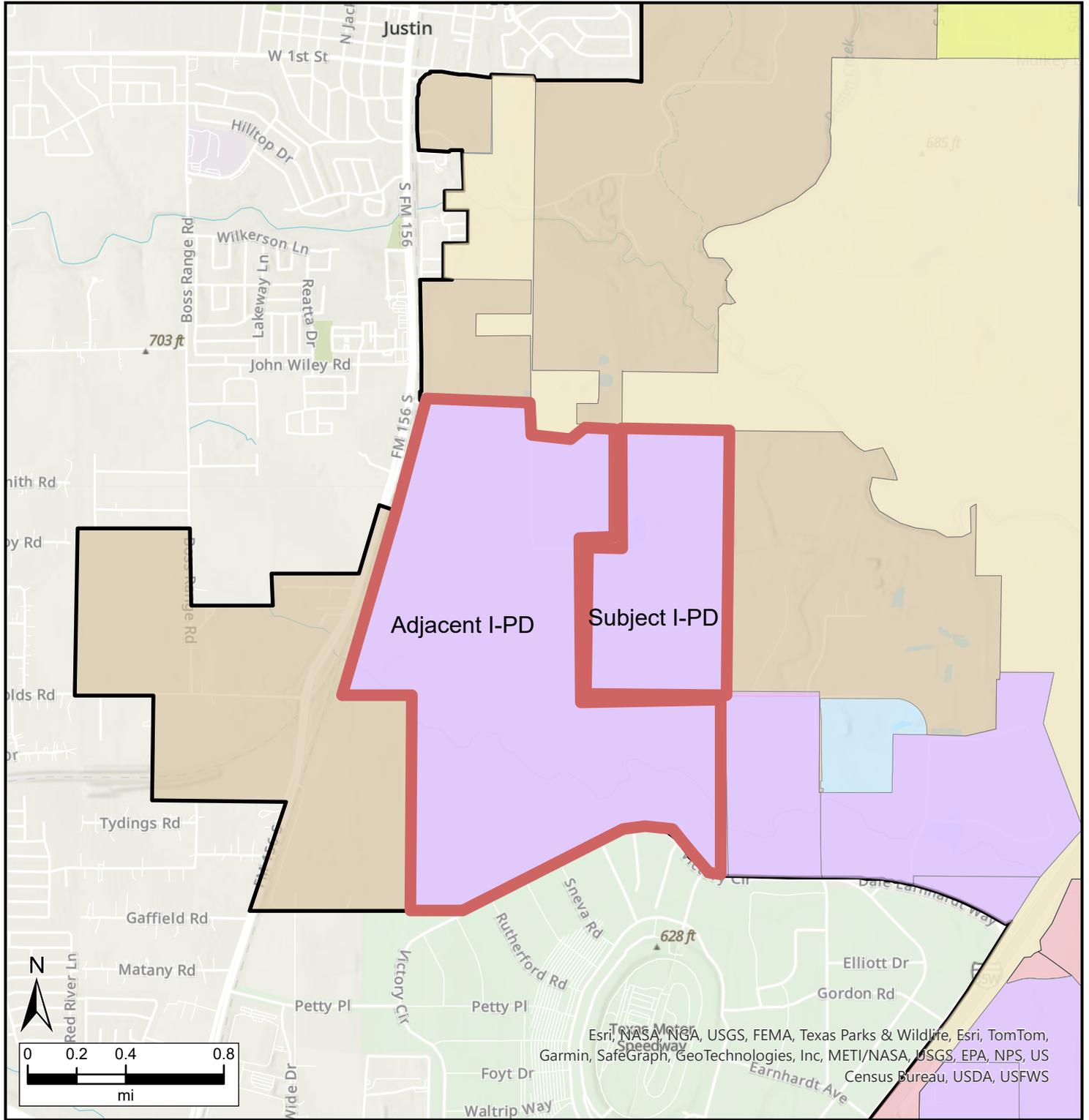
DHL - Location Map



DHL - Aerial Map



Zoning Map



Esri, NASA, NGA, USGS, FEMA, Texas Parks & Wildlife, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, USFWS

Legend

Town of Northlake Zoning

- Commercial
- Commercial\Planned Development
- Neighborhood Commercial
- Industrial
- Industrial\Planned Development
- Mixed-Use\Planned Development
- HUD Code Manufactured Housing
- Rural Residential min 5 ac

- Rural Residential\Planned Development
- Rural Estate min 1 ac
- Rural Estate\Planned Development min 1 ac
- Agricultural
- Northlake Boundary
- Incorporated Area
- Extraterritorial Jurisdiction
- Limited Purposes Annexation

Town of Northlake Incorporated Area and ETJ





TOWN OF NORTHLAKE, TEXAS
OFFICIAL ORDINANCE

ORDINANCE NO. 21-0722F

AN ORDINANCE AMENDING ORDINANCE NO. 13-0124A BEING THE NORTHLAKE UNIFIED DEVELOPMENT CODE AS AMENDED, BY CHANGING THE ZONING CLASSIFICATION OF A 251.044 ACRE TRACT OF LAND SITUATED IN THE M.E.P. & P.R.R. SURVEY, ABSTRACT NO. 910, THE H. ANDERSON SURVEY, ABSTRACT NO. 25, AND THE S.A. VENTERS SURVEY, ABSTRACT NO. 1313, IN THE TOWN OF NORTHLAKE FROM "I" INDUSTRIAL TO "I-PD" INDUSTRIAL PLANNED DEVELOPMENT AND REVISING THE OFFICIAL ZONING MAP IN ACCORDANCE THEREWITH; PROVIDING FOR THE ADOPTION OF DEVELOPMENT STANDARDS; PROVIDING FOR THE ADOPTION OF A CONCEPT PLAN; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Northlake, as an incorporated municipality in the State of Texas, has been given the authority by Chapter 211 of the Local Government Code to establish zoning and amend zoning in accordance with Chapter 211; and

WHEREAS, the Town Council of the Town of Northlake heretofore adopted Ordinance No. 13-0124A establishing the Unified Development Code which contains the zoning regulations of the Town of Northlake; and

WHEREAS, the Unified Development Code and Official Zoning Map established the zoning of "I" Industrial for a 251.044-acre tract of land located in the M.E.P. & P.R.R. Survey, Abstract No. 910, the H. Anderson Survey, Abstract No. 25, and the S.A. Venters Survey, Abstract No. 1313, in the Town of Northlake, Denton County, Texas (the "Property"); and

WHEREAS, the Unified Development Code provides for adoption of Planned Development Districts; and

WHEREAS, the Town of Northlake has received a request from the owners of the Property to rezone the Property to establish an "I-PD" Industrial Planned Development District; and

WHEREAS, the Town of Northlake heretofore adopted Ordinance No. 16-1208E on December 12, 2016, The Pathway to 2040 Northlake Comprehensive Plan Update, and the requested rezoning complies with recommendations of the plan; and

WHEREAS, all requirements of Chapter 211 of the Local Government Code, and all other laws dealing with notice, publication, and procedural requirements for zoning of property have been complied with; and

WHEREAS, upon review and consideration of the Planning and Zoning Commission following a public hearing at their meeting on June 29, 2021, the Planning and Zoning Commission recommended approval of the zoning change as provided herein; and

WHEREAS, a public hearing was held by the Town Council of the Town of Northlake on July 22, 2021 with respect to the zoning change described herein; and

WHEREAS, the Town Council of the Town of Northlake does hereby deem it advisable and in the public interest to approve the zoning change request and establish a "I-PD" Industrial Planned Development District on the Property.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS THAT:

SECTION 1. The 251.044-acre Property more fully described in Exhibit "A" shall be zoned "I-PD" Industrial Planned Development with the concept plan as provided in Exhibit "B" and development standards as provided in Exhibit "C" attached hereto.

SECTION 2. The use of the Property described in Exhibit "A" shall be subject to all applicable regulations contained in the Development Standards provided in Exhibit "C", the Unified Development Code, and all other applicable and pertinent ordinances of the Town of Northlake.

SECTION 3. This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the Town of Northlake, and this ordinance shall not operate to repeal or affect the Code of Ordinances of the Town of Northlake or any other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such Code of Ordinances or any other ordinances are hereby repealed.

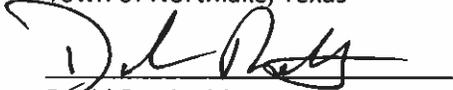
SECTION 4. It is hereby declared to be the intention of the Northlake Town Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court or competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since same would have been enacted by the Town Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 5. Any person, firm, association of persons, corporation or other organization violating the provisions of this ordinance shall be deemed to be guilty of a misdemeanor and, upon conviction, shall be fined an amount not to exceed \$2,000.00. Each day that a violation continues shall be deemed a separate offense.

SECTION 6. This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the laws of the State of Texas.

PASSED AND APPROVED ON THIS THE 22nd DAY OF JULY, 2021

Town of Northlake, Texas


David Rettig, Mayor

ATTEST:

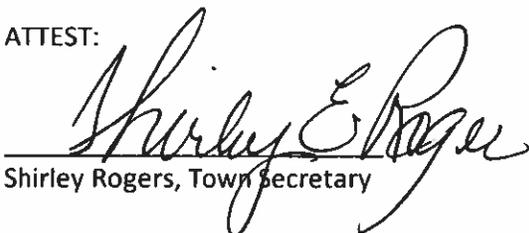

Shirley Rogers, Town Secretary



EXHIBIT A
Legal Description of Property

BEING all that certain 251.044 acre tract of land situated in the M.E.P. & P.R.R. Survey, Abstract No. 910, H. Anderson Survey, Abstract No. 25, and the S. A. Venters Survey, Abstract No. 1313, Town of Northlake, Denton County, Texas, and being a portion of that certain tract of land conveyed to 6 McFarm, LLC, by deed recorded in Document Number 2017-15557, Official Public Records, Denton County, Texas, and being more particularly described as follows:

BEGINNING at a spike nail found for the most westerly northwest corner of said McFarm tract, same being the most northerly northeast corner of that certain tract of land conveyed to Petrus Investment, L.P., by deed recorded in Volume 4246, Page 546, Deed Records, Denton County, Texas, and being in a westerly bend of Harmonson Road (a prescriptive right-of-way), same being in the south line of that certain tract of land conveyed to Keith Family Limited Partnership, by deed recorded in Document Number 2009-35481, said Official Public Records;

THENCE along the common line of said McFarm tract and said Keith tract as follows:

North 89 deg. 44 min. 30 sec. East, a distance of 637.17 feet to a 3/8 inch iron rod with yellow cap stamped "RPLS 1629" found for corner, same being the southeast corner of said Keith tract;

North 00 deg. 15 min. 37 sec. West, a distance of 2176.57 feet to a 3/8 inch iron rod found for the most northerly northwest corner of said McFarm tract, same being the northeast corner of said Keith tract, same being in the south line of that certain tract of land conveyed to Cameron B. Ketchersid, by deed recorded in Document Number 2016-1739, aforesaid Official Public Records;

THENCE along the common line of said McFarm tract and said Ketchersid tract as follows:

North 89 deg. 41 min. 07 sec. East, a distance of 1022.69 feet to a point for corner;

South 00 deg. 20 min. 45 sec. East, a distance of 41.30 feet to a 60D nail found for corner;

South 89 deg. 45 min. 59 sec. East, a distance of 894.40 feet to a 60D nail found for the northeast corner of said McFarm tract, same being the northwest corner of that certain tract of land conveyed to Crockett Concrete Co. Inc., by deed recorded in Volume 1593, Page 275, aforesaid Deed Records;

THENCE South 00 deg. 43 min. 47 sec. East, along the common line of said McFarm tract and said Crockett tract, a distance of 4770.18 feet to a point for the southeast corner of said McFarm tract, same being the southwest corner of said Crockett tract, same being in the north line of that certain tract of land conveyed to Richard Howard Foster, Marilyn Stewart, and Karen Elaine Lewis, by deed recorded in Volume 4301, Page 1840, said Deed Records, same being in the approximate centerline of aforesaid Harmonson Road;

THENCE North 89 deg. 40 min. 48 sec. West, along the common line of said McFarm tract and said Foster, Stewart, and Lewis tract, same being the approximate centerline of said Harmonson road, passing at a distance of 80.07 feet, a 5/8 inch iron rod found for the northwest corner of said Foster, Stewart, and Lewis tract, same being the most easterly northeast corner of aforesaid Petrus tract, and continuing along the common line of said McFarm tract and said Petrus tract, and continuing along the approximate centerline of said Harmonson Road, passing a northwest corner of said Petrus tract, same being the northeast corner of that certain tract of land conveyed to Rita Jane Solomon, by deed recorded in Volume 803, Page 1, said Deed Records, and continuing along the common line of said McFarm tract and said Solomon tract, and continuing along the approximate centerline of said Harmonson Road, a total distance of 2590.04 feet to a 1/2 inch iron rod found for the most southerly southwest corner of said McFarm tract, same being the northwest corner of said Solomon tract, same being in the east line of aforesaid Petrus tract, same being on the west side of a northerly bend of said Harmonson Road;

THENCE North 00 deg. 20 min. 10 sec. West, along the common line of said McFarm tract and said Petrus tract, and continuing along the approximate centerline of said Harmonson Road, a distance of 2615.28 feet to the POINT OF BEGINNING and containing 251.044 acres of computed land, more or less.

EXHIBIT B
Concept Plan Exhibit

[See following page]

CAMERON R. KEICHERSU
DOC NO. 2016-1739

TEXAS POWER & LIGHT
COMPANY AGREEMENT
VOL. 700, PG. 122
(NO WIDTH SPECIFIED)

APPROXIMATE LOCATION OF DEVON
ENERGY OPERATING COMPANY, L.P.
A SOUTH GAS UNIT LEASE
DOC NO. 7005-00315

KEITH FAMILY LIMITED
PARTNERSHIP
DOC NO. 2009-15481

CROCKETT CONCRETE CO. INC.
VOL. 1593, PG. 275

HARMONSON ROAD
(PRESCRIPTIVE GRAVEL
RIGHT-OF-WAY)

Future Building
260'X700'
182,000 SF ±

Future Building
520'X1600'
832,000 SF ±

DETENTION

Existing Gas
Pad 4 Acres ±

DETENTION

Future Building
300'X900'
270,000 SF ±

CROCKETT CONCRETE CO. INC.
VOL. 1593, PG. 275

Existing Gas
Pad 3 Acres ±

PETRUS INVESTMENT, L.P.
VOL. 4246, PG. 546

BUILDING 1
1,755 X 570
1,000,350 SF +/-

BUILDING 2
1100 X 470
517,000 SF +/-

Future Building
250'X800'
200,000 SF ±

HARMONSON ROAD
(PRESCRIPTIVE GRAVEL
RIGHT-OF-WAY)

DETENTION

DETENTION

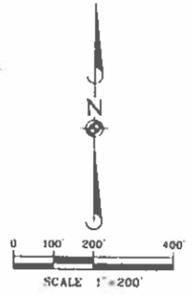
RITA JANE SOLOMON
VOL. 803, PG. 1

HARMONSON ROAD
(PRESCRIPTIVE GRAVEL
RIGHT-OF-WAY)

PETRUS INVESTMENT, L.P.
VOL. 4246, PG. 546

PETRUS INVESTMENT, L.P.
VOL. 4246, PG. 546

RICHARD HOWARD FOSTER,
MARLYN SILWART AND
KAREN ELAINE LEWIS
VOL. 4301, PG. 1840



6 McFarm
Northlake, TX

Concept Plan

06.10.2021 SCALE: 1"=200' XX-XX



DRAWN BY: [] NOTES: []

EXHIBIT C
Development Standards
6 McFarm Property
251.044 ACRES

Statement of Purpose and Intent

The intent of this Planned Development (PD) is to provide regulations for the development of an industrial business park (the "Project") on 251.044 acres of land (the "Property") within the Town of Northlake, Texas (the "Town"). These regulations are intended to provide flexibility in terms of development while maintaining standards that will encourage future growth. Except as modified or amended herein, this Planned Development shall conform to all applicable sections of the Town's Unified Development Code (the "UDC").

Project Location

The Project is located in the M.E.P. & P.R.R. Survey, Abstract No. 910, H. Anderson Survey, Abstract No. 25, and the S. A. Venters Survey, Abstract No. 1313, Town of Northlake, Denton County, Texas and is more fully described in the attached legal description (Exhibit A).

Development Standards

All development within the boundary of this Planned Development District shall adhere to the rules and regulations set forth herein. This zoning document and the Exhibits listed below supersede any existing zoning, use and development regulations for the tract of land described herein.

