



Life Connected.

**CITY COUNCIL REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, JUNE 9, 2020
5:00 PM**

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. PLEDGE OF ALLEGIANCE/INVOCATION:

III. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

- A. Tree City USA Membership. (McAfee)
- B. Celina Main Street Program's 2020 National Accreditation. (Barton)
- C. RVs for MDs Proclamation. (Terry)

IV. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

- A. 2019 Annual Report presentation. (Griggs)
- B. Introduction of new employees. (Griggs) (Brawner) (Stovall)
- C. Discussion regarding the Entertainment District Special Area Plan. (McAfee)
- D. Discussion regarding School Zone Ordinance. (Brawner)
- E. Discussion regarding any and/or all agenda items.
- F. Staff Reports attached

V. OPEN FORUM:

Open Forum is for information only. If you wish to speak, please sign the "Speaker List" with the City Secretary. Speakers are limited to three (3) minutes. The Council can take no action. No charges and/or complaints will be heard against any elected official or employee of the city that are prohibited by law.

Please note Anyone wishing to furnish the City Council with copies/handouts regarding their item of interest must provide 9 copies and present them to the City Secretary for distribution to the City Council.

VI. EXECUTIVE SESSION:

Reconvene Into Open Session

- A. Consider and act upon any items discussed in executive session.

VII. CONSENT AGENDA: Items are considered self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the City Council.

A. Minutes Approval:

1. City Council - Regular Meeting - May 12, 2020 5:00 PM
2. City Council - Special Meeting - May 26, 2020 5:00 PM

- B. Consider and act to authorize the City Manager to execute Landowner Agreements, a Phase #3 Improvements Reimbursement Agreement, and a Phase #3 Improvements Construction, Funding, and Acquisition Agreement by and between the City of Celina and CADG Creeks of Legacy West, LLC and/or CADG Creeks of Legacy Stonegate, LLC. (Creeks of Legacy PID Phase #3 Miscellaneous Agreements) (McAfee)
- C. Consider and act upon a resolution of the City of Celina, Texas determining the costs of Phase #4 improvements to be financed by the Mustang Lakes Public Improvement District; approving an updated preliminary service plan and assessment plan, including proposed Phase #4 assessment roll; directing the filing of the proposed Phase #4 assessment roll with the City Secretary; providing for noticing and calling a public hearing for July 14, 2020 to consider an ordinance levying assessments on property located within the Mustang Lakes Public Improvement District. (Mustang Lakes Phase 4- PID – Pre-SAP) (McAfee)
- D. Consider and act upon a resolution of the City of Celina, Texas determining the costs of Phase #4 improvements to be financed by the Sutton Fields Public Improvement District; approving an updated preliminary service plan and assessment plan, including proposed Phase #4 assessment roll; directing the filing of the proposed Phase #4 assessment roll with the City Secretary; providing for noticing and calling a public hearing for July 14, 2020 to consider an ordinance levying assessments on property located within the Sutton Fields Public Improvement District. (Sutton Fields Phase 4- PID – Pre-SAP) (McAfee)
- E. Consider and act upon a request to amend an existing development agreement for Northside at Rollertown; generally located on the northeast corner of the BNSF Railroad and Malone Street, within both the City Limits and the Extraterritorial Jurisdiction (ETJ). (Northside at Rollertown - Development Agreement) (Mohan)
- F. Consider and act upon a Service Agreement for C-3 annexed Property between the City of Celina and the owner of an approximately 65 acre tract of land within the Extraterritorial Jurisdiction, generally located south of Glendenning Parkway and west of Huddleston Drive. (Reichman Tract Annexation Service Agreement) (Mohan)
- G. Consider and act upon a Service Agreement for C-3 annexed Property between the City of Celina and the owner of an approximately 35 acre tract of land within the Extraterritorial Jurisdiction, generally located north of FM 455 and east of Preston Road. (Ousley Tract Annexation Service Agreement) (Mohan)

- H. Consider and act to authorize the City Manager to execute an agreement amendment by and between the City of Celina and Toasted Walnut Table & Market for economic incentive funding under Chapter 380 of the Texas Local Government Code. (Barton)
- I. Consider and act to authorize the purchase of Sensus water meters from Aquametric Sales as the sole source provider in an amount not to exceed \$229,225.40. (Berry)
- J. Consider and act to authorize an Economic Development Agreement by and between the City of Celina and the Celina Chamber of Commerce to memorialize their cooperative efforts in promoting and organizing Celina Special Events (Brawner)
- K. Consider and act to authorization the City Manager to execute a contract by and between Old Celina, Ltd. and City of Celina for the utilization of property for the Fireworks show for Splash and Blast 2020. (Webb)
- L. Consider and act to award RFQ 2020-0025 for the development of roadway impact fees and to update the roadway ordinance to Kimley-Horn and Associates in an amount not to exceed \$200,000.00 . (Berry)
- M. Consider and act to authorize work order 2020-0007 with Kimley-Horn and Associates, Inc., for design services for the Alley Plaza, Project P14 in an amount not to exceed 139,300.00. (Berry)
- N. Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2019-39 which adopted and approved the budget for fiscal year beginning October 1, 2019 and ending September 30, 2020, and make appropriations for each department, project and account, by adopting an amended 2019-2020 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Stovall)
- O. Consider and act on a Second Amendment to Tolling Agreement between the City of Celina and Dynavest Joint Venture to toll the 120-day deadline to enter into an agreement for services. (Dynavest Tolling Agreement) (McAfee)

VIII. PUBLIC HEARING/ACTION:

- A. The Celina City Council will conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of an approximately 65 acre tract of land within the Extraterritorial Jurisdiction, generally located south of Glendenning Parkway and west of Huddleston Drive. (Reichman Tract Annexation) (Mohan)
- B. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning an approximately 65 acre tract of land to Mixed-Use District (MU), generally located south of Glendenning Parkway and west of Huddleston Drive. (Reichman Tract Zoning) (Mohan)
- C. The Celina City Council will conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of an approximately 35 acre tract of land within the Extraterritorial Jurisdiction, generally located north of FM 455 and east of Preston Road. (Ousley Tract Annexation) (McAfee)

- D. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning approximately 53 acre tract of land to Planned Development (PD) with Commercial, Office, & Retail District (C), Multi-Family Districts (MF-2/MF-3), and Single-Family Residential Detached District (SF-R) base zoning, generally located north of FM 455 and east of Preston Road. (Ousley Tract Planned Development) (McAfee)
- E. The Celina City Council will conduct a public hearing to consider testimony and act upon a request for a Development Agreement on approximately 352 acres of land, located in various parts of the City as shown in the attached location map, within the Extraterritorial Jurisdiction (ETJ). (Sangani Properties Development Agreement) (McAfee)
- F. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Amended and Restated Creeks of Legacy Public Improvement District Service and Assessment Plan – Updated for Phase #3, including the Phase #3 assessment roll; making a finding of special benefit to property within Phase #3 of the Creeks of Legacy Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Phase #3 assessed property in accordance with Chapter 372 Texas Local Government Code, as amended. (Creeks of Legacy PID Phase #3 Levy) (McAfee)
- G. The Celina City Council will conduct a public hearing to consider testimony and act upon a resolution of the City of Celina, Texas authorizing and creating the La Terra Public Improvement District in accordance with Chapter 372 of the Texas Local Government Code; providing for related matters; and providing an effective date. (La Terra PID Creation) (McAfee)

IX. ACTION ITEM:

- A. Consider and act upon a resolution of intent to annex approximately 963 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (20-04 Annexation Resolution) (Mohan)
 - 1) Collin CAD Property ID 986614, being an approximate 48.95 acre tract of land in Collin County, Texas, legally described as Abstract No. 843 in the William B Smith Survey, Tract 2; generally located at the northeast corner of County Road 127 and FM 2478,
 - 2) Collin CAD Property ID 990379, being an approximate 24.58 acre tract of land in Collin County, Texas, legally described as Abstract No. 124 in the Henry Bentley Survey, Tract 16; at the northwest corner of County Road 8 and W. FM 455,
 - 3) Collin CAD Property ID 2709581, being an approximate 78.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 843 in the William B Smith Survey, Tract 3; generally located north of FM 2478 and approximately 1,200 feet east of County Road 127,
 - 4) Collin CAD Property ID 989755, being an approximate 12.60 acre tract of land in Collin County, Texas, legally described as Abstract No. 55 in the W A Brown Survey, Tract 4; generally located approximately 600 north of FM 2478 and approximately 2,700 feet east of County Road 127,
 - 5) Collin CAD Property ID 1931823 being an approximate 6.50 acre tract of land in Collin County, Texas, legally described as Abstract No. 55 in the W A Brown Survey, Tract 5; generally located

- approximately 600 north of FM 2478 and approximately 2,800 feet east of County Road 127,
- 6) Collin CAD Property ID 1005245, being an approximate 35.84 acre tract of land in Collin County, Texas, legally described as Abstract No. 394 in the Daniel Howell Survey, Tract 17; generally located east of County Road 127 and approximately 1,300 feet south of W. FM 455,
 - 7) Collin CAD Property ID 2736080, being an approximate 26.49 acre tract of land in Collin County, Texas, legally described as Abstract No. 167 in the Collin County School Land #14 Survey, Sheet 1, Tract 17; generally located approximately 1,900 feet west of County Road 89 and north of County Road 90,
 - 8) Collin CAD Property ID 996426, being an approximate 9.33 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 4; generally located approximately 800 feet east of County Road 127 and approximately 3,000 feet south of W. FM 455,
 - 9) Collin CAD Property ID 985731, being an approximate 53.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 730 in the W C Quigley Survey, Tract 3; generally located approximately 500 feet north of County Road 129 and approximately 1,300 feet west of FM 2478,
 - 10) Collin CAD Property ID 985777, being an approximate 81.63 acre tract of land in Collin County, Texas, legally described as Abstract No. 730 in the W C Quigley Survey, Tract 7; generally located east of County Road 127 and approximately 1,700 feet north of County Road 129,
 - 11) Collin CAD Property ID 995123, being an approximate 3.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 443 in the A Huffstetler Survey, Tract 2; generally located approximately 3,000 feet north of County Road 129 and approximately 1,000 feet west of FM 2478,
 - 12) Collin CAD Property ID 2658576, being an approximate 83.28 acre tract of land in Collin County, Texas, legally described as Abstract No. 443 in the A Huffstetler Survey, Tract 13; generally located approximately 1,300 feet east of County Road 127 and south of W. FM 455,
 - 13) Collin CAD Property ID 2658578, being an approximate 22.59 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 1; generally located approximately 2,300 feet north of County Road 129 and approximately 800 feet west of FM 2478,
 - 14) Collin CAD Property ID 2658579, being an approximate 10.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 9; generally located approximately 1,400 feet east of County Road 127 and approximately 2,600 feet south of W. FM 455,
 - 15) Collin CAD Property ID 2028655, being an approximate 14.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 749 in the T M Rowland Survey, Tract 9; generally located approximately 1,900 feet north of Choate Parkway and east of Hackberry Circle,
 - 16) Collin CAD Property ID 2545645, being an approximate 47.38 acre tract of land in Collin County, Texas, legally described as Abstract No. 749 in the T M Rowland Survey, Tract 11; generally located east of Preston road and approximately 2,700 feet north of Choate Parkway,
 - 17) Collin CAD Property ID 2706744, being an approximate 1.63 acre tract of land in Collin County, Texas, legally described Abstract No. 1030 in the Jonathan Westover Survey, Sheet 3, Tract 9; generally located approximately 1,400 feet east of County Road 86 and south of Choate Parkway,
 - 18) Collin CAD Property ID 997942, being an approximate 155.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 932 in the T & P Ry Co Survey, Tract 1;

generally located west of County Road 57 and approximately 950 feet north of W. FM 455, and

- 19) Being a 246.54 acre tract of land situated in Denton County, Texas, being a portion of that certain called 586.196 acre tract of land conveyed to Kenneth B. Moore and wife, Ruth Wilcher Moore, by deed recorded in Volume 868, Page 721, of the Deed Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch iron rod found at the northwest corner of said called 586.196 acre tract, and being the southwest corner of a called 273.782 acre tract of land, as recorded in Volume 871, Page 856, of the Deed Records of Denton County, Texas, said point also being in the east right-of-way line of Farm Road No. 1385;

THENCE South 89°26'04" East, along the common line of said called 586.196 acre tract, and said called 273.782 acre tract, a distance of 2259.44 feet to a point for the northwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE South 89°26'04" East, along the common line of said called 586.196 acre tract, and said called 273.782 acre tract, a distance of 2487.05 feet to a point for the northeast corner of the herein described tract;

THENCE South 01 °07'32" West, a distance of 1802.61 feet to a 3/4 inch iron rod found for corner, said point being in the northerly right-of-way line of Farm Road No. 428;

THENCE southwesterly along the common line of said called 586.196 acre tract, and the northerly rightof-way line of said Farm Road No. 428 as follows:

South 48°31 '00" West, a distance of 2328.57 feet to a 1/2 inch iron rod set for corner;

South 45°39'00" West, a distance of 100.10 feet to a 1/2 inch iron rod set for corner;

South 48°31'00" West, a distance of 898.87 feet to a 1/2 inch iron rod set for corner;

South 50°40'00" West, a distance of 133.30 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the right having a radius of 1096.28 feet, and a delta angle of 37°20'03";

continuing along the curve to the right, an arc distance of 714.34 feet, and a chord bearing and distance of South 67°12'22" West, 701.77 feet to a 1/2 inch iron rod found for corner;

North 88°48'08" West, a distance of 102.83 feet to a 1/2 inch iron rod set for corner;

North 88°42'19" West, a distance of 604.95 feet to point for the southwest corner of the herein described tract;

THENCE through the interior of said called 586.196 acre tract as follows:

North 00 deg. 00 min. 00 sec. West, a distance of 1952.52 feet to a point;

North 45 deg. 07 min. 02 sec. East, a distance of 654.96 feet to a point;

North 68 deg. 55 min. 27 sec. East, a distance of 657.88 feet to a point;

North 19 deg. 19 min. 19 sec. East, a distance of 440.29 feet to a point;

North 31 deg. 54 min. 37 sec. East, a distance of 299.66 feet to a point;

North 46 deg. 27 min. 12 sec. East, a distance of 267.60 feet to a point;

North 68 deg. 29 min. 35 sec. East, a distance of 278.25 feet to a point;

North 01 deg. 30 min. 07 sec. East, a distance of 152. 18 feet to a point;

North 22 deg. 06 min. 41 sec. West, a distance of 128 .29 feet to a point;

North 30 deg. 42 min. 24 sec. West, a distance of 577.70 feet to the POINT OF BEGINNING and containing 246.54 acres of computed land, more or less.

X. **ADJOURNMENT:**

XI. **PUBLIC SPEAKERS:**

1. ANDREA M DEYOUNG

City Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 972-382-2682, or fax 972-382-3736 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

The City 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 the Texas Government Code, Chapter 551. "I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board at City Hall of the City of Celina, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: _____ at ____ p.m. and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting."



Vicki Tarrant, TRMC

City Secretary, City of Celina, TX

Date Notice Removed



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Mainstreet Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Rebecca Barton, Downtown Development Manager
 CC: Vicki Tarrant, City Secretary
 Date: June 9, 2020
 Re: 2020 National Accreditation of the Celina Main Street Program Recognition

Action Requested:

Celina Main Street Program's 2020 National Accreditation. (Barton)

Background Information:

The Celina Main Street Program has received 2020 National Accreditation by the National Main Street Center/Main Street America™, highlighting the successful annual progress of the program. The Texas Historical Commission (THC) manages the Texas Main Street Program (TMSP) and nominated Celina's program for the recognition. Selection criteria focuses on annual progress in planning, partnerships, staffing, volunteer efforts, preservation ethic, training, and program assessment through reporting. "The annual reporting process recognizes the hard work of local programs, and we commend the dedication of city leaders, program staff, local volunteers, and partners who make it possible," said Debra Drescher, TMSP state coordinator.

Celina has been in the Texas Main Street Program since 1997 and has received national accreditation 16 times since 1999. This is the third year in a row the program has received accreditation, recognizing the hard work all those involved in downtown including the Main Street Advisory Board, Historic Preservation Commission, volunteers, business owners, and City Staff.

Supporting Documents:

See attached.

Staff Recommendation:

Recognition

2020 National Accreditation awards

(Based upon draft new national Accreditation Performance Standards December 2018-December 2019)

Amarillo	Georgetown	Nacogdoches
Bastrop	Goliad	New Braunfels
Bay City	Gonzales	Paris
Beaumont	Grand Saline	Pilot Point
Beeville	Grapevine	Pittsburg
Brenham	Greenville	Plainview
Bridgeport	Harlingen	Rio Grande City
Brownsville	Henderson	Rockwall
Buda	Hillsboro	Rosenberg
Canton	Huntsville	Royse City
Canyon	Kilgore	San Angelo
Carthage	Kingsville	San Augustine
Celina	La Grange	San Marcos
Clarksville	Laredo	Seguin
Clifton	Levelland	Sherman
Corpus Christi	Linden	Taylor
Corsicana	Llano	Temple
Cuero	Longview	Texarkana
Decatur	Luling	Tyler
Denison	Marshall	Uvalde
Denton	McKinney	Vernon
Eagle Pass	Mesquite	Waxahachie
Elgin	Mineola	Weatherford
Ennis	Mount Pleasant	Winnsboro
Farmersville	Mount Vernon	

Local programs are annually recognized for National Accreditation through Main Street America™ and upon recommendation by the Texas Main Street Program of the Texas Historical Commission by showing they have distinct strategies and performance related to community commitment to downtown; leadership and organizational capacity; diverse and sustainable funding; strategy-driven programming; preservation-based economic development; and demonstrated results.

Since 1981, Texas Main Street communities have reported more than \$4.5 billion in reinvestment into their historic downtowns, as well as reporting the creation of 10,560 small businesses and 42,546 jobs. During 2019, the 89 designated Main Street communities in Texas reported more than \$315 million in reinvestment; the creation of 2,007 jobs; and 508 small businesses.

The TMSP was one of the first state-coordinating programs in the country, accepting its first local programs in 1981. Local Main Street programs focus on responsibly utilizing a community's historic assets in its downtown for economic benefit and increased quality of life. Over those four decades, 180 communities have been accepted in the state program. There are currently 89 designated communities in Texas. Main Street communities are selected through an application process. Additional information can be found on the THC website at <https://www.thc.texas.gov/mainstreet>. Additional information about the national Main Street effort – Main Street America™ can be found at mainstreet.org.

-30-



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Entertainment District Special Area Plan - Worksession

Action Requested:

Discussion regarding the Entertainment District Special Area Plan. (McAfee)

Attached is the Entertainment District Special Area Plan.

Supporting Documents:

- Entertainment District Special Area Plan

Staff Recommendation:

NA



Entertainment District Master Plan

April 24, 2020

Acknowledgements

We would like to express our gratitude toward the City of Celina, the City of Celina Economic Development Corporation and supporting team.



Supporting Team

City of Celina

- Andy Glasgow - Assistant Director of Engineering
- Dusty McAfee - Director of Development Services
- Jason Laumer - City Manager
- Kimberly Brawner - Director of Engineering
- Madhuri Mohan - Planning Manager
- Raha Pouladi - Senior Planer
- Sean Terry - Mayor

City of Celina Economic Development Corporation (EDC)

- Alexis Jackson - Director of EDC

City Council

- Andy Hopkins
- Carmen Roberts
- Chad Anderson - Mayor Pro Tem
- Justin Steiner
- Mindy Koehne
- Wayne Nabors

TBG Partners

- Brent Spraggins - Principal
- Gabriela Weber - Associate
- Mark Meyer - Principal
- Robert Acuña-Pilgrim - Principal

Others

- Abra Nusser - Ideation Planning
- A. Rogers - The Win Frame
- Brent Libby - Executive Vice President at Rockhill Investments
- Clay Thomas - Chief Executive Officer at FCS Construction
- Connor Nichols - Herrin Real Estate
- Ryan Griffin - Managing Partner at Rockhill Investments
- Stephanie Centofonti - Project Manager at Rockhill Investments

Table Of Contents

Vision 4

Analysis 6

 Regional Analysis

 Site Photos

 Local Analysis - Zoning and Thoroughfare

 Local Analysis - Utilities

 Local Analysis - Connectivity

 Precedent Study

 User Analysis

Masterplan 14

 Concept Diagram

 Road Hierarchy

 Sections

 Open Space and Trails Network

 Character: Arts, Entertainment and Residential

 Perspectives

Vision



“Another; revolution in the wheel of time...”
wrote D.W. Leigh, Editor of the *Weekly Democrat-Gazette* in April of 2001.

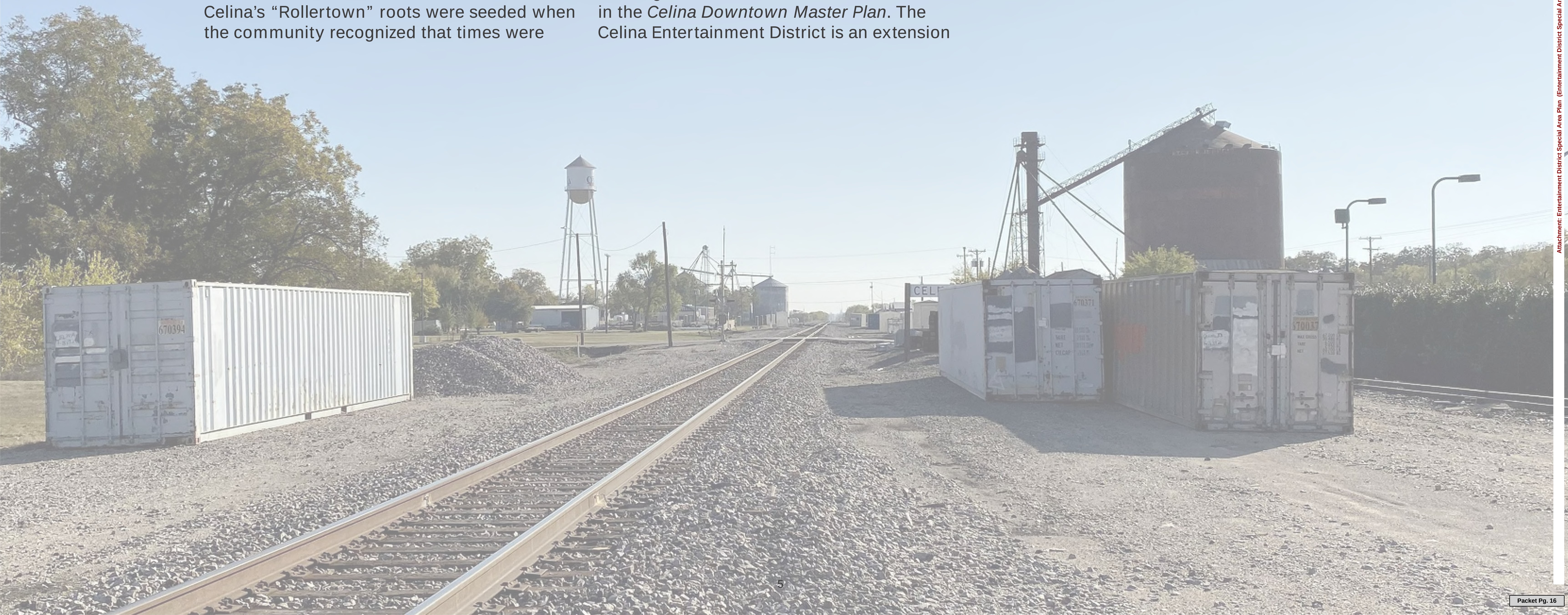
Celina, Texas, where hometown roots run deep, is steeped in small town charm and a tradition of connecting people to their environment, economic opportunities and each other. Its history as a small farming community, forward thinking and resourceful in its efforts to connect its community to the bustling North Texas region, set the tone for thoughtful town planning and civic pride. The town’s historic structures enrich the regions aesthetic and complements Celina’s goal of connecting people to place, businesses to customers and citizens to each other.

