

RESOLUTION NO. 23-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, DETERMINING COSTS OF THE PROPOSED PUBLIC IMPROVEMENTS IN THE TESSERA ON LAKE TRAVIS PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT AREA #3, APPROVING A PROPOSED IMPROVEMENT AREA #3 ASSESSMENT ROLL, CALLING A PUBLIC HEARING, AND MAKING RELATED FINDINGS AND DETERMINATIONS, IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE

WHEREAS, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"), upon petition of landowners representing more than fifty percent of the appraised value of taxable real property, the City Council of the City (the "City Council") adopted Resolution No. 12-1551 on August 16, 2012 (the "PID Creation Resolution") making the findings required by Section 372.009(b) of the PID Act and authorizing the creation of a public improvement district located within the corporate limits of the City to be known as Tessera On Lake Travis Public Improvement District (the "District"); and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in a newspaper of general circulation in the City to consider the proposed "*MIA Initial Assessment Roll*" and the "*Original Service and Assessment Plan*" and the levy of the "*MIA Initial Special Assessments*" on property within the Original Major Improvement Area of the District, including Improvement Area #3; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, delivered notice of the public hearing to consider the proposed MIA Initial Assessment Roll and the Original Service and Assessment Plan and the levy of MIA Initial Special Assessments on property within the Original Major Improvement Area of the District to the owners of the property liable for the MIA Initial Special Assessments, and all such owners acknowledged receipt of such notice; and

WHEREAS, the City Council convened the hearing on August 2, 2012, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Original Service and Assessment Plan, the MIA Initial Assessment Roll, and the MIA Initial Special Assessments, and to offer testimony pertinent to any issue presented on the amount of the MIA Initial Special Assessment, the allocation of Costs, the purposes of the MIA Initial Special Assessment, the special benefits of the MIA Initial Special Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the MIA Initial Special Assessment; and

WHEREAS, at the August 2, 2012 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Original Service and Assessment Plan, the allocation of Costs, the MIA Initial Assessment Roll, and the levy of the MIA Initial Special Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, approved and accepted the Original Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Initial MIA Assessment Ordinance and therein approved the MIA Initial Assessment Roll and levied the MIA Initial Special Assessments; and

WHEREAS, on November 1, 2012, the City Council issued \$19,890,000 in revenue bonds, in accordance with the PID Act, entitled "City of Lago Vista, Texas, Special Assessment Revenue Bonds, Series 2012 (Tessera On Lake Travis Public Improvement District Major Improvement Area Project)" (the "MIA 2012 Bonds"), such MIA 2012 Bonds being payable solely from the MIA Initial Special Assessments and other funds pledged pursuant to an indenture dated November 1, 2012 to the payment of the MIA 2012 Bonds; and

WHEREAS, on December 7, 2017, the City Council passed and approved Ordinance No. 17-12-07-01 approving an update to the Original Service and Assessment Plan for Improvement Area #2 which added Improvement Area #2 to the District and reallocated Improvement Area #2's allocable share of the MIA Initial Special Assessments from the MIA Initial Assessment Roll to the Improvement Area #2 Assessment Roll; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in a newspaper of general circulation in the City on July 9, 2020 to consider the proposed "MIA Supplemental Assessment Roll" and a "Amended and Restated Service and Assessment Plan" which amended and restated the Original Service and Assessment Plan, as amended, supplemented and updated, in its entirety (the "2020 Amended and Restated Service and Assessment Plan") and the levy of additional assessments on property in the Major Improvement Area of the District, including Improvement Area #3, for the Major Improvement Area Projects (the "MIA Supplemental Special Assessments" and collectively with the MIA Initial Special Assessments, the "MIA Special Assessments"); and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed MIA Supplemental Assessment Roll and the 2020 Amended and Restated Service and Assessment Plan and the levy of the MIA Supplemental Special Assessments on property within the Major Improvement Area of the District to the last known address of the owners of the property liable for the MIA Supplemental Special Assessments; and

WHEREAS, the City Council convened the hearing on July 23, 2020, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the 2020 Amended and Restated Service and Assessment Plan, the MIA Supplemental Assessment Roll, and the MIA Supplemental Special Assessments, and to offer testimony pertinent to any issue presented on the amount of the MIA Supplemental Special Assessments, the allocation of Costs, the purposes of the MIA Supplemental Special Assessments, the special benefits of the MIA Supplemental Special Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the MIA Supplemental Special Assessments; and

WHEREAS, at the July 23, 2020 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the 2020 Amended and Restated Service and Assessment Plan, the allocation of Costs, the MIA Supplemental Assessment Roll, and the levy of the MIA Supplemental Special Assessments for the additional Major Improvement Area Projects; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, approved and accepted the 2020 Amended and Restated Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the MIA Supplemental Assessment Ordinance and therein approved the MIA Supplemental Assessment Roll and levied the MIA Supplemental Special Assessments for the Major Improvement Area Projects on a parity basis with the Initial MIA Special Assessments levied on August 2, 2012; and