- Exhibit A Legal Description of Property
- Exhibit B Concept Plan Exhibit

Development Regulations

1. Except as otherwise defined in this PD, terms used herein shall be the same as those found in the UDC in effect on the effective date of this PD (hereinafter, the "Zoning Ordinance").
2. The base zoning for the Property shall comply with the Industrial (I) zoning district as it exists in the Zoning Ordinance, excluding Article 13 which is hereby made inapplicable to the Property (the "Development Standards"). In addition to the uses allowed by right under the Industrial (I) zoning district, the following uses shall be permitted by right within the subject property:

- Call Center and Telemarketing Services
- Cold Storage Warehouse
- Data Processing Center and/or Services
- Distribution Warehouse
- General Warehouse
- Logistics Warehouse
- Office Showroom
- Package Delivery Services

3. The Mayor, the Town Manager or a designee may administratively approve in writing minor revisions to the Development Standards, including without limitation, the following: (i) an increase in the height of any structure by ten percent (10%) or less; (ii) a setback reduction of ten percent (10%) or less; (iii) an increase in lot coverage of ten percent (10%) or less; (iv) minor setback reductions associated with oil and gas well, well head or similar improvements or equipment; or (v) relocation of structures provided setbacks are maintained except as otherwise provided above, parking is not reduced, uses are not added to the list of permitted uses, and circulation is approved by the Town Manager or a designee.
4. Except for variances specifically authorized to be considered by the Board of Adjustment (the "BOA") in Sec. 3.4 of the UDC, the Town Council may waive strict compliance with the Development Standards on a case-by-case basis when a developer demonstrates, to the reasonable satisfaction of the Town Council, that the requested waiver: (i) is not contrary to the public interest; (ii) does not cause injury to adjacent property; and (iii) does not materially adversely affect the quality of development.
5. The Town Council hereby approves the following exceptions to the Development Standards: (i) loading dock areas for the Project may be oriented facing public rights-of-way so long as a developer utilizes, at a minimum, three foot (3') undulating berms with tree and shrub plantings in compliance with the Town's landscaping standards in effect on the effective date hereof; (ii) the loading docks facing public rights-of-way shall be exempt from vertical articulation; (iii) rooftop equipment not exceeding six feet (6') in vertical height and located fifty feet (50') from exterior walls shall be permitted for the Project but shall be screened with a quality metal material (as reasonably determined by the developer) in a color that is light and/or matches the building color, and such screen may be a maximum height of six feet (6'); and (iv) the setback from any well head shall be one hundred feet (100").
6. In the event of any conflict between this PD and any other ordinance, rule, regulation, standard, policy, order, guideline or other Town-adopted or Town-enforced requirement, whether existing on the effective date or hereinafter adopted by the Town (collectively, "Town Zoning Ordinances and Regulations"), this PD shall prevail and control. All Town Zoning Ordinances and Regulations that are inconsistent with the terms and provisions of this PD are hereby made inapplicable to the Property.
7. The Concept Plan attached hereto as Exhibit B and incorporated herein by reference, demonstrates potential locations and relationships of the uses permitted under this PD. Because of anticipated development dynamics, it is anticipated that the overall Concept Plan will change from time to time. Revisions to the Concept Plan shall not be considered to be amendments to the PD zoning requirements and, in addition to the ability of the Town Manager or designee to change the same under Section 5.10D of the UDC, shall be administratively reviewed and approved by the Town Manager, or his/her designee provided the change does not (i) increase the height of any structure by more than ten percent (10%); (ii) reduce a setback by more than ten percent (10%) or less; (iii) increase lot coverage by more than ten percent (10%); or (iv) add uses to the permitted uses.
8. Site Plans shall be required for all developments within this PD in general accordance with the Concept Plan and be processed according to Sec. 12.15 of the UDC. The process for approving required Concept Plans and Site Plans may not be used to require conditions that conflict with or

are inconsistent with the terms of this document. Concept Plans and Site Plans may be submitted and approved on a project by project basis, and no particular phasing or development schedule shall be required.



TOWN OF NORTHLAKE, TEXAS
OFFICIAL ORDINANCE

NO. 23-0622B

AN ORDINANCE OF THE TOWN OF NORTHLAKE, TEXAS, AMENDING CHAPTER 12 OF THE CODE OF ORDINANCES OF THE TOWN, THE SAME BEING THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF NORTHLAKE, AND AMENDING THE OFFICIAL ZONING MAP OF THE TOWN BY CHANGING THE ZONING CLASSIFICATION ON THOSE CERTAIN TRACTS OF LAND LEGALLY DESCRIBED AS AN APPROXIMATELY 77.304 ACRE TRACT OF LAND SITUATED IN THE M.E.P. & P. RR. CO. SURVEY, ABSTRACT NO. 910, AN APPROXIMATELY 22.041 ACRE TRACT OF LAND IN THE H.W. COOK SURVEY, ABSTRACT NO. 310, AND AN APPROXIMATELY 784.604 ACRE TRACT OF LAND SITUATED IN THE HOLLAND ANDERSON SURVEY, ABSTRACT NO. 25, THE GUADALUPE CARDINAS SURVEY, ABSTRACT NO. 215, THE WILLIAM GAFFIELD SURVEY, ABSTRACT NO. 448, THE M.E.P. & P. RR. CO. SURVEY, ABSTRACT NO. 910, AND THE MARY POLK SURVEY, ABSTRACT NO. 993, DENTON COUNTY, TEXAS, FROM THEIR ZONING CLASSIFICATIONS OF UNZONED AND RR RURAL RESIDENTIAL DISTRICT TO PD, PLANNED DEVELOPMENT DISTRICT, WITH A BASE DISTRICT OF I INDUSTRIAL; PROVIDING THAT SUCH TRACTS OF LAND SHALL BE USED IN ACCORDANCE WITH THE REQUIREMENTS OF THE UNIFIED DEVELOPMENT CODE ORDINANCE AND ALL OTHER APPLICABLE ORDINANCES OF THE TOWN EXCEPT AS MODIFIED HEREIN; PROVIDING THAT THE ZONING MAP SHALL REFLECT THE PLANNED DEVELOPMENT DISTRICT FOR THE PROPERTY; PROVIDING SEVERABILITY, REPEALING AND SAVINGS CLAUSES; PROVIDING A PENALTY; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE

WHEREAS, the Town of Northlake, Texas (“Town”) is a home rule municipality located in Denton County, Texas; and

WHEREAS, the Town Council of the Town of Northlake, Texas (“Town Council”) adopted Chapter 12 of its Code of Ordinances, the same being the Unified Development Code of the Town, which zoned the land legally described as an approximately 77.304 acre tract of land situated in the M.E.P. & P. RR. Co. Survey, Abstract No. 910, Denton County, Texas, and as an approximately 22.041 acre tract of land in the H.W. Cook Survey, Abstract No. 310, Denton County, Texas, described and depicted in **Exhibits “A” and “B”**, respectively, of which are attached and incorporated as if fully set forth herein; and

WHEREAS, the Town Council adopted Ordinance No. 23-0622A which annexed into the corporate limits of the Town the land legally described as an approximately 784.604 acre tract of land situated in the Holland Anderson Survey, Abstract No. 25, the Guadalupe Cardinas Survey, Abstract No. 215, the William Gaffield Survey, Abstract No. 448, the M.E.P. & P. RR. Co. Survey, Abstract No. 910, and the Mary Polk Survey, Abstract No. 993, Denton County, Texas, and described and depicted in **Exhibit “C”** of which is attached and incorporated as if fully set forth herein; and

WHEREAS, the tracts of land described and depicted in **Exhibit “A”, Exhibit “B” and Exhibit “C”** are collectively referred to as the “Property”; and

WHEREAS, the Property owner (the “Owner”) has made an application under the provisions of the Unified Development Code of the Town of Northlake for a zone change to PD, Planned Development District; and

WHEREAS, after public notices were given in compliance with State law and public hearings were conducted, and after considering the information submitted at those public hearings and all other relevant information and materials, the Planning and Zoning Commission of the Town has recommended to the Town Council the adoption of amendments to the Unified Development Code as set forth in this Ordinance; and

WHEREAS, after complying with all legal notices, requirements, and conditions, a public hearing was held before Town Council at which the Town Council considered the recommendation of the Planning and Zoning Commission of the Town, and among other things, the character of the land and its sustainability for particular uses, and compatibility with surrounding uses, with a view of encouraging the most appropriate use of land in the Town, and the Town Council does hereby find that the rezoning approved hereby accomplishes such objectives.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. Findings. After due deliberation and consideration of the recommendation of the Planning and Zoning Commission and the information and other materials received at the public hearing, the Town Council has concluded that the adoption of this Ordinance is in the best interests of the Town of Northlake, Texas, and of the public health, safety, and welfare.

Section 3. Zoning Amendments. Chapter 12 of the Code of Ordinances for the Town of Northlake, the same being the Town’s Unified Development Code, is hereby amended in the following particulars, and all other articles, chapters, sections, paragraphs, sentences, phrases, and words not expressly amended are hereby ratified and affirmed:

The zoning on the Property is hereby changed from Unzoned and RR Rural Residential District to PD, Planned Development District, with the base zoning designation I Industrial District. The Property shall be subject to all applicable Town ordinances and regulations, including the Planned Development Regulations attached in **Exhibit “D”**, and the Concept Plan attached in **Exhibit “E”** for the Property zoned herein.

Section 4. Zoning Map. The Official Zoning Map of the Town of Northlake, adopted by Article 2, Section 2.1 of the Unified Development Code for the Town of Northlake, and on file in the office of the Town Secretary is hereby amended to reflect the foregoing zoning use changes herein made.

Section 5. Severability. Should any section, subsection, sentence, clause, or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The Town hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

Section 6. Savings/Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

Section 7. Penalty. Any person, firm, entity, or corporation who violates any provision of this Ordinance or Town of Northlake's Unified Development Code Chapter 12, as they exist or may be amended, shall be deemed guilty of a misdemeanor, and upon conviction therefore, shall be fined in a sum not exceeding Two Thousand and No/100 Dollars (\$2,000.00). Each continuing day's violation shall constitute a separate offense. The penal provisions imposed under this Ordinance shall not preclude Town from filing suit to enjoin the violation. Town retains all legal rights and remedies available to it pursuant to local, state, and federal law.

Section 8. Effective Date. This Ordinance shall become effective immediately upon its adoption and its publication as required by law.

PASSED AND APPROVED by the Town Council of the Town of Northlake, Texas, this 22nd day of June 2023.

Town of Northlake, Texas

David Rettig

David Rettig, Mayor

Attest:

Zolaina R. Parker

Zolaina R. Parker, Town Secretary



EXHIBIT "A"

Property Description and Depiction

Description of a Planned Development

784.604 Acres

BEING THAT TRACT OF LAND SITUATED IN THE H. HENDERSON SURVEY, ABSTRACT NUMBER 25, THE G. CARDINAS SURVEY, ABSTRACT NUMBER 215, THE M.E.P. & P.R.R. CO. SURVEY, ABSTRACT NUMBER 910 AND THE MARY POLK SURVEY, ABSTRACT NUMBER 993, DENTON COUNTY, TEXAS AND BEING THE REMAINDERS OF THOSE TRACTS OF LAND (TRACT 1 AND TRACT 5) DESCRIBED BY DEED TO PETRUS INVESTMENT, L.P. RECORDED IN VOLUME 4246, PAGE 546 OF REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, BEING ALL OF THAT TRACT OF LAND DESCRIBED BY DEED TO EAGLE INCOME PROPERTIES, LP, RECORDED IN INSTRUMENT NUMBER 2021-105710 SAID REAL PROPERTY RECORDS AND ALL OF THAT TRACT OF LAND DESCRIBED BY DEED TO AIL INVESTMENTS, L.P., RECORDED IN INSTRUMENT NUMBER 2023-10912 SAID REAL PROPERTY RECORDS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

BEGINNING AT IN THE NORTH LINE OF TEXAS MOTOR SPEEDWAY, AN ADDITION TO THE CITY OF FORT WORTH RECORDED IN INSTRUMENT NUMBER 2004-10521 (CABINET V, SLIDE 493 OF REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, BEING THE SOUTHWEST CORNER OF THE REMAINDER OF SAID TRACT 5 AND BEING THE SOUTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED BY DEED TO NORTHLAKE 156 & 114, L.P., RECORDED IN INSTRUMENT NUMBER 2021-68670 SAID REAL PROPERTY RECORDS;

THENCE, WITH THE WEST LINE OF TH REMAINDER OF SAID TRACT 1, THE FOLLOWING BEARINGS AND DISTANCES;

N 00°13'52"W, 3839.50 FEET;

S 89°44'57"W 1369.32 FEET TO THE SOUTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED BY DEED TO GW MANUFACTURING SOLUTIONS, LLC RECORDED IN INSTRUMENT NUMBER 2016-147102 OF SAID REAL PROPERTY RECORDS;

N 17°13'03"E 2445.82 FEET, WITH THE WEST LINE OF SAID GE TRACT, TO THE SOUTH LINE OF THAT TRACT OF LAND DESCRIBED BY DEED TO GE MANUFACTURING SOLUTIONS, LLC RECORDED IN INSTRUMENT NUMBER 2015-148414 SAID REAL PROPERTY RECORDS;

THENCE N 89°42'44"E, 10.45 FEET TO THE SOUTHWEST CORNER OF THAT TRACT OF AFOEMENTIONED EAGLE INCOME PROPERTIES TRACT;

THENCE WITH THE WEST LINE OF SAID EAGLE INCOME PROPERTIES TRACT THE FOLLOWING BEARINGS AND DISTANCES;

N 17°16'33"E, 2233.45 FEET;

N 15°33'59"E, 424.69 FEET;

N 09°27'41"E, 424.03 FEET TO THE NORTHWEST CORNER OF AFORESAID EAGLE INCOME TRACT ON THE SOUTH SIDE OF HARMONSON ROAD (A PAVED TRAVELED ROADWAY OF UNDETERMINED WIDTH)

THENCE S 89°57'13"E, 143.08 FEET, ALONG THE SOUTHSIDE OF HARMONSON ROAD TO THE WEST LINE OF AFOREMENTIONED AIL INVESTMENT, L.P. TRACT

THENCE N 00°29'48"W, 17.06 FEET, WITH SAID WEST LINE, TO THE APPROXIMATE CENTERLINE OF SAID HARMONSON ROAD;

THENCE N 89°53'17"E, AONG THE APPROXIMATE CENTERLINE OF HARMONSON ROAD, AT 205.11 FEET THE NORTHEAST CORNER OF SAID AIL TRACT, IN ALL A DISTANCE OF 1,741.50 FEET TO THE NORTHEST CORNER OF AFOREMENTIONED EAGLE INCOME TRACT;

THENCE S 00°30'04"E, 2604.31 FEET, TO THE EASTERLY NORTHWEST CORNER OF AFOREMENTIONED PETRUS TRACT;

THENCE N 89°21'08"E, AT 15.9 FEET, ALONG THE APPROXIMATE CENTERLINE OF MCPHERSON ROAD, (A PAVED TRAVELED ROADWAY OF UNDETERMINED WIDTH) THE SOUTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED BY DEED TO AIL INVESTMENT, LP RECORDED IN INSTRUMENT NUMBER 2021-145548, SAID REAL PROPERTY RECORDS, IN ALL, CONTINUING WITH MCPHERSON ROAD, A DISTANCE OF 967.80 FEET;

THENCE WITH THE EAST LINE OF AFOREMENTIONED TRACT 1 THE FOLLOWING COURSES AND DISTANCE;

S 00°39'02"E, AT 2620.9 FEET THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED BY DEED TO RITA SOLOMON RECORDED IN VOLUME 801, PAGE 1 SAID REAL PROPERTY RECORDS, IN ALL A DISTANCE OF 2697.29 FEET;

S 89°20'58"W, 275.51 FEET;

S 00°07'56"W 35.58 FEET TO THE WESTERLY NORTHWEST CORNER OF AFOREMENTIONED TRACT 5;

THENCE WITH THE NORTH AND EAST LINE OF THE REMAINDER OF SAID TRACT 5 THE FOLLOWING BEARINGS AND DISTANCES;

S 89°40'15"E 923.46 FEET;

N 00°18'15"W 116.67 FEET, TO THE APPROXIMATE CENTERLINE OF AFOREMENTIONED MCPHERSON ROAD;

S 89°40'59"E 1862.78 FEET ALONG SAID MCPHERSON ROAD;

S 02°01'26"E 3206.29 FEET TO THE NORTH LINE OF AFOREMENTIONED TEXAS MOTOR SPEEDWAY AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