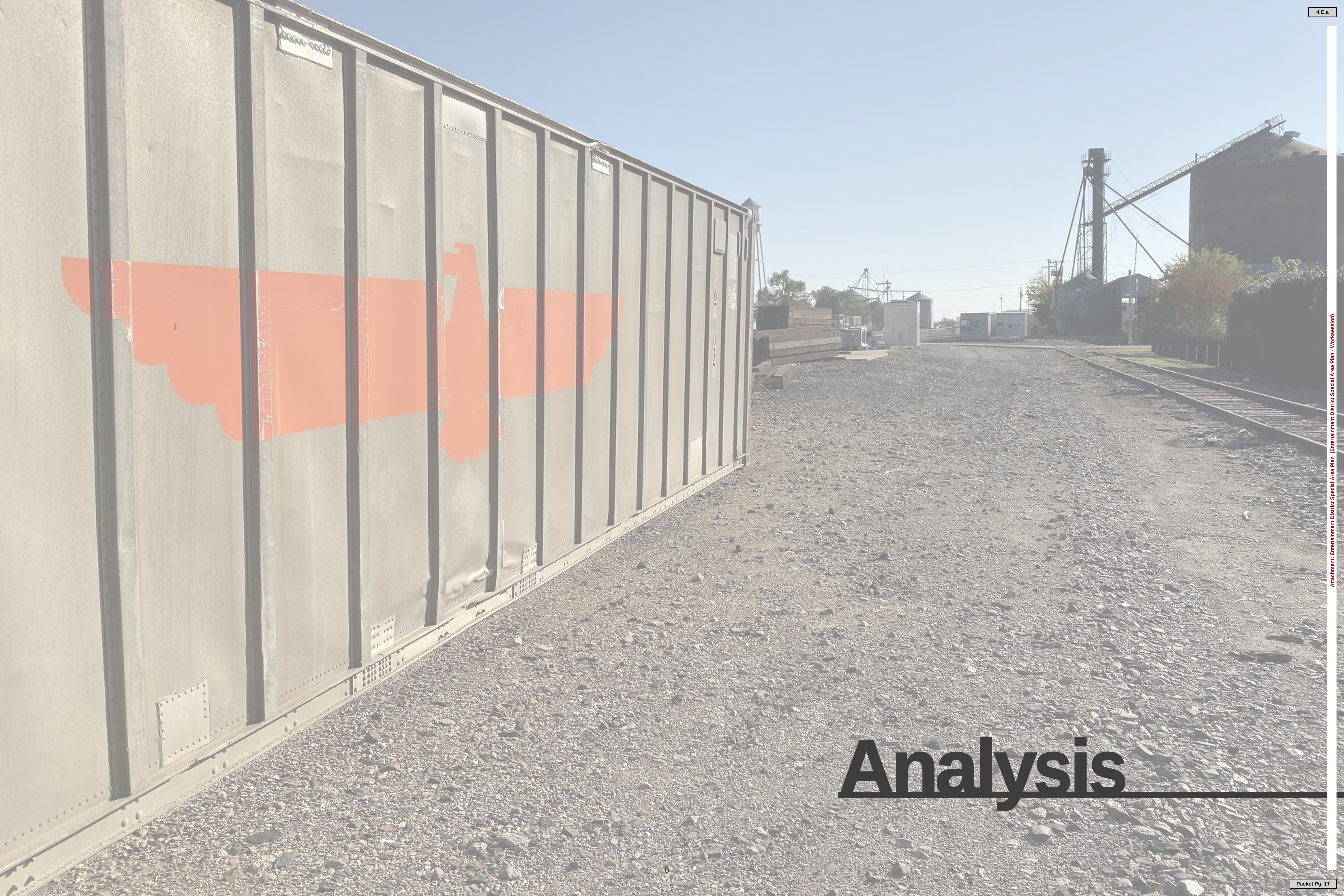
Celina’s “Rollertown” roots were seeded when the community recognized that times were

changing and so too was Celina’s relevance as a regional center. With the St. Louis, San Francisco and Texas Railway Company set to strike its first spike in Collin County, leaders knew that Celina had to make a move, and so it did. Placed upon rollers, civic leaders and businesses moved the towns’ structures to its present location as it set out to connect Celina to the regional lifeblood – the railway. The heroic effort to keep Celina relevant to the greater North Texas Region is the cornerstone of community’s commitment to creating a town where there is “no greater place to live.”

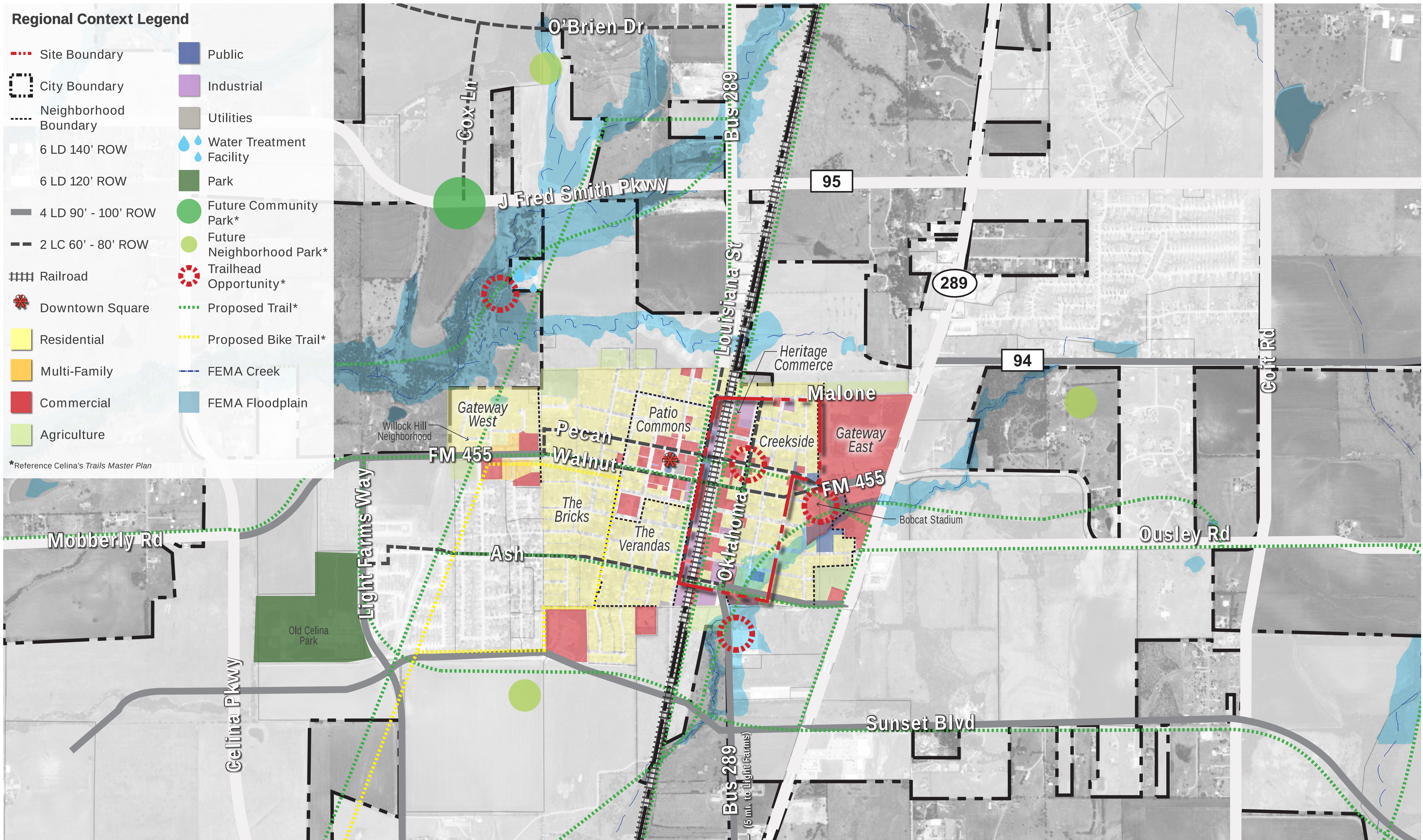
Celina – Life Connected is a contemporary moniker for a community steeped in tradition and forethought. The town’s commitment to heeding the voices of its citizens is evident in the *Celina Downtown Master Plan*. The Celina Entertainment District is an extension

of this plan and a nod to civic leaders that place value on creating an engaging environment for community members - citizens, businesses and visitors - as they seek entertainment, respite and connected spaces. Designed with the pedestrian realm in mind, the entertainment district will be a destination uniquely positioned between Celina’s business district and its vibrant residential neighborhoods. An open space and trails network will knit the community to its history and each other. Architectural notes of old and new will set the tone of who Celina is from a historical outpost with Tennessee roots to a vibrant North Texas Community looking towards a revolution of what it means to be a 21st century “City of Choice”.





Analysis



Entertainment District Regional Analysis

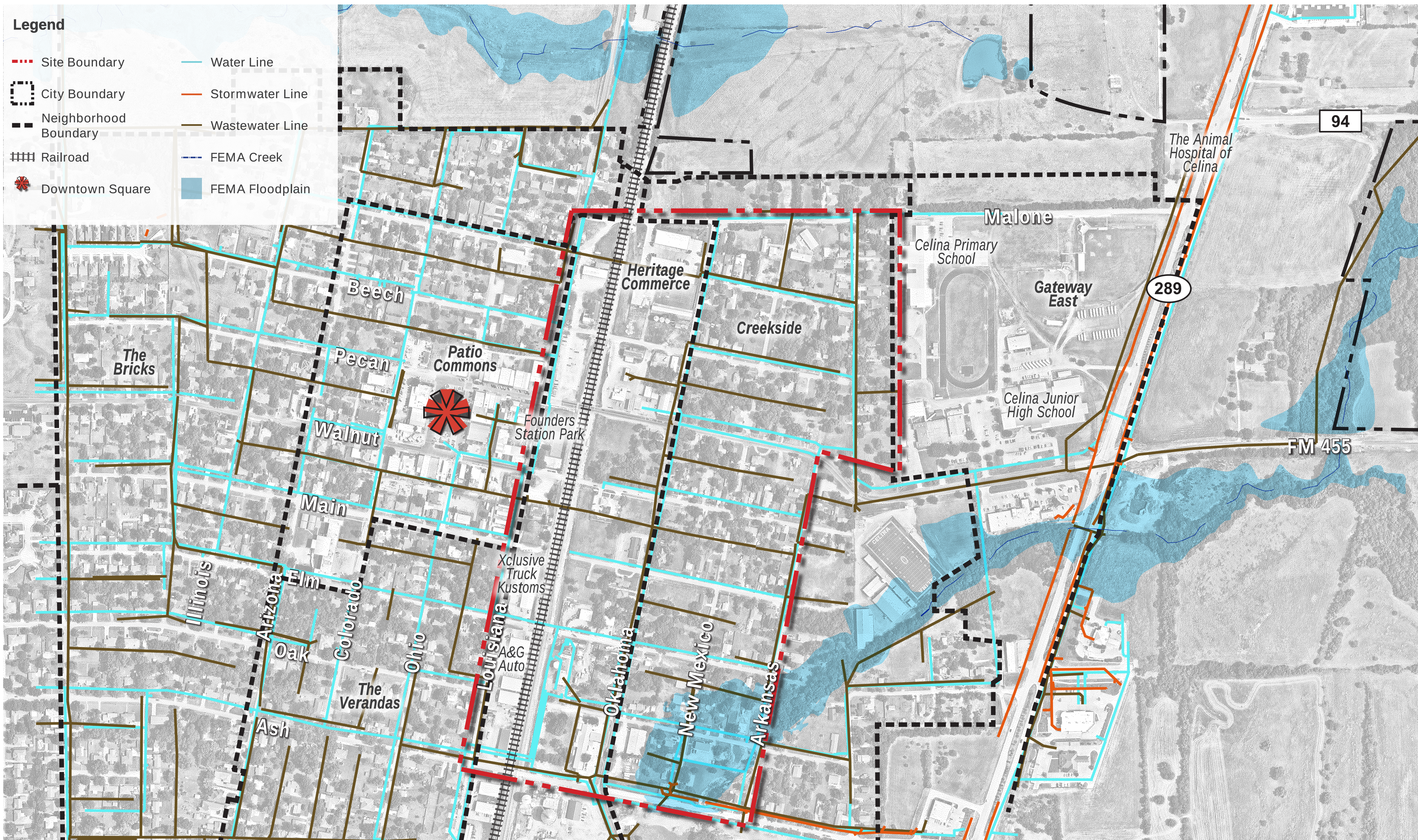




Entertainment District
Site Photos



Entertainment District
Site Photos

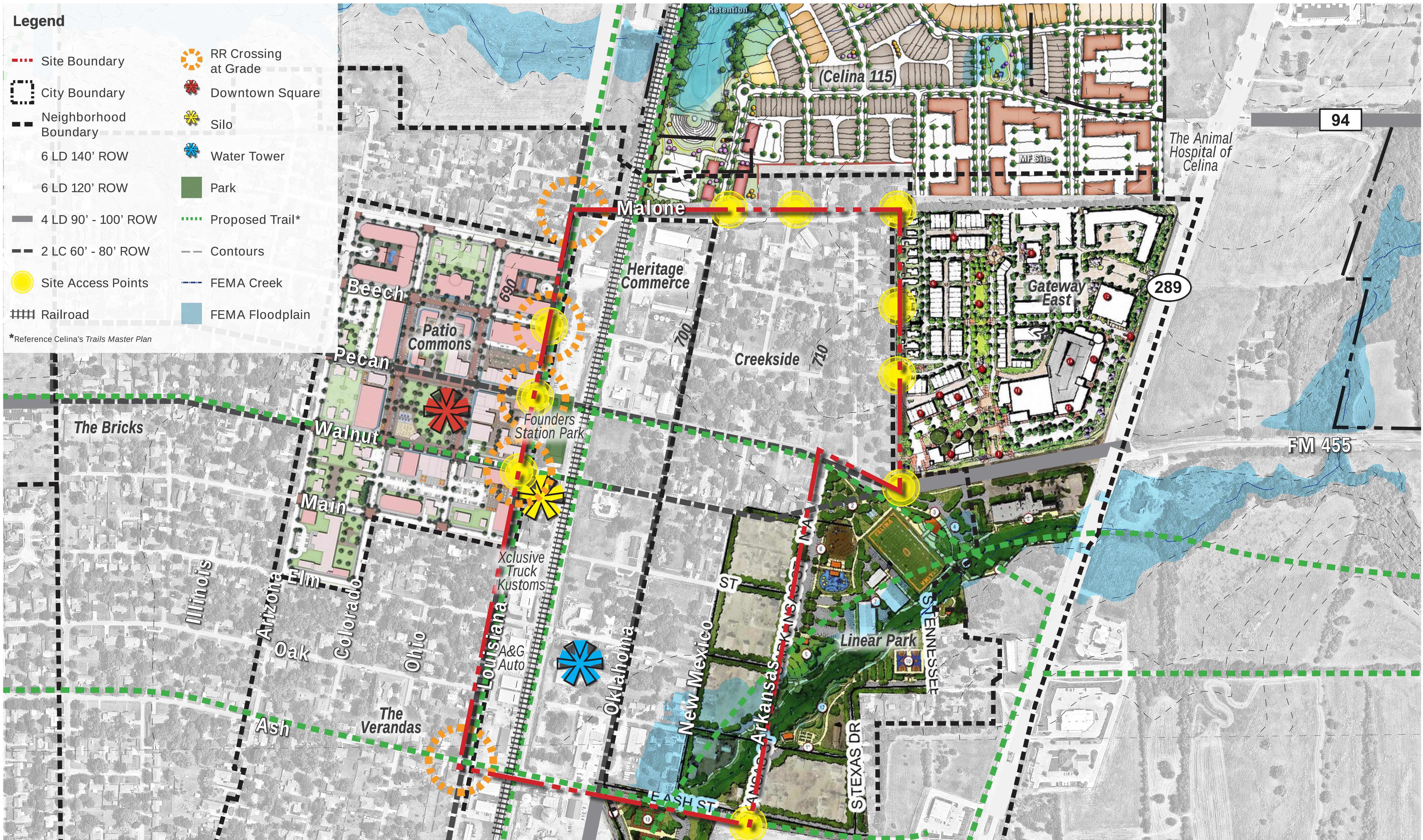


Entertainment District Local Analysis - Utilities

0 100' 200' 400'



The information shown is based on the best information available and is subject to change without notice.



*Reference Celina's Trails Master Plan

Attachment: Entertainment District Special Area Plan (Entertainment District Special Area Plan - Worksession)



Entertainment District Local Analysis - Connectivity

0 100' 200' 400'



The information shown is based on the best information available and is subject to change without notice.

PEARL BREWERY

SAN ANTONIO, TEXAS



TOTAL LAND AREA: 26 Acres (1,132,560 SF)

OPEN SPACE AREA: 1 Acre (44,00 SF)



- 100% Occupied
 - 150 Room Hotel
 - Offices
 - Educational Institutes
 - Retail and Restaurants
- 350 Households
 - 500 New Trees
 - Farmers Market
 - Green Roofs
 - Native Plant Scheme
- Curbless
 - Outdoor Amphitheater
 - Bike-Share Station
 - Adjacent to San Antonio River
- 500 Kilowatt Array of Solar Roof Installation
 - 100% Rainwater Harvesting for Irrigation
 - 10,000 Weekly Visitors