WHEREAS, on August 19, 2020, the City Council issued its City of Lago Vista, Texas Special Assessment Revenue Refunding Bonds, Taxable Series 2020A (Tessera on Lake Travis Public Improvement District Major Improvement Area Project) and its City of Lago Vista, Texas Special Assessment Revenue and Refunding Bonds, Tax-Exempt Series 2020B (Tessera on Lake Travis Public Improvement District Major Improvement Area Project) (collectively, the "MIA 2020 Bonds"), such MIA 2020 Bonds being payable solely from the MIA Special Assessments and other funds pledged pursuant to an indenture dated August 19, 2020; and

WHEREAS, in accordance with the Tessera On Lake Travis Public Improvement District Financing Agreement between the City, Hines Lake Travis LP, and Hines Lake Travis Land II Limited Partnership (the "Developer"), dated as of October 14, 2012 (the "Financing Agreement"), the Developer has requested that the City issue revenue bonds for Improvement Area #3 in order to finance a portion of the Improvement Area #3 Projects (as defined in the Preliminary 2024 Amended and Restated Service and Assessment Plan attached to this Resolution as "**Exhibit A**"); and

WHEREAS, the City has reviewed the Preliminary 2024 Amended and Restated Service and Assessment Plan attached to this Resolution as "**Exhibit A**" (the "Preliminary 2024 Amended and Restated Service and Assessment Plan") and the proposed Improvement Area #3 Assessment Roll attached as "**Exhibit H**" to such Preliminary 2024 Amended and Restated Service and Assessment Plan (the "Proposed Improvement Area #3 Assessment Roll"); and

WHEREAS, in accordance with Section 372.016 of the Act, the City Council desires to make certain determinations and findings with regard to the total cost of the "Authorized Improvements" set forth in the Preliminary 2024 Amended and Restated Service and Assessment Plan attached to this Resolution as "**Exhibit A**"; and

WHEREAS, in accordance with Section 372.016 of the Act, the City Council also desires to approve the Proposed Improvement Area #3 Assessment Roll, which is included as "**Exhibit H**" to the Preliminary 2024 Amended and Restated Service and Assessment Plan attached to this Resolution as "**Exhibit A**," cause the Proposed Improvement Area #3 Assessment Roll to be filed with the City Secretary, and to direct the City Secretary to make the Proposed Improvement Area #3 Assessment Roll available for public inspection and publish notice of the City Council's intention to consider the proposed assessments at a public hearing, all in accordance with the requirements of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS, THAT:

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct and are incorporated into this Resolution for all purposes by this reference.

Section 2. The City Council hereby finds, declares, and directs:

(a) Determination of Cost. The cost determinations for the proposed Authorized Improvements set forth in the Preliminary 2024 Amended and Restated Service and Assessment Plan attached to this Resolution as "**Exhibit A**" are hereby approved.

(b) Proposed Improvement Area # 3 Assessment Roll. The Proposed Improvement Area #3 Assessment Roll included in the Preliminary 2024 Amended and Restated Service and Assessment Plan attached to this Resolution as "**Exhibit A**," stating the assessment against each parcel of assessable land in the District as determined by the

method of assessment set forth in said Preliminary 2024 Amended and Restated Service and Assessment Plan is hereby approved, and the City Council declares that the Proposed Improvement Area #3 Assessment Roll is hereby filed with the City Secretary. The City Council hereby directs the City Secretary to make the Proposed Improvement Area #3 Assessment Roll available for public inspection and publish notice (in substantially the form attached hereto as "**Exhibit B**") of the City Council's intention to consider the proposed assessments at a public hearing, all in accordance with the requirements of the Act.

Section 3. City Council hereby authorizes and directs the City Secretary to take the actions described in Section 2 of this Resolution and authorizes and directs staff to prepare the required resolutions, ordinances, agreements, service and assessment plan, assessment roll and other documents necessary for the City Council to effectuate this Resolution.

Section 4. The City Council hereby declares that written notice of the date, hour and place of the meeting at which this Resolution was adopted, was posted and that such meeting was open to the public as required by law at all times when this Resolution and the subject matter hereof were discussed, considered, and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

Section 5. This Resolution shall take effect immediately from and after its passage.

EXHIBIT LIST:

Exhibit A – Preliminary 2024 Amended and Restated Service and Assessment Plan (including the Proposed Improvement Area #3 Assessment Roll)

Exhibit B – Notice of Public Hearing

PASSED & APPROVED by the CITY COUNCIL of the CITY OF LAGO VISTA on the 7th day of December, 2023 on vote of 7 AYES; 0 NAYS; 0 ABSTENTIONS.