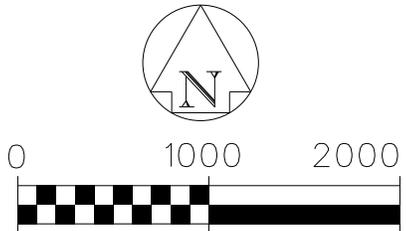
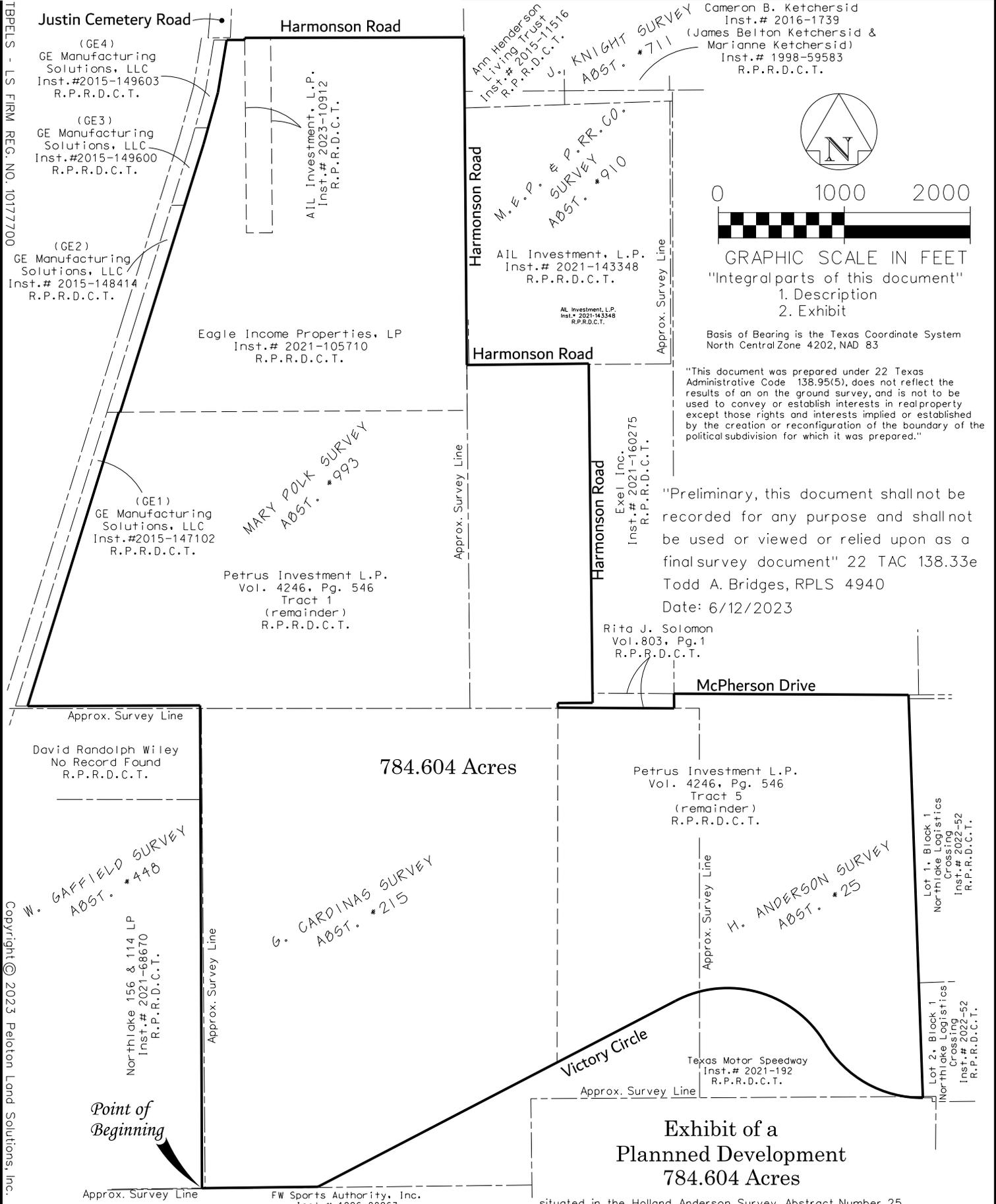
THENCE WITH THE NORTH LINE OF TEXAS MOTOR SPEEDWAY THE FOLLOWING COURSES AND DISTANCES;

WITH SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 932.50 FEET, THROUGH A CENTRAL ANGLE OF 59°21'54" HAVING A RADIUS OF 900.00 FEET, THE LONG CHORD OF WHICH BEARS N 60°39'51"W, 891.35 FEET, TO THE BEGINNING OF A REVERSE CURVE TO THE LEFT;

WITH SAID REVERSE CURVE TO THE LEFT, AN ARC DISTANCE OF 1358.94 FEET, THROUGH A CENTRAL ANGLE OF 86°30'45", HAVING A RADIUS OF 900.00 FEET, THE LONG CHORD OF WHICH BEARS N 74°14'17"W 1233.47 FEET;

S 62°30'21"W , PASSING AT 1061.0 FEET THE SOUTHWEST CORNER OF THE REMAINDER OF AFOREMENTIONED TRACTS 1 AND 5, IN ALL A DISTANCE OF 3201.79 FEET;

THENCE 5 S 89°17'18"W 921.16 FEET TO THE POINT OF BEGINNING AND CONTAINING 34,177,350 SQUARE FEET OR 784.604 ACRES OF LAND MORE OR LESS.



"This document was prepared under 22 Texas Administrative Code 138.95(5), does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."

"Preliminary, this document shall not be recorded for any purpose and shall not be used or viewed or relied upon as a final survey document" 22 TAC 138.33e
 Todd A. Bridges, RPLS 4940
 Date: 6/12/2023

Rita J. Solomon
 Vol. 803, Pg. 1
 R.P.R.D.C.T.

Exel Inc.
 Inst. # 2021-160275
 R.P.R.D.C.T.

AIL Investment, L.P.
 Inst. # 2021-143348
 R.P.R.D.C.T.

AIL Investment, L.P.
 Inst. # 2021-143348
 R.P.R.D.C.T.

Eagle Income Properties, LP
 Inst. # 2021-105710
 R.P.R.D.C.T.

(GE1)
 GE Manufacturing Solutions, LLC
 Inst. # 2015-147102
 R.P.R.D.C.T.

MARY POLK SURVEY
 ABST. # 993

Petrus Investment L.P.
 Vol. 4246, Pg. 546
 Tract 1
 (remainder)
 R.P.R.D.C.T.

David Randolph Wiley
 No Record Found
 R.P.R.D.C.T.

784.604 Acres

Petrus Investment L.P.
 Vol. 4246, Pg. 546
 Tract 5
 (remainder)
 R.P.R.D.C.T.

W. GAFFIELD SURVEY
 ABST. # 448

Northlake 156 & 114 LP
 Inst. # 2021-68670
 R.P.R.D.C.T.

G. CARDINAS SURVEY
 ABST. # 215

H. ANDERSON SURVEY
 ABST. # 25

Lot 1, Block 1
 Northlake Logistics
 Crossing
 Inst. # 2022-52
 R.P.R.D.C.T.

Lot 2, Block 1
 Northlake Logistics
 Crossing
 Inst. # 2022-52
 R.P.R.D.C.T.

Texas Motor Speedway
 Inst. # 2021-192
 R.P.R.D.C.T.

Point of Beginning

FW Sports Authority, Inc.
 Inst. # 1996-88963
 R.P.R.D.C.T.

**Exhibit of a
 Planned Development
 784.604 Acres**

situated in the Holland Anderson Survey, Abstract Number 25, the Guadalupe Cardinas Survey, Abstract Number 215, the William Gaffield Survey, Abstract Number 448, the M.E.P. & P.R.R. Co. Survey, Abstract Number 910, and the Mary Polk Survey, Abstract Number 993, Town of Northlake, Denton County, Texas.

ACF# 8460

PELTON
 LAND SOLUTIONS
 9800 HILLWOOD PARKWAY, SUITE 250
 FORT WORTH, TEXAS 76177 PH.# 817-562-3350

EXHIBIT "B"

Property Description and Depiction

Description of a Planned Development

22.041 Acres

BEING that tract of land situated in the H.W. Cook Survey, Abstract Number 310, Denton County, Texas and being a portion of the remainder of that tract of land described by deed to Petrus Investment L.P., recorded in Volume 4246, Page 546 (Tract II, remainder), Real Property Records, Denton County, Texas and being more particularly described by metes and bounds as follows;

BEGINNING at the northwest corner of said remainder tract, being in the south line of Lot 4, Block 1, Northlake 35 Logistics Park, an addition to the Town of Northlake, recorded in Instrument Number 2022-55, said Real Property, Records, from which the southwest corner of same, bears S 89°45'34" W, 5.72 feet;

THENCE N 89°45'34" E, at 2121.15 passing the southeast corner of Lot 10X, Block 1, Northlake 35 Logistics Park, an addition to the Town of Northlake, recorded in Instrument Number 2022-57, Real Property Records, Denton County, Texas, in all 2300.52 feet to the west right-of-way line of Interstate Highway 35W;

THENCE S 40°25'15" W, 594.99 feet, continuing with said west right-of-way line;

THENCE S 33°57'48" W, 360.80 feet, with said west right-of-way line;

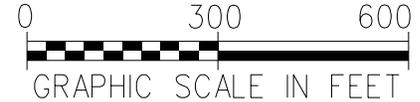
THENCE S 67°02'11" W, 72.51 feet, with said west right-of-way line to the northeast corner of Dedication Deed to the City of Fort Worth, recorded in Instrument Number 2001-105875, being in the north right-of-way line Dale Earnhardt Way (a 120 foot right-of-way), recorded in Dedication Deed, Instrument Number 2001-6337, both of Real Property Records, Denton County, Texas;

THENCE N 66°08'09" W, 640.72 feet, departing said west right-of-way line, with said north right-of-way line, to the beginning of a curve to the left;

THENCE continuing with said north right-of-way line and with said curve to the left, an arc distance of 1126.89 feet, through a central angle of 13°52'33", having a radius of 4653.10 feet, the long chord which bears N 70°39'04" W, 1124.13 feet;

THENCE N 00°05'01" E, 139.18 feet to the **Point of Beginning** and containing 960,090 square feet or 22.041 acres of land more or less.

"This document was prepared under 22 Texas Administrative Code 138.95(5), does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in realproperty except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."



Basis of Bearing is the Texas Coordinate System North Central Zone 4202, NAD 83

"Integral parts of this document"
1. Description
2. Exhibit

W. MURRAY SURVEY
ABST. # 890

LOT 10X, BLOCK 1
NORTHLAKE 35 LOGISTICS PARK
INST.#2022-57
R.P.R.D.C.T.

USA
VOL. 373, PG. 452
R.P.R.D.C.T.

M.E.P. & P. R.R. CO. SURVEY
ABST. # 642

LOT 4, BLOCK 1
NORTHLAKE 35 LOGISTICS PARK
INST.#2022-55
R.P.R.D.C.T.

McPherson Drive

Point of Beginning

Approx. Survey Line

(TRACT 2)
REMAINDER
PETRUS INVESTMENT, L.P.
VOL. 2470, PG. 696
D. R. D. C. T.

HW COOKE SURVEY
ABST. # 310

Dale Earnhardt Way
(120' Right-of-Way)
Inst. # 2001-6337

FW SPORTS AUTHORITY, INC.
CC# 96-R0088963
INST.#2022-57
R.P.R.D.C.T.

CITY OF FORT WORTH
INST. # 2001-105875

Interstate Highway 35W
(Variable Width Right-of-Way)

"Preliminary, this document shall not be recorded for any purpose and shall not be used or viewed or relied upon as a final survey document" 22 TAC 138.33e
Todd A. Bridges, RPLS 4940
Date: 5/31/2023

Exhibit of a Planned Development - 22.041 Acres

Situated in the H.W. Cook Survey, Abstract Number 310,
Denton County, Texas.

Copyright © 2023 Peloton Land Solutions, Inc.



9600 HILLWOOD PARKWAY, SUITE 250
FORT WORTH, TEXAS 76177 PH.# 817-562-3350

JOB # HWA23012

DRAWN BY: S. PONCE

CHECKED BY: T. BRIDGES

DATE: 05/04/2023

ACF# 8462

PAGE # 2 of 2

EXHIBIT "C"

Property Description and Depiction

Description of a Planned Development

77.304 Acres

BEING a tract of land situated in the M.E.P. & P.R.R. Co. Survey, Abstract Number 910, Denton County, Texas and being all of that tract of land described by deed to AIL Investment, L.P., recorded in Instrument Number 2021-143348 of the Real Property Records of Denton County, Texas and being more particularly described by metes and bounds as follows;

BEGINNING at the southwest corner of said AIL Investment tract, and at an "ell" corner in the approximate centerline of Harmonson Road (a paved traveled roadway of undetermined width);

THENCE N 00°55'21"W, 1998.66 feet, along said approximate centerline, to the east edge of the asphalt of said Harmonson Road and at the southwest corner of that tract of land described by deed to James Belton Ketchersid & Marianne Ketchersid, recorded in Instrument Number 1998-59583, said real property records;

THENCE with the south line of said Ketchersid tract the following bearings and Distances;

N 87°10'55"E, 813.60 feet;

N 68°54'58"E, 400.48 feet;

N 89°40'20"E, 441.48 feet, to the northeast corner of said AIL Investment tract and the northwest corner of that tract of land described by deed to Exel, Inc., recorded in Instrument Number 2021-160275, said real property records;

THENCE with the east line of said AIL Investment tract and the west line of said Exel, Inc. tract, the following bearings and distances;

S 00°20'41"E, 566.22 feet;

S 00°22'01"E, 922.90 feet;

S 00°01'38"E, 687.51 feet, to the southeast corner of said AIL Investment tract and an "ell" corner in said west line;

THENCE S 89°42'02"W, 1605.24 feet, with the south line of said AIL tract, to the **Point of Beginning** and containing 3,367,380 square feet or 77.304 acres of land more or less.

"This document was prepared under 22 Texas Administrative Code 138.95(5), does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in realproperty except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."



GRAPHIC SCALE IN FEET

Basis of Bearing is the Texas Coordinate System North Central Zone 4202, NAD 83

"Integral parts of this document"

- 1. Description
2. Exhibit

TBPELIS - LS FIRM REG. NO. 10177700

Harmonson Road

J. KNIGHT SURVEY
ABST. #711

Cameron B. Ketchersid
Inst.# 2016-1739

Ann Henderson (James Belton Ketchersid & Marianne Ketchersid)
Living Trust
Inst.# 2015-11516
R.P.R.D.C.T.
Inst.# 1998-59583
R.P.R.D.C.T.

Harmonson Road

Eagle Income Properties, LP
Inst.# 2021-105710
R.P.R.D.C.T.

M.E.P. & P.R.R.CO. SURVEY
ABST. #910

AIL Investment, L.P.
Inst.# 2021-143348
R.P.R.D.C.T.

H. ANDERSON SURVEY
ABST. #25

Exel Inc.
Inst.# 2021-160275
R.P.R.D.C.T.

MARY POLK SURVEY
ABST. #993

Point of Beginning

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Petrus Investment L.P.
Vol. 4246, Pg. 546
Tract 1 (remainder)
R.P.R.D.C.T.

Approx. Survey Line

Harmonson Road

Approx. Survey Line

"Preliminary, this document shall not be recorded for any purpose and shall not be used or viewed or relied upon as a final survey document" 22 TAC 138.33e
Todd A. Bridges, RPLS 4940
Date: 5/31/2023

Exhibit of a
Planned Development - 77.304 Acres

Situated in the M.E.P. & P.R.R. Co. Survey, Abstract Number 910,
Town of Northlake, Denton County, Texas.

ACF# 8461

PELTON LAND SOLUTIONS
9800 HILLWOOD PARKWAY, SUITE 250
FORT WORTH, TEXAS 76177 PH.# 817-562-3350

Table with 5 columns: JOB # HWA23012, DRAWN BY: S. Ponce, CHECKED BY: T. Bridges, DATE: 05/04/2023, PAGE # 2 of 2

EXHIBIT “D”
Planned Development Regulations

Development within the Property shall conform to all requirements for the I Industrial District, as prescribed by Chapter 12 of the Unified Development Code (“UDC”), except for the following modifications:

A. Land Use Regulations. Development within the Property shall comply with the following land use regulations:

1. Permitted Uses. Permitted uses shall include all uses permitted in the I Industrial District plus:

- Restaurant;
- Retail/commercial;
- Laundry/dry cleaning;
- Bank
- Hotel or motel
- Vertical/Indoor farming operation (the practice of growing produce in vertically stacked layers in enclosed structures);
- Truck stop (allowed by right only in the portion of the Property identified as the Limited Use Zone depicted on the Concept Plan attached hereto and incorporated herein by reference (the “Limited Use Zone”) and elsewhere by Specific Use Permit);
- Fueling station (automobiles and trucks plus alternative fueling stations for biodiesel, compressed natural gas, ethanol, electric charging, hydrogen, liquefied natural gas, propane and any other fuel source for vehicles).
- Moderate manufacturing (manufacturing of finished products or parts, predominantly from previously prepared materials, including fabrication, assembly, and packaging of such products, and incidental storage, sales and distribution of such products, including basic industrial processing, provided that such operations are not noxious or offensive due to odors, smoke, dust, noise, fumes or vibrations);
- Outdoor storage;
- Telecommunication antennas/towers (per Section 8.6 of the UDC);
- Data Center (real and personal property consisting of buildings or structures specifically designed or modified to house networked computers and data and transaction processing equipment and related infrastructure support equipment, including, without limitation, power and cooling equipment, used primarily to provide, as a service to persons other than the company operating the data center, data and transaction processing services, outsource information technology services and computer equipment colocation services, or, used primarily

to provide, to a single user, including the user's affiliates, customers, lessees, vendors and other persons authorized by the user, data and transaction processing services);

- Electric power substation (a subsidiary facility of an electric power station through which electricity is passed for transmission, transformation or distribution);
- Electric power generation, or power storage (a facility that generates or stores electricity) to support electric power for multiple properties as either as primary or back-up.
- Aviation (plus flight testing and training related to traditional aviation aircraft [helicopters], Advanced Air Mobility aircraft [Unmanned Aircraft Systems (UAS)], Electric Vertical and Takeoff Landing [eVOTL] aircraft, and Rural Advanced Mobility [RAM]; and testing of aviation related computer hardware/software and including ground based radar systems, Infrared systems, lidar technology, global positioning systems, airborne cameras, and ground based cameras. Traditional aviation aircraft, UAS, eVTOL and RAM Flight testing shall not be limited to only day light operations. All FAA regulations pertaining to traditional aviation aircraft, UAS, eVTOL and RAM will come before any municipal codes, ordinance, or zoning regulations.
- Cold Storage Facility (real and personal property consisting of buildings or structures specifically designed for the cooling, freezing, and cold storage of perishable food products and other perishables).