Entertainment District
Precedent Study



Young Professionals



Downtown Residents



Families

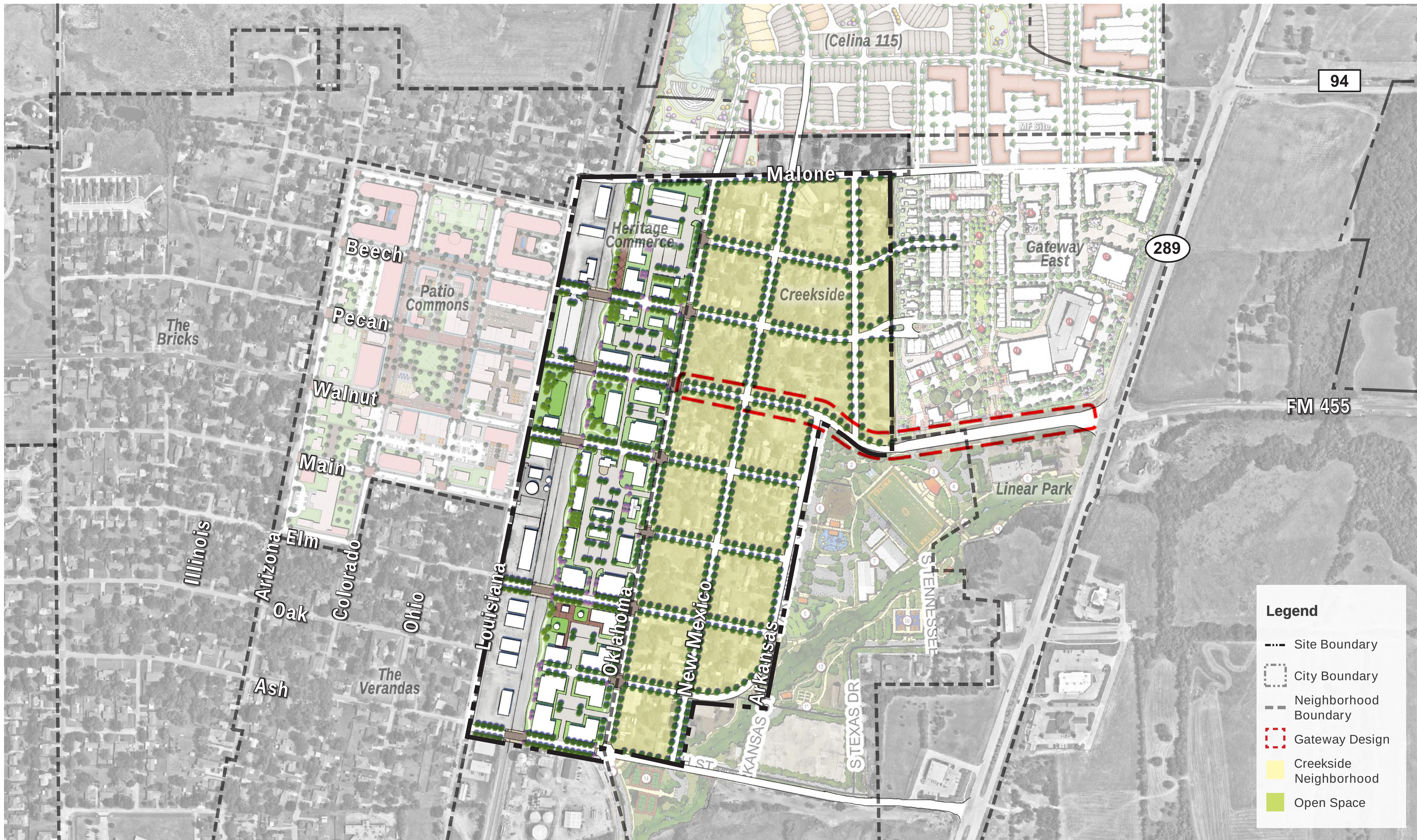


Active Adults + Retirees

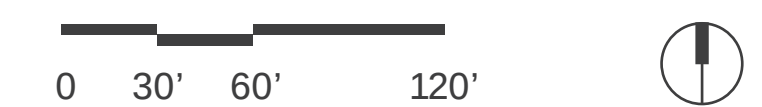


Masterplan

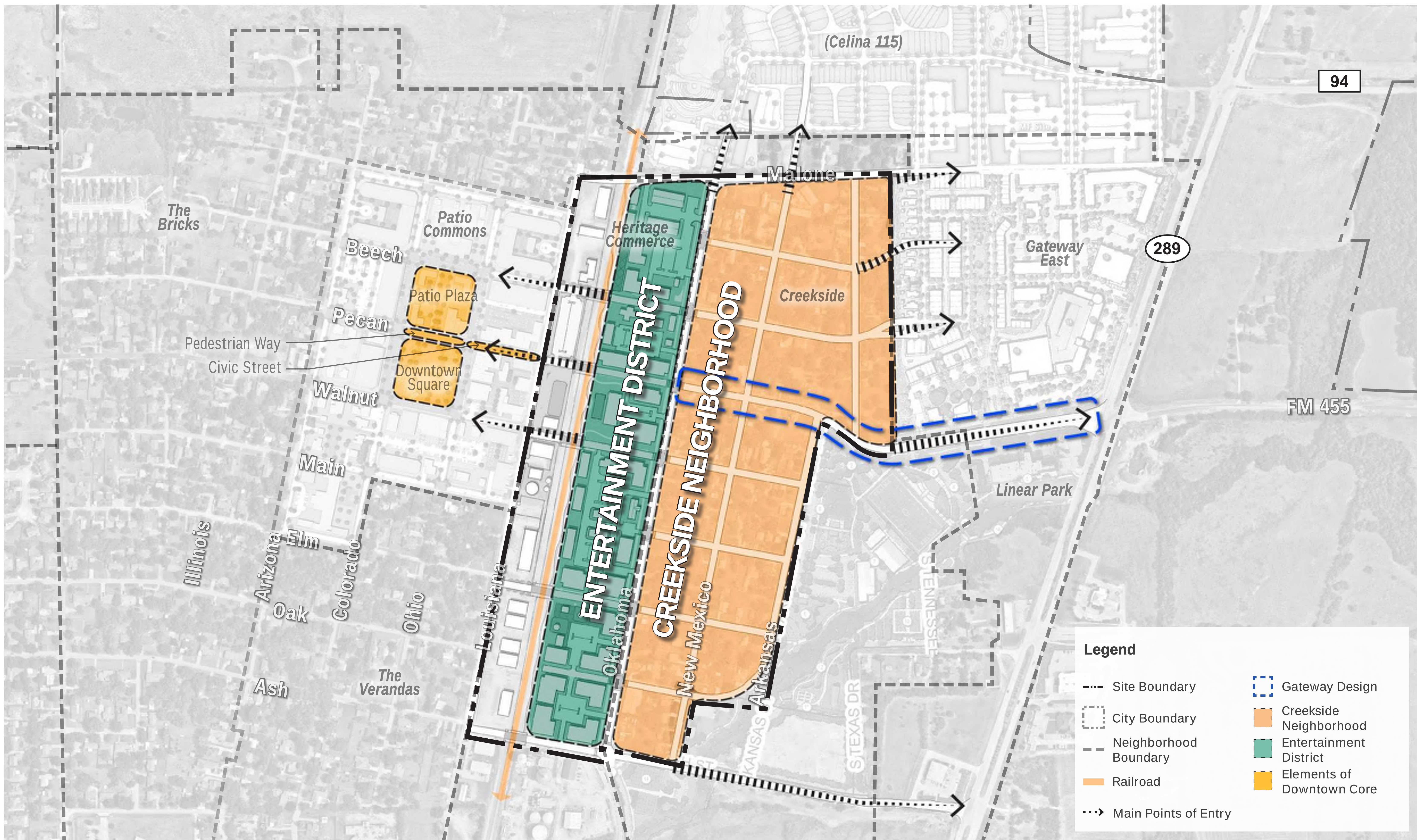


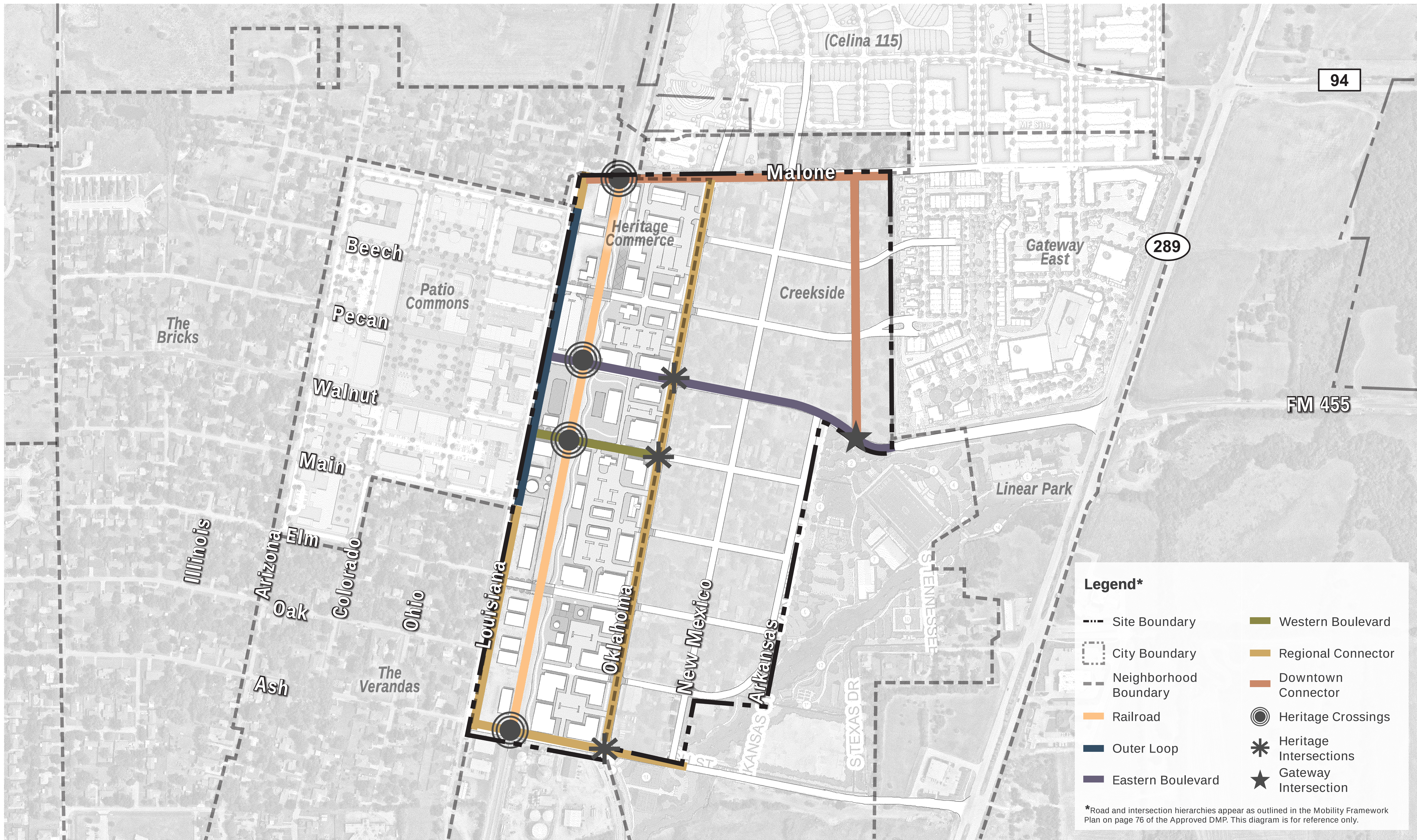


Entertainment District Master Plan

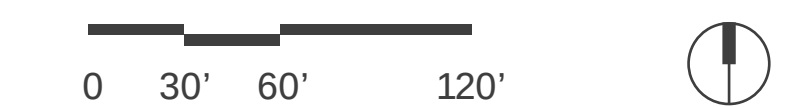


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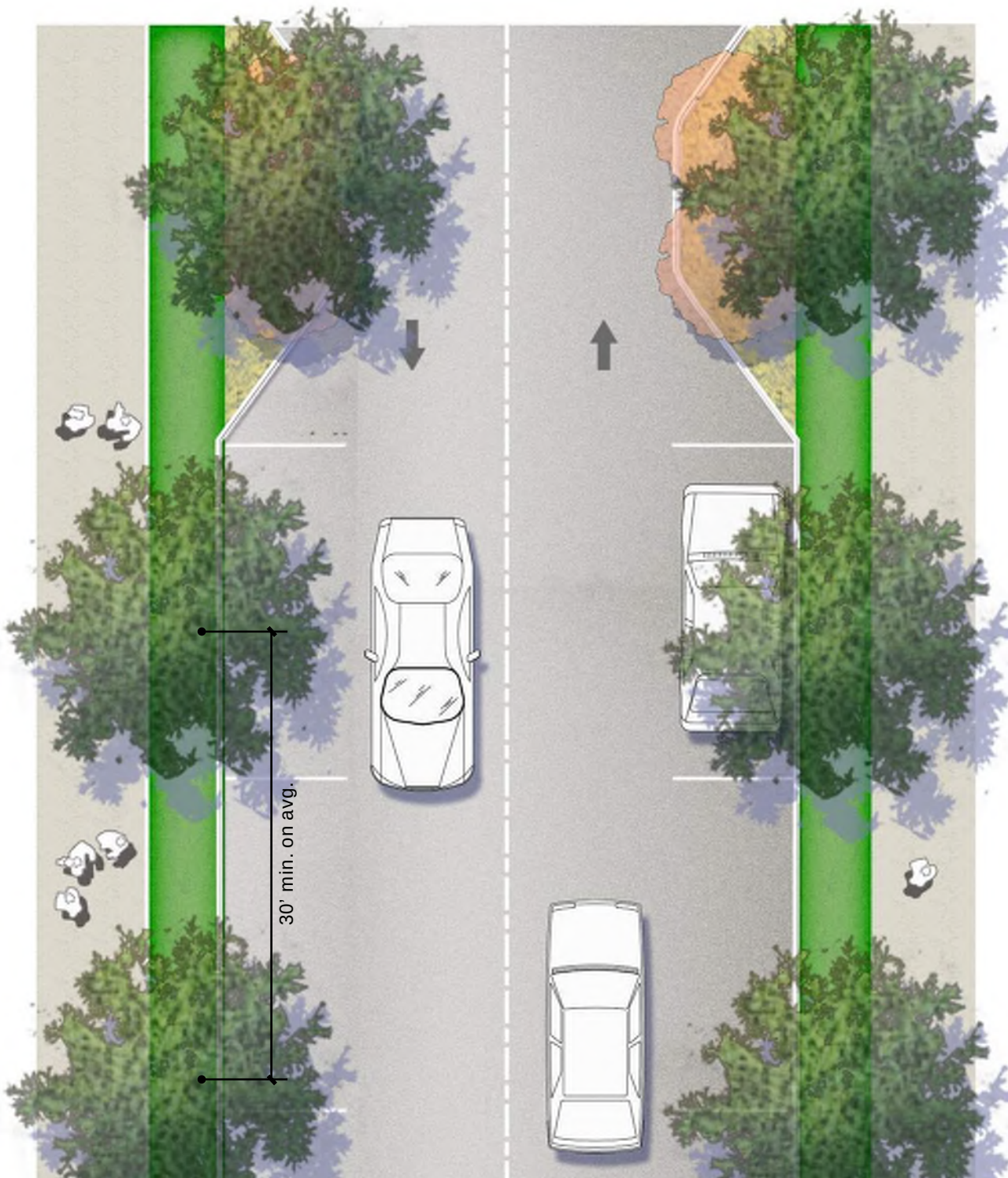
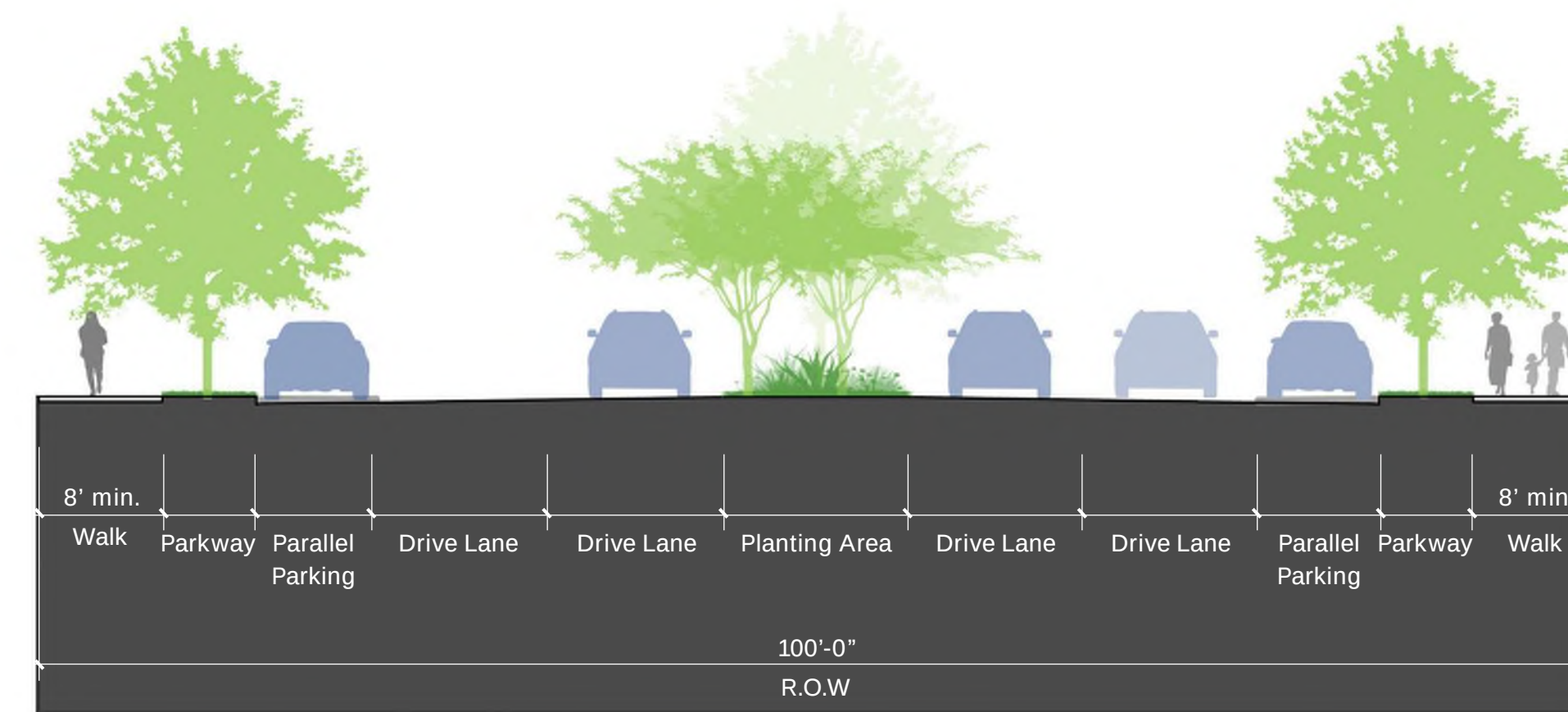
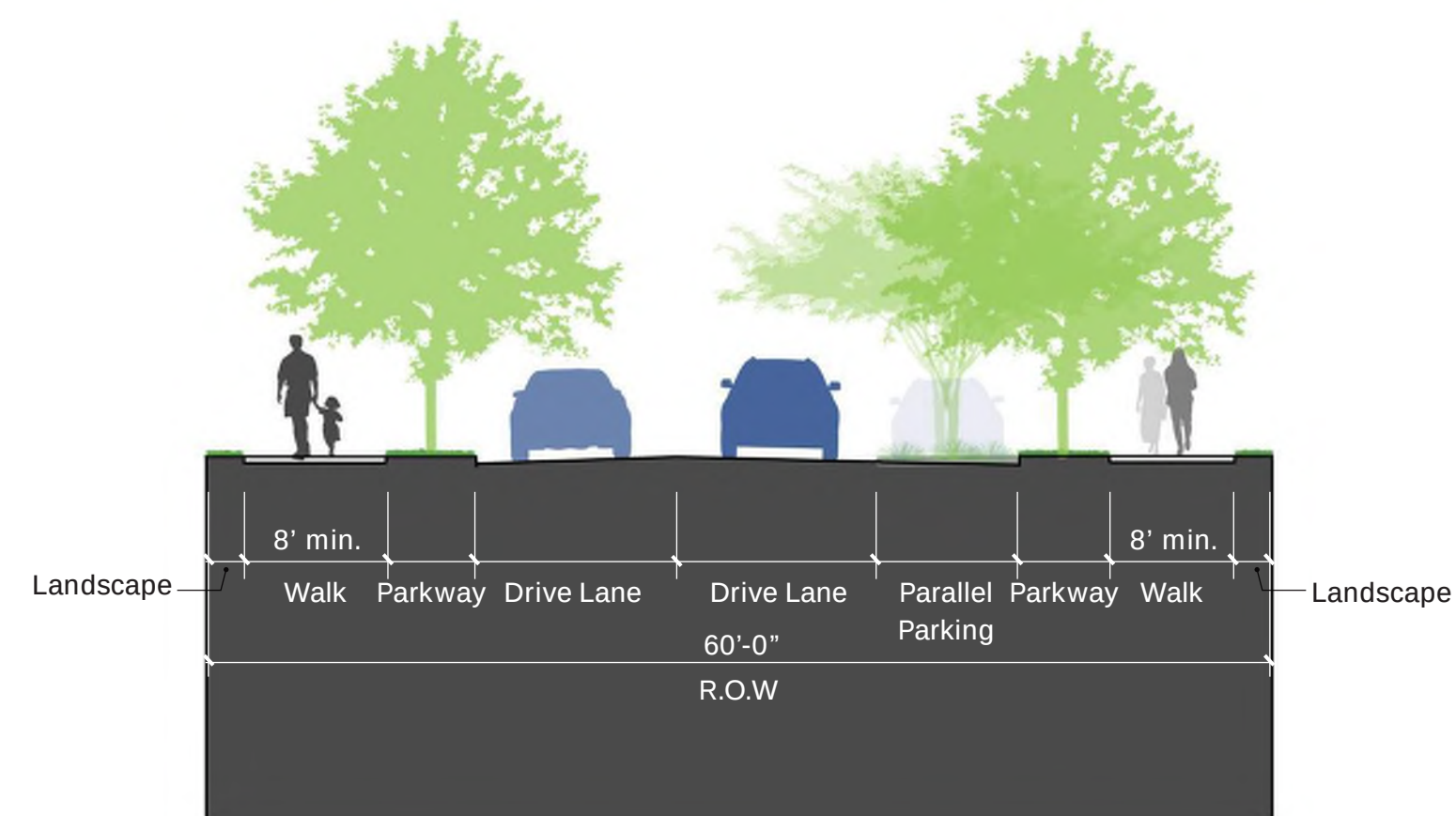
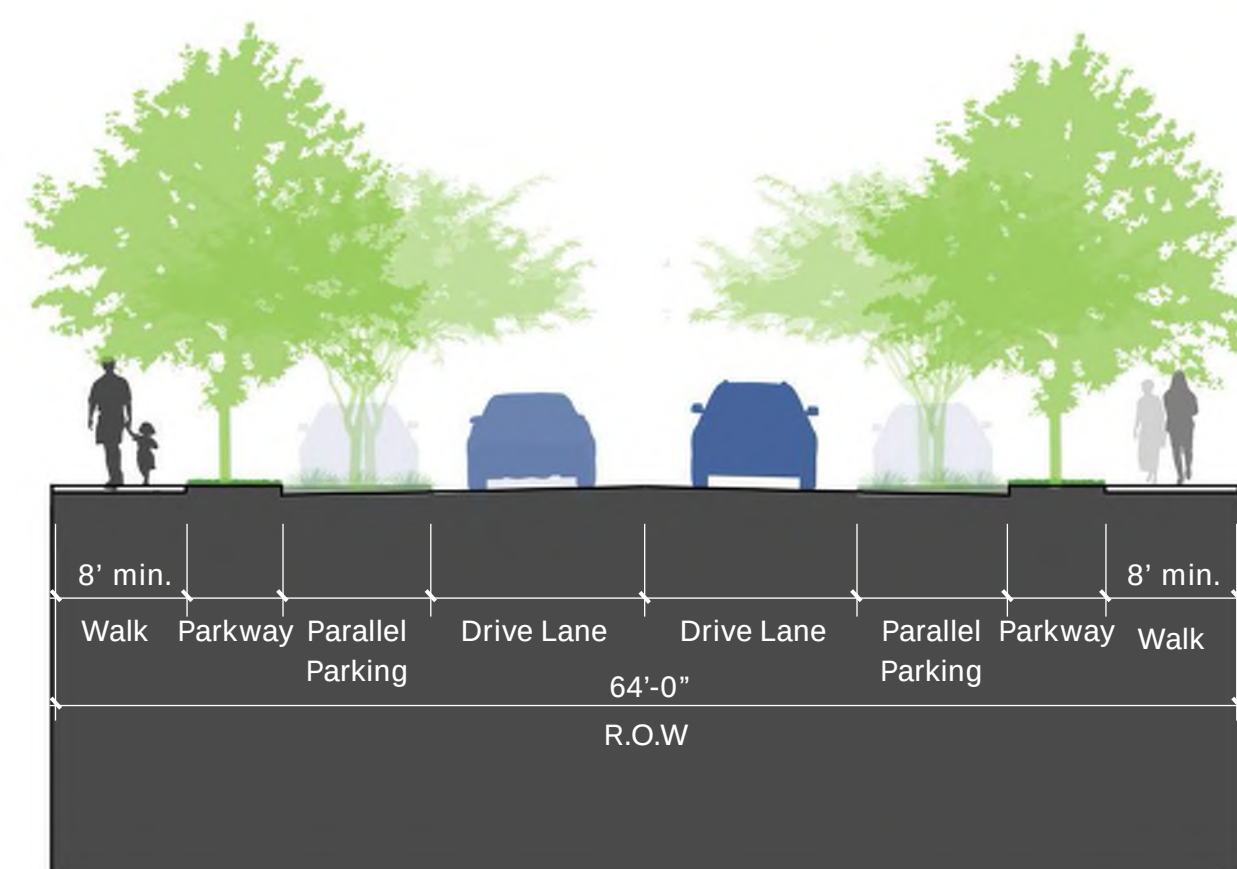




Entertainment District Road Hierarchy



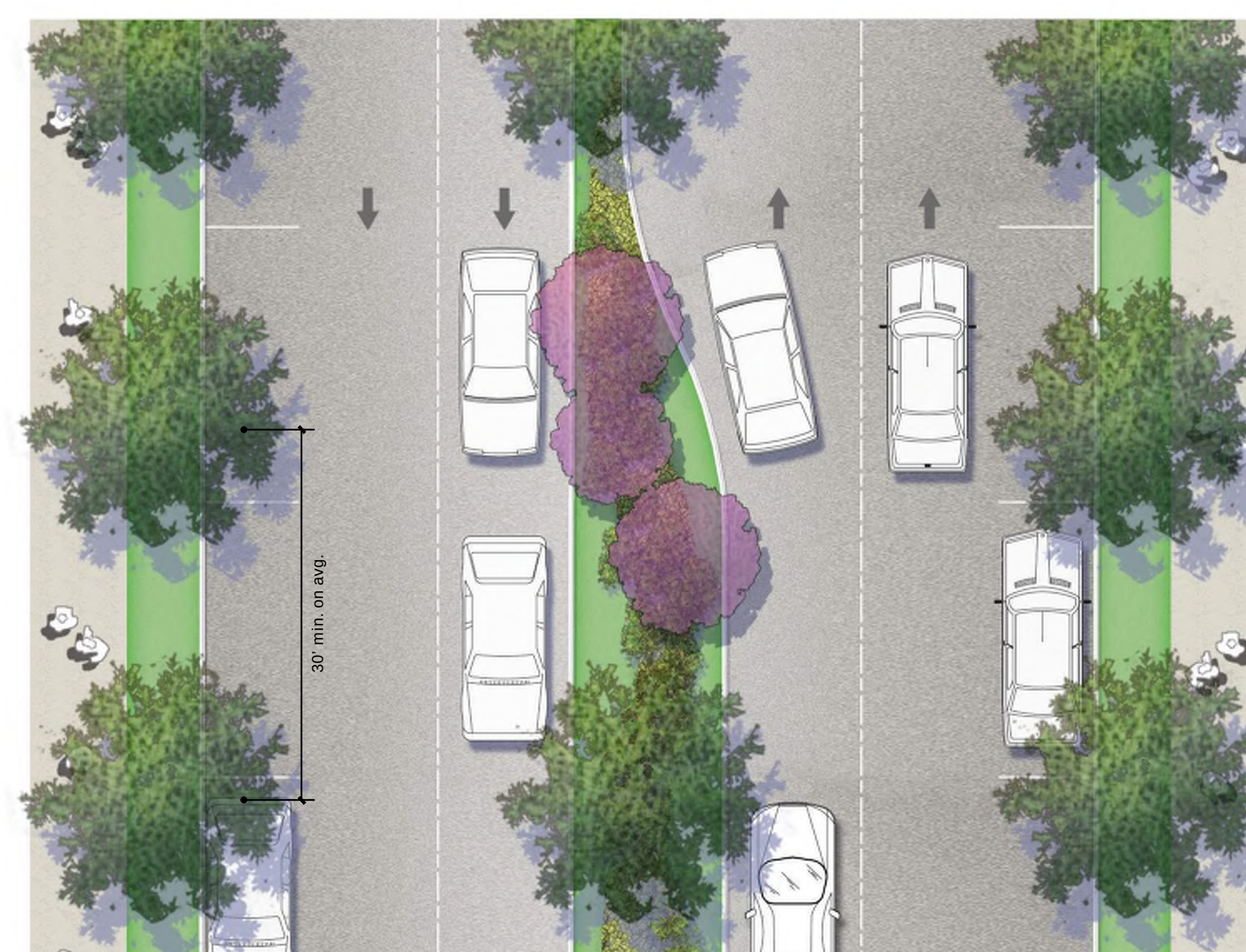
The information shown is based on the best information available and is subject to change without notice.