THE CITY OF LAGO VISTA, TEXAS

By: [Signature]
Mayor

ATTEST:

By: [Signature]
City Secretary



EXHIBIT A

(Preliminary 2024 Amended and Restated Service and Assessment Plan – including the Proposed
Improvement Area #3 Assessment Roll)

EXHIBIT B
NOTICE OF PUBLIC HEARING
TO CONSIDER PROPOSED ASSESSMENTS
TO BE LEVIED AGAINST PROPERTY LOCATED IN IMPROVEMENT AREA #3
OF THE TESSERA ON LAKE TRAVIS PUBLIC IMPROVEMENT DISTRICT

Notice is hereby given that the City Council of the City of Lago Vista, Texas, will hold a public hearing in the Council Chambers at the City of Lago Vista City Council Chambers, 5803 Thunderbird Street, Lago Vista, Texas 78645, on January 4, 2024, at 6:00 p.m. to consider proposed assessments to be levied against the assessable property located in Improvement Area #3 ("Improvement Area #3") of the Tessera of Lake Travis Public Improvement District (the "District") pursuant to the provisions of Chapter 372, Texas Local Government Code. Written and oral objections will be considered at the hearing.

1. General Nature of Improvements – The public improvements for the District (the "Authorized Improvements") may consist of one or more of the public improvements included in Section 372.003(b) of the Act. The general nature of the Authorized Improvements are: (i) the establishment of parks and open space, and the design and construction of ancillary structures, features, or amenities such as trails, pavilions, irrigation, walkways, lighting, benches, trash receptacles and other similar items; (ii) landscaping; (iii) acquisition, construction, and improvement of water, wastewater and drainage, detention and water quality facilities; (iv) acquisition, construction, and improvement of streets, roadways, rights-of-way, signalization and related facilities; (v) entry monumentation and features; (vi) signage; (vii) projects similar to those listed in subsections (i)-(vi) above; and (viii) payment of costs associated with constructing and financing the public improvements listed in subparagraphs (i)-(vii) above, including costs of establishing, administering, and operating the District.

The property within the District is expected to be developed in multiple phases, with certain improvements that will benefit and serve all of the property within the District, and certain improvements that will benefit and serve only the property within each phase (an "Improvement Area"). Improvement Area #3 is anticipated to include (i) acquisition, construction, and/or improvement of streets, roadways, rights-of-way and related facilities; (ii) acquisition, construction, and/or improvement of water, wastewater and drainage facilities; (iii) landscaping improvements, including irrigation, plantings, parks and open space, fencing and signage; and (iv) the payment of costs associated with the public improvements described herein (collectively, the "Improvement Area #3 Improvements").