2. **Height Regulations.** Structures shall not exceed 120 feet in height.
3. **Dimensional Regulations.** Front, side, side adjacent to street and rear yard setbacks for all uses shall conform to the I Industrial dimensions set forth in Table 5.1 of the UDC. Floor Area Ratio (FAR) for all commercial uses shall be 1.0.
4. **Off-street Parking.** Off-street parking shall conform to the parking regulations set forth in Article 10 of the UDC except as follows:
 - All industrial uses shall meet a minimum of 1 space for each 10,000 square feet of total floor area.
 - Aviation - no minimum parking requirement.
 - Each standard off-street surface parking space shall measure not less than nine feet (9') by eighteen feet (18') feet, exclusive of access drives and aisles, and shall be of usable shape and condition.
5. **Off-street Loading.** Off-street loading shall conform to the regulations set forth in Article 10 UDC.
6. **Exterior Construction and Design Standards.** All building products and materials approved for use by a national model code published within the

last three code cycles that applies to the construction, renovation, maintenance or other alteration of a building are authorized for exterior use. Otherwise, no exterior building materials design standards shall apply.

7. **Landscaping.** Except for aviation uses, which shall have no landscaping requirement, landscaping shall conform to the regulations set forth in Section 9.10 of the UDC.
8. **Signage.** Signage shall conform to the regulations set forth in Article 11 of the UDC.
9. **Operational Standards.** Permitted uses shall be entitled to operate seven days per week. Hours of operations shall be:

Monday through Sunday – Twenty-four hours per day.
10. **Screening and Fencing.** (i) outdoor storage areas facing public rights-of-way shall be screened with a minimum three-foot (3') undulating berm or with tree and shrub plantings in compliance with the Town's landscaping standards in effect on the effective date hereof; (ii) loading docks facing public rights-of-way shall be exempt from vertical articulation; (iii) rooftop equipment not exceeding six feet (6') in vertical height and located fifty feet (50') from exterior walls shall be permitted but shall be screened with a quality metal material (as reasonably determined by Owner) in a color that is light and/or matches the building color, and such screen may be a maximum height of six feet (6'); and (iv) eight-foot (8') black-coated chain-link fencing shall be permitted.
11. **Oil and Gas Drilling Regulations.** Article 13 of the UDC shall not apply to the Property.
12. **Open Space Requirements.** A minimum of ten percent (10%) of the gross acreage of the development shall be preserved as open space. Otherwise, the requirements of Section 9.6 of the UDC shall not apply to the Property.

B. Minor Revisions to Planned Development Regulations. The Mayor, the Town Manager or a designee may administratively approve in writing minor revisions to the Planned Development Regulations, including without limitation, the following: (i) an increase in the height of any structure by ten percent (10%) or less; (ii) a setback reduction of ten percent (10%) or less; (iii) an increase in lot coverage of ten percent (10%) or less; (iv) parking reductions of ten percent (10%) or less; or (v) relocation of structures provided setbacks are maintained except as otherwise provided above, parking is not reduced, uses are not added to the list of permitted uses, and circulation is approved by the Town Manager or a designee.

C. Compliance With Planned Development Regulations. Except for variances specifically authorized to be considered by the Board of Adjustment (the "BOA") in Section 3.4 of the UDC, the Town Council may waive strict compliance with the Planned Development Regulations on a case-by-case basis when a developer demonstrates, to the reasonable satisfaction of the Town Council, that the requested waiver: (i) is not contrary to the public interest; (ii) does not cause injury to adjacent property; and (iii) does not materially adversely affect the quality of development.

D. Conflict. In the event of any conflict between these Planned Development Regulations and any other ordinance, rule, regulation, standard, policy, order, guideline or other Town-adopted or Town-enforced requirement, whether existing on the effective date or hereinafter adopted by the Town (collectively, "Town Zoning Ordinances and Regulations"), these Planned Development Regulations shall prevail and control. All Town Zoning Ordinances and Regulations that are inconsistent with the terms and provisions of these Planned Development Regulations are hereby made inapplicable to the Property.

E. Concept Plan. The Concept Plan attached hereto as Exhibit "D" and incorporated herein by reference, demonstrates potential locations and relationships of the uses permitted under this Planned Development. Because of anticipated development dynamics, it is anticipated that the overall Concept Plan will change from time to time. Revisions to the Concept Plan, including expansion of the Limited Use Zone, shall not be considered to be amendments to the Planned Development zoning requirements and, in addition to the ability of the Town Manager or designee to change the same under Section 5.10 D. of the UDC, shall be administratively reviewed and approved by the Town Manager, or his/her designee provided the change does not (i) increase the height of any structure by more than ten percent (10%); (ii) reduce a setback by more than ten percent (10%) or less; (iii) increase lot coverage by more than ten percent (10%); or (iv) add uses to the permitted uses.

EXHIBIT "E"
Concept Plan

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025

REF. DOC.: TEXAS LOCAL GOVERNMENT CODE, SECTION 1331, SUBCHAPTER A; Fiscal Year 2025 Capital Improvement Plan; Town of Northlake Strategic Plan

SUBJECT: Consider approval of an Ordinance of the Town of Northlake, Texas, authorizing the issuance of Town of Northlake, Texas, General Obligation Bonds, Taxable Series 2025 in the aggregate estimated principal amount of \$22,290,000; awarding the sale thereof; levying a tax, and providing for the security for and payment of said bonds; authorizing the execution and delivery of a paying agent/registrars agreement; approving the official statement; enacting other provisions relating to the subject; and declaring an effective date

**GOALS/
OBJECTIVES:** Promote Economic Vitality; 6.3 - Build out sports and entertainment corridor

BACKGROUND INFORMATION:

- Fiscal Year 2025 Capital Improvement Plan calls for \$22.5 million in funding for the StarsCenter Multisport Complex
 - Voters approved the issuance of \$45 million in taxable General Obligation Bonds to fund construction on November 7, 2023
 - Town issued \$22.5 million in General Obligation Bonds in Fiscal Year 2024 to support building and infrastructure for the StarsCenter Multisport Complex
 - General obligations bonds to be supported by lease revenue, sales tax, and hotel occupancy tax
- Issuance Schedule
 - February 27, 2025 - Bond Pricing
 - February 27, 2025 - Council considers and passes Ordinance authorizing issuance of the Bonds and Certificates
 - March 27, 2025 - Closing and Delivery of Funds
- Total issuance for Fiscal Year 2025 project funding and estimated issuance costs of the General Obligation Bond is \$22,290,000
 - Updated issuance amount to be provided to Council for their review prior to vote for adoption

COUNCIL ACTION/DIRECTION:

Approve ordinance authorizing the issuance of General Obligation Bonds

ORDINANCE NO. _____

relating to

\$ _____
TOWN OF NORTHLAKE, TEXAS
GENERAL OBLIGATION BONDS
TAXABLE SERIES 2025

Adopted: March 19, 2024

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AN ORDINANCE AUTHORIZING THE ISSUANCE OF TOWN OF NORTHLAKE, TEXAS, GENERAL OBLIGATION BONDS, TAXABLE SERIES 2025 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$ _____; AWARDING THE SALE THEREOF; LEVYING A TAX, AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT; APPROVING THE OFFICIAL STATEMENT; ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, the Town of Northlake (the “Town”) intends to issue bonds to finance public improvements the Town Council considers necessary within the Town; and

WHEREAS, the bonds hereinafter authorized were duly and favorably voted, as required by the Constitution and laws of the State of Texas, at an election held in the Town, on November 7, 2023 (the “Election”); and

WHEREAS, at the Election, the following are among the purposes and amounts of the bonds which were authorized, reflecting any amount previously issued pursuant to each voted authorization, the amount therefrom being issued pursuant to this Ordinance, and the balance that remains unissued after the issuance of the bonds herein authorized, to wit: and

Purpose	Date Authorized	Amount Authorized	Amount Previously Issued	Amount Being Issued	Unissued Balance
City Sports Complex	11/7/2023	\$45,000,000	\$ 22,710,000	22,290,000	\$-0-

WHEREAS, the Town Council has found and determined that it is necessary and in the best interests of the Town and its citizens that it issue such bonds authorized by this Ordinance; and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and public notice of the time, place, and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; therefore,

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS, THAT:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Ordinance, the following terms shall have the meanings specified below:

“Business Day” means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

“Bond” means any of the Bonds.

“Bonds” means the bonds authorized to be issued by Section 3.01 of this Ordinance and designated as “Town of Northlake, Texas, General Obligation Bonds, Taxable Series 2024.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code, and (d) the Regulations promulgated under the provisions described in (b) and (c).

“Delivery Date” means the date of delivery of the Bonds to the Purchasers and designated as the initial date of the Bonds by Section 3.02(a) of this Ordinance.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its office in Dallas, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the Town and such successor.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the Electronic Municipal Market Access System.

“Event of Default” means any event of default as defined in Section 10.01 of this Ordinance.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means such fiscal year as shall from time to time be set by the Town Council.

“Initial Bond” means the initial bond authorized by Section 3.04(d) of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.02 of this Ordinance.

“Interest Payment Date” means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15 of each year commencing February 15, 2026.

“MSRB” means the Municipal Securities Rulemaking Board.

“Ordinance” means this Ordinance.

“Owner” means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

“Paying Agent/Registrar” means initially Zions Bank, National Association, dba Amegy Bank Division, Houston, Texas, or any successor thereto as provided in this Ordinance.

“Purchaser(s)” means the initial purchaser(s) of the Bonds as set forth in Section 7.01.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Register” means the Register specified in Section 3.06(a) of this Ordinance.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Representations Letter” means the Blanket Letter of Representations between the Town and DTC.

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

“SEC” means the United States Securities and Exchange Commission.

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b).

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“Town” means the Town of Northlake, Texas.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of, redemption premium, if any, or interest on the Bonds as the same come due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity.

Section 1.02. Findings.

The declarations, determinations, and findings declared, made, and found in the preamble to this Ordinance are hereby adopted, restated, and made a part of the operative provisions hereof.

Section 1.03. Table of Contents, Titles, and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

ARTICLE II

SECURITY FOR THE BONDS; INTEREST AND SINKING FUND

Section 2.01. Payment of the Bonds.

(a) Pursuant to the authority granted by the Texas Constitution and laws of the State of Texas, there shall be levied and there is hereby levied for the current year and for each succeeding year thereafter while any of the Bonds or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the Town, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Bonds, being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent per annum (whichever amount is the greater), when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the Town most recently approved in accordance with law, and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Bonds when and as due and payable in accordance with their terms and this Ordinance.

(d) If the liens and provisions of this Ordinance shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Bonds, there shall be subtracted the amount of any Bonds that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

Section 2.02. Interest and Sinking Fund.

(a) The Town hereby establishes a special fund or account to be designated the “Town of Northlake, Texas, General Obligation Bonds, Taxable Series 2024, Interest and Sinking Fund” (the “Interest and Sinking Fund”) said fund to be maintained at an official depository bank of the Town separate and apart from all other funds and accounts of the Town.

(b) Money on deposit in or required by this Ordinance to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Bonds when and as due and payable in accordance with their terms and this Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS
REGARDING THE BONDS

Section 3.01. Authorization.

The Town’s bonds to be designated “Town of Northlake, Texas, General Obligation Bonds, Taxable Series 2024” (the “Bonds”), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, specifically Chapter 1331, Texas Government Code, as amended. The Bonds shall be issued in the aggregate principal amount of \$22,290,000 for the following purposes, to wit: (i) acquiring, establishing, developing, constructing and equipping a new multipurpose sports and community venue facility, including concessions, parking facilities, road, street, water, sewer or park facilities or other infrastructure facilities located in proximity to the sports and community venue facility, and (ii) paying of the costs of issuance of the Bonds.

Section 3.02. Date, Denomination, Maturities, and Interest.

(a) The Bonds shall be dated the date of their delivery to the initial purchaser thereof (the “Delivery Date”). The Bonds shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from one upward, except the Initial Bond, which shall be numbered T-1.

(b) The Bonds shall mature on February 15 in the years and in the principal amounts set forth in the following schedule:

\$ _____ Serial Bonds

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		

\$ _____ Term Bonds

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
20__		
20__		
20__		

(c) Interest shall accrue and be paid on each Bond respectively until its maturity or prior redemption from the later of the date of delivery of the Bonds to the Purchaser (the “Delivery Date”) or the most recent interest payment date to which interest has been paid or provided for at the rates per annum for each maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable semiannually on February 15 and August 15 of each year commencing February 15, 2026 and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.03. Medium, Method, and Place of Payment.

(a) The principal of, redemption premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America.

(b) Interest on the Bonds shall be payable to the Owners as shown in the Register at the close of business on the Record Date; provided, however, in the event of nonpayment of interest on a scheduled Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") shall be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," 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 Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest shall be paid by check, dated as of and mailed on the Interest Payment Date, and sent by the Paying Agent/Registrar to each Owner, first class United States mail, postage prepaid, to the address of each Owner as it appears in the Register, or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, that the Owner shall bear all risk and expense of such alternative banking arrangement. At the option of an Owner of at least \$1,000,000 principal amount of the Bonds, interest may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar.

(d) The principal of each Bond shall be paid to the Owner thereof on the due date, whether at the maturity date or the date of prior redemption thereof upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the Town where the Designated Payment/Transfer Office of the paying Agent/Registrar is located are required or authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or 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 and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments shall be segregated in a special escrow account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owners of the Bonds to which the Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, shall be paid to the Town to be used for any lawful purpose.

Thereafter, neither the Town, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to Title 6 of the Texas Property Code.

Section 3.04. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the Town by the Mayor and the Town Secretary, by their manual or facsimile signatures, and the official seal of the Town shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Town had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the Town whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bonds 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 herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory 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 Bonds delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which Certificate shall be evidence that the Bond has been duly approved by the Attorney General of the State of Texas, that it is a valid and binding obligation of the Town, and that it has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one initial Bond (the "Initial Bond") representing the entire principal amount of all Bonds, payable in stated installments to the initial purchaser, or its designee, executed by the Mayor and Town Secretary of the Town, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of the initial purchaser one registered definitive Bond for each year of maturity of the Bonds in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.05. Ownership.

(a) The Town, the Paying Agent/Registrar, and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as herein provided (except interest shall be paid to the person in

whose name such Bond is registered on the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Bond is overdue, and neither the Town nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Bond shall be valid and effectual and shall discharge the liability of the Town and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.06. Registration, Transfer, and Exchange.

(a) So long as any Bonds remain outstanding, the Town shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in a denomination or denominations of any integral multiple of \$5,000, and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) Each exchange Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the Town and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(f) Neither the Town nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption, in whole or in part, within 45 calendar days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.07. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be canceled and proper

records made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall then return such canceled Bonds to the Town or may in accordance with law dispose of such cancelled Bonds.

Section 3.08. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the Town may execute and, upon the Town's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed, or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions, and other variations as the officers of the Town executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The Town, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and shall authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Town or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction, or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the Town harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar, and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the Town and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Town and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the Town or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed, or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the Town and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.10. Book-Entry-Only System.