Two Lane Road with Parallel Parking on Both Sides*



Two Lane Road with Parallel Parking on One Side*



Four Lane Divided Road with Parallel Parking on Both Sides*

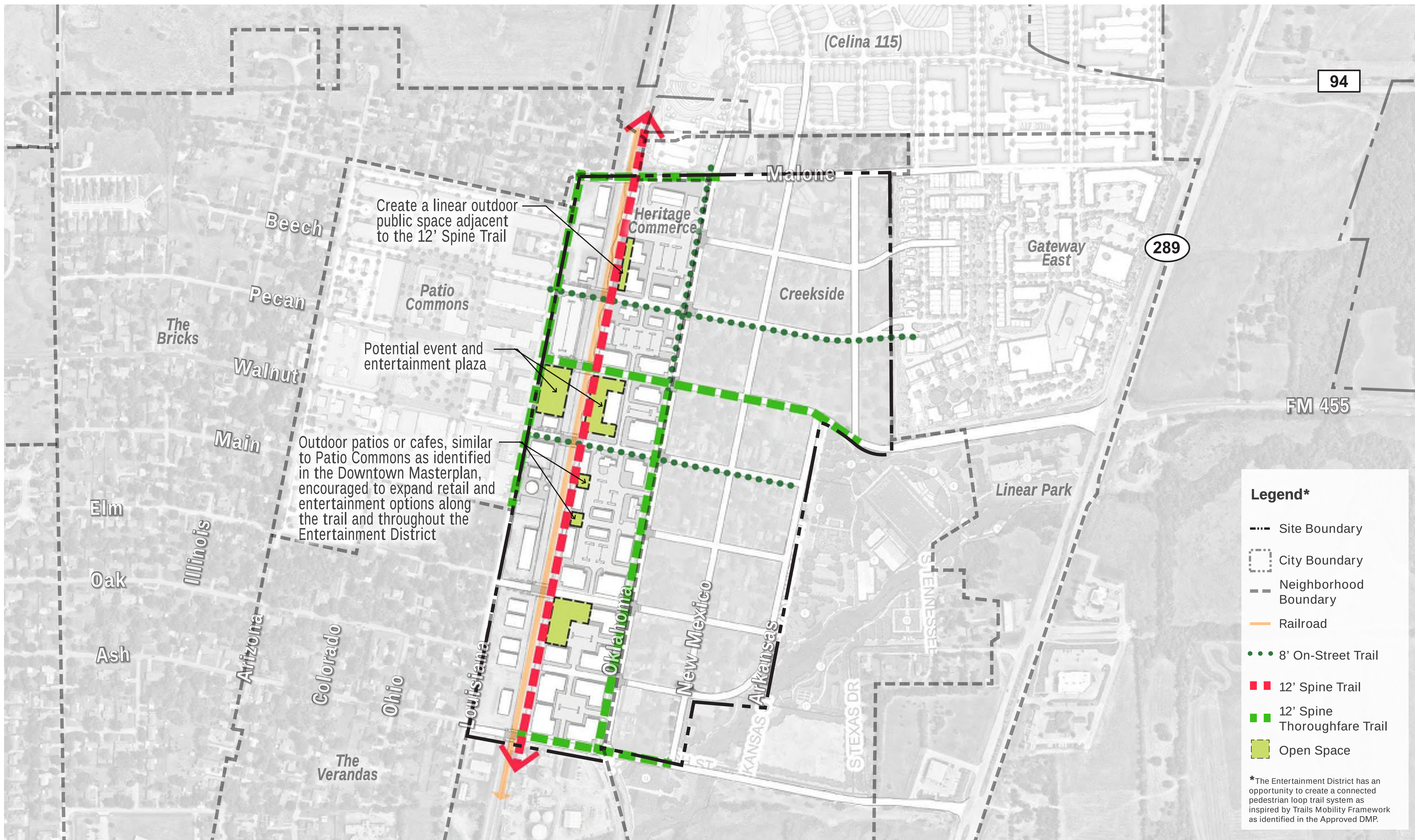


Entertainment District Sections

*For design intent only.



The information shown is based on the best information available and is subject to change without notice.





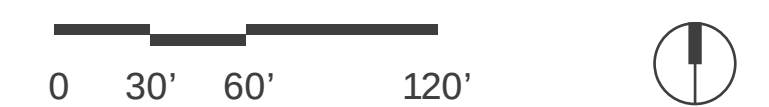
Entertainment District
Character: Arts, Entertainment & Residential



Entertainment District Perspective



Entertainment District Perspective



The information shown is based on the best information available and is subject to change without notice.

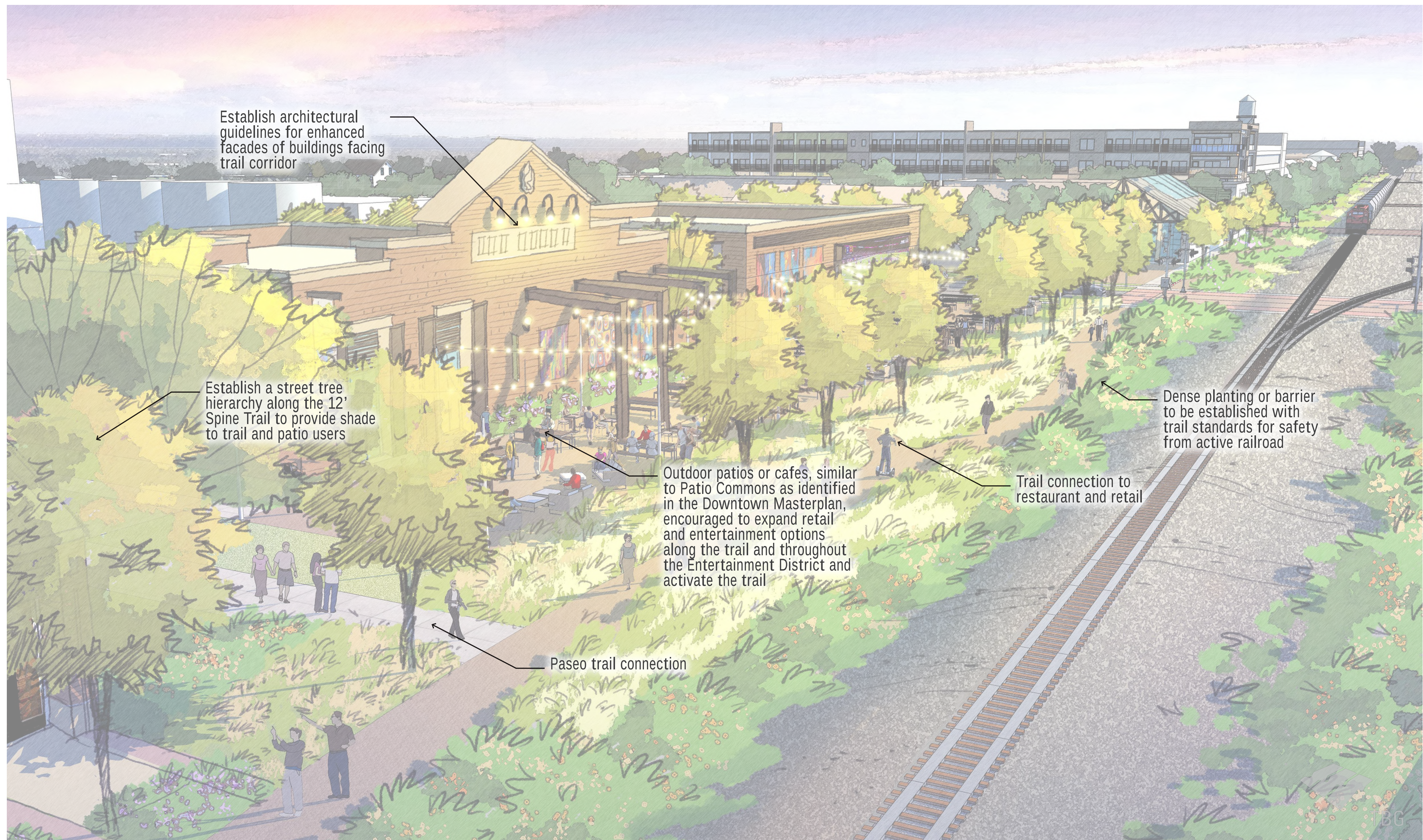


Attachment: Entertainment District Special Area Plan (Entertainment District Special Area Plan - Worksession)



TBG

Entertainment District Perspective



Entertainment District Perspective

The information shown is based on the best information available and is subject to change without notice.

SERVICE IN TEXAS--137
ROUTES WILL BE IN OP-
ERATION FEB. 1.

258 APPLICATIONS PENDING

LACK OF ESTABLISHING AGENTS IS
RETARDING MORE RAPID EX-
TENSION.

While rural free delivery has made marked advances in Texas during the past year, the evidence is that the work has hardly begun. The routes which will be in operation in Texas on Feb. 1, according to a statement made by Superintendent Macben today, are as follows, the figures being for congressional districts: Third district, 17; fourth, 2; fifth, 17; sixth, 56; seventh, 15; eighth, 9; ninth, 8; tenth, 6; eleventh, 4; twelfth, 3. Total, 137.

Applications pending by districts are as follows: First, 1; second, 7; third, 23; fourth, 20; fifth, 43; sixth, 65; seventh, 32; eighth, 26; ninth, 19; tenth, 6; eleventh, 5; twelfth, 6. Total, 258.

The delay in establishing many routes, appropriations for which are now pending, has been caused by lack of establishing agents. An additional agent is now on his way to Texas, and within a few weeks several more will be in the field. When the new postal appropriation bill is passed, with appropriations for the extension of the service, quite an army of special agents and route inspectors will be placed in the field, so as to extend the system rapidly as possible.



Below giving the particulars of the difficulty, heretofore mentioned, in the Courier, in which he shot and killed his landlord at Emet, I. T., recently.

It says in part. "I am in jail here at Ardmore on a charge of murder. I will give you particulars, as you request, as the examining trial evidence shows. The man I killed was named Blocker, my landlord. He came into the field where I was plowing last Monday as a week ago with a landlord's contract for me to sign, which I objected to on account of it being so stringent. He cursed and abused me and told me he would kill me and go pay for me, but we got the matter quieted at that time and agreed to meet at Emet the next Saturday evening and try and settle the matter. So we met there and called two witnesses up to hear the conversation. I insisted on his striking out some parts of the contract and he refused to do so. We were sitting down side by side in front of a store. We both sprang up at the same time. He jumped on me with a t-o-w, long bladed pocket knife and commenced cutting me. I backed twelve feet before I fired. I shot him once in the side and twice through the head. The shots were fired so rapidly they could scarcely be counted. He died without speaking and I surrendered to the city marshal who took me to a doctor and had my wounds dressed. I used a 45 Colt's six-shooter. The government attorney has got his knife, coat and vest and also my pistol. My attorneys, Eddleman & Graham, have my clothes. I have got to pay them \$500. I am financially ruined. I have got to have a habeas corpus hearing before I can give bond. Tom Tabor of Farmersville has sent me a bond but I can make bond there. I can also fill my bond at Durant. My wounds have about healed."



merely writing these figures does not convey an idea of the space to be covered.

The artesian well has reached a depth of six hundred and fifty feet.

OLD CELINA ON WHEELS

TOWN TRANSPORTED IN THAT MANNER TO LOCATION ON RAILROAD

SIX BIG ENGINES UTILIZED

FURNISH MOTIVE POWER--HUGE TRUCKS OF GREAT STRENGTH.

SAM SPROLES' OUTPUT.

Sam Sproles, the building house mover, was here Tuesday on a forced vacation due to inclement weather.

His work at Celina lacks only about two days of being completed. He will then go to Rock Hill which he will help move two miles north to Prosper on the new Frisco.

Sam's facilities for his peculiar work are first class and he does about all the heavy moving. He has huge trucks having four-inch square solid steel axles with cottonwood wheels having a 16 inch face and 36 inches in diameter. Six big engines furnish the motive power and his crew consists of a dozen workmen. The heaviest piece of work done by him was the moving of the big two-story I. O. O. F. building with its stock of dry goods and general merchandise owned by Childress & Stanford.

Mr. Sproles says only one store, that of Mr. Roller's will be left in old Celina. A number of residences won't be moved for sometime yet owing to the extravagant price of building lots in the new town which is located one and a half miles north of the new Frisco.

The unhappy couple had one little child.

West, who is a nephew of Mrs. Sam Lewis of Rhea Mills, is also married and bears the reputation of being an industrious, peaceable young farmer.

THE BOER WAR ENDED

REPORT CAME LAST TUESDAY OVER PRIVATE WIRES.

COTTON ADVANCED 10 POINTS

AS A RESULT OF THE REPORT THE STAPLE RAPIDLY JUMPED UP.

A report came over private wires last Tuesday to the effect that the Boer war had been ended and would be announced in twenty-four hours.

Cotton men are inclined to give credence to the report as cotton advanced ten points in as many minutes after the report was sent out.

MISS STONE PERHAPS FREE.

RANSOM HAS BEEN PAID TO THE BRIGADES AND THE CAPTIVES PROBABLY SET AT LIBERTY

London, Jan. 23.—A dispatch from Sofia, Bulgaria, yesterday says the ransom of Miss Ellen M. Stone and her companion, Mme. Telika, has been paid to the brigands and that the captives are expected to be released today.

Fire Plugs Not Frozen.

Chief Wm. Abernathy and several of the boys of the Fire Department tried the water plugs Tuesday and found they were not frozen, and are in good shape should a fire break out.

over and killed by an M. K. & T. train Wednesday night eight or ten miles west of Jefferson, and was supposed to have been Lev Wise, Mr. Yonce's brother-in-law, and a son of L. W. Wise of this town.

The body that was found was mangled beyond recognition. Lev Wise who was working with the M. K. & T. extra gang went to Jefferson Wednesday afternoon expecting to return to camp on the passenger train late that evening, but missed the train and started out on a freight train that night.

Next morning he was missing in camp, and the mangled body of a man was found near by.

Wise has not been seen or heard of since, and it is reasonable to suppose that in trying to jump from the moving train he was hurled under it and his body ground to pieces.

The fragments of the body were gathered together and buried.

Mr. Wise was a young man about twenty-eight years of age, and unmarried. He has lived in McKinney off and on for eighteen years. He drove one of Jack Yonce's dry teams for two years, and only two months ago went to work with the M. K. & T. extra gang.

LATER.

The mutilated body of the man found, who had been run over and killed 7 miles west of Jefferson by a Katy train, proved not to be Lev Wise as was supposed.

Jack Yonce, brother-in-law of Lev, received a letter from him Saturday. He stated that another member of the extra gang had a committee to draft regulations for a corporation, and that he had agreed to build about a dozen houses. The work will be limited so that no one member can possess a controlling interest in the property.

Efforts will be made to buy a building site on the vacant lot across the street in front of the postoffice.

THE WIGWAM HOORLED.

M'KINNEY RED MEN TO BUILD ONE OF THEIR OWN.

SHARES ALL SUBSCRIBED.

STOCK-HOLDERS TO TAKE OUT CHARTER--WILL ERRECT TWO-STORY BRICK.

For some time the local Red Men have been considering the matter of erecting a wigwam, or in the parlance of the pale-face—a lodge room. At their meeting recently definite steps were taken in the matter.

Members subscribed for 200 shares of stock at \$10 each and will use the money raised in this way in buying a lot. After obtaining the lot a substantial two story brick business house will be erected, of which the first floor to be rented for business purposes and the second to be used as a wigwam, or meeting hall. Money necessary to complete the building can be borrowed on the building and lot at a low rate of interest.

While it will not be the property of the Tribe as an organization, only Red Men can hold stock in the corporation which will take out a charter, and rental expense of the Tribe will thus be saved.

James Shain, Dudley Perkins and W. R. Abernathy were appointed a committee to draft regulations for a corporation, and that he had agreed to build about a dozen houses. The work will be limited so that no one member can possess a controlling interest in the property.

Efforts will be made to buy a building site on the vacant lot across the street in front of the postoffice.

Thank You



Life Connected.

City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Tarrant, City Secretary
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Staff reports

Action Requested:

Staff Reports attached

Background Information:

Monthly staff reports.

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Monthly department reports

Staff Recommendation:



Celina Fire Department
City of Celina, Texas

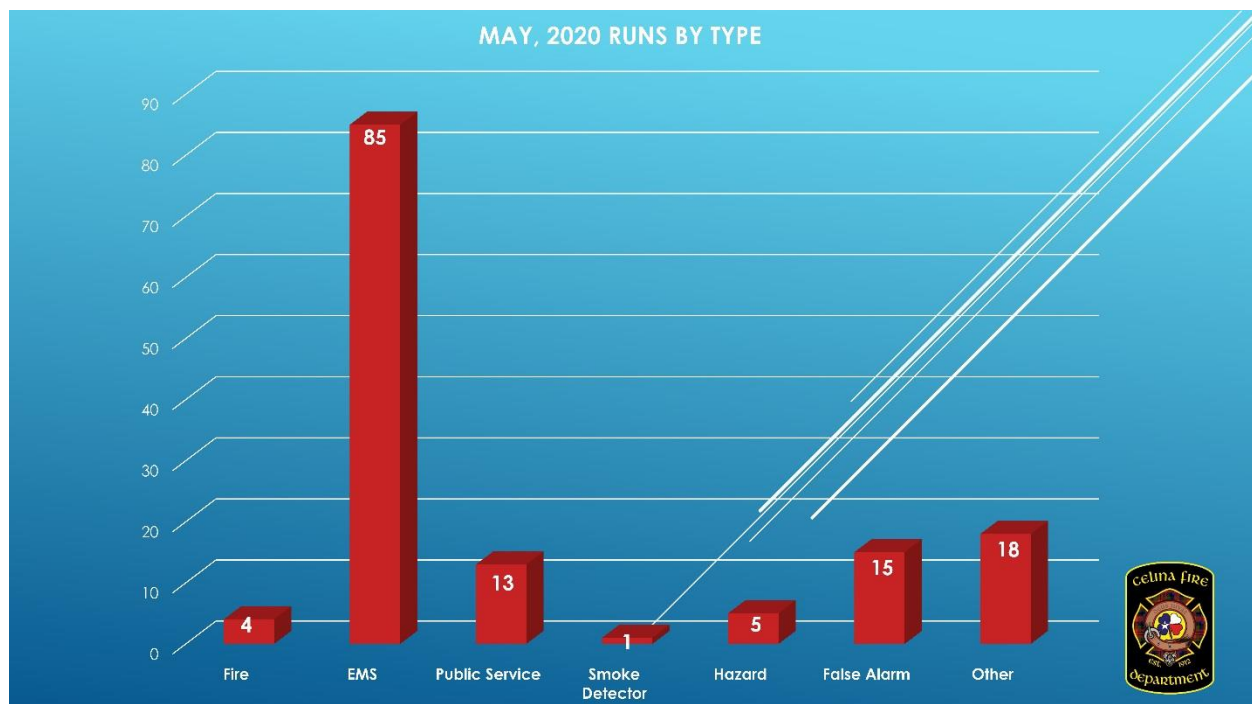
MEMORANDUM

To: Honorable Mayor Sean Terry and the Celina City Council
 From: Mark Metdker, Fire Chief/Fire Marshal
 CC: Jason Laumer, City Manager
 Date: 6/9/2020
 Re: May 2020 Fire Department Activity Report

This is the May Fire Department monthly report. It will detail the activity from Operations, EMS, Community Relations and Fire Prevention. As always, thanks for your continued support of your Fire Department. Please contact me with any questions or comments.

Calls for Service

Celina FD had a busy month with 141 calls for service. 85 calls were EMS related



Attachment: FireMayReport2020 (Staff Reports)

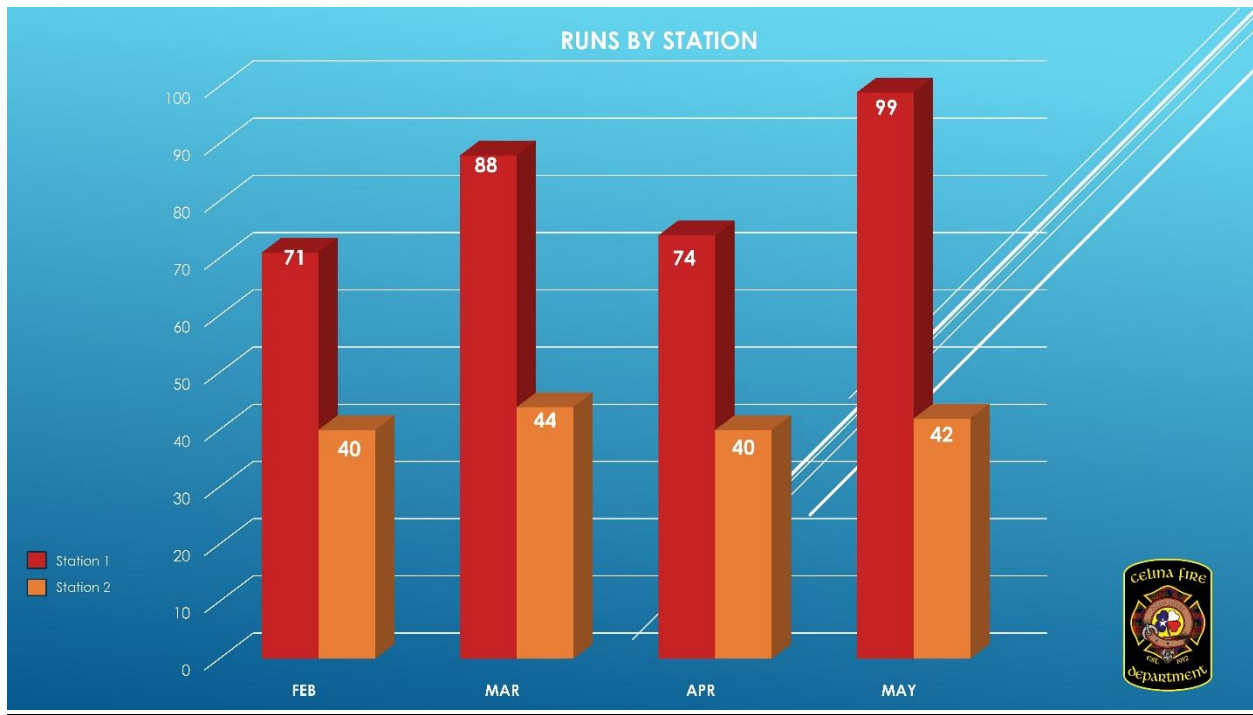
Celina FD breakdown of calls by month



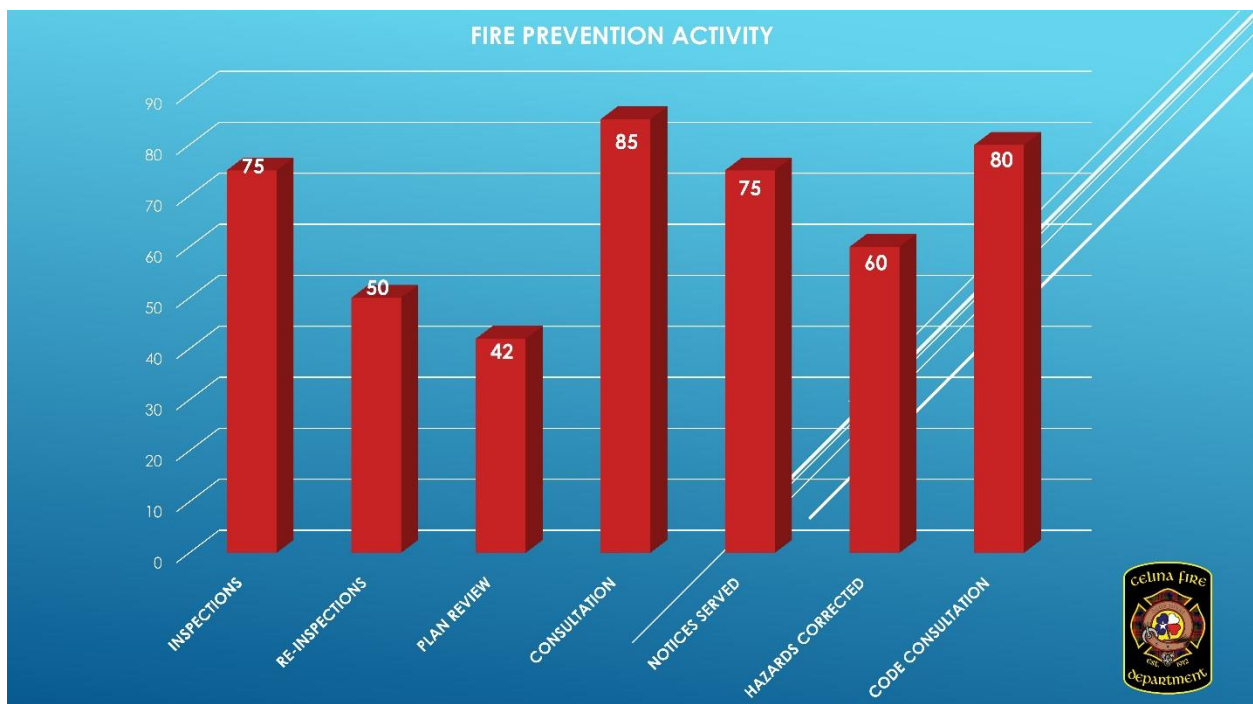
2020 projects an increase in calls



Station 1 and Station 2 breakdown

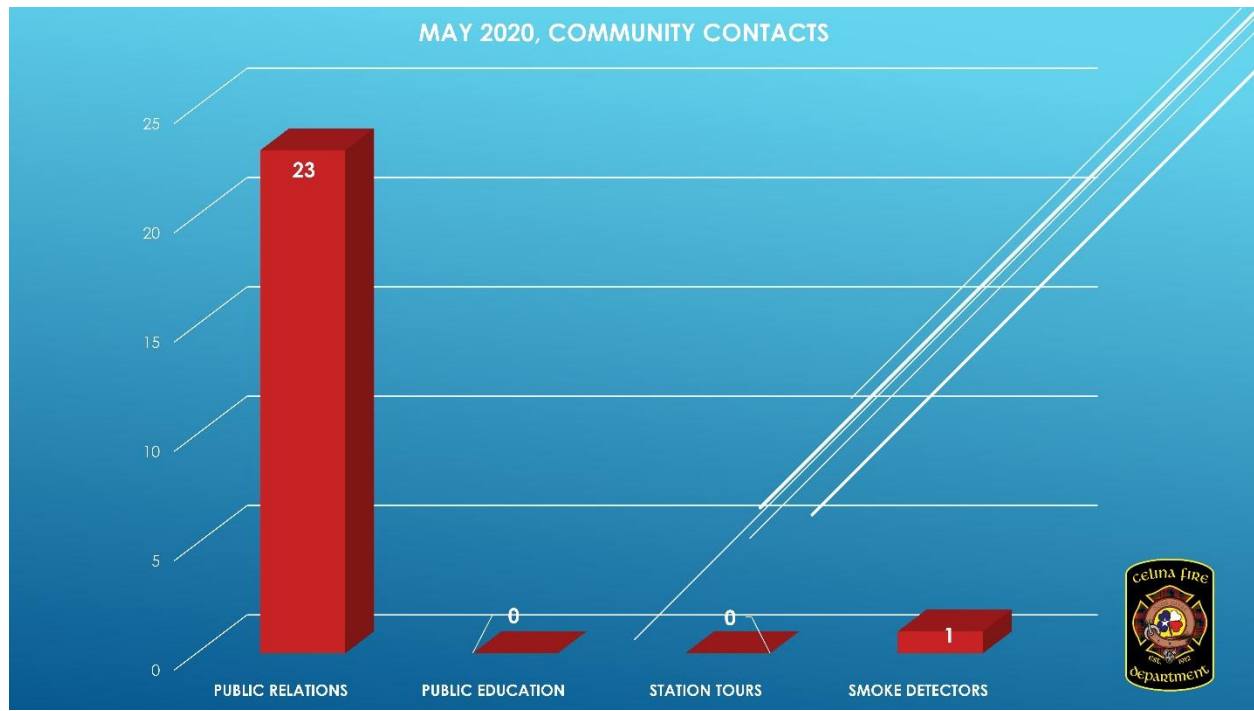


Fire Prevention and Inspections



Public Relations

COVID-19 has affected our public relations for May



EMS COVID-19 Testing –Settlers Ridge

Texas Emergency Medical Task Force (TXEMTF) conducted COVID-19 Testing of all employees and residents of Settlers Ridge Care Center. This was a federally funded initiative to have 100% testing of all nursing home facilities in the United States. The testing took place on Friday 5/29/2020 and 220 tests were completed all in one day.