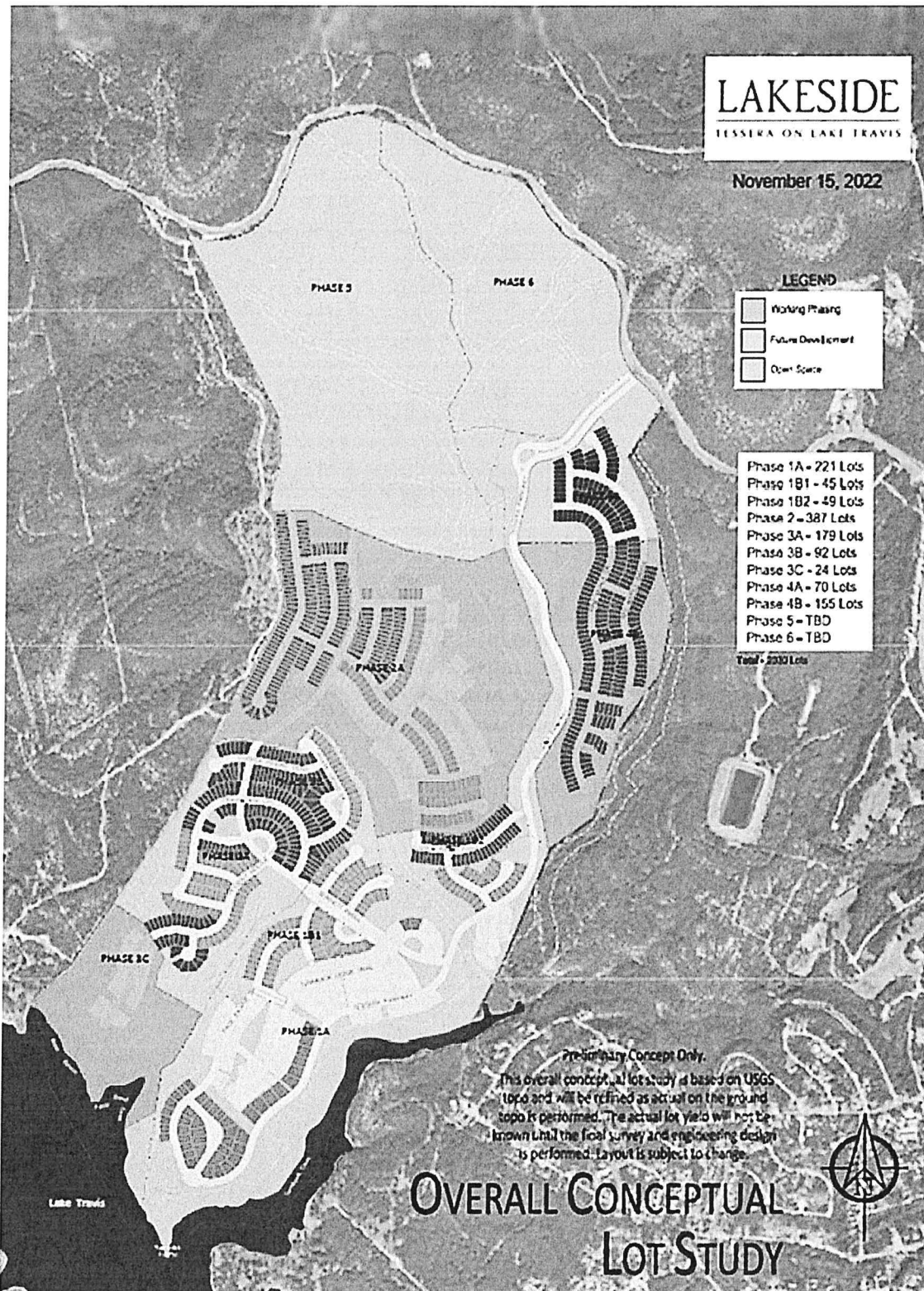
2. Estimated Costs of the Improvement Area #3 Improvements – The estimated costs of the proposed Improvement Area #3 Improvements is approximately \$48,473,278 (including issuance and other financing costs).

3. Proposed Estimated Assessments – The proposed estimated assessments on property within Improvement Area #3 of the District is approximately the amount of \$30,481,000.

4. **Boundaries of the District.** The District includes approximately 877.263 acres of land within the corporate limits of the City. Improvement Area #3, comprised of approximately 240.7 acres, is located within the boundaries of the District as shown below in Exhibit A.

5. **How to Participate in the Public Hearing** – The public hearing will be held during the regular City Council meeting on the date and commencing at the time stated above, at the City Council Chambers, 5803 Thunderbird Street, Lago Vista, Texas 78645. The agenda for the City Council meeting and information regarding how to participate in the public hearing is available at <https://www.lagovistatexas.gov/> or by calling the City Secretary's Office at (512) 267-1155, ext. 115]. The proposed 2024 Amended and Restated Service and Assessment Plan and Improvement Area #3 Assessment Roll are available for public inspection at the Office of the City Secretary, 5803 Thunderbird Street, Lago Vista, Texas 78645, and online by selecting the agenda item for this matter from the link provided above. During the public hearing, any interested person may raise objections to the assessments proposed to be levied against assessable property located in the District.

Exhibit A



CERTIFICATE FOR RESOLUTION

We, the undersigned officers and members of the City Council of the City of Lago Vista, Texas (the "City"), hereby certify as follows:

1. The City Council of the City convened in REGULAR MEETING ON THE 7TH DAY OF DECEMBER, 2023, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Kevin Sullivan, Mayor
Chelaine Marion, Mayor Pro Tem, Council Place 4
Shane R. Saum, Council Place 1
Stephanie Smith, Council Place 2
Rob Durbin, Council Place 3
Paul Roberts, Council Place 5
Paul Prince, Council Place 6

and all of the persons were present, except the following absentees: N/A, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

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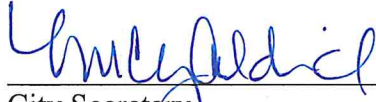
was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Resolution be passed on first reading; and, after due discussion, said motion carrying with it the passage of the Resolution, prevailed and carried by the following vote:

AYES: 7 NOES: 0 ABSTENTIONS: 0


2. A true, full and correct copy of the aforesaid Resolution passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that the Resolution has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that the Resolution would be introduced and considered for passage at the Meeting, and each of the officers and members consented, in advance, to the holding of the

Meeting for such purpose; that the Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED this December 7, 2023.



City Secretary



Mayor

(CITY SEAL)