(a) Notwithstanding any other provision hereof, upon initial issuance of the Bond, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC. The definitive Bonds shall be initially issued in the form of a single separate bond for each of the maturities thereof.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Town and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant 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 Town 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, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Town and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying

Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, 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 Town's obligations with respect to payment of, premium, if any, 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 Register, shall receive a certificate evidencing the obligation of the Town to make payments of amounts due 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., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representations Letter previously executed and delivered by the Town, and applicable to the Town's obligations delivered in book-entry-only form to DTC as securities depository, is hereby ratified and approved for the Bonds.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry-Only System.

In the event that the Town or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representations Letter of the Town to DTC, and that it is in the best interest of the Town and the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Town shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) 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 certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered 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 Register 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.

Section 3.12. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the Representations Letter of the Town to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The Town reserves the option to redeem Bonds maturing on and after February 15, 2035 in whole or any part, before their respective scheduled maturity dates, on February 15, 2034 or on any date thereafter, such redemption date or dates to be fixed by the Town, at a price equal to the principal amount of the Bonds called for redemption plus accrued interest to the date fixed for redemption.

(b) If less than all of the Bonds are to be redeemed pursuant to an optional redemption, the Town shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(c) The Town, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

Section 4.03. Mandatory Sinking Fund Redemption

(a) The Bonds maturing on February 15, 20__, February 15, 20__, and February 15, 20__ (the "Term Bonds") are subject to scheduled mandatory redemption and will be redeemed by the Town, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts as set forth below.

\$ _____ Term Bonds Maturing February 15, 20__

<u>Redemption Date</u>	<u>Redemption Amount</u>
February 15, 20__	
February 15, 20__ *	
*maturity	

\$ _____ Term Bonds Maturing February 15, 20__

<u>Redemption Date</u>	<u>Redemption Amount</u>
February 15, 20__	
February 15, 20__ *	
*maturity	

\$ _____ Term Bonds Maturing February 15, 20__

<u>Redemption Date</u>	<u>Redemption Amount</u>
February 15, 20__	
February 15, 20__*	

*maturity

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the District, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Bond is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(b) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Bonds in an aggregate principal amount equal to the unredeemed portion of the Bonds so surrendered, such exchange being without charge.

(c) The Paying Agent/Registrar shall promptly notify the Town in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the Town shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the Town and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Town defaults in its obligation to make provision for the payment of the principal thereof, redemption premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the Town shall fail to make provision for payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same by the Town.

Section 4.08. Conditional Notice of Redemption.

The Town reserves the right to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the Town retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the Town delivers a certificate of the Town to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a

conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption and such redemption has been rescinded shall remain Outstanding and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional notice of redemption, the failure of the Town to make moneys and or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

Section 4.09. Lapse of Payment.

Money set aside for the redemption of Bonds and remaining unclaimed by the Owners of such Bonds shall be subject to the provisions of Section 3.03(f) hereof.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

The Zions Bank, National Association, dba Amegy Bank Division, Houston, Texas, is hereby appointed as the initial Paying Agent/Registrar for the Bonds.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any of the Bonds are outstanding, the Town will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the Town and the Paying Agent/Registrar in substantially the form presented at this meeting, such form of agreement being hereby approved. The signature of the Mayor shall be attested by the Town Secretary of the Town.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the Town will promptly appoint a replacement.

Section 5.04. Termination.

The Town, upon not less than sixty (60) days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination.

Section 5.05. Notice of Change to Owners.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the Town will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address thereof in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE BONDS

Section 6.01. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Bond of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Town or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds, if any, shall be typewritten, photocopied, printed, lithographed, or engraved, and may be produced by any combination of these methods or

produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Bonds.

The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows:

(a) Form of Bond.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas
County of Dallas
TOWN OF NORTHLAKE, TEXAS
GENERAL OBLIGATION BOND
TAXABLE SERIES 2025

INTEREST RATE: MATURITY DATE: DELIVERY DATE: CUSIP NUMBER:
_____ % February 15, _____ March 27, 2025 _____

The Town of Northlake (the "Town"), in the County of Dallas, State of Texas, for value received, hereby promises to pay to

or registered assigns, on the Maturity Date specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been provided for, and to pay interest on such principal amount from the later of Delivery Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2026.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the designated office in Dallas, Texas, of Zions Bank, National Association, dba Amegy Bank Division, Houston, Texas as Paying Agent/Registrar (the "Designated Payment/Transfer Office"), or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor Paying Agent/Registrar. Interest on this Bond is payable by check dated as of the interest payment date, and will be mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the registered owner; provided, however, such registered owner shall bear all risk and expenses of such customary banking arrangement. At the option of an Owner of at least \$1,000,000 principal amount of the Bonds, interest may be paid by wire transfer to the bank account of such Owner on file with the Paying Agent/Registrar. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a

\$ Term Bonds Maturing February 15, 20

<u>Redemption Date</u>	<u>Redemption Amount</u>
February 15, 20 <u> </u>	
February 15, 20 <u> </u> *	
*maturity	

\$ Term Bonds Maturing February 15, 20

<u>Redemption Date</u>	<u>Redemption Amount</u>
February 15, 20 <u> </u>	
February 15, 20 <u> </u> *	
*maturity	

The Paying Agent/Registrar will select by lot or by any other customary method that results in a random selection the specific Term Bonds (or with respect to Term Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the Town, by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the Town and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue.

The Town reserves the right to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the Town retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the Town delivers a certificate of the Town to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional notice of redemption and such redemption has been rescinded shall remain Outstanding and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the Town to make moneys and or authorized securities

available in part or in whole on or before the redemption date shall not constitute an event of default.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Town for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the Town nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The Town, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date, or the Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the Town nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law, and has been authorized by a vote of the properly qualified electors of the Town; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that ad valorem taxes upon all taxable property in the Town have been levied for and pledged to the payment of the debt service requirements of the Bonds, within the limit prescribed by law; and that the total indebtedness of the Town, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Town has caused this Bond to be executed by the manual or facsimile signature of the Mayor of the Town and countersigned by the manual or facsimile signature of the Town Secretary, and the official seal of the Town has been duly impressed or placed in facsimile on this Bond.

Mayor Town of Northlake, Texas

Town Secretary,
Town of Northlake, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate. The following Comptroller's Registration Certificate may be deleted from the definitive Bonds if such certificate on the Initial Bond is fully executed.

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
OF THE STATE OF TEXAS §

I hereby certify that there is on file and of record in my office an opinion of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the Town of Northlake, Texas; and that this Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

(c) Form of Certificate of Paying Agent/Registrar. The following Certificate of Paying Agent/Registrar may be deleted from each Initial Bond if the Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Bond of this series of Bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Bonds referred to in the within-mentioned Ordinance.

ZIONS BANK, NATIONAL
ASSOCIATION, DBA AMEGY BANK
DIVISION, HOUSTON, TEXAS
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and Zip Code of transferee): _____

(Social Security or other identifying number: _____) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed By:

Authorized Signatory

NOTICE: The Signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(e) The Initial Bond shall be in the form set forth in subsections (a) through (d) of this Section, except for the following alterations:

(i) 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 the words “CUSIP NO.” shall be deleted;

(ii) in the first paragraph of the Bond, the words “on the Maturity Date specified above, the sum of _____ DOLLARS” shall be deleted and the following will be inserted: “on the fifteenth day of February in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

(Information to be inserted from Section 3.02(c) hereof).

(iii) the Initial Bond shall be numbered T-1.

Section 6.03. CUSIP Registration.

The Town may secure identification numbers through the CUSIP Service Bureau managed by S & P Global IQ Intelligence on behalf of the American Bankers Association, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect in regard to the legality thereof and neither the Town nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.04. Legal Opinion.

The approving legal opinion of Bracewell LLP, Bond Counsel, may be attached to or printed on the reverse side of each Bond over the certification of the Town Secretary of the Town, which may be executed in facsimile.

Section 6.05. Statement Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Bonds, may be printed on each Bond.

ARTICLE VII

SALE AND DELIVERY OF BONDS; DEPOSIT OF PROCEEDS; FLOW OF FUNDS

Section 7.01. Sale of Bonds; Official Statement.

(a) The Bonds, having been duly advertised and offered for sale at competitive bid, are hereby officially sold and awarded to _____ (the "Purchaser") for a purchase price equal to the principal amount thereof, being the bid which produced the lowest true interest cost to the Town. The Initial Bond shall be registered in the name of the Purchaser or its designee.

(b) The form and substance of the Preliminary Official Statement and any addenda, supplement or amendment thereto, are hereby in all respects approved and adopted and is hereby deemed final as of its date within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Mayor and Town Secretary are hereby authorized and directed to cause to be prepared a final Official Statement (the "Official Statement") incorporating applicable pricing information pertaining to the Bonds, and to execute the same by manual or facsimile signature and deliver appropriate numbers of executed copies thereof to the Purchaser. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor and the Purchaser, may be used by the Purchaser in the public offering and sale thereof. The Town Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement, and the preliminary public offering of the Bonds by the Purchaser, is hereby ratified, approved and confirmed.

(c) All officers of the Town are authorized to execute such documents, certificates and receipts as they may deem appropriate in order to consummate the delivery of the Bonds in accordance with the terms of sale therefor. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the Town is hereby authorized and directed to issue a check of the Town payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount per series to be the lesser of (i) 1/10th of 1% of the principal amount of such series of the Bonds or (ii) \$9,500.)

(d) The obligation of the Purchaser to accept delivery of the Bonds is subject to the Purchaser being furnished with the final, approving opinion of Bracewell LLP, bond counsel for the Town, which opinion shall be dated and delivered the Closing Date.

Section 7.02. Control and Delivery of Bonds.

(a) The Mayor of the Town is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of

Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Bonds shall be made to the Purchaser or a representative thereof under and subject to the general supervision and direction of the Mayor, against receipt by the Town of all amounts due to the Town under the terms of sale.

(c) In the event the Mayor or Town Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant Town Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant Town Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and Town Secretary, respectively.

Section 7.03. Deposit of Proceeds.

(a) The proceeds of the Bonds in the amount of \$_____ shall be deposited to the Construction Fund, such moneys to be dedicated and used solely for the purposes for which the Bonds are being issued as herein provided in Section 3.01.

(b) The remaining premium received on the Bonds shall be used to pay costs of issuance. To the extent any of such amount is not used for such purposes, such excess shall be deposited to the Interest and Sinking Fund.

ARTICLE VIII

CREATION OF FUNDS AND ACCOUNTS;
DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Creation of Funds.

(a) The Town hereby establishes the following special funds or accounts:

(i) The Town of Northlake, Texas, General Obligation Bonds, Taxable Series 2025, Interest and Sinking Fund; and

(ii) The Town of Northlake, Texas General Obligation Bonds, Taxable Series 2025 Construction Fund.

(b) These funds or accounts shall be maintained at an official depository of the Town.

Section 8.02. Interest and Sinking Fund.

(a) The taxes levied under Section 2.01 shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Bonds.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Bonds plus the aggregate amount of interest due and that will become due and payable on such Bonds, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Bonds as such become due and payable.

Section 8.03. Construction Fund. (a) Money on deposit in the Construction Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

(b) All amounts remaining in the Construction Fund after the accomplishment of the purposes for which the Bonds are hereby issued, including investment earnings of the Construction Fund, shall be deposited into the Interest and Sinking Fund.

Section 8.04. Security of Funds.

All moneys on deposit 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 of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance, at the option of the Town, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which such money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.06. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund be credited to such fund.

(b) Interest and income derived from investment of the funds to be deposited pursuant to Section 7.03(b) hereof shall be credited to the account where deposited until the acquisition or construction of said projects is completed and thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds.

On or before each Interest Payment Date for the Bonds and while any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of, redemption premium, if any, and interest on the Bonds as will accrue or mature on the applicable Interest Payment Date, maturity date and, if applicable, on a date of prior redemption.

Section 9.02. Other Representations and Covenants.

(a) The Town will faithfully perform, at all times, any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Bond; the Town will promptly pay or cause to be paid the principal of, redemption premium, if any, and interest on each Bond on the dates and at the places and manner prescribed in such Bond; and the Town will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The Town is duly authorized under the laws of the State of Texas to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the Town in accordance with their terms.

Section 9.03. Registration.

The Bonds will be issued in registered form.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. 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, redemption premium, if any, 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 Town, which default materially and adversely affects the rights of the Owners, 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 sixty (60) days after notice of such default is given by any Owner to the Town.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then any Owner or an authorized representative thereof, including but not limited to a trustee or trustees therefor, may proceed against the Town for the purpose of protecting and enforcing the rights of the 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 Owners hereunder or any combination of such remedies.

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

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy, 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.

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

ARTICLE XI

DISCHARGE

Section 11.01. Discharge.

(a) The Bonds may be defeased, discharged or refunded in any manner authorized by law.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports.

(a) The Town shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the Town, financial information and operating data with respect to the Town of the general type included in the final Official Statement being information described in Tables 1-6 and 8-16, and (2) audited financial statements of the Town within 12 months after the end of each fiscal year, when and if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles prescribed by the Generally Accepted Accounting Principles or such other accounting principles as the Town may be

required to employ, from time to time, by State law or regulation, and (ii) audited, if the Town commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Town 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 statements becomes available.

(b) If the Town 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 Town otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) 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.

Section 12.02. Material Event Notices.

(a) The Town shall notify the MSRB, in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, of any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;

- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Town;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, 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; and
- (xiv) Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material.
- (xv) incurrence of a financial obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Town 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 Town, 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 of business of the Town; and the Town intends the words used in the immediately preceding paragraphs (xv) and (xvi) and the definition of financial obligations in those sections to have the same meanings as when they are used in rule and sec release no. 34-83885, dated August 20, 2018.

(b) The Town shall provide to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, notice of a failure by the Town to provide required annual financial information and notices of material events in accordance with Sections 12.01 and 12.02. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

Section 12.03. Limitations, Disclaimers and Amendments.

(a) The Town shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Town remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Town in any event will give notice of any redemption calls and any defeasances that cause the Town to be no longer an “obligated person.”

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Town undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Town's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Town 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.

UNDER NO CIRCUMSTANCES SHALL THE TOWN 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 TOWN, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, 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.

(c) No default by the Town in observing or performing its obligations under this Article shall constitute a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the Town under federal and state securities laws.

(e) The provisions of this Article may be amended by the Town 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 Town, but only if (i) the provisions of this Article, 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 to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (B) an entity or individual person that is unaffiliated with the Town (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Bonds. If the Town so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in type of financial information or operating data so provide.

ARTICLE XIII

AMENDMENTS

Section 13.01. Amendments.

This Ordinance shall constitute a contract with the Owners, be binding on the Town, and shall not be amended or repealed by the Town so long as any Bond remains outstanding except as permitted in this Section. The Town may, without consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Town may, with the written consent of the Owners of the Bonds holding a majority in aggregate principal amount of the Bonds then outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required to be held by Owners for consent to any such amendment, addition, or rescission.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Changes to Ordinance.

The Mayor and Director of Finance, in consultation with Bond Counsel, are hereby authorized to make changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Bonds by the Attorney General of Texas.

Section 14.02. Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of the Ordinance.

Section 14.03. No Personal Liability.

No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Ordinance, against any official or employee of the Town or any person executing any Bonds.

ARTICLE XV

EFFECTIVENESS

Section 15.01. Effective Immediately.

Notwithstanding the provisions of the Town Charter, this Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

(Remainder of Page Intentionally Left Blank)

PRESENTED, FINALLY PASSED AND APPROVED, AND EFFECTIVE on the 27th day of March, 2025, by a vote of _____ ayes and _____ nays at a regular meeting of the Town Council of the Town of Northlake, Texas.