- 120 Employees
- 100 Residents

Celina Fire Department provided three personnel to assist with the testing. Celina FD provided administrative accountability and helped the task force with administering nasal swabs. Celina Fire Department also assisted Settlers Ridge Care Center staff with moving residents and ensuring the efficiency of testing 200+ people. Overall the event was a success and all the tests were administered and properly reported to the regional testing effort.



Texas Emergency Medical Task Force

Thanks for your continued support of the Celina Fire Department. If you have any questions or comments, please let me know. mmetdker@celina-tx.gov



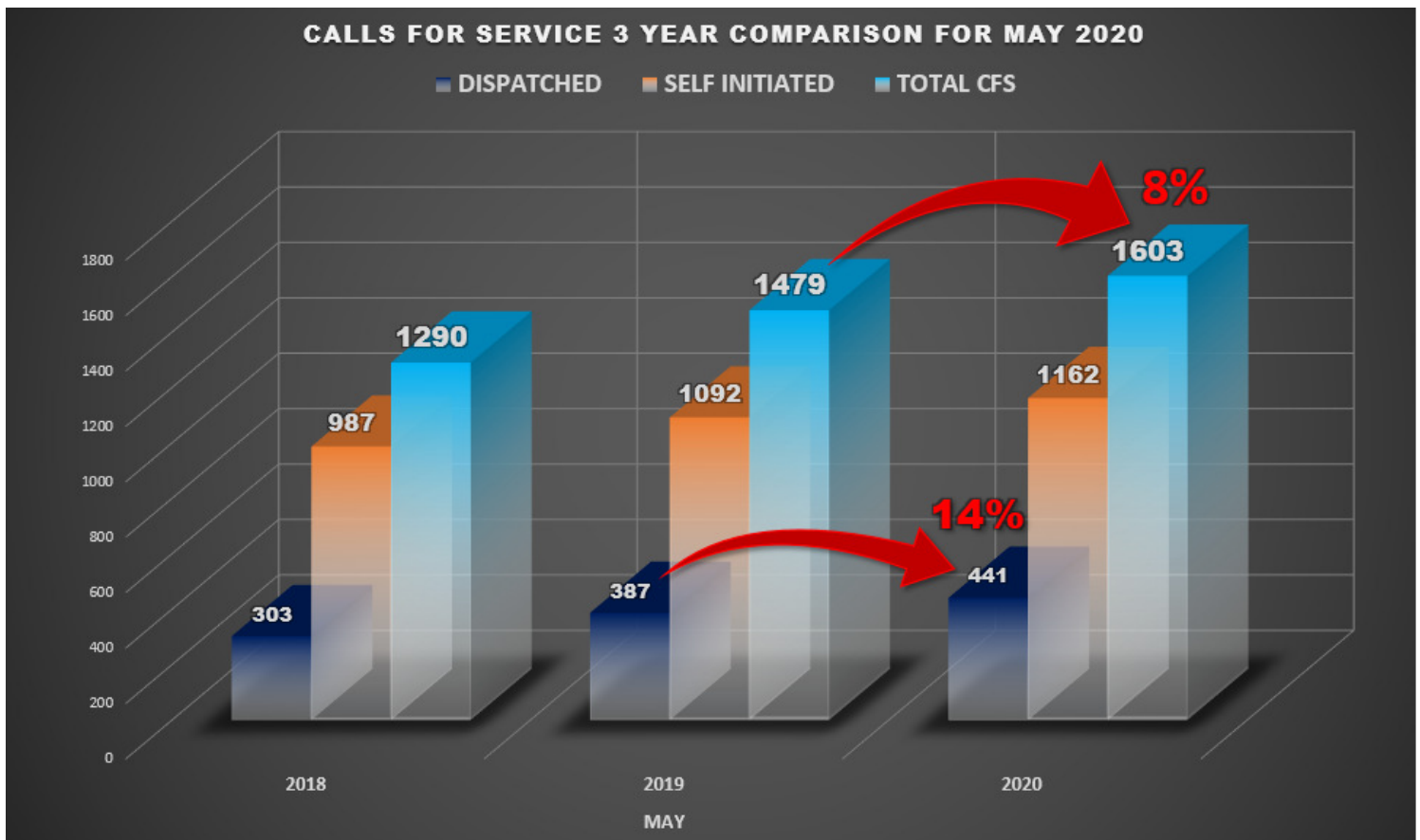
Life Connected.

Celina Police Department
City of Celina, Texas

MEMORANDUM

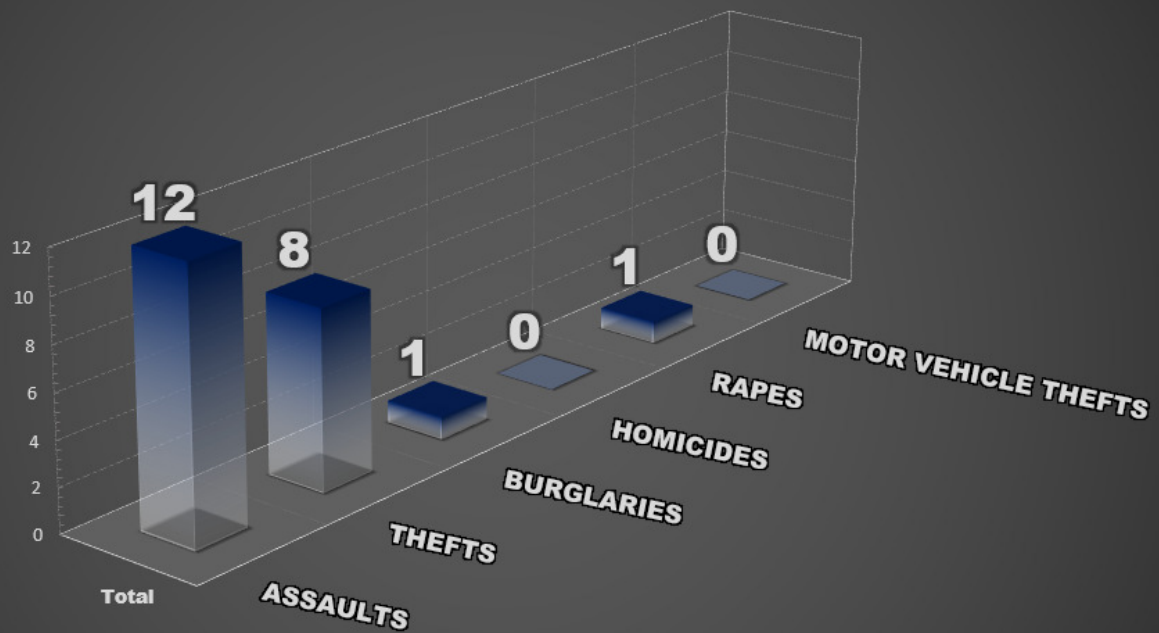
To: Honorable Mayor, Sean Terry and the Celina City Council
From: Tony Griggs, Chief of Police
CC: Jason Laumer, City Manager
Date: 06/09/2020
Re: May 2020 Monthly Police Report

In May 2020, we recorded 1603 Total Calls for Service. Compared to May 2019, our Total Calls for Service increased 8%. Dispatched calls for service increased 14% (Compared to May 2019, there was an increase of 5 more dispatched calls for service.)

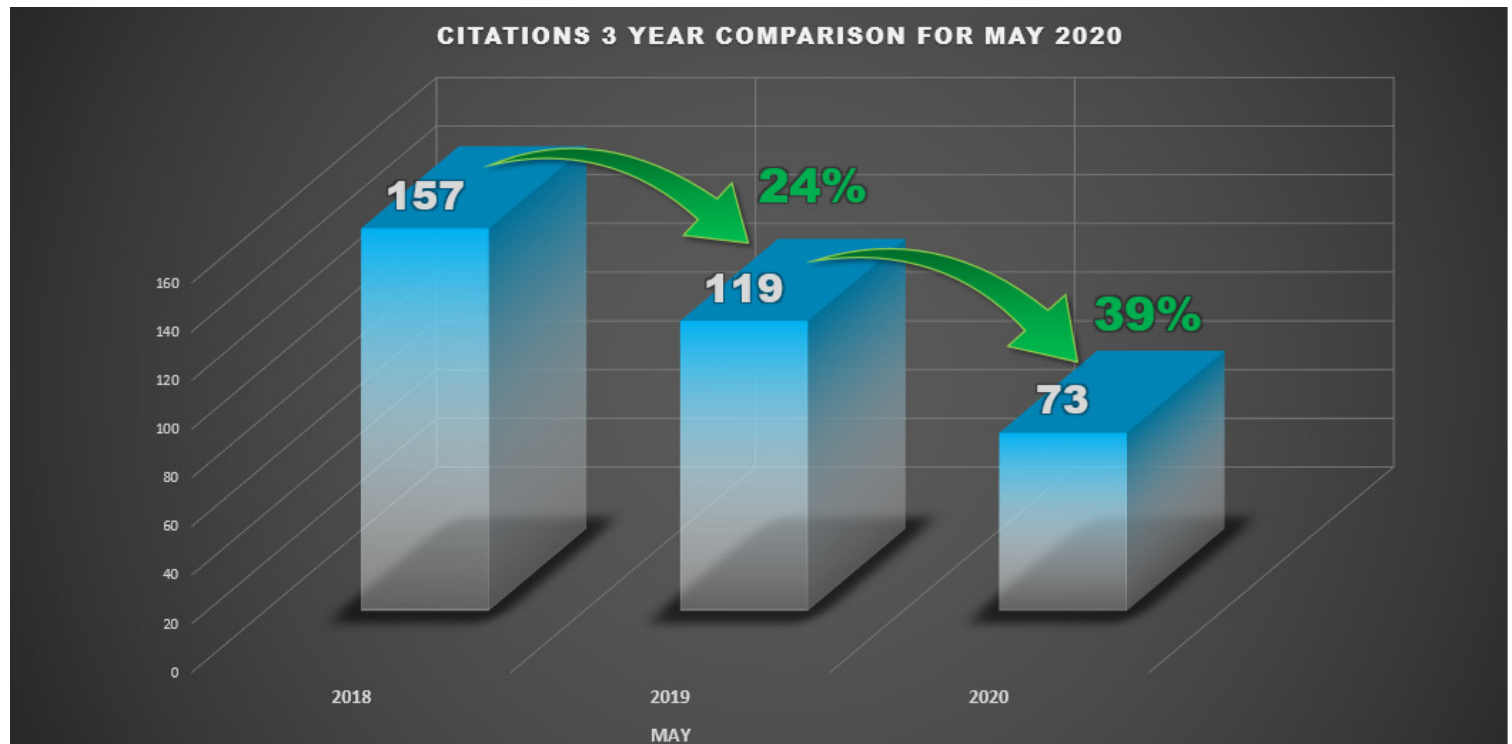


Attachment: Police 2020 May Monthly Report (Staff Reports)

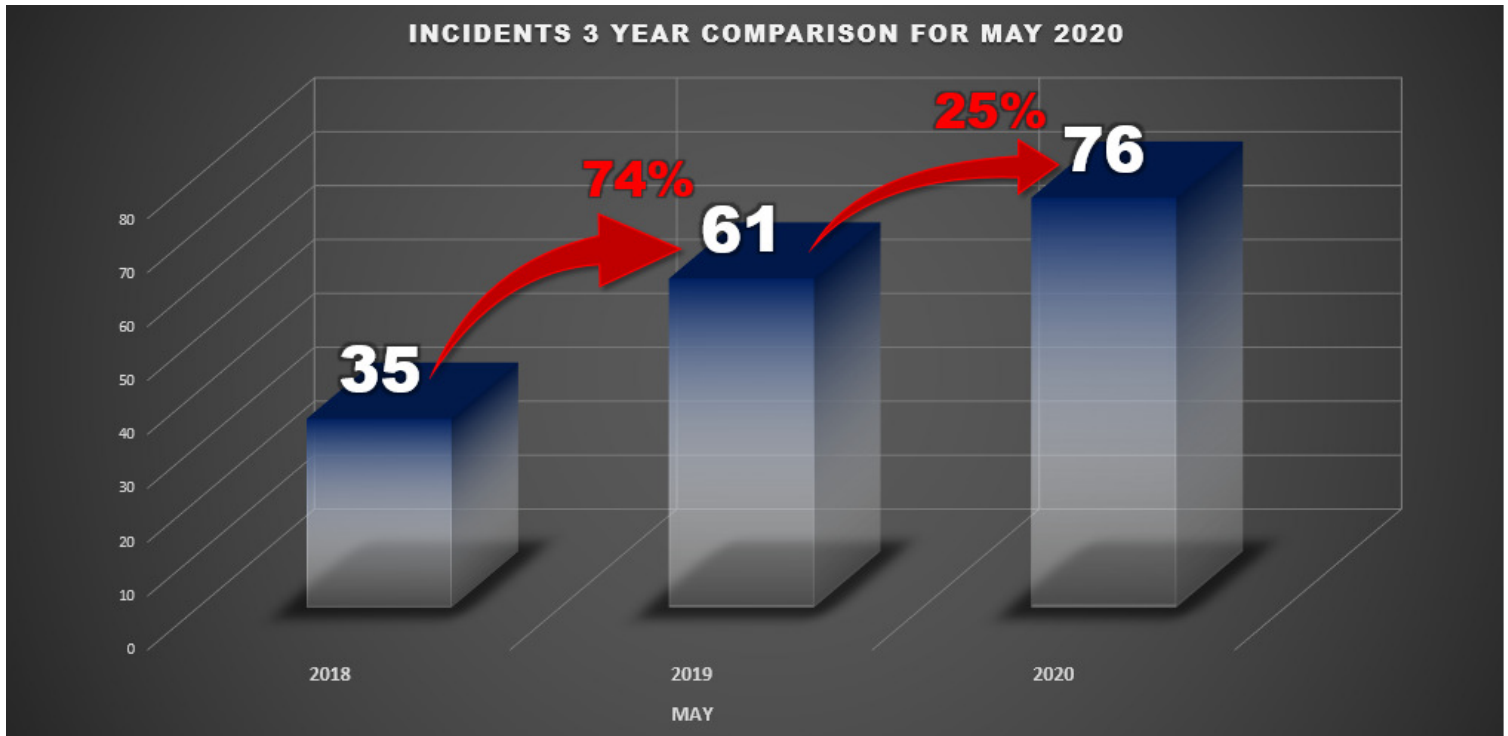
May's Part 1 Crimes indicate 12 Assaults and 8 Thefts, 1 Burglaries and 1 Rape. The department continues to focus on the problem solving initiative to prevent construction thefts, the Lock-Take-Hide initiative to encourage the community to lock their vehicles and remove their valuables, and the initiative to prevent domestic violence.



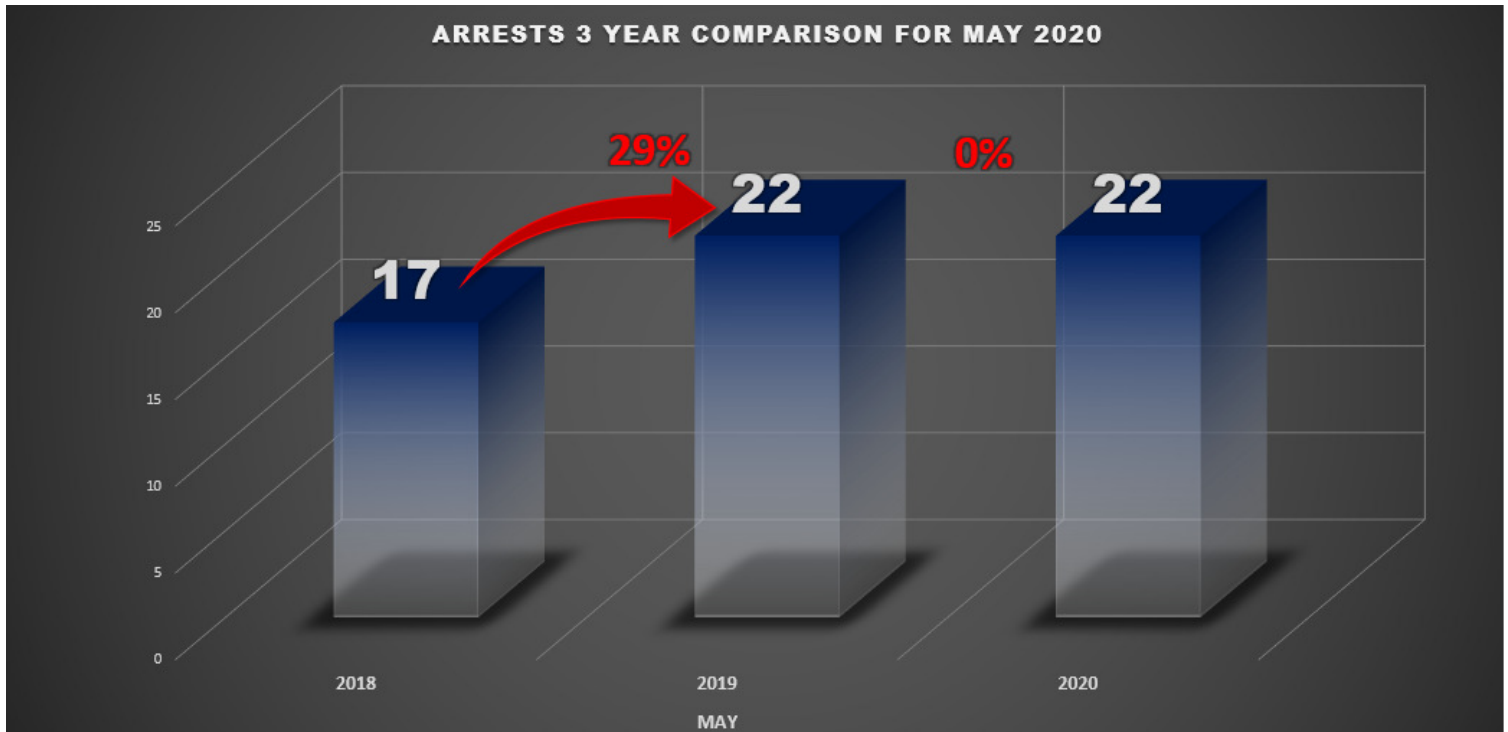
In May, Officers issued 73 citations. This averages to 0.65 citations per officer per 12-hour shift. The total average citation per officer for 2019 was 0.93. Citations are down 39% from May 2019 (This decrease is related to the COVID mitigation procedures).



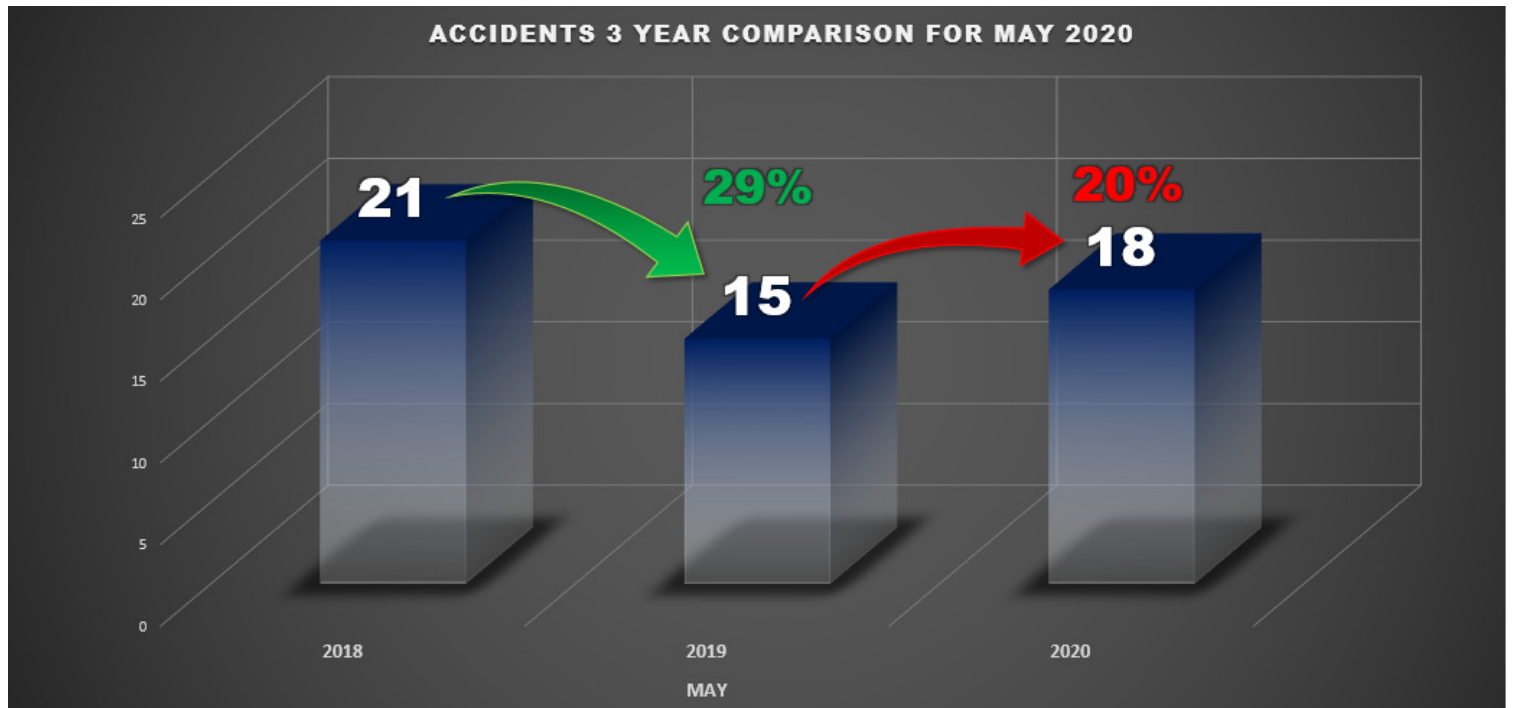
Incidents in May totaled 76. This is a 25% increase from May 2019. (Incidents require a substantial portion of officer time to investigate and complete reports.)



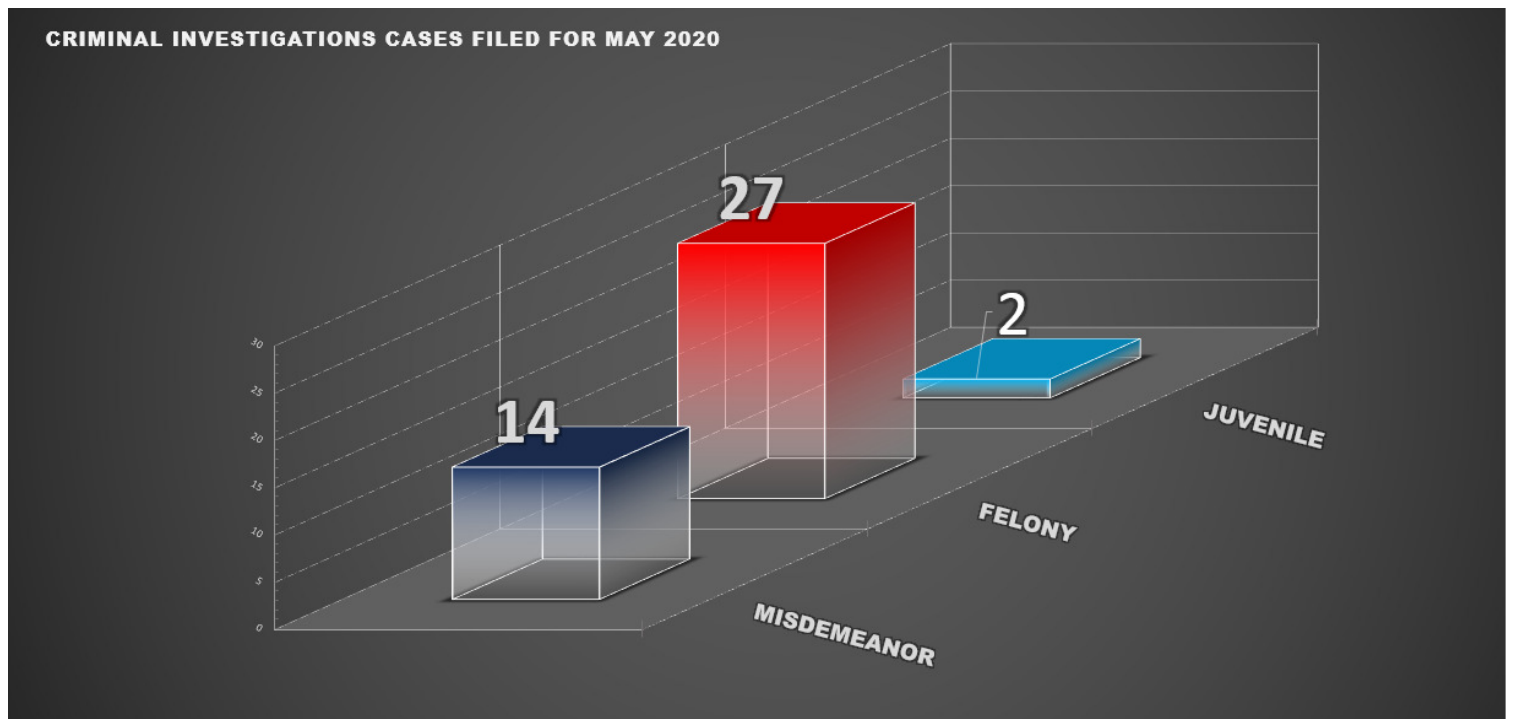
Arrests in May totaled 22. Arrests stayed the same from May 2019. (Note: Arrests require a substantial portion of work-hours allocated per shift).



Accidents in May totaled 18, which are up 20% from May 2019.



Criminal Investigations filed 14 misdemeanor cases, 27 felony cases, and 2 juvenile cases with the D.A.'s Office in May.



Key Department Indicators

Community Policing: The Celina Police Department continues to follow its overarching philosophy of Community Policing and engage the community as a partner in keeping Celina a safe community.



Celina Police Officers engaged with our younger community member in support of Celina Public Library's "Story Shorts."

1,331 Views

Celina Public Library
May 6 at 10:05 AM · 🌐

[Follow](#)

Officer Andrew Kincaid of the Celina Police Department reads "A is for America" during today's episode of Celina Public Library's "Story Shorts."

Patrol Intelligence/Narcotics Unit (PINU): The police department completed **11 narcotics** related reports and **15 Field Interviews** in the month of May.

The police department remains focused on our initiative to proactively prevent substance abuse among minors and keep our community safe.

Training: The department continues to focus on training areas identified through strategic analysis and that follow the department's strategic plan. (Note: Training classes were cancelled during this period due to COVID mitigation)

Recruit Officer Training

- Officer Webber
 - Began Phase Three of Field Training
- Officer Stone
 - Began Phase Three of Field Training
- Officer Coduti
 - Completed Phase Two of Field Training

Attachment: Police 2020 May Monthly Report (Staff Reports)

Thank you for your continued support of the Celina Police Department. If you have any questions please contact 972-382-2121, or by email at tgriggs@celina-tx.gov.



Tony Griggs

Chief of Police

Celina Police Department
110 N. Colorado St. Celina, TX 75009
Office: 972.382.2121
FAX: 972.382.3879

tgriggs@celina-tx.gov



Life Connected.

**CITY COUNCIL REGULAR MEETING
VIRTUAL MEETING
VIA ZOOM VIDEO CONFERENCE
TUESDAY, MAY 12, 2020
5:00 PM**

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Attendee Name	Organization	Title	Status	Arrived
Justin Steiner	City of Celina	Place 1	Present	
Wayne Nabors	City of Celina	Place 2	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Carmen Roberts	City of Celina	Place 4	Present	
Mindy Koehne	City of Celina	Place 5	Present	
Chad Anderson	City of Celina	Place 6	Present	
Sean Terry	City of Celina	Mayor	Present	

II. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Terry led the pledges of allegiance. Pastor Chris Carter with Movement Church gave the invocation.

III. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. National Public Works Week

Mayor Terry read the National Public Works Week proclamation and noted that it was also National Police Week.

IV. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. Update on Frontier Parkway from Dallas Parkway to Preston. (Brawner)

Executive Director of Public Services Kim Brawner gave an update on the progress of this road improvement.

B. Discussion regarding any and/or all agenda items.

No other items were discussed.

C. Staff Reports attached

V. OPEN FORUM:

No public comment was received.

Minutes Acceptance: Minutes of May 12, 2020 5:00 PM (Minutes Approval)

VI. CONSENT AGENDA:

Councilwoman Koehne abstained due to a conflict of interest. Councilman Hopkins asked if WiFi would be on all the time in regards to item T.

RESULT:	ADOPTED [5 TO 0]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Chad Anderson, Place 6
AYES:	Steiner, Nabors, Hopkins, Roberts, Anderson
ABSTAIN:	Koehne

A. Minutes Approval:**1. City Council - Regular Meeting - Apr 14, 2020 5:00 PM**

- B.** Consider and act upon an ordinance of the City Council of the City of Celina, Texas, repealing ordinance No. 2020-19 (Disaster Declaration). (Vanzant)

(2020-29)

- C.** Consider and act upon a resolution of the City of Celina, Texas, appointing Art Maldonado as judge of the Municipal Court of the City of Celina, Texas, setting the compensation of said judge, setting the term of office of said judge, and establishing authority in accordance with State laws and the Home Rule Charter of the City of Celina. (Tarrant)

(2020-25R)

- D.** Consider and act upon appointment of Bryan Poche to the Planning & Zoning Commission. (Tarrant)

- E.** Consider and act upon an ordinance amending the City's Code of Ordinances, Chapter 8: Offenses and Nuisances, Article 8.04. (Noise Ordinance) (McAfee)

(2020-30)

- F.** Consider and act upon an ordinance amending the City's Code of Ordinances, Chapter 6: Health and Sanitation, Article 6.04. (Health Ordinance) (McAfee)

(2020-31)

- G.** Consider and act to authorize the City Manager to execute a third amendment to the existing agreement by and among the City of Celina, Texas, the Board of Directors of Tax Increment Reinvestment Zone Number Two, City of Celina, CTMGT Frontier 80, LLC, CADG Creeks of Legacy West, LLC, and CADG Creeks of Legacy Stonegate, LLC for the purpose of an amendment to an existing development agreement. (Creeks of Legacy Development Agreement Amendment) (Laumer)

- H.** Consider and act upon a resolution of the City of Celina, Texas, accepting a petition to create La Terra Public Improvement District, and calling for a public hearing. (DeBuff)

(2020-26R)

Minutes Acceptance: Minutes of May 12, 2020 5:00 PM (Minutes Approval)

- I. Consider and act upon a resolution of the City of Celina, Texas finding that Oncor Electric Delivery Company LLC's application for approval to amend its distribution cost recovery factor to increase distribution rates within the City should be denied; authorizing participation with Oncor Cities Steering Committee; authorizing the hiring of legal counsel and consulting services; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel. (DeBuff)

(2020-27R)

- J. Consider and act upon a resolution of the City of Celina, Texas determining the costs of Phase #3 improvements to be financed by the Creeks of Legacy Public Improvement District; approving an updated Preliminary Service Plan and Assessment Plan, including proposed Phase #3 assessment roll; directing the filing of the proposed Phase #3 assessment roll with the City Secretary; calling a regular meeting and noticing a public hearing for June 9, 2020 to consider an ordinance levying assessments on property located within the Creeks of Legacy Public Improvement District; directing the filing of the proposed Phase #3 assessment roll with the City Secretary to make available for public inspection; directing city staff to publish and mail notice of said public hearing. (DeBuff)

(2020-28R)

- K. Consider and act upon a resolution of the City Council of the City of Celina approving the submission of a grant application by the Celina Police Department to the Office of the Governor, Criminal Justice Division for the Rifle Resistant Body Armor Grant, Grant Application #3964001. (Griggs)

(2020-29R)

- L. Consider and act to authorize Change Orders 9, 11, and 12 with Hill & Wilkinson Construction Group for Library and modular building renovations in the amount of \$253,145.85. (Berry)

- M. Consider and act to authorize a work order 2020-0004 with Halff & Associates, Inc. for design services at Old Celina Park for the Playground Improvements, Project P13 in an amount not to exceed \$173,500.00. (Berry)

- N. Consider and act to award bid 2020-0032 for the Collin College Offsite Sewer to ANA Site Construction in an amount not to exceed \$710,293.95 plus a ten percent contingency of \$71,029.39 for a total of \$781,323.34. (Berry)

- O. Consider and act to award bid 2020-0031 for the Prosper Elementary School #12 for Traffic Markings/School Flashers to ALEKSANDER OMEGA LLC in an amount not to exceed \$73,740.00 plus a ten percent contingency of \$7,374.00 for a total of \$81,114.00 and to reject Taurus Commercial, Inc. (Berry)

- P. Consider and act to authorize work order 2020-0006 with Peloton Land Solutions for design services for Utah Drive & Cedar Street Storm Drain Improvements, Project D31 in an amount not to exceed \$104,690.00. (Berry)

- Q. Consider and act upon a resolution of the City Council of the City of Celina, Texas, setting forth its support for the FM 428 Task Force (Brawner)

(2020-30R)

Minutes Acceptance: Minutes of May 12, 2020 5:00 PM (Minutes Approval)

- R. Consider and act to authorize the City Manager to execute a Memorandum of Understanding (MOU) with Celina ISD for the use of the athletic fields at Celina Junior High for recreational activities (Brawner/Webb)
 - S. Consider and act upon a resolution of the City Council of the City of Celina hereinafter referred to as “Applicant”, designating certain officials as being responsible for action for and on behalf of the “Applicant” in dealing with Collin County, hereinafter referred to as “County”; for the purpose of participating in the “County’s” Parks and Open Space Project Funding Assistance Program. (Brawner)
- (2020-31R)
- T. Consider and act to authorize the purchase of WIFI Equipment and Services for the Downtown area in an amount not to exceed \$71,509.76. (Berry)

VII. PUBLIC HEARING/ACTION:

- A. The Celina City Council will conduct the first of three public hearings to annex approximately 1077 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (20-03 Annexation First Public Hearing) (Mohan)

Mayor Terry opened the hearing at 5:20 p.m. Randy Tomplait of 11643 Christina Court asked why his property (#29) was being partially annexed (the backhalf). The hearing was closed at 5:25 p.m.

- B. The Celina City Council will conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning an approximately 6 acre tract of land from General Commercial (C-2) to Planned Development (PD) with Mixed-Use District (MU) base zoning, generally located approximately 700 feet west of Preston Road and approximately 1,400 feet north of Frontier Parkway, within the City Limits. (Avilla (The Grove) Expansion Planned Development) (McAfee)

(2020-33) Mayor Terry opened the hearing at 5:25 p.m. No public comment was received. The hearing was closed at 5:28 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Justin Steiner, Place 1
SECONDER:	Andy Hopkins, Place 3
AYES:	Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

- C. The Celina City Council will conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning an approximately 100 acre tract of land, by repealing and replacing Planned Development (PD) No. 35 with a new Planned Development to allow for a master planned single-family residential development; generally located on the northwest corner of J. Fred Smith Parkway and Celina Parkway, within the City Limits. (La Terra Planned Development) (Mohan)

(2020-34) Mayor Terry opened the hearing at 5:28 p.m. No public comment was received. The hearing was closed at 5:31 p.m. Councilwoman Koehne abstained due to a conflict of interest.

RESULT:	APPROVED [5 TO 0]
MOVER:	Carmen Roberts, Place 4
SECONDER:	Wayne Nabors, Place 2
AYES:	Steiner, Nabors, Hopkins, Roberts, Anderson
ABSTAIN:	Koehne

- D. The Celina City Council will conduct a public hearing to consider and act upon an ordinance amending the Comprehensive Zoning Ordinance, by rezoning an approximately 2 acre tract of land from Agricultural District (AG) to Planned Development (PD) with Commercial, Office, & Retail District (C) base zoning with the Preston Road Overlay District (PRO); generally located on the northwest corner of Preston Road and Carthage Road, within the City Limits. (Carthage 7-Eleven Planned Development) (Mohan)

(2020-35) Mayor Terry called the meeting to order at 5:31 p.m. No public comment was received. the hearing closed at 5:34 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Carmen Roberts, Place 4
AYES:	Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

- E. The Celina City Council will conduct a public hearing to consider testimony and take action on an appealed Certificate of Appropriateness request for a façade mural at 222 W. Walnut, 302 W. Walnut, & 304 W. Walnut. (Nelson Hotel and EDC Mural - Appeal) (McAfee)

(2020-36) Mayor Terry opened the hearing at 5:34 p.m. No public comment was received. The hearing was closed at 5:44 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Carmen Roberts, Place 4
AYES:	Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

- F. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the City's Comprehensive Plan, Ordinance 2013-06; to amend the City's Master Thoroughfare documents and exhibits (Brawner)

(2020-36) Mayor Terry opened the hearing at 5:45 p.m. No public comment was received. The hearing was closed at 5:54 p.m.

RESULT: APPROVED [UNANIMOUS]
MOVER: Carmen Roberts, Place 4
SECONDER: Mindy Koehne, Place 5
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

- G. The Celina City Council will hold a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas accepting and approving a Service and Assessment Plan and Neighborhood Improvement Area #3 assessment roll for the Wells North Public Improvement District; making a finding of special benefit to the property in Neighborhood Improvement Area #3 of the District; levying special assessments against property within Neighborhood Improvement Area #3 of the District and establishing a lien on such property; providing for the method of assessment and the payment of the Neighborhood Improvement Area #3 assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments. (DeBuff)

(2020-32) Mayor Terry opened the hearing at 5:55 p.m. Corey Admire with Shupe, Ventura Law, 9406 Biscayne, Dallas, Texas spoke in favor of the ordinance.

RESULT: APPROVED [UNANIMOUS]
MOVER: Carmen Roberts, Place 4
SECONDER: Andy Hopkins, Place 3
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

- H. The Celina City Council will conduct a public hearing to consider testimony and act upon a resolution of the City of Celina, Texas authorizing and creating the Edgewood Creek Public Improvement District in Accordance with Chapter 372 of the Texas Local Government Code; providing for related matters; and providing an effective date. (DeBuff)

(2020-33R) Mayor Pro Tem Anderson opened the hearing at 5:58 p.m. No public comment was received. The hearing was closed at 6:00 p.m.

Mayor Terry recused himself from participation on this item due to a conflict of interest.

RESULT: APPROVED [UNANIMOUS]
MOVER: Carmen Roberts, Place 4
SECONDER: Andy Hopkins, Place 3
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

VIII. ACTION ITEM:

IX. EXECUTIVE SESSION:

The City Council adjourned into Executive Session at 6:00 p.m. with City Attorney Lance Vanzant

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071, Consultation with Attorney, 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.

- A. Discussion regarding a resolution finding a public necessity exists to acquire real property for a City Hall and municipal facilities and authorizing the use of eminent domain to condemn real properties as tracts of land described as Block 13, Lot 12; Block 13, Lot 7a & 8a; Block 13, Lot 7b & 8b; Block 13, Lot 5a & 6a; Block 13, Lot 5b & 6b; Block 13, Lot 3; Block 13, Lot 1a & 2a; and Block 13, Lot 1b & 2b located in the Celina Original Donation, located in the block bordered by N Colorado Dr,

W Maple St, N Ohio Dr, W Beech St; providing for an appraiser and negotiator as necessary; authorizing the City Manager to establish just compensation for the property rights to be acquired; authorizing the City Manager to take all steps necessary to acquire the needed property rights in compliance with all applicable laws and regulations including the exercise of the power of eminent domain; finding and determining that the meeting at which this resolution is passed was noticed and open to the

public as required; and providing an effective date.

- B. Discussion regarding Municipal Utility District No. 1 appealing water and wastewater rates.
- C. Discussion regarding potential annexations.

Reconvene Into Open Session

The Celina City Council reconvened into Open Session at 6:50 p.m.

- D. Consider and act upon any items discussed in executive session.

(2020-32R) Councilman Hopkins moved to authorize the power of eminent domain to condemn real properties as tracts of land described as Block 13, Lot 12; Block 13, Lot 7A and 8A; Block 13, Lot 7B and 8B; Block 13, Lot 5A and 6A; Block 13, Lot 5B and 6B; Block 13, Lot 3; Block 13, Lot 1A and 2A; and Block 13, Lot 1B and 2B located in the Celina original donation for the public purpose of a city hall and municipal facilities. Council voted in the following manner: Justin Steiner-yes, Wayne Nabors-yes, Andy Hopkins-yes, Carmen Roberts-yes, Mindy Koehne-yes, Chad Anderson-yes.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Mindy Koehne, Place 5
AYES:	Steiner, Nabors, Hopkins, Roberts, Koehne, Anderson

X. ADJOURNMENT:

There being no further comment Mayor Terry adjourned the meeting at 6:52 p.m.

Sean Terry, Mayor

Secretary

Date Minutes Approved



Life Connected.

**CITY COUNCIL SPECIAL MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, MAY 26, 2020
5:00 PM**

MINUTES

I. CALL TO ORDER:

Attendee Name	Organization	Title	Status	Arrived
Justin Steiner	City of Celina	Place 1	Present	
Wayne Nabors	City of Celina	Place 2	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Carmen Roberts	City of Celina	Place 4	Present	
Mindy Koehne	City of Celina	Place 5	Present	
Chad Anderson	City of Celina	Place 6	Absent	
Sean Terry	City of Celina	Mayor	Present	

Mayor Sean Terry called the meeting to order at 5:00 p.m.

II. WORKSESSION:

A. Discussion regarding Chamber of Commerce Partnership Agreement for events. (Brawner)

Executive Director of Public Services Kim Brawner gave a general overview of how a partnership with the Chamber of Commerce could work.

III. EXECUTIVE SESSION:

The Celina City Council adjourned into Executive Session at 5:06 p.m. with City Attorney Lance Vanzant and Executive Director of Public Services Kim Brawner.

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071, Consultation with Attorney, 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.

A. Discussion regarding an amendment to the existing Impact Fee Agreement between the City of Celina and Celina Tollway 80 Partner

B. Discussion regarding filing petition in court to assert claims against, and seek relief from, Collin County Municipal Utility District No. 1, members of its Board of Directors, and other parties, if any, deemed necessary.

Reconvene Into Open Session

The Celina City Council reconvened into Open Session at 5:23 p.m.

- C. Consider and act on an amendment to the existing Impact Fee Agreement between the City of Celina and Celina Tollway 80 Partner

RESULT: ADOPTED [UNANIMOUS]
MOVER: Andy Hopkins, Place 3
SECONDER: Carmen Roberts, Place 4
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne
ABSENT: Anderson

- D. Consider and act upon retaining Messer, Fort & McDonald, PLLC to represent the City in litigation as directed by the City Council.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Wayne Nabors, Place 2
SECONDER: Mindy Koehne, Place 5
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne
ABSENT: Anderson

- E. Consider and act upon authorizing Messer, Fort & McDonald, PLLC to file suit for the city in district court asserting claims against, and seeking relief from, Collin County Municipal Utility District No. 1, members of its board of directors, and other parties, if any, deemed necessary.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Andy Hopkins, Place 3
SECONDER: Wayne Nabors, Place 2
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne
ABSENT: Anderson

IV. **ACTION:**

- A. Consider and act upon a Resolution of the City Council of the City of Celina, Texas, hereby authorizing the City Manager of the City of Celina, Texas, to execute an Interlocal Cooperation Agreement with Collin County under the county's emergency program for direct costs expended by municipalites located Collin County to address and respond to COVID-19; and providing for an effective date. (Stovall)

(2020-34R)

Minutes Acceptance: Minutes of May 26, 2020 5:00 PM (Minutes Approval)

RESULT: APPROVED [UNANIMOUS]
MOVER: Wayne Nabors, Place 2
SECONDER: Carmen Roberts, Place 4
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne
ABSENT: Anderson

- B. Consider and act upon a Resolution of the City Council of the City of Celina, Texas, establishing a Small Business Assistance Program to provide immediate, short-term financial aid to qualified small businesses in the City of Celina; appropriating up to \$250,000 to establish the fund; providing program and application eligibility criteria and other requirements; delegating authority to the City Manager to administer the program; and providing for an effective date. (Stovall)

(2020-35R)

RESULT: APPROVED [UNANIMOUS]
MOVER: Andy Hopkins, Place 3
SECONDER: Carmen Roberts, Place 4
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne
ABSENT: Anderson

- C. Consider and act upon nomination of Will Sowell, Mayor Pro Tem of the City of Frisco, as primary representative and Ray Smith, Mayor of the Town of Prosper, as alternate representative for the Regional Transportation Council (RTC), the transportation policy body for the North Central Texas Council of Governments (NCTCOG). (Terry)

RESULT: APPROVED [UNANIMOUS]
MOVER: Carmen Roberts, Place 4
SECONDER: Mindy Koehne, Place 5
AYES: Steiner, Nabors, Hopkins, Roberts, Koehne
ABSENT: Anderson

V. **ADJOURN:**

There being no further comment Mayor Terry adjourned the meeting at 6:52 p.m.

 Sean Terry, Mayor

 Secretary

 Date Minutes Approved

Minutes Acceptance: Minutes of May 26, 2020 5:00 PM (Minutes Approval)



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Creeks of Legacy PID Phase #3 Miscellaneous Agreements

Action Requested:

Consider and act to authorize the City Manager to execute Landowner Agreements, a Phase #3 Improvements Reimbursement Agreement, and a Phase #3 Improvements Construction, Funding, and Acquisition Agreement by and between the City of Celina and CADG Creeks of Legacy West, LLC and/or CADG Creeks of Legacy Stonegate, LLC. (Creeks of Legacy PID Phase #3 Miscellaneous Agreements) (McAfee)

Background Information:

All four agreements are attached.