Mayor Pro Tem
Town of Northlake, Texas

ATTEST:

Town Secretary
Town of Northlake, Texas

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
REF. DOC.: Fiscal Year 2025 Capital Improvement Plan; Town of Northlake Strategic Plan
SUBJECT: Consider approval of an Ordinance of the Town of Northlake, Texas, authorizing the Issuance and Sale of Town of Northlake, Texas, Hotel Occupancy Tax Revenue Bonds, Taxable Series 2025 in an aggregate estimated principal amount of \$5,210,000; providing for the award and sale of the bonds; approving the official statement; approving execution and delivery of a paying agent agreement; enacting other provisions relating to the subject
GOALS/ OBJECTIVES: Promote Economic Vitality; 6.3 - Build out sports and entertainment corridor

BACKGROUND INFORMATION:

- Fiscal Year 2025 Capital Improvement Plan calls for \$5.9 million for the purchase of the Hotel Conference Center
- Hotel Conference Center Master Development Agreement approved by Council on September 12, 2019
- Amendment to agreement increasing construction participation by \$1.4M approved by Council on May 12, 2022
- Total cost for completed conference center is \$7.7M
 - \$1.8M paid to purchase land in 2021
 - \$1.3M to be paid from hotel fund to help reduce revenue bond amount
 - \$4.6M to be paid from revenue bond and supported by Hotel Occupancy Tax
 - Hotel Occupancy Tax Revenue Bonds to be supported by hotel occupancy tax revenues
- Issuance Schedule
 - February 27, 2025 - Bond Pricing
 - February 27, 2025 - Council considers and passes Ordinance authorizing issuance of the Bonds and Certificates
 - March 27, 2025 - Closing and Delivery of Funds
- Total issuance for project funding and estimated issuance costs of the Hotel Occupancy Tax Revenue Bond is \$5,210,000
 - Updated issuance amount will be provided to Council for their review prior to vote for adoption

COUNCIL ACTION/DIRECTION:

Approve the issuance of Hotel Occupancy Tax Revenue Bonds

**ORDINANCE
AUTHORIZING THE ISSUANCE OF**

**TOWN OF NORTHLAKE, TEXAS,
HOTEL OCCUPANCY TAX
REVENUE BONDS
TAXABLE SERIES 2025**

Adopted: _____, 2025

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ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS AUTHORIZING THE ISSUANCE AND SALE OF TOWN OF NORTHLAKE, TEXAS, HOTEL OCCUPANCY TAX REVENUE BONDS, TAXABLE SERIES 2025 IN AN AGGREGATE PRINCIPAL AMOUNT OF \$ _____; PROVIDING FOR THE AWARD AND SALE OF THE BONDS; APPROVING THE OFFICIAL STATEMENT; APPROVING EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT; ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

Whereas, the Town Council has determined that it is necessary, desirable and in the public interest at this time to acquire and equip a convention and civic center facility to hosting meetings and conventions in the Town, (the “Project”) and that the Town should issue its revenue bonds for such purpose; and

WHEREAS, the Town Council, pursuant to Chapter 351, Texas Tax Code, as amended (“Chapter 351”), has imposed a hotel occupancy tax in the Town, certain of the receipts from which are available to secure the payment of debt obligations with respect to the Project; and

WHEREAS, the Town Council of the Town deems it appropriate to adopt this Ordinance and issue the bonds herein authorized for the purposes hereinabove stated and to pledge the “Pledged Revenues” (as herein defined); and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01 Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance, the following terms shall have the meanings specified below:

“Additional Bonds” means the additional parity revenue bonds permitted to be issued pursuant to Section 7.08.

“Annual Debt Service Requirement” means, for each Fiscal Year, the sum of (i) the interest payable during such Fiscal Year on the Bonds and any Additional Bonds which are Outstanding, and (ii) the principal payable during such Fiscal Year on the Bonds and any

Additional Bonds which are Outstanding. For purposes of such calculation it should be assumed that interest on the Bonds and any Additional Bonds is paid in accordance with their terms and that principal, whether at maturity or by virtue of mandatory sinking fund redemption, is paid when due.

“Authorized Officer” means the Town Manager or the Chief Financial Officer.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Bonds due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

“Average Annual Debt Service Requirement” means, as of the date of calculation which shall be (i) upon the issuance of the Bonds and (ii) upon the issuance of Additional Bonds, the sum of the Annual Debt Service Requirement for each subsequent Fiscal Year in which there are Bonds and any Additional Bonds Outstanding divided by the number of such Fiscal Years. The calculation of the Average Annual Debt Service Requirement shall not include any debt service due on the Bonds in fiscal year 2024-2025.

“Bond” means any of the Bonds.

“Bond Fund” means the special fund created and established on the books of the Town pursuant to Section 7.02 for payment of the principal of, premium, if any, and interest on the Bonds.

“Bond Insurer” means Assured Guaranty, Inc. successors or assigns.

“Bonds” means the Town’s revenue bonds, entitled “Town of Northlake, Texas, Hotel Occupancy Tax Revenue Bonds, Taxable Series 2025” authorized to be issued by Section 3.01 of this Ordinance.

“Business Day” means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the Town where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

“Charter” means the Home Rule Charter of the Town, as amended.

“Credit Facility” means (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 such obligations would rate such obligations which are 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 would rate the Bonds 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 and the interest thereon.

“Town” means the Town of Northlake, Texas.

“Town Council” means the governing body of the Town.

“Chapter 351” means Chapter 351, Texas Tax Code, as amended.

“Chapter 1504” means Chapter 1504, Texas Government Code, as amended.

“Closing Date” means the date of the initial delivery of and payment for any Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c) including applicable regulations, published rulings and court decisions.

“Delivery Date” means the date of delivery of the Bonds to the Underwriter.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its corporate trust office in St. Paul, Minnesota, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the Town and such successor.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Event of Default” means any Event of Default as defined in Section 9.01 of this Ordinance.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means such fiscal year as shall be prescribed by the Charter and which under the existing Charter commences October 1 and ends on September 30 of the following year.

“Funds” means any of the funds and accounts established or confirmed in this Ordinance or the ordinances authorizing the issuance of the Outstanding Bonds and any Additional Bonds.

“Initial Bond” means the initial Bond described in Section 3.04(d) of this Ordinance.

“Interest Payment Date” means February 15 and August 15 of each year on which interest is scheduled to be paid until maturity of the Bonds (unless modified by the Pricing Certificate), commencing on February 15, 2026.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“MSRB” means the Municipal Securities Rulemaking Board.

“Ordinance” means this Ordinance.

“Outstanding” means, when used in this Ordinance, all Bonds and any Additional Bonds, which as of such date of determination have been authenticated and delivered under this Ordinance, except:

(i) Bonds and any Additional Bonds cancelled or delivered to the Paying Agent/Registrar for cancellation in connection with the exchange or transfer of such obligations;

(ii) Bonds and any Additional Bonds paid or deemed to be paid in accordance with the provisions of Article X hereof; and

(iii) Bonds and any Additional Bonds that have been mutilated, destroyed, lost, or stolen and replacement bonds have been registered and delivered in lieu thereof.

“Owner” means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

“Paying Agent/Registrar” means the Zions Bancorporation, N.A., Amegy Bank Division, Houston, Texas, any successor thereto or any entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance.

“Pledged Revenues” means the gross revenues due and owing to, or received by the Town, from those taxes imposed by the Town under authority of Chapter 351 representing 7% of the consideration paid by a person who, under a lease, concession, permit, right of access, license, contract or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs more than \$2 each day, and is ordinarily used for sleeping, less any amounts withheld to pay the costs of collecting such taxes as permitted by ordinances of the Town and applicable State law.

“Project” means the Town’s civic center facility the purpose of which is primarily to host conventions and meetings.

“Purchase Contract” means the purchase contract between the Town and the Underwriter pertaining to the sale of the Bonds.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Register” means the Register specified in Section 3.06(a) of this Ordinance.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Representation Letter” means the Blanket Letter of Representations between the Town and DTC applicable to the Bonds.

“Reserve Fund” means the reserve fund created and established pursuant to Section 7.04.

“Reserve Fund Obligations” means cash or investment securities of any of the type or types permitted under Section 7.05 of this Ordinance.

“Reserve Fund Requirement” means the lesser of (i) Maximum Annual Debt Service on the Bonds, (ii) 125% of average Annual Debt Service on the Bonds, or (iii) 10% of the stated principal amount of the Bonds as of the date of issuance; provided, however that subsequent to the Closing Date of issuance of the Bonds, such Reserve Account Requirement shall be recalculated for compliance with the above upon (a) a mandatory sinking fund redemption pursuant to the terms of this Ordinance or (b) an optional redemption pursuant to the terms of a this Ordinance.

“Revenue Fund” means the special fund created and established on the books of the Town pursuant to the provisions of Section 2.03.

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

“SEC” means the United States Securities and Exchange Commission.

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“State” means the State of Texas.

“Term Bonds” means the Bonds maturing in the years as designated in the Pricing Certificate.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Bonds as the same come due and payable or money set aside for the payment of Bonds duly called for redemption prior to maturity, and remaining unclaimed by the Owners of such Bonds for 90 days after the applicable payment or redemption date.

“Underwriter” means _____.

Section 1.02 Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.03 Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04 Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Any action required to be taken on a date which is not a Business Day shall be done on the next succeeding Business Day and have the same effect as if done on the date so required.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Ordinance.

(d) Article and Section references mean references to articles and sections of this Ordinance unless designated otherwise.

ARTICLE II

SECURITY FOR THE BONDS

Section 2.01 Security for the Bonds. The Bonds and any Additional Bonds are and shall be equally and ratably secured by and payable from an irrevocable lien on and pledge of the Pledged Revenues.

Section 2.02 Limited Obligations. The Bonds and any Additional Bonds are special obligations of the Town, payable solely from the Pledged Revenues and do not constitute a prohibited indebtedness of the Town. The Bonds shall never be payable out of funds raised or to be raised by taxation, except for the Pledged Revenues.

Section 2.03 Revenue Fund. A special fund designated "Revenue Fund" (the "Revenue Fund") is hereby created and established on the books of the Town. All Pledged Revenues shall be credited to the Revenue Fund upon receipt except any investment earnings on the funds in the Bond Fund which shall be credited to such Fund.

Section 2.04 Flow of Revenue Fund. (a) The Pledged Revenues to be credited to the Revenue Fund under the provisions of Section 2.03 are hereby irrevocably pledged to the Bonds and any Additional Bonds and shall be appropriated and employed in the following order:

First: In satisfaction of the requirements of the Bond Fund in accordance with the terms and conditions of Section 7.02 and the ordinances authorizing the issuance of Additional Bonds.

Second: In satisfaction of the requirements of the Reserve Fund in accordance with the terms and conditions of Section 7.04.

Third: In satisfaction of the requirements of the ordinances authorizing the issuance of bonds with a lien on the Pledged Revenues that is subordinate to the Outstanding Bonds and any Additional Bonds.

Fourth: (i) to retire Bonds and any Additional Bonds in advance of maturity according to the provisions made for their prior redemption or for the purchase of any Bonds and any Additional Bonds in the open market, or (ii) for any other lawful purpose.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01 Authorization. The Town's revenue bonds to be designated "Town of Northlake, Texas, Hotel Occupancy Tax Revenue Bonds, Series 2025," are hereby authorized to be issued and delivered in the principal amount of \$_____ in accordance with the Constitution and laws of the State of Texas, including particularly Chapter 351, Chapter 1504 and the Charter. The Bonds shall be issued in the aggregate principal amount designated in a Pricing Certificate for the purpose of (i) acquiring, constructing, improving and equipping the Project (ii) funding the Reserve Fund and (iii) paying the costs of issuance of the Bonds.

Section 3.02 Date, Denomination, Maturities, Numbers and Interest. (a) The Bonds shall have the Original Issue Date set forth in the Pricing Certificate.

(b) The Bonds shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from one upward or such other designation acceptable to the Town and the Paying Agent/ Registrar, except the Initial Bond, which shall be numbered T-1.

(c) The Bonds shall mature on February 15 in the years and in the principal amounts and shall bear interest at the per annum rates set forth in the Pricing Certificate.

(d) Interest on each Bond shall accrue from the Delivery Date or the most recent Interest Payment Date to which interest has been paid or provided for at the per annum rates of interest specified in the Pricing Certificate. Such interest shall be payable on each Interest Payment Date until the principal amount shall have been paid or provision for such payment shall have been made, and shall be computed on the basis of a 360- day year of twelve 30-day months.

Section 3.03 Medium, Method and Place of Payment; Unclaimed Payments. (a) The principal of and interest on the Bonds shall be paid in lawful money of the United States of America.

(b) Interest on the Bonds shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, in the event of nonpayment of interest on a scheduled Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") shall be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," 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 Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on the Bonds shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment, first class United States mail, postage prepaid, to the address of such person as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Bond shall be paid to the person in whose name such Bond is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If the date for the payment of the principal of or interest on any Bond is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Town where the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such 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.

(f) Unclaimed Payments shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which the Unclaimed Payments pertain. Subject to the provisions of Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, shall be paid to the Town to be used for any lawful purpose. Thereafter, neither the Town, the Paying Agent/Registrar nor any other person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law.

Section 3.04 Execution and Initial Registration. (a) The Bonds shall be executed on behalf of the Town by the Mayor and countersigned by the Town Secretary and the Town

Manager, by their manual or facsimile signatures, and the official seal of the Town shall be impressed or placed in facsimile thereon. Any facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Town had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the Town whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) 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 of Texas 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 of Texas and that it is a valid and binding obligation of the Town, and has been registered by the Comptroller.

(d) On the Closing Date, the typewritten Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the Underwriter or the Representative or its designee, executed by manual or facsimile signature of the Mayor and countersigned by manual or facsimile signatures of the Town Secretary and the Town Manager, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts will be delivered to the Underwriter or the Representative or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of the Underwriter or the Representative registered definitive Bonds as described in Section 3.10(a). To the extent the Paying Agent/Registrar is eligible to participate in DTC's FAST System, as evidenced by agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

Section 3.05 Ownership. (a) The Town, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Bond is registered on the Record Date or on the Special Record Date, as applicable), and for all other purposes, whether or not such Bond is overdue, and neither the Town nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Town and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.06 Registration, Transfer and Exchange. (a) So long as any Bonds remain outstanding, the Town shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) Registration of any Bond may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000 for any one maturity, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds within not more than three Business Days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Bond may be exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the Owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its schedule maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 of any one maturity at the request of the Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds shall be delivered by the Paying Agent/Registrar to the Owner of the Bond or Bonds within not more than three Business Days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Bond issued in exchange for any Bond or portion thereof assigned or transferred shall have the same principal maturity date and shall bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange the Bonds as provided herein, and each substitute Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the Town and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such substitute Bond or Bonds are delivered.

(e) The Town will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer or exchange of Bonds, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Bond. In addition, the Town hereby covenants with the Owners of the Bonds that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration and exchange of Bonds as provided herein.

(f) Neither the Town nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.07 Cancellation and Authentication. (a) All Bonds paid in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be cancelled upon the making of proper records regarding such payment, redemption, exchange or replacement. Cancelled Bonds shall be disposed of in accordance with the requirements of the Securities and Exchange Act of 1934 and the regulations promulgated thereunder.

(b) Each substitute Bond issued pursuant to the provisions of Sections 3.06 and 3.09 of this Ordinance, in exchange for or replacement of any Bond or Bonds issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date such certificate, and no such Bond shall be deemed to be issued or outstanding unless such certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the Town Council or any other body or person so as to accomplish the foregoing exchange or replacement 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, and said Bonds shall be of customary type and composition and printed, typewritten, lithographed, mimeographed or otherwise produced. Pursuant to Chapter 1201, Texas Government Code, the duty of exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the exchanged or replaced Bonds shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Bond which originally was delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Bonds issued in exchange or replacement of any other Bond or portion thereof, (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 be transferred and assigned, (iii) may be exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed and sealed, and (vi) shall be payable as to principal and

interest, all as provided, and in the manner required or indicated, in the Form of Bond set forth in this Ordinance.

Section 3.08 Temporary Bonds. (a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the Town may execute and, upon the Town's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the Town executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The Town, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09 Replacement Bonds. (a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Town or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the Town to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the Town and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Town and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Town or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, without the necessity of issuing a replacement Bond, may pay such Bond on the date on which such Bond becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the Town and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.10 Book-Entry-Only System. (a) The definitive Bonds 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 DTC, and except as provided in Section 3.11 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Town and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the Town 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, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Town and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register 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

Town's obligations with respect to payment of, principal, premium, if any, 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 register, shall receive a certificate evidencing the obligation of the Town to make payments of amounts due 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 or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter between the Town and DTC applicable to the Town's obligations delivered in book-entry-only form to DTC as securities depository for said obligations, is hereby affirmed.

Section 3.11 Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the Town or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Town or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, 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, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register 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.

Section 3.12 Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01 Limitation on Redemption. The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV.

Section 4.02 Optional Redemption.

(a) The Town reserves the option to redeem Bonds maturing on and after February 15, 20__ in whole or any part, before their respective scheduled maturity dates, on

February 15, 20__ or on any date thereafter, such redemption date or dates to be fixed by the Town, at a price equal to the principal amount of the Bonds called for redemption plus accrued interest to the date fixed for redemption

(b) The Town, at least forty-five (45) days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

Section 4.03 Mandatory Redemption. (a) The Bonds maturing on February 15, 20__, February 15, 20__, and February 15, 20__ (the "Term Bonds") are subject to scheduled mandatory redemption and will be redeemed by the Town, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on the dates and in the respective principal amounts as set forth below.

\$ _____ Term Bonds Maturing February 15, 20__

Redemption Date	Redemption Amount
February 15, 20__	
February 15, 20__	
February 15, 20__ *	

*Maturity

\$ _____ Term Bonds Maturing February 15, 20__

Redemption Date	Redemption Amount
February 15, 20__	
February 15, 20__	
February 15, 20__ *	

*Maturity

\$ _____ Term Bonds Maturing February 15, 20__

Redemption Date	Redemption Amount
February 15, 20__	
February 15, 20__	
February 15, 20__ *	

*Maturity

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, or such other method specified in the Pricing Certificate, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the Town, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the Town and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04 Partial Redemption. (a) If less than all of the Bonds are to be redeemed pursuant to Section 4.02, the Town shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot or other customary method that results in a random selection of the Bonds, or portions thereof and maturity or maturities and in such principal amounts, for redemption.