Legal Review:

This item has been reviewed by the City Attorney.

Supporting Documents:

- Landowner Agreement - CADG Creeks of Legacy Stonegate, LLC
- Landowner Agreement - CADG Creeks of Legacy West, LLC
- Reimbursement Agreement
- Construction, Funding, and Acquisition Agreement

Staff Recommendation:

Staff recommends approval as presented.

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of June 9, 2020, between the City of Celina, Texas (the "City"), a home rule municipality of the State of Texas (the "State"), and CADG Creeks of Legacy Stonegate, LLC, a Texas limited liability company (the "Landowner").

RECITALS:

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached as **Exhibit I** to this Agreement and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in **Exhibit I** (the "Landowner Parcel") which is located within the Creeks of Legacy Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Phase #3 Improvements (including all exhibits and attachments thereto, the "Phase #3 Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #3 Assessment Ordinance (the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Assessed Parcel in Phase #3 of the District (as identified in the Service and Assessment Plan) that will be pledged as the security for the payment of bonds or other obligations (the "Bonds") to be issued for the purpose of paying the costs of constructing the Phase #3 Improvements that will benefit the Phase #3 Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as **Exhibit II** and which are incorporated herein for all purposes, include the statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

DEFINITIONS; APPROVAL OF AGREEMENTS

Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

I. AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are within the District, all as shown on **Exhibit I**, and the location and development of the Phase #3 Improvements on the Landowner Parcel and on the property within Phase #3 of the District;

(ii) the determinations and findings as to the benefits by the City Council in the Service and Assessment Plan and the Phase #3 Assessment Ordinance; and

(iii) the Phase #3 Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within Phase #3 of the District, as shown on the assessment roll attached as Appendix I to the Service and Assessment Plan (the "Phase #3 Assessment Roll");

(ii) the Phase #3 Improvements specially benefit Phase #3 of the District, and the Landowner's Parcel, in an amount in excess of the Assessment levied on the Landowner's Parcel within Phase #3 of the District, as such Assessment is shown on the Phase #3 Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of a mandatory prepayment event as provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Phase #3 Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Phase #3 Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of an Assessed Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Phase #3 Assessment Roll) may be adjusted, decreased and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the annual installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein).

C. Mandatory Prepayment of Assessments. Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated or upon sale of property in the PID to a party not subject to Assessments.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Phase #3 Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Denton County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Denton County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead"

designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit III** to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a “Builder”) but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner’s request and the City’s consent, in the City’s sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as **Exhibit II**.

II. OWNERSHIP AND CONSTRUCTION OF PHASE #3 IMPROVEMENTS

A. Ownership and Transfer of Phase #3 Improvements. Landowner acknowledges that all of the Phase #3 Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City once accepted by and conveyed to the City following construction and Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Phase #3 Improvements.

(i) Any subsequent owner of the Landowner’s Parcel shall, upon the request of the City or Landowner, grant and convey to the City or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Phase #3 Improvements on the property within Phase #3 of the District, to stage on the property within Phase #3 of the District construction trailers, building materials and equipment to be used in connection with such construction of the Phase #3 Improvements and for passage and use over and across parts of the property within Phase #3 of the District as shall be reasonably necessary during the construction of the Phase #3 Improvements. Any subsequent owner of the Landowner’s Parcel may require that each contractor constructing the Phase #3 Improvements cause such owner of the Landowner’s Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner’s Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Phase #3 Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner’s Parcel in the real property records of Denton County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been

satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

(i) Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Landowner is a party, or by which Landowner or Landowner's Parcel is otherwise bound.

(iv) Landowner is, subject to all matters of record in the Denton County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments and the priority of the lien related to the assessments as described in this Agreement, or (iii) the construction of the Phase #3 Improvements on those portions of the property within Phase #3 of the District which are to be owned by the City, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Phase #3 Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Phase #3 Improvements.

C. Notices.

Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Street Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort, PLLC 6371 Preston Road, Suite 200 Frisco, Texas 75034
To the Landowner:	Attn: Mehrdad Moayedi CADG Creeks of Legacy Stonegate, LLC 1800 Valley View Lane Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: Robert Miklos Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of bonds issued by the City to finance the costs of the Phase #3 Improvements and which are secured by a pledge of the Assessments or any part thereof, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Denton County, Texas.

E. Amendments.

This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Denton County, Texas.

F. Effective Date.

This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the latter of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels.

Within 10 business days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel.

H. Termination.

This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

I. The Landowner hereby verifies that the Landowner and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action

made for ordinary business purposes. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

J. The Landowner hereby represents that neither the Landowner nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Landowner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

[Signature pages to follow]

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CELINA, TEXAS

By: _____
Chad Anderson, Mayor Pro-Tem

STATE OF TEXAS

§

COUNTY OF COLLIN

§

§

This instrument was acknowledged before me on the 9 day of June, 2020 by Chad Anderson, the Mayor Pro-Tem of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

[Signature Page Landowner Agreement]

Attachment: Landowner Agreement-CADG Creeks of Legacy Stonegate, LLC (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

LANDOWNER

CADG Creeks of Legacy Stonegate, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of _____, 2020 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG Creeks of Legacy Stonegate, LLC, a Texas limited liability company on behalf of said company.

Notary Public, State of Texas

[Signature Page Landowner Agreement]

LANDOWNER AGREEMENT - EXHIBIT I

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

BEING A TRACT OF LAND SITUATED IN THE J. MCKIM SURVEY, ABSTRACT NUMBER 889, DENTON COUNTY, TEXAS, BEING ALL OF THAT REMAINDER TRACT OF LAND DESCRIBED BY DEED TO CADG CREEKS OF LEGACY STONEGATE, LLC., RECORDED IN INSTRUMENT NUMBER 2017-89840, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT, BEING THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED BY DEED TO THE CITY OF CELINA RECORDED IN INSTRUMENT NUMBER 2008-9821, SAID REAL PROPERTY RECORDS AND BEING IN THE EAST LINE OF THAT TRACT OF LAND DESCRIBED BY DEED TO MERRITT/THORNTON FARM PARTNERSHIP, L.P., RECORDED IN INSTRUMENT NUMBER 99-096579, SAID REAL PROPERTY RECORDS;

THENCE N 00°29'27"E, 869.86 FEET, WITH THE WEST LINE OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT AND THE EAST LINE OF SAID MERRITT/THORNTON FARM PARTNERSHIP TRACT TO THE MOST WESTERLY NORTHWEST CORNER OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT, BEING THE SOUTHWEST CORNER OF THAT (REMAINDER) TRACT OF LAND DESCRIBED BY DEED TO CADG CREEKS OF LEGACY WEST, LLC., RECORDED IN INSTRUMENT NUMBER 2017-89907, SAID REAL PROPERTY RECORDS;

THENCE DEPARTING THE EAST LINE OF SAID MERRITT/THORNTON FARM PARTNERSHIP TRACT WITH THE COMMON WEST LINE OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT AND THE EAST LINE OF SAID CADG CREEKS OF LEGACY WEST TRACT THE FOLLOWING BEARINGS AND DISTANCES:

S 89°31'12"E, 244.95 FEET;

N 00°28'48"E, 76.29 FEET;

N 00°47'50"E, 64.44 FEET;

N 03°20'43"E, 61.10 FEET;

N 06°16'30"E, 61.10 FEET;

N 09°12'18"E, 61.10 FEET;

N 12°08'06"E, 61.10 FEET;

N 15°03'53"E, 61.10 FEET;

N 17°59'41"E, 61.10 FEET;

N 20°55'29"E, 61.10 FEET;

N 23°51'16"E, 61.10 FEET;

N 26°47'04"E, 61.10 FEET;

N 29°42'51"E, 61.10 FEET;

N 32°38'39"E, 61.10 FEET;

N 35°34'27"E, 61.10 FEET;

N 38°30'14"E, 61.10 FEET;

N 41°26'02"E, 61.10 FEET;

N 44°21'50"E, 61.10 FEET;

N 47°17'37"E, 61.10 FEET;

N 50°13'25"E, 61.10 FEET;

N 53°30'19"E, 75.77 FEET;

N 57°47'20"E, 50.01 FEET, TO THE WEST LINE OF CREEKS OF LEGACY WEST, PHASE 1, AN ADDITION TO THE CITY OF CELINA RECORDED IN INSTRUMENT NUMBER 2018-394, SAID REAL PROPERTY RECORDS;

THENCE DEPARTING SAID COMMON LINE WITH THE WEST LINE OF SAID PHASE 1 THE FOLLOWING COURSES AND DISTANCES:

S 33°28'46"E, 98.65 FEET, TO THE NORTH RIGHT-OF-WAY LINE OF SABINAL RIVER LANE (A 50 FOOT RIGHT-OF-WAY);

S 56°31'14"W, 50.00 FEET, DEPARTING SAID NORTH RIGHT-OF-WAY LINE TO THE SOUTH RIGHT-OF-WAY LINE OF SAID SABINAL RIVER LANE;

S 33°28'46"E, 15.27 FEET, WITH SAID RIGHT-OF-WAY;

S 10°43'15"W, 14.34 FEET, WITH SAID RIGHT-OF-WAY LINE TO THE NORTH RIGHT-OF-WAY LINE OF KEECHI CREEK DRIVE (A 50 FOOT RIGHT-OF-WAY), THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

WITH SAID NORTH RIGHT-OF-WAY LINE AND NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 36.67 FEET, THROUGH A CENTRAL ANGLE OF 01°57'49", HAVING A RADIUS OF 1070.00 FEET, THE LONG CHORD WHICH BEARS S 53°39'52"W, 36.67 FEET;

S 37°19'03"E, 50.00 FEET, DEPARTING SAID NORTH RIGHT-OF-WAY LINE TO THE SOUTH RIGHT-OF-WAY LINE OF SAID KEECHI CREEK DRIVE, THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

WITH SAID SOUTH RIGHT-OF-WAY LINE AND NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 33.32 FEET, THROUGH A CENTRAL ANGLE OF 01°52'18", HAVING A RADIUS OF 1020.00 FEET, THE LONG CHORD WHICH BEARS N 53°37'06"E, 33.32 FEET;

S 79°19'33"E, 13.94 FEET, WITH SAID RIGHT-OF-WAY LINE TO THE AFOREMENTIONED WEST RIGHT-OF-WAY LINE OF SABINAL RIVER LANE;

S 33°28'46"E, 230.09 FEET, WITH SAID RIGHT-OF-WAY;

S 10°24'39"W, 14.42 FEET, WITH SAID RIGHT-OF-WAY LINE THE NORTH RIGHT-OF-WAY LINE OF HIGHLAND BAYOU DRIVE (A 50 FOOT RIGHT-OF-WAY), THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

WITH SAID NORTH RIGHT-OF-WAY LINE AND NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 27.00 FEET, THROUGH A CENTRAL ANGLE OF 02°00'34", HAVING A RADIUS OF 770.00 FEET, THE LONG CHORD WHICH BEARS S 52°54'39"W, 27.00 FEET;

S 38°05'38"E, 50.00 FEET, DEPARTING SAID NORTH RIGHT-OF-WAY LINE TO THE SOUTH RIGHT-OF-WAY LINE OF SAID HIGHLAND BAYOU DRIVE, THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

WITH SAID SOUTH RIGHT-OF-WAY LINE AND NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 78.68 FEET, THROUGH A CENTRAL ANGLE OF 06°15'41", HAVING A RADIUS OF 720.00 FEET, THE LONG CHORD WHICH BEARS N 55°02'12"E, 78.64 FEET;

S 31°49'57"E, 125.00 FEET, DEPARTING SAID RIGHT-OF-WAY;

N 58°51'31"E, 14.35 FEET;

N 61°51'36"E, 47.97 FEET;

N 66°28'50"E, 47.97 FEET;

N 71°06'05"E, 47.97 FEET;

N 75°43'23"E, 47.97 FEET;

N 80°19'26"E, 47.59 FEET;

N 84°54'26"E, 47.59 FEET;

S 85°57'21"E, 48.34 FEET, TO THE EAST LINE OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT, BEING THE WEST LINE OF THAT TRACT OF LAND DESCRIBED BY DEED TO 28 FRONTIER PARTNERS, LLC., RECORDED IN INSTRUMENT NUMBER 2017-61624, SAID REAL PROPERTY RECORDS, THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

THENCE WITH THE EAST LINE OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT AND THE WEST LINE OF SAID 28 FRONTIER PARTNERS TRACT THE FOLLOWING COURSES AND DISTANCES:

WITH SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 109.24 FEET, THROUGH A CENTRAL ANGLE OF 26°38'04", HAVING A RADIUS OF 235.00 FEET, THE LONG CHORD WHICH BEARS S 61°51'11"W, 108.26 FEET;

S 48°32'09"W, 159.09 FEET, THE BEGINNING OF A CURVE TO THE RIGHT;

WITH SAID CURVE TO THE RIGHT, AN ARC DISTANCE OF 194.09 FEET, THROUGH A CENTRAL ANGLE OF 19°40'57", HAVING A RADIUS OF 565.00 FEET, THE LONG CHORD WHICH BEARS S 58°22'38"W, 193.14 FEET TO THE BEGINNING OF A REVERSE CURVE TO THE LEFT;

WITH SAID REVERSE CURVE TO THE LEFT, AN ARC DISTANCE OF 119.79 FEET, THROUGH A CENTRAL ANGLE OF 34°19'00", HAVING A RADIUS OF 200.00 FEET, THE LONG CHORD WHICH BEARS S 51°03'36"W, 118.01 FEET;

S 33°54'06"W, 214.10 FEET, TO THE BEGINNING OF A CURVE TO THE LEFT;

WITH SAID CURVE TO THE LEFT, AN ARC DISTANCE OF 81.66 FEET, THROUGH A CENTRAL ANGLE OF 33°25'18", HAVING A RADIUS OF 140.00 FEET, THE LONG CHORD WHICH BEARS S 17°11'27"W, 80.51 FEET;

S 00°28'48"W, 965.97 FEET, TO THE SOUTHEAST CORNER OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT, BEING THE SOUTHWEST CORNER OF SAID 28 FRONTIER PARTNERS TRACT AND BEING A COMMON CORNER OF THOSE TWO TRACTS OF LAND DESCRIBED BY DEED TO THE CITY OF CELINA RECORDED IN INSTRUMENT NUMBER 2008-9821, SAID REAL PROPERTY RECORDS;

THENCE S 89°28'22"W, 845.25 FEET, WITH THE SOUTH LINE OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT AND THE NORTH LINE OF SAID CITY OF CELINA TRACT TO THE POINT OF BEGINNING AND CONTAINING 1,377,077 SQUARE FEET OR 31.613 ACRES OF LAND MORE OR LESS.

LANDOWNER AGREEMENT - EXHIBIT II

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (as it may be amended from time to time, this “Declaration”) is made as of June 9, 2020 by CADG Creeks of Legacy Stonegate, LLC a Texas limited liability company (the “Landowner”).

RECITALS:

- A. The Landowner holds record title to that portion of the real property located in Denton County, Texas, which is described in the attached Exhibit I (the “Landowner’s Parcel”).
- B. The City Council of the City of Celina (the “City Council”) upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Creeks of Legacy Public Improvement District No (the “District”) by the then owners of more than 50% of the appraised value of the taxable real property and owners of more than 50% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “PID Act”).
- C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the “Phase #3 Assessment Ordinance”) and approve the Service and Assessment Plan included as an exhibit to the Phase #3 Assessment Ordinance (as amended from time to time, the “Service and Assessment Plan”), and has levied the assessments (as amended from time to time, the “Assessments”) on property in Phase #3 of the District.
- D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner’s Parcel is and shall be subject to, and hereby imposes on the Landowner’s Parcel, the following covenants, conditions and restrictions:

1. **Acceptance and Approval of Assessments and Lien on Property:**

- (a) Landowner accepts each Assessment levied on the Landowner’s Parcel owned by such Landowner.
- (b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney’s fees, if incurred) is (a) a first and prior lien (the “Assessment Lien”) against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property

taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Phase #3 Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within Phase #3 of the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment, and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. Landowner or any subsequent owner of the Landowner's Parcel waives:

- (a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;
- (b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;
- (c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Phase #3 Assessment Ordinance by the City Council;
- (d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and
- (e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. Amendments: This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and

the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Denton County, Texas.

4. **Third Party Beneficiary:** The City is a third party beneficiary to this Declaration and may enforce the terms hereof.
5. **Notice to Subsequent Purchasers:** Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS CONCERNING THE PROPERTY AT [Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for improvement projects undertaken by a public improvement district under Chapter 372 of the Texas Local Government Code, as amended. The assessment may be due in periodic installments.

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, _____, Celina, Texas _____.

Your failure to pay the assessment or the annual installments could result in a lien on and the foreclosure of your property.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

LANDOWNER

CADG Creeks of Legacy Stonegate, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayed
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of _____, 2020 by Mehrdad Moayed, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG Creeks of Legacy Stonegate, LLC, a Texas limited liability company on behalf of said company.

Notary Public, State of Texas

My Commission Expires:

LANDOWNER AGREEMENT - EXHIBIT III
HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit III, the recorded Notice of the Authorization and Establishment of the Creeks of Legacy Public Improvement District and the Covenants, Conditions and Restrictions in **Exhibit II** of this Agreement are referred to as the “Recorded Notices.”

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Phase #3 Assessment Roll for such Assessed Parcel (or if the Phase #3 Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30 year payment for such Assessed Parcel) as an addendum to any residential homebuyer’s contract.
2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.
3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.
4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.
5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of June 9, 2020, between the City of Celina, Texas (the "City"), a home rule municipality of the State of Texas (the "State"), and CADG Creeks of Legacy West, LLC, a Texas limited liability company (the "Landowner").

RECITALS:

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached as **Exhibit I** to this Agreement and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in **Exhibit I** (the "Landowner Parcel") which is located within the Creeks of Legacy Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Phase #3 Improvements (including all exhibits and attachments thereto, the "Phase #3 Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #3 Assessment Ordinance (the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Assessed Parcel in Phase #3 of the District (as identified in the Service and Assessment Plan) that will be pledged as the security for the payment of bonds or other obligations (the "Bonds") to be issued for the purpose of paying the costs of constructing the Phase #3 Improvements that will benefit the Phase #3 Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as **Exhibit II** and which are incorporated herein for all purposes, include the statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

DEFINITIONS; APPROVAL OF AGREEMENTS

Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

I. AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are within the District, all as shown on **Exhibit I**, and the location and development of the Phase #3 Improvements on the Landowner Parcel and on the property within Phase #3 of the District;

(ii) the determinations and findings as to the benefits by the City Council in the Service and Assessment Plan and the Phase #3 Assessment Ordinance; and

(iii) the Phase #3 Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within Phase #3 of the District, as shown on the assessment roll attached as Appendix I to the Service and Assessment Plan (the "Phase #3 Assessment Roll");

(ii) the Phase #3 Improvements specially benefit Phase #3 of the District, and the Landowner's Parcel, in an amount in excess of the Assessment levied on the Landowner's Parcel within Phase #3 of the District, as such Assessment is shown on the Phase #3 Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of a mandatory prepayment event as provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Phase #3 Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Phase #3 Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of an Assessed Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Phase #3 Assessment Roll) may be adjusted, decreased and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the annual installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein).

C. Mandatory Prepayment of Assessments. Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated or upon sale of property in the PID to a party not subject to Assessments.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Phase #3 Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Denton County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Denton County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead"

designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit III** to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a “Builder”) but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner’s request and the City’s consent, in the City’s sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as **Exhibit II**.

II. OWNERSHIP AND CONSTRUCTION OF PHASE #3 IMPROVEMENTS

A. Ownership and Transfer of Phase #3 Improvements. Landowner acknowledges that all of the Phase #3 Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City once accepted by and conveyed to the City following construction and Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Phase #3 Improvements.

(i) Any subsequent owner of the Landowner’s Parcel shall, upon the request of the City or Landowner, grant and convey to the City or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Phase #3 Improvements on the property within Phase #3 of the District, to stage on the property within Phase #3 of the District construction trailers, building materials and equipment to be used in connection with such construction of the Phase #3 Improvements and for passage and use over and across parts of the property within Phase #3 of the District as shall be reasonably necessary during the construction of the Phase #3 Improvements. Any subsequent owner of the Landowner’s Parcel may require that each contractor constructing the Phase #3 Improvements cause such owner of the Landowner’s Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner’s Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Phase #3 Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner’s Parcel in the real property records of Denton County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been

satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

(i) Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which Landowner is a party, or by which Landowner or Landowner's Parcel is otherwise bound.

(iv) Landowner is, subject to all matters of record in the Denton County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments and the priority of the lien related to the assessments as described in this Agreement, or (iii) the construction of the Phase #3 Improvements on those portions of the property within Phase #3 of the District which are to be owned by the City, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, such Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Phase #3 Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Phase #3 Improvements.

C. Notices.

Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City: Attn: City Manager
City of Celina, Texas
142 N. Ohio Street
Celina, Texas 75009

With a copy to: Attn: Julie Fort
Messer, Rockefeller & Fort, PLLC
6371 Preston Road, Suite 200
Frisco, Texas 75034

To the Landowner: Attn: Mehrdad Moayedi
CADG Creeks of Legacy West, LLC
1800 Valley View Lane
Suite 300
Farmers Branch, Texas 75234

With a copy to: Attn: Robert Miklos
Miklos Cinclair, PLLC
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of bonds issued by the City to finance the costs of the Phase #3 Improvements and which are secured by a pledge of the Assessments or any part thereof, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Denton County, Texas.

E. Amendments.

This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Denton County, Texas.

F. Effective Date.

This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the latter of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels.

Within 10 business days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel.

H. Termination.

This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

I. The Landowner hereby verifies that the Landowner and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action

made for ordinary business purposes. The Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

J. The Landowner hereby represents that neither the Landowner nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Landowner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Landowner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Landowner and exists to make a profit.

[Signature pages to follow]

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CELINA, TEXAS

By: _____
Chad Anderson, Mayor Pro-Tem

STATE OF TEXAS

§
§
§

COUNTY OF COLLIN

This instrument was acknowledged before me on the 9 day of June, 2020 by Chad Anderson, the Mayor Pro-Tem of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

[Signature Page Landowner Agreement]

Attachment: Landowner Agreement-CADG Creeks of Legacy West, LLC (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

LANDOWNER

CADG Creeks of Legacy West, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayed
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of _____, 2020 by Mehrdad Moayed, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG Creeks of Legacy West, LLC, a Texas limited liability company on behalf of said company.