(b) A portion of a single Bond of a denomination greater than \$5,000 (in principal amount) may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each such \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 hereof, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(d) The Paying Agent/Registrar shall promptly notify the Town in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.05 Notice of Redemption to Owners. (a) The Town shall give notice of any redemption of Bonds by sending or causing the Paying Agent/Registrar to send notice of such redemption by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) The Town reserves the right to give notice of its election or direction to redeem Bonds under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the Town retains the right to rescind such notice at any time prior to the scheduled redemption date if the Town delivers a certificate of the Town to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the Town to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

(d) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.06 Payment Upon Redemption. (a) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount received by the Paying Agent/Registrar from the Town sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the applicable redemption price on such Bond from the money set aside for such purpose.

Section 4.07 Effect of Redemption. (a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance and subject to any conditions or rights reserved by the Town under Section 4.05(c), the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Town defaults in the payment of the principal thereof, premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If any Bond or portion thereof called for redemption is not so paid upon presentation and surrender of such Bond for redemption, such Bond or portion thereof shall continue to bear interest at the same rate stated on such Bond until paid or until due provision is made for the payment of same.

Section 4.08 Lapse of Payment. Money set aside for the redemption of Bonds and remaining unclaimed by the Owners of such Bonds shall be subject to the provisions of Section 3.03(f) hereof.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01 Appointment of Initial Paying Agent/Registrar.

(a) The Town hereby appoints Zions Bancorporation, N.A., Amegy Bank Division, Houston, Texas as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the Town and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of the Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The Town or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Register confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The Town hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds. The Paying Agent/Registrar shall keep proper records of all payments made by the Town and the Paying Agent/Registrar with respect to the Bonds, and of all exchanges and replacements of such Bonds, as provided in this Ordinance.

(c) Paying Agent/Registrar Contract. The Town and the Paying Agent/Registrar have entered into a Paying Agent/Registrar Contract, effective as of July 1, 2018, outlining the services to be provided by the Paying Agent/Registrar with respect to certain obligations issued by the Town after July 1, 2018 through June 30, 2023. By accepting the positions of paying agent and registrar, the Paying Agent/Registrar agrees that in the event that it shall resign its position as Paying Agent/Registrar, it will continue to serve in such capacity until such time as a successor assumes such duties under this Ordinance. In addition, the Paying Agent/Registrar agrees that, so long as required by Texas law, a true and correct copy of the Register shall at all times be maintained in the State of Texas.

Section 5.02 Qualifications. Each Paying Agent/Registrar shall be (i) a bank, trust company, financial institution, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.03 Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the Town will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the Town will promptly appoint a replacement.

Section 5.04 Termination. The Town reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the Town (i) giving notice of the termination of the appointment and of any contractual agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar.

Section 5.05 Notice of Change to Owners. Promptly upon each change in the entity serving as Paying Agent/Registrar, the Town will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06 Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07 Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar and to the Town.

ARTICLE VI

FORM OF THE BONDS

Section 6.01 Form Generally. (a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to accompany the Initial Bond and the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be generally in the form set forth in this Article, with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and the Pricing Certificate and (ii) may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association (CUSIP)) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Town or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The Bonds (except for any temporary Bonds and the Initial Bond) shall be typewritten, printed, lithographed or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

Section 6.02 Form of the Bonds. The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be generally as follows, provided, however, that the substantially final form of the Bonds shall be set forth in or attached to the Pricing Certificate and shall incorporate and reflect the final terms of the Bonds set forth in the Pricing Certificate:

(a) Form of Bond.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas
TOWN OF NORTHLAKE, TEXAS
(DENTON COUNTY)
HOTEL OCCUPANCY TAX
REVENUE BOND
TAXABLE SERIES 2025

INTEREST RATE: MATURITY DATE: DELIVERY DATE: CUSIP NO.:
_____ % February 15, _____ March 27, 2025 _____ _____

The Town of Northlake (the "Town"), in the County of Denton, State of Texas, for value received, hereby promises to pay to

or registered assigns, on the Maturity Date specified above, the principal sum of

_____ DOLLARS

unless this Bond shall have been duly called for prior redemption as provided herein and payment of the principal hereof and accrued but unpaid interest hereon shall have been paid or provided for (as defined herein) and to pay interest on the unpaid principal amount hereof, from the later of the Original Issue Date specified above or the most recent Interest Payment Date to which interest has been paid or provided for until payment of such principal amount has been made or provision made therefor.

If the date for the payment of the principal, interest or redemption price on this Bond shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the Town of Northlake or in the Town where the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or 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 and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the “Designated Payment/Transfer Office”) of Zions Bancorporation, N.A., Amegy Bank Division, Houston, Texas, or with respect to a successor Paying Agent/Registrar, at the designated payment/transfer office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the register kept by the Paying Agent/Registrar (the “Register”). For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the “Record Date,” which shall be the last Business Day of the month next preceding such Interest Payment Date. However, in the event that interest is not paid on a scheduled payment date and remains unpaid 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 Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which date 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 Register at the close of business on the last Business Day preceding the date of mailing of such notice.

This Bond is dated March 27, 2025 and is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$ _____ (herein referred to as the “Bonds”). The Bonds are issued for the purpose of providing funds to (i) acquiring, constructing, improvement and equipping the Project (ii) funding the Reserve Fund and (iii) paying the costs of issuance of the Bonds, all pursuant to and consistent with the Constitution and applicable laws of the State of Texas, particularly Chapter 351 Texas Tax Code, as amended, the Charter of the Town and the Ordinance duly passed by the Town Council of the Town (the “Ordinance”).

The Town has reserved the option to redeem Bonds maturing on or after February 15, 20__, before their respective scheduled maturities in whole or in part in integral multiples of \$5,000 on February 15, 20__, or on any date thereafter, at the prices (expressed as a percentage of the principal amount to be redeemed), plus interest accrued on such principal amount to the redemption date, as follows:

The Term Bonds maturing on The Bonds maturing on February 15, 20__, February 15, 20__, and February 15, 20__, are subject to mandatory redemption prior to their scheduled maturities, and will be redeemed by the Town, in part at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the principal amounts, respectively, as shown in the following schedules:

Redemption Date	Redemption Amount
February 15, 20__	
February 15, 20__	

February 15, 20__*

*Maturity

\$ _____ Term Bonds Maturing February 15, 20__

Redemption Date	Redemption Amount
February 15, 20__	
February 15, 20__	
February 15, 20__*	

*Maturity

\$ _____ Term Bonds Maturing February 15, 20__

Redemption Date	Redemption Amount
February 15, 20__	
February 15, 20__	
February 15, 20__*	

*Maturity

The principal amounts of the Term Bonds required to be redeemed on any redemption date pursuant to the foregoing operation of the mandatory sinking fund shall be reduced, at the option of the Town, by the principal amount of Term Bonds having the same maturity which, at least 45 days prior to the mandatory sinking fund redemption date, (i) shall have been acquired by the Town and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a scheduled mandatory redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the registered owner of each of the Bonds to be redeemed in whole or in part. In the Ordinance, the Town reserves the right in the case of an optional redemption to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the Town retains the right to rescind such notice at any time prior to the scheduled redemption date if the Town delivers a certificate of the Town to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and

such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the Town to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the Town nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the registered Owner of the uncalled principal balance of a Bond.

The Town, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the Owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the Town nor the Paying Agent/Registrar shall be affected by notice or knowledge to the contrary. This Bond and all of the Bonds of this series constitute special obligations of the Town of Northlake, Texas, each being payable as to principal, premium, if any, and interest solely from and equally secured by a lien on and pledge of the "Pledged Revenues" as defined and described in the Ordinance.

The Town reserves the right to issue additional parity revenue bonds secured in the same manner and in all things on a parity with the Bonds and any Additional Bonds, but only in accordance with and subject to the covenants, limitations, conditions and restrictions relating to their issuance as provided in the Ordinance.

The owner or holder hereof shall never have the right to demand payment of the principal of, premium, if any, or interest on this Bond from any funds raised or to be raised by taxation, except as to the Pledged Revenues (as defined in the Ordinance).

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond, and the series of which it is a part, is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been properly done and performed and have happened in regular and due time, form and manner as required by the law, and the Ordinance hereinabove mentioned; that this series of Bonds does not exceed any Constitutional or statutory limitations.

IN WITNESS WHEREOF, the Town has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the Town and countersigned by the manual or facsimile signature of the Town Secretary and the Town Manager, and the official seal of the Town has been duly impressed or placed in facsimile on this Bond.

Town Manager, Town of Northlake, Texas

Mayor, Town of Northlake, Texas

Town Secretary, Town of Northlake, Texas

[SEAL]

(b) Form of Comptroller’s Registration Certificate. The following Comptroller’s Registration Certificate of the Comptroller of Public Accounts shall appear on the Initial Bond in lieu of the Certificate of Paying Agent/Registrar.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
OF THE STATE OF TEXAS §

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation of the Town of Northlake, Texas, and that this Bond has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE AT AUSTIN, TEXAS,
_____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Bond if the Comptroller's Registration Certificate is attached thereto.

CERTIFICATE OF PAYING AGENT/REGISTRAR

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

Zions Bancporation, N.A. Amegy Bank
Division, Houston, Texas
as Paying Agent/Registrar

Dated: _____
Authorized Signatory

By: _____

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

(Social Security or other identifying number: _____) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____
Signature Guaranteed By:

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers.

(e) Initial Bond Insertion. The Initial Bond shall be in the form set forth in subsections (a) through (d) of this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings “INTEREST RATE,” and “MATURITY DATE” shall be completed with the expression “As Shown Below,” and the heading “CUSIP NO.” shall be deleted;

(ii) in the first paragraph of the Bond, the words “on the Maturity Date specified above,” shall be deleted and the following will be inserted: “on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Installments</u>	<u>Interest Rate</u>
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(Information to be inserted from the Pricing Certificate in accordance with Section 3.02 hereof)

and

(iii) the Initial Bond shall be numbered T-1.

Section 6.03 CUSIP Registration. The Town may secure identification numbers through CUSIP Service Bureau managed by S & P Global IQ Intelligence on behalf of the American Bankers Association, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect in regard to the legality thereof and neither the Town nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.04 Legal Opinion. The approving legal opinion of Bracewell LLP Bond Counsel, may be printed on the back of each Bond over the certification of the Town Secretary, which may be executed in facsimile.

Section 6.05 Municipal Bond Insurance. If municipal bond guaranty insurance is obtained with respect to the Bonds, the Bonds, including the Initial Bond, may bear an appropriate legend, as provided by the Bond Insurer.

ARTICLE VII

INITIAL DEPOSITS AND APPLICATION OF MONEY; ADMINISTRATION OF FUNDS AND ACCOUNTS, ADDITIONAL BONDS AND REFUNDING BONDS

Section 7.01 Initial Deposits.

(a) \$_____ of the proceeds of the Bonds received on the Closing Date shall be deposited to a special fund of the Town, such moneys to be dedicated and used for the purposes specified in Section 3.01.

(b) The remaining proceeds of the Bonds shall be used to pay the cost of issuance of the Bonds. Any amounts remaining after payment of such costs shall be deposited in the Interest and Sinking Fund.

Section 7.02 Bond Fund. (a) A special fund designated “Town of Northlake Hotel Occupancy Tax Revenue Bonds Bond Fund” (the “Bond Fund”), is hereby created and established on the books of the Town for the payment and retirement of the Bonds. Pending the employment thereof for the aforesaid purposes, the Bond Fund may be invested in such securities or obligations as permitted under applicable law to mature at such time as will produce amounts sufficient for such purposes as due. Income derived from investment of funds in the Bond Fund shall be credited to the Bond Fund. All amounts therein not so invested shall be continuously secured as required by the Town’s official investment policy approved by the Town Council from time to time and in accordance with the laws of the State of Texas governing the security of uninvested public funds. All sums deposited in the Bond Fund and in the Reserve Fund, hereinafter provided for, shall be held in trust for the benefit of the Bondholders, the beneficial interest in which shall be regarded as existing in said bondholders. To provide the amounts which are to flow into the Bond Fund as specified in Section 2.04 hereof, the Town is authorized to make transfers from the Revenue Fund as follows:

(b) Beginning on the 20th day of the first month following the delivery of the Bonds, the Town shall make a determination of the balance then credited to the Bond Fund for the purpose of paying and discharging interest to become due on the Bonds on the succeeding interest payment date, and unless the Bond Fund at that time contains an amount fully sufficient for that purpose, then commencing on or before the 25th day of the month of determination as aforesaid, and on or before the 25th day of each succeeding month, there shall be transferred from the Revenue Fund to the Bond Fund in equal monthly installments amounts sufficient to provide for payment of interest to become due on the succeeding interest payment date.

(c) Beginning on the 20th day of the first month following delivery of the Bonds, the Town shall make a determination of the balance then credited to the Bond Fund for the purpose of paying and discharging principal to become due on the Bonds on the succeeding principal payment date, and unless the Bond Fund at that time contains an amount fully sufficient for that purpose, then commencing on or before the 25th day of the month of determination as aforesaid, and on or before the 25th day of each succeeding month, there shall be transferred from the Revenue Fund to the Bond Fund in equal monthly installments amounts sufficient to provide for payment of principal to become due on the succeeding principal payment date.

(d) In addition to the amounts provided for interest and principal requirements under (b) and (c) above, the Town shall make appropriate arrangements for meeting the fees and charges of the Paying Agent/Registrar.

Section 7.03 Transfer of Funds to Paying Agent. On the day any Bond interest, principal or premium, if any, is due (whether upon their scheduled maturity dates, or pursuant to mandatory redemption), the Town shall make a transfer of funds credited to the Bond Fund or, if need be, those on deposit in the Reserve Fund, to the Paying Agent in the amounts calculated as fully sufficient to pay and discharge promptly as due each installment of interest and principal pertaining to the Bonds then outstanding. In the event Bonds have been called for redemption prior to maturity pursuant to the provisions of Article IV, the amounts calculated as sufficient to pay and discharge the principal of, premium, if any, and interest on such Bonds shall be provided from funds other than those credited to the Bond Fund and transferred to the Paying Agent so that such funds are available on the date fixed for the redemption thereof.

Section 7.04 Reserve Fund. (a) The special fund designated “Town of Northlake Hotel Occupancy Tax Revenue Bonds Reserve Fund” (“Reserve Fund”), is hereby created and established by the Town, to be accounted for separate and apart from other Town funds and accounts. The Reserve Fund shall be used in supplementing the Bond Fund for principal and/or interest requirements of Outstanding Bonds and any Additional Bonds if for any reason such is required in order to prevent a default on the Bonds or (ii) in reimbursing the provider of a Credit Facility in accordance with its terms. Immediately upon the delivery of the Bonds, the Town shall (i) transfer or cause to be transferred into the Reserve Fund from the proceeds of the sale and other available funds or (ii) by acquiring a Credit Facility, in either instance in an amount at least sufficient to cause the amount credited to the Reserve Fund to be equal to the Reserve Fund Requirement. The Reserve Fund shall be maintained in an amount at least equal to the Reserve Fund Requirement and the cash amount thereof may be invested under the provisions of Section 7.05 hereof. Investments deposited to the Reserve Fund shall be valued at their market value, excluding accrued interest, as of the last day of each Fiscal Year, in accordance with the Town’s official investment policy approved by the Town Council from time to time. For as long as the funds on deposit in the Reserve Fund are equal to the Reserve Fund Requirement, no additional deposit need be made therein. If at any time such amount on deposit in the Reserve Fund is less than the Reserve Fund Requirement, the Reserve Fund shall be supplemented from the Revenue Fund each month in amounts equal to one-sixth of the deficit until the Reserve Fund is equal to the Reserve Fund Requirement. As Additional Bonds are issued, the Town shall make appropriate arrangements in its authorizing ordinances whereby the Reserve Fund shall be supplemented and maintained at a sum equal to the Reserve Fund Requirement after giving effect to the issuance of the Additional Bonds then in contemplation, and to accomplish this, additional amounts, as necessary, shall be provided for the Reserve Fund upon each such occasion by appropriation from the proceeds of the sale of further Additional Bonds or by acquiring a Credit Facility.

(b) To the extent permitted by, and in accordance with applicable law and upon approval of the Attorney General of the State of Texas, the Town may replace or substitute a Credit Facility for cash or investment securities, of any of the type or types permitted by Section 7.05 hereof, on deposit in the Reserve Fund or in substitution or replacement of any existing Credit Facility. Upon such replacement or substitution, cash or investment securities of any of the types permitted by Section 7.05 hereof, on deposit in the Reserve Fund which, taken together with the face amount of any existing Credit Facilities, are in excess of the Reserve Fund Requirement may be withdrawn by the Town, at its option, and transferred to the Revenue Fund; provided that the face amount of any Credit Facility may be reduced at the option of the Town in lieu of such transfer. However, to the extent such surplus monies constitute bond proceeds, including interest and income derived therefrom, such amounts shall not be deposited to the Revenue Fund and shall only be used for the purposes for which bond proceeds may be used. Any interest due on any reimbursement obligation under the Credit Facility shall not exceed the highest lawful rate of interest which may be paid by the Town.

(c) If the Town is required to make a withdrawal from the Reserve Fund for any of the purposes described in this Section, the Town shall promptly notify the issuer of such Credit Facility of the necessity for a withdrawal from the Reserve Fund for any such purposes, and shall make such withdrawal first from available moneys or investment securities then on

deposit in the Reserve Fund, and next from a drawing under any Credit Facility to the extent of such deficiency.

(d) In the event of a deficiency in the Reserve Fund, or in the event that on the date of termination or expiration of any Credit Facility there is not on deposit in the Reserve Fund sufficient Reserve Fund Obligations, all in an aggregate amount at least equal to the Reserve Fund Requirement, then the Town shall, after making required deposits to the Bond Fund in accordance with the terms of this Ordinance, satisfy the Reserve Fund Requirement by depositing additional Reserve Fund Obligations into the Reserve Fund in monthly installments of not less than 1/24th of the Reserve Fund Requirement on or before the 10th day of each month following such deficiency, termination or expiration.

(e) In the event of the redemption or defeasance of any of the Outstanding Bonds and any Additional Bonds, any Reserve Fund Obligations on deposit in the Reserve Fund in excess of the Reserve Fund Requirement may be withdrawn and transferred, at the option of the Town, to the Revenue Fund, as a result of (i) the redemption of the Outstanding Bonds and any Additional Bonds, or (ii) funds for the payment of the Outstanding Bonds and any Additional Bonds having been deposited irrevocably with the paying agent or place of payment therefor in the manner described in this Ordinance, the result of such deposit being that such Outstanding Bonds and any Additional Bonds no longer are deemed to be Outstanding under the terms of this Ordinance. However, to the extent such surplus monies constitute bond proceeds, including interest and income derived therefrom, such amounts shall not be deposited to the Revenue Fund and shall only be used for the purposes for which bond proceeds may be used.

(f) In the event there is a draw upon the Credit Facility, the Town shall reimburse the issuer of such Credit Facility for such draw in accordance with the terms of any agreement pursuant to which the Credit Facility is issued from Pledged Revenues; however, such reimbursement from Pledged Revenues shall be subject to the provisions of subparagraph (d) hereof, and shall be subordinate and junior in right of payment to the payment of principal of and premium, if any, and interest on the Bonds and any Additional Bonds.

Section 7.05 Investment of Funds. Money in any Fund established pursuant to this Ordinance or any ordinance authorizing the issuance of Outstanding Bonds and any Additional Bonds, may, at the option of the Town, be invested in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act of 1987, Chapter 2256 Texas Government Code, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of the last day of the Town's fiscal year. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such

money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

Section 7.06 Deficiencies in Funds.

If at any time the Town shall fail to deposit into any Fund hereinabove created or reaffirmed the full amounts required to be deposited therein, the amounts equivalent to such deficiencies shall be set apart and paid into said Fund from the first available and unallocated Pledged Revenues, and such payments shall be in addition to the amounts otherwise required hereby to be paid into said Funds.

Section 7.07 Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Ordinance and the ordinances authorizing the issuance of the Outstanding Bonds and any Additional Bonds.

Section 7.08 Additional Bonds Generally. Subject to the provisions hereinafter appearing with relation to certain conditions precedent, the Town reserves the right to issue (i) Additional Bonds and (ii) bonds to refund in whole or in part any Bonds and any Additional Bonds. All such Additional Bonds and refunding bonds, and the requirements ascribed to them may be payable from the same source and secured in the same manner on a parity with Bonds and any Additional Bonds. Additional Bonds and refunding bonds shall be made to mature on August 15, unless issued to mature semiannually in which event they shall be made to mature on February 15 and August 15.

Section 7.09 Additional Bonds. Additional Bonds may be issued to provide additions and improvements to the Civic Center when issued in accordance with the following terms and conditions precedent:

(a) The Town is not in default as to any covenant, condition or obligation prescribed by this Ordinance;

(b) The applicable laws of the State of Texas in force at such time and which provide permission and authority for the issuance of Additional Bonds have been fully complied with; and

(c) The Town has secured from an independent certified public accountant a certificate evidencing his or her determination that the Pledged Revenues were, for the last completed Fiscal Year or for any consecutive 12 month period of the last 24 consecutive months prior to the month of adoption of the ordinance authorizing the issuance of the Additional Bonds, equal to at least 1.25 times the Average Annual Debt Service Requirement (calculated on a fiscal year basis) of all bonds that will be Outstanding after the issuance of the proposed Additional Bonds; or

Section 7.10 Refunding Bonds. The Town reserves the right to issue refunding bonds to refund all or any part of the Outstanding Bonds and any Additional Bonds (pursuant to any law then available) upon such terms and conditions as the Town may deem to be in the best interest of the Town. Section 7.09 does not apply to refunding bonds issued to achieve a debt service savings.

Section 7.11 Subordinate Lien Bonds. The Town reserves the right to issue bonds payable from a lien on the Pledged Revenues that is subordinate to the lien for the Bonds and any Additional Bonds.

Section 7.12 Pledge of Additional Revenues. The Town reserves the right to pledge any additional lawfully available revenues to the Bonds and any Additional Bonds. Upon such pledge by the Town, such additional lawfully available revenues shall be included as Pledged Revenues for all purposes pursuant to this Ordinance and any ordinances authorizing Additional Bonds, including for purposes of Section 7.09 herein.

ARTICLE VIII

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 8.01 Town to Punctually Discharge Obligations of Bonds and Additional Bonds. The Town covenants and agrees that it will (i) duly and punctually pay or cause to be paid out of the Pledged Revenues the principal, premium, if any, of every Bond and Additional Bond issued hereunder and the interest thereon on the dates and at the places and in the manner described in the Bonds and Additional Bonds according to the true intent and meaning thereof; and (ii) faithfully do and perform and at all times fully observe any and all covenants, undertakings, stipulations and provisions contained herein and on any Bond and Additional Bond executed and delivered hereunder.

Section 8.02 Town's Powers Lawfully Exercised; Pledged Revenues Receipts Not Otherwise Encumbered. The Town further covenants and agrees by and through this Ordinance that:

(a) It has the lawful power to pledge to provide the Pledged Revenues for the payment of the Bonds and any Additional Bonds and it has lawfully exercised such power under the Constitution and laws of the State of Texas and its Town Charter, including the powers existing under Chapter 1504, Texas Government Code, as amended ("Chapter 1504"). Among the powers expressly given pursuant to said Chapter 1504, as amended, the Town is authorized to provide for the flow of funds, the establishment and maintenance of the Bond Fund, Reserve Fund and other funds herein referred to and to make such additional covenants with respect to the Bonds and any Additional Bonds and the Pledged Revenues. The Town is further authorized to make such other provisions and covenants as it may determine not prohibited by the Constitution of Texas or by Chapter 1504, and to adopt and cause to be executed any other proceedings or instruments necessary or convenient in the issuance of the Bonds.

(b) Other than for the payment of Bonds and any Additional Bonds as herein authorized, the Pledged Revenues have not been pledged in any manner to the payment of any debt or obligation of the Town, and said Pledged Revenues are otherwise free and clear of all encumbrances.

(c) The owner or holder of any Bonds and any Additional Bonds shall never have the right to demand payment of principal or premium, if any, or interest thereon from any funds raised or to be raised by taxation except as to the Pledged Revenues, and nothing in this Ordinance shall require the Town to make any expenditures in meeting the requirements of the Bonds and any Additional Bonds except from Pledged Revenues, but nothing herein shall prohibit the Town from doing so.

(d) The Town will not create or issue any evidences of indebtedness for any purpose possessing a lien on Pledged Revenues which shall be superior to the lien thereon or pledge thereof in favor of the Bonds and any Additional Bonds.

(e) So long as any of the Bonds and any Additional Bonds remain Outstanding and unpaid, the Pledged Revenues, as herein authorized and pledged to the payment of the Bonds and any Additional Bonds, shall neither be diminished nor abrogated by the Town.

(f) All Pledged Revenues to be transferred from the Revenue Fund to the Bond Fund shall be impressed with a trust for the benefit of the Bondholders to the full extent required for payment of the Bonds, and no part thereof shall be used to pay any other debt, expense or obligation of the Town until the requirements of the Bonds have been fully paid and discharged.

(g) Under Chapter 1208.002, Texas Government Code, as amended, a security interest in property, other than real property, that is created by the Town is valid and effective according to the terms of the security agreement and is perfected from the time the security agreement is entered into or adopted continuously through the termination of the security interest, without physical delivery or transfer of control of the property, filing of a document, or another act. If Chapter 1208.002 is amended at any time while the Bonds are outstanding and unpaid, the Town shall take all actions required in order to preserve for the registered owners of the Bonds a perfected security interest in the property in which such security interest is granted pursuant to Section 2.01 hereof.

(h) The Bonds are not subject to acceleration.

Section 8.03 Amendments.

The Town, may, without the consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, to cure any ambiguity, inconsistency, or formal defect or omission herein and to provide additional security for the payment of the Bonds. In addition, the Town may, with the written consent from the owners holding a majority in aggregate principal amount of the Bonds then Outstanding (excluding Bonds acquired by or held for the account of the Town) affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the written consent of all Owners of Bonds then Outstanding, no such amendment, addition, or rescission shall (1)

extend the time or times of payment of the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held for consent to any such amendment, addition, or rescission.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01 Events of Default. (a) Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an “Event of Default,” to-wit:

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

(ii) failure to make the credits to the Bond Fund as required by Section 7.02 of this Ordinance; or

(iii) default in the performance or observance of any other covenant, agreement or obligation of the Town, the failure to perform which materially, adversely affects the rights of the Owners, 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 Owner to the Town.

Section 9.02 Remedies for Default. (a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the Town for the purpose of protecting and enforcing the rights of the 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 Owners hereunder or any combination of such remedies.

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

Section 9.03 Remedies Not Exclusive. (a) 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.

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

Section 9.04 Action by Bond Insurer. So long as a Credit Facility is in effect and the Bond Insurer is not in default with respect to the Credit Facility, it shall be considered the sole owner of the Bonds with respect to any action taken pursuant to Article IX, including taking any action to institute any suit, action or proceeding at law or in equity as permitted under this Ordinance.

ARTICLE X

DISCHARGE

Section 10.01 Discharge. The Bonds may be defeased, discharged or refunded in any manner permitted by applicable law.

ARTICLE XI

SALE OF THE BONDS; APPROVAL OF OFFICIAL STATEMENT; AND DELIVERY OF BONDS

Section 11.01 Sale of Bonds; Delivery of Official Statement.

(a) The Bonds are hereby officially sold and awarded to the Underwriter in accordance with the terms and provisions of that certain Purchase Contract relating to the Bonds between the Town and the Underwriters and dated the date of the passage of this Ordinance. The form and content of such Purchase Contract are hereby approved, and the Mayor is hereby authorized and directed to execute and deliver such Purchase Contract. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable. The Bonds shall initially be registered in the name of the Underwriter, or its designee.

(b) The form and substance of the Preliminary Official Statement for the Bonds and any addenda, supplement or amendment thereto (the "Preliminary Official Statement") and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, by the Town Council. The use and distribution of the Preliminary Official Statement in the public offering of the Bonds by the Underwriter is hereby authorized. The Town Manager, Finance Director, the Mayor and the Town Secretary of the Town are hereby authorized and directed to use and distribute or authorize the use and distribution of the final Official Statement and any addenda, supplement or amendment thereto (the "Official Statement") and deliver appropriate numbers of copies thereof to the Underwriter of the Bonds. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Town Manager, the Finance Director, the Mayor of the Town and the Underwriter, may be used by the Underwriter in the public offering and sale thereof. The Town Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting.

(c) The Mayor, the Authorized Officer and all other officers of the Town are authorized to take such actions, to obtain such consents or approvals and to execute such documents, certificates and receipts as they may deem necessary and appropriate in order to consummate the delivery of the Bonds, to pay the costs of issuance of the Bonds, and to effectuate the terms and provisions of this Ordinance. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the Town is hereby authorized and directed to issue a check of the Town payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount not to exceed \$9,500).

(d) The obligation of the Underwriter to accept delivery of the Bonds is subject to the Underwriter being furnished with the final, approving opinion of Bracewell LLP, Bond Counsel for the Town, which opinion shall be dated and delivered the Closing Date

(e) The Mayor or Town Manager are hereby authorized and directed to execute an engagement letter with Bond Counsel, setting forth such firm's duties as Disclosure Counsel for the Town, and such engagement letter and the terms thereof in the form presented at this meeting are hereby approved and accepted.

Section 11.02 Control and Delivery of Bonds.

(a) The Town Manager is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Initial Bond shall be made to the Underwriter or the Representative under and subject to the general supervision and direction of the Town Manager, against receipt by the Town of all amounts due to the Town under the terms of sale.

(c) In the event the Mayor, Town Secretary or Town Manager is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem, any Assistant Town Secretary and any Assistant Town Manager, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem, the Assistant Town Secretary and the Assistant Town Manager shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor, Town Secretary and Town Manager, respectively.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01 Annual Reports.

(a) The Town shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the Town, financial information and operating data with respect to the Town of the general type included in the final Official Statement, being information described in Tables _____ and (2) audited financial statements of the Town within 12 months after the end of each fiscal year, when and if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles prescribed by the Generally Accepted Accounting Principles or such other accounting principles as the Town may be required to employ, from time to time, by State law or regulation, and (ii) audited, if the Town commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Town 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 statements becomes available.

(b) If the Town 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 Town otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) 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.

Section 12.02 Material Event Notices.

(a) The Town shall provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) 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;

(vii) Modifications to rights of the holders of the Bonds, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Town;

Note to paragraph (xii): For the purposes of the event identified in paragraph 12 (xii) of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. 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 Town, 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 Town.

(xiii) The consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, 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; and

(xiv) Appointment of successor or additional paying agent/registrars or the change of name of a paying agent/registrars, if material.

(xv) Incurrence of a Financial Obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Town, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Town, any of which reflect financial difficulties.

Note to paragraphs (xv) and (xvi). The Town intends the words used in paragraphs (xv) and (xvi) and the definition of Financial Obligations in this Section to have the same meanings as when they are used in Rule and SEC Release No. 34-83885, dated August 20, 2018.

(b) The Town shall notify the MSRB, in a timely manner, of any failure by the Town to provide financial information or operating data in accordance with Section 12.01 of this Ordinance by the time required by such Section.

Section 12.03 Limitations, Disclaimers and Amendments.

(a) The Town shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Town remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Town in any event will give notice of any Bond calls and any defeasances that cause the Town to be no longer an “obligated person.”

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Town undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Town’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Town 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.

UNDER NO CIRCUMSTANCES SHALL THE TOWN 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 TOWN, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, 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.

(c) No default by the Town in observing or performing its obligations under this Article shall constitute a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the Town under federal and state securities laws.

(e) The provisions of this Article may be amended by the Town 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 Town, but only if (i) the provisions of this Article, 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 to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (B) an entity or individual person that is unaffiliated with the Town (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Bonds. If the Town so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 12.04 Amendments to the Rule. In the event the Authorized Officer, in consultation with Bond Counsel and the Town's financial advisor, determines that it is necessary or desirable to amend the provisions of Article XII in order to facilitate compliance with amendments to the Rule and related guidance from the SEC, the Authorized Officer may make such changes in the Pricing Certificate for the Bonds.

ARTICLE XIII

RESERVED

ARTICLE XIV

MISCELLANEOUS MATTERS

Section 14.01 Changes to Ordinance.

The Town Manager and the Chief Financial Officer, in consultation with Bond Counsel, are hereby authorized to make changes to the terms of this Ordinance if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Bonds by the Attorney General of Texas.

Section 14.02 Partial Invalidity.

If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of the Ordinance.

Section 14.03 No Personal Liability.

No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Ordinance, against any official or employee of the Town or any person executing any Bonds.

Section 14.04 Effectiveness. This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the Town of Northlake, Texas, pertaining thereto, and it is accordingly so ordained.

APPROVED AND ADOPTED this ____ day of _____, 2025.

Mayor
Town of Northlake, Texas

ATTEST:

Town Secretary
Town of Northlake, Texas

Signature Page for the Convention Center Ordinance

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
Section: 5. EXECUTIVE SESSION

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025

Section: 6. RECONVENE INTO OPEN SESSION

NORTHLAKE TOWN COUNCIL COMMUNICATION



DATE: February 27, 2025
Section: 7. ADJOURN