Notary Public, State of Texas

[Signature Page Landowner Agreement]

Attachment: Landowner Agreement-CADG Creeks of Legacy West, LLC (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

LANDOWNER AGREEMENT - EXHIBIT I

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

BEING A TRACT OF LAND SITUATED IN THE A. THOMASSON SURVEY, ABSTRACT NUMBER 1265, AND THE J. MCKIM SURVEY, ABSTRACT NUMBER 889, DENTON COUNTY, TEXAS, BEING ALL OF THAT REMAINDER TRACT OF LAND DESCRIBED BY DEED TO CADG CREEKS OF LEGACY WEST, LLC., RECORDED IN INSTRUMENT NUMBER 2017-89907, 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, BEING THE SOUTHWEST CORNER OF LOT 26, BLOCK A, CREEKS OF LEGACY WEST, PHASE 1, AN ADDITION TO THE CITY OF CELINA RECORDED IN INSTRUMENT NUMBER 2018-394, SAID REAL PROPERTY RECORDS AND BEING IN THE EAST LINE OF THAT TRACT OF LAND DESCRIBED BY DEED TO MERRITT/THORNTON FARM PARTNERSHIP, L.P., RECORDED IN INSTRUMENT NUMBER 99-096579, SAID REAL PROPERTY RECORDS;

THENCE WITH THE WEST LINE OF SAID PHASE 1 THE FOLLOWING COURSES AND DISTANCES:

N 56°31'14"E, 110.76 FEET TO THE MOST WESTERLY CORNER OF LOT 27, SAID BLOCK A;

S 38°05'14"E, 60.19 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 27;

N 56°31'14"E, 143.84 FEET, TO THE MOST EASTERLY CORNER OF SAID LOT 27 AND BEING IN THE WEST RIGHT-OF-WAY LINE OF NEMAHA LANE (A 50 FOOT RIGHT-OF-WAY);

S 33°28'46"E, 115.01 FEET, WITH SAID WEST RIGHT-OF-WAY LINE;

S 11°03'35"W, 14.26 FEET, WITH SAID WEST RIGHT-OF-WAY LINE, TO THE NORTH RIGHT-OF-WAY LINE OF DICKINSON BAYOU COURT (A 50 FOOT RIGHT-OF-WAY);

S 56°31'14"W, 20.00 FEET, WITH SAID NORTH RIGHT-OF-WAY LINE;

S 33°28'46"E, 50.00 FEET, DEPARTING SAID NORTH RIGHT-OF-WAY LINE, TO THE SOUTH RIGHT-OF-WAY LINE OF SAID DICKINSON BAYOU COURT;

N 56°31'14"E, 20.00 FEET, WITH SAID SOUTH RIGHT-OF-WAY LINE;

S 78°55'51"E, 14.03 FEET, WITH SAID SOUTH RIGHT-OF-WAY LINE, TO THE AFOREMENTIONED WEST RIGHT-OF-WAY LINE OF NEMAHA LANE;

S 33°28'46"E, 230.02 FEET, WITH SAID WEST RIGHT-OF-WAY LINE;

S 11°00'27"W, 14.27 FEET, WITH SAID WEST RIGHT-OF-WAY LINE, TO THE NORTH RIGHT-OF-WAY LINE OF ALAMOSA RIVER DRIVE (A 50 FOOT RIGHT-OF-WAY), AT THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

WITH SAID WITH SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 15.76 FEET, THROUGH A CENTRAL ANGLE OF 00°32'26", HAVING A RADIUS OF 1670.00 FEET, THE LONG CHORD WHICH BEARS S 55°02'58"W, 15.76 FEET;

S 35°13'15"E, 50.00 FEET, DEPARTING SAID NORTH RIGHT-OF-WAY LINE, TO THE SOUTH RIGHT-OF-WAY LINE OF SAID ALAMOSA RIVER DRIVE, AT THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

WITH SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 25.38 FEET, THROUGH A CENTRAL ANGLE OF 00°53'52", HAVING A RADIUS OF 1620.00 FEET, THE LONG CHORD WHICH BEARS N 55°13'41"E, 25.38 FEET, TO THE NORTHWEST CORNER OF LOT 38, BLOCK F, OF THE AFOREMENTIONED CREEKS OF LEGACY WEST, PHASE 1 AND BEING IN THE SAID SOUTH RIGHT-OF-WAY LINE;

S 34°19'23"E, 125.00 FEET, DEPARTING SAID SOUTH RIGHT-OF-WAY LINE, TO THE SOUTHWEST CORNER OF SAID LOT 38;

N 56°49'09"E, 59.60 FEET, TO THE SOUTHEAST CORNER OF SAID LOT 38 AND BEING IN THE WEST LINE OF LOT 6X, SAID BLOCK F;

S 32°02'19"E, 137.35 FEET, WITH SAID WEST LINE;

S 24°10'03"W, 20.00 FEET, CONTINUING WITH SAID WEST LINE, TO THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

WITH SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 28.23 FEET, THROUGH A CENTRAL ANGLE OF 32°21'11", HAVING A RADIUS OF 50.00 FEET, THE LONG CHORD WHICH BEARS S 49°39'21"E, 27.86 FEET;

S 33°28'46"E, 126.13 FEET, TO THE MOST EASTERLY CORNER OF THE AFOREMENTIONED CADG REMAINDER TRACT, BEING THE MOST NORTHERLY CORNER OF THAT REMAINDER TRACT OF LAND DESCRIBED BY DEED TO CADG CREEKS OF LEGACY STONEGATE, LLC, RECORDED IN INSTRUMENT NUMBER 2017-89840, SAID REAL PROPERTY RECORDS, AND BEING IN THE WEST LINE OF SAID LOT 6X;

THENCE WITH THE EAST LINE OF SAID CADG CREEKS OF LEGACY WEST TRACT AND THE WEST LINE OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT, THE FOLLOWING BEARINGS AND DISTANCES:

S 57°47'20"W, 50.01 FEET;

S 53°30'19"W, 75.77 FEET;

S 50°13'25"W, 61.10 FEET;

S 47°17'37"W, 61.10 FEET;

S 44°21'50"W, 61.10 FEET;

S 41°26'02"W, 61.10 FEET;

S 38°30'14"W, 61.10 FEET;

S 35°34'27"W, 61.10 FEET;

S 32°38'39"W, 61.10 FEET;

S 29°42'51"W, 61.10 FEET;

S 26°47'04"W, 61.10 FEET;

S 23°51'16"W, 61.10 FEET;

S 20°55'29"W, 61.10 FEET;

S 17°59'41"W, 61.10 FEET;

S 15°03'53"W, 61.10 FEET;

S 12°08'06"W, 61.10 FEET;

S 09°12'18"W, 61.10 FEET;

S 06°16'30"W, 61.10 FEET;

S 03°20'43"W, 61.10 FEET;

S 00°47'50"W, 64.44 FEET;

S 00°28'48"W, 76.29 FEET, TO THE SOUTHEAST CORNER OF SAID CADG CREEKS OF LEGACY WEST TRACT, BEING AN ELL CORNER OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT;

THENCE N 89°31'12"W, 244.95 FEET, WITH THE SOUTH LINE OF SAID CADG CREEKS OF LEGACY WEST

TRACT, TO THE SOUTHWEST CORNER OF SAID CADG CREEKS OF LEGACY WEST TRACT, BEING THE MOST WESTERLY NORTHWEST CORNER OF SAID CADG CREEKS OF LEGACY STONEGATE TRACT, AND BEING IN THE EAST LINE OF THE AFOREMENTIONED MERRITT/THORNTON FARM PARTNERSHIP TRACT;

THENCE N 00°29'27"E, 1594.77 FEET, WITH THE WEST LINE OF SAID CADG CREEKS OF LEGACY WEST TRACT AND THE EAST LINE OF SAID MERRITT/THORNTON FARM PARTNERSHIP TRACT;

THENCE N 00°29'21"E, 145.18 FEET, CONTINUING WITH SAID COMMON LINE TO THE POINT OF BEGINNING AND CONTAINING 789,160 SQUARE FEET OR 18.117 ACRES OF LAND MORE OR LESS.

LANDOWNER AGREEMENT - EXHIBIT II

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (as it may be amended from time to time, this “Declaration”) is made as of June 9, 2020 by CADG Creeks of Legacy West, LLC a Texas limited liability company (the “Landowner”).

RECITALS:

- A. The Landowner holds record title to that portion of the real property located in Denton County, Texas, which is described in the attached Exhibit I (the “Landowner’s Parcel”).
- B. The City Council of the City of Celina (the “City Council”) upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Creeks of Legacy Public Improvement District No (the “District”) by the then owners of more than 50% of the appraised value of the taxable real property and owners of more than 50% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “PID Act”).
- C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the “Phase #3 Assessment Ordinance”) and approve the Service and Assessment Plan included as an exhibit to the Phase #3 Assessment Ordinance (as amended from time to time, the “Service and Assessment Plan”), and has levied the assessments (as amended from time to time, the “Assessments”) on property in Phase #3 of the District.
- D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner’s Parcel is and shall be subject to, and hereby imposes on the Landowner’s Parcel, the following covenants, conditions and restrictions:

1. **Acceptance and Approval of Assessments and Lien on Property:**

- (a) Landowner accepts each Assessment levied on the Landowner’s Parcel owned by such Landowner.
- (b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney’s fees, if incurred) is (a) a first and prior lien (the “Assessment Lien”) against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property

taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Phase #3 Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within Phase #3 of the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment, and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. Landowner or any subsequent owner of the Landowner's Parcel waives:

- (a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;
- (b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;
- (c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Phase #3 Assessment Ordinance by the City Council;
- (d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and
- (e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. Amendments: This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and

the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Denton County, Texas.

4. **Third Party Beneficiary:** The City is a third party beneficiary to this Declaration and may enforce the terms hereof.
5. **Notice to Subsequent Purchasers:** Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS CONCERNING THE PROPERTY AT [Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Celina, Texas, for improvement projects undertaken by a public improvement district under Chapter 372 of the Texas Local Government Code, as amended. The assessment may be due in periodic installments.

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Celina, _____, Celina, Texas _____.

Your failure to pay the assessment or the annual installments could result in a lien on and the foreclosure of your property.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

LANDOWNER

CADG Creeks of Legacy West, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayed
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of _____, 2020 by Mehrdad Moayed, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG Creeks of Legacy West, LLC, a Texas limited liability company on behalf of said company.

Notary Public, State of Texas

My Commission Expires:

Attachment: Landowner Agreement-CADG Creeks of Legacy West, LLC (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

LANDOWNER AGREEMENT - EXHIBIT III
HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit III, the recorded Notice of the Authorization and Establishment of the Creeks of Legacy Public Improvement District and the Covenants, Conditions and Restrictions in **Exhibit II** of this Agreement are referred to as the “Recorded Notices.”

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Phase #3 Assessment Roll for such Assessed Parcel (or if the Phase #3 Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30 year payment for such Assessed Parcel) as an addendum to any residential homebuyer’s contract.
2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.
3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.
4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.
5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

**CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
PHASE #3 IMPROVEMENTS REIMBURSEMENT AGREEMENT**

This Creeks of Legacy Public Improvement District Phase #3 Improvements Reimbursement Agreement (this “Reimbursement Agreement”) is executed by and among the **City of Celina, Texas** (the “City”), **CADG Creeks of Legacy West, LLC**, a Texas limited liability company (“CADG West”), and **CADG Creeks of Legacy Stonegate, LLC**, a Texas limited liability company (“CADG Stonegate”) (CADG West, and CADG Stonegate are collectively, the “Developer”) (individually referred to as a “Party” and collectively as the “Parties”) to be effective June 9, 2020 (the “Effective Date”).

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *Amended and Restated Creeks of Legacy Public Improvement District Service and Assessment Plan*, dated June 9, 2020, as the same may be amended, supplemented, and updated from time to time (the “SAP”) approved by Ordinance No. _____ passed and approved by the City Council on June 9, 2020; and

WHEREAS, on April 29, 2014 the City Council passed and approved Resolution No. 2014-17R authorizing the creation of the Creeks of Legacy Public Improvement District (the “District”) covering approximately 321.357 acres of land described by metes and bounds in said Resolution (the “District Property”); and

WHEREAS, the purpose of the District is to finance public improvements (the “Authorized Improvements”) as provided by Chapter 372, Texas Local Government Code, as amended (the “PID Act”) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain Development Agreement dated June 18, 2014 between the Developer and the City (the “Development Agreement”), as amended; and

WHEREAS, pursuant to that certain Partial Assignment and Assumption of Contracts effective as of July 11, 2017, by and between CTMGT Frontier 80, LLC, a Texas limited liability company (“CTMGT”) and CADG West, CTMGT partially assigned CTMGT’s right, title, interest, and obligations under the Development Agreement to CADG West (an affiliate of CTMGT) as they relate to development of the Phase #3 Assessed Property; and

WHEREAS, pursuant to that certain Partial Assignment and Assumption of Contracts effective as of July 11, 2017, by and between CTMGT and CADG Stonegate, CTMGT partially assigned CTMGT’s right, title, interest, and obligations under the Development Agreement to CADG Stonegate (an affiliate of CTMGT) as they relate to development of the Phase #3 Assessed Property; and

Attachment: Reimbursement Agreement (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

WHEREAS, the District Property is being developed in phases, and special assessments for each phase have been or will be levied against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such phase; and

WHEREAS, Phase #3 Improvements (as defined in the SAP) are to be constructed within Phase #3 of the District Property, as described and depicted in the SAP; and

WHEREAS, on May 12, 2020, the City Council passed and approved Resolution No. 2020-28R determining, among other things, the estimated costs of the Phase #3 Improvements; and

WHEREAS, on June 9, 2020, the City Council passed and approved Ordinance No. _____ (the “Assessment Ordinance”) which, among other things, approved the SAP (including the Phase #3 Assessment Roll), levied assessments, and established the dates upon which interest on assessments will begin to accrue and collection of assessments will begin; and

WHEREAS, in addition to approving the SAP, the Assessment Ordinance levied assessments against property within Phase #3 (the “Phase #3 Assessed Property”) for the Phase #3 Improvements in accordance with the Phase #3 Assessment Roll attached as Appendix I to the SAP; and

WHEREAS, the Parties have entered into that certain “Creeks of Legacy Public Improvement District Phase #3 Improvements Construction, Funding, and Acquisition Agreement” dated as of June 9, 2020 (the “Construction Funding Agreement”) for the construction of the Phase #3 Improvements; and

WHEREAS, the SAP established \$3,600,000.00 as the cost of the Phase #3 Improvements to be assessed against Phase #3 of the District Property (the “Phase #3 Improvements Costs”); and

WHEREAS, the SAP allocated the Phase #3 Improvements Costs to Phase #3 of the District Property, and the SAP contemplated the allocation of the Phase #3 Improvements Costs among the single family residential lots to be created from the subdivision of the District Property; and

WHEREAS, assessments against lots within Phase #3 of the District (“Phase #3 Assessments”) are reflected on the Phase #3 Assessment Roll as approved by the City Council; and

WHEREAS, the SAP and the Assessment Ordinance provide, in part, that an assessment or assessments may be paid in full, and if an assessment is not paid in full, it shall be due and payable in Annual Installments plus interest for a period of 30 years or until the assessment is paid in full; and

WHEREAS, all revenue received and collected by the City from the collection of the Phase #3 Assessments and Annual Installments (excluding Delinquent Collection Costs, and Administrative Expenses) (the “Phase #3 Assessment Revenue”) shall be deposited as required by

the PID Act or as otherwise provided by indenture authorizing the issuance of the Future Phase #3 Bonds (as defined below) into an assessment fund that is segregated from all other funds of the City (the “Phase #3 Assessment Fund”, which term shall include a fund created in an indenture authorizing the issuance of the Future Phase #3 Bonds); and

WHEREAS, the Phase #3 Assessment Revenue deposited into the Phase #3 Assessment Fund shall be used to reimburse Developer and its assigns for the Phase #3 Improvements Costs advanced by the Developer in an amount not to exceed \$3,600,000.00, plus interest; and

WHEREAS, the Parties agree that this Reimbursement Agreement supersedes and replaces any prior agreements (whether written or oral) including any amendments to those prior agreements between the Parties regarding the subject matter hereof; and

WHEREAS, the obligations of the City to use the Phase #3 Assessments hereunder is authorized by the PID Act;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES SET FORTH IN THIS REIMBURSEMENT AGREEMENT AND FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the “WHEREAS” clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.
2. Strictly subject to the terms, conditions, and requirements and solely from the Phase #3 Assessment Revenues as herein provided, the City agrees to pay the Developer and its assigns, and the Developer and its assigns shall be entitled to receive from the City, the amount equal to the actual costs of the Phase #3 Improvements paid by the Developer for the Phase #3 Improvements Costs that were within budgeted costs, or authorized overrun costs, that were paid by the Developer plus interest on the unpaid balance in accordance with the terms of this Reimbursement Agreement until September 1, 2050 (the “Maturity Date”), and which shall be reimbursed to the Developer and its assigns in a principal amount not to exceed \$3,600,000.00 (the “Reimbursement Amount”), plus interest accrued, as hereinafter provided. The City hereby covenants to create, concurrently with the execution of this Reimbursement Agreement, a separate fund to be designated the “Phase #3 Assessment Fund.” The Reimbursement Amount is payable from monies to be deposited in the Phase #3 Assessment Fund as described below:
 - a. The Reimbursement Amount is payable solely from: (i) the Phase #3 Assessment Revenue received and collected by the City and deposited into the Phase #3 Assessment Fund; (ii) the net proceeds (after payment of costs of issuance, including the costs paid or incurred by the City) of one or more series of bonds (the

“Future Phase #3 Bonds”) issued by the City and secured by the Phase #3 Assessment Revenue; or (iii) a combination of items (i) and (ii) immediately above. The Phase #3 Assessment Revenue shall be received, collected and deposited into the Phase #3 Assessment Fund subject to the following limitations:

- i. Calculation of the Phase #3 Assessments and the first Annual Installment for a Lot or Parcel shall begin as provided for in the SAP and the Assessment Ordinance.
 - ii. Until such time as Future Phase #3 Bonds are issued, the Phase #3 Assessments shall accrue interest at the rates set forth in this Section 2. Interest shall continue on the unpaid principal amount of the Phase #3 Assessments for a Lot for the earlier of 30 years or until the Phase #3 Assessments for such Lot are paid in full.
 - iii. The Developer and its assigns shall be reimbursed in a combined aggregate amount not to exceed \$3,600,000.00 plus interest from the Phase #3 Assessment Fund and as allowed under Section 2(a) above.
 - iv. The unpaid Reimbursement Amount shall bear simple interest per annum at the rate of (x) 4.90% for years one through five, and (y) 4.90% for years six through 31. The interest rate has been approved by the City Council and is authorized by the PID Act and was determined based upon *The Bond Buyer*, a daily publication that publishes this interest rate index, which the highest average index rate for tax-exempt bonds reported in the previous month was 2.90%. The interest rate of 4.90% and 4.90% contained herein comply with Subsections 372.023(e)(1) and (e)(2) of the PID Act.
3. The amount of the Reimbursement Amount that has not been paid, plus the interest as described in Section 2 above, are collectively, the “Unpaid Balance.” The Unpaid Balance is secured by and payable solely from the Phase #3 Assessment Revenue received and collected by the City and deposited into the Phase #3 Assessment Fund. No other City funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the Maturity Date. This Reimbursement Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than Phase #3 Assessment Revenue received, collected and deposited into the Phase #3 Assessment Fund. The City covenants that it will comply with the provisions of this Reimbursement Agreement, the Construction Funding Agreement, the Development Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of taxes and assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Phase #3 Assessment Revenue and, as a result, is

unable to make transfers from the Phase #3 Assessment Revenue Fund for payments to the Developer as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement.

4. If Future Phase #3 Bonds are issued, the net proceeds of such Future Phase #3 Bonds shall be used, from time to time, first to pay the Unpaid Balance due to the Developer under this Reimbursement Agreement for the costs of the Phase #3 Improvements that have already been paid by the Developer and then to pay all or any portion of any Phase #3 Improvements Cost. If, after application of the net proceeds of such Future Phase #3 Bonds, any Phase #3 Improvements Cost remains unpaid, then the Developer shall pay such cost. If, after application of the net proceeds of any Future Phase #3 Bonds, the Unpaid Balance due the Developer remains unpaid, all payments toward the Unpaid Balance due the Developer shall be paid from amounts deposited into any funds created for such purpose under any indenture relating to any Future Phase #3 Bonds. Once the principal amount of all Future Phase #3 Bonds plus all payments paid to the Developer under this Reimbursement Agreement equal the Unpaid Balance, this Reimbursement Agreement shall terminate.
5. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City, the Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the City, including for each Transferee the information required by Section 9 below. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. No conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made by the Developer or any successor or assignee of the Developer that results in the City being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the City. The Developer waives all rights or claims against the City for any such funds provided to a third party as a result of a Transfer for which the City has received notice.
6. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from the Phase #3 Assessment Fund and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

- To the Developer:
- Attn: Mehrdad Moayedi
CADG Creeks of Legacy Stonegate, LLC
1800 Valley View Lane, Suite 300
Farmers Branch, Texas 75234

With a copy to: Attn: Robert Miklos
 Miklos Law, PLLC
 1800 Valley View Lane, Suite 360
 Farmers Branch, Texas 75234

To the Developer: Attn: Mehrdad Moayed
 CADG Creeks of Legacy West, LLC
 1800 Valley View Lane, Suite 300
 Farmers Branch, Texas 75234

With a copy to: Attn: Robert Miklos
 Miklos Law, PLLC
 1800 Valley View Lane, Suite 360
 Farmers Branch, Texas 75234

10. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the City of the Phase #3 Assessments contrary to the provisions of the PID Act.
11. Remedies:
 - a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a “Failure”) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a “Default.” Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party is diligently pursuing a cure. Any Transferee shall have the same rights as the Developer to enforce the obligations of the City under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Reimbursement Agreement with respect to

Developer obligations under this Reimbursement Agreement unless the Transferee agrees to be bound.

- b. If the Developer is in Default, the City shall have available all remedies at law or in equity, provided that no Default by the Developer shall: (1) affect the obligations of the City to use the amounts transferred to the Phase #3 Assessment Fund as provided in Sections 2 and 3 of this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement.
 - c. If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement.
- 12. To the extent there is a conflict between this Reimbursement Agreement and an indenture securing the Future Phase #3 Bonds, the indenture securing the Future Phase #3 Bonds shall control as the provisions relate to the Phase #3 Assessments. To the extent there is a conflict between this Reimbursement Agreement and the Construction Funding Agreement, the Construction Funding Agreement shall control. To the extent there is a conflict between this Reimbursement Agreement and the Development Agreement, this Reimbursement Agreement shall control.
- 13. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.
- 14. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.
- 15. Nothing in this Reimbursement Agreement, express or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer and its assigns any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.
- 16. The Parties acknowledge that each has been actively involved in negotiating this Reimbursement Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Reimbursement Agreement. In the event of any dispute over the meaning or application of any provision of this Reimbursement Agreement, the provision will be interpreted fairly and reasonably

and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

17. In this Reimbursement Agreement, time is of the essence and compliance with the times for performance herein is required.
18. The City represents and warrants that this Reimbursement Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Reimbursement Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the Developer, and that the individual executing this Reimbursement Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.
19. This Reimbursement Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Reimbursement Agreement. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Reimbursement Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Reimbursement Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.
20. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.
21. The Parties agree that at any time after execution of this Reimbursement Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Reimbursement Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Reimbursement Agreement is executed or any future City Council.
22. The term of this Reimbursement Agreement is thirty (30) years, or until the Unpaid Balance is paid in full, whichever occurs first. If the Developer defaults under this Reimbursement Agreement, the Development Agreement or the Construction Funding Agreement, this Reimbursement Agreement, the Development Agreement and Construction Funding

Agreement shall not terminate with respect to the costs of the Phase #3 Improvements that have been approved by the City pursuant to a Certification for Payment prior to the date of default.

23. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Reimbursement Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Reimbursement Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three (3) business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.
24. The Developer hereby verifies that the Developer and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.
25. The Developer hereby represents that neither the Developer nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:
<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and

other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[SIGNATURE PAGES TO FOLLOW]

Executed by Developer and City to be effective on the Effective Date.

ATTEST:

CITY OF CELINA

Vicki Tarrant, City Secretary

Chad Anderson, Mayor Pro-Tem

APPROVED AS TO FORM

_____, Attorney for the City

[Signature Page for Phase #3 Improvements Reimbursement Agreement]

Attachment: Reimbursement Agreement (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

DEVELOPER:

CADG CREEKS OF LEGACY WEST, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi,
Its: Manager

[Signature Page for Phase #3 Improvements Reimbursement Agreement]

Attachment: Reimbursement Agreement (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

DEVELOPER:

CADG CREEKS OF LEGACY STONEGATE, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayed,
Its: Manager

[Signature Page for Phase #3 Improvements Reimbursement Agreement]

Attachment: Reimbursement Agreement (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

**CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT PHASE #3
IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT**

THIS CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT PHASE #3 IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this “Agreement”), dated as of June 9, 2020, is by and among the **CITY OF CELINA, TEXAS**, *a home rule municipality of the State of Texas* (the “City”), **CADG CREEKS OF LEGACY WEST, LLC**, a Texas limited liability company (“CADG West”), and **CADG CREEKS OF LEGACY STONEGATE, LLC**, a Texas limited liability company (“CADG Stonegate”) (CADG West, and CADG Stonegate are collectively, the “Developer”) (individually referred to as a “Party” and collectively as the “Parties”).

**ARTICLE I
DEFINITIONS**

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Service and Assessment Plan (as hereinafter defined).

“**Actual Cost(s)**” means the costs of the Phase #3 Improvements actually paid or incurred for the design, construction and installation of the Phase #3 Improvements.

“**Administrator**” means, initially, Municap, Inc., or any other individual or entity designated by the City to administer the District.

“**Annual Service Plan Update**” means the annual update to the Service and Assessment Plan conducted by the Administrator pursuant to Section IV of the Service and Assessment Plan.

“**Budgeted Cost(s)**” means the costs shown on **Exhibit A** attached hereto.

“**Certification for Payment**” means a certificate, substantially in the form of **Exhibit B** hereto or otherwise agreed to by the Developer, the Administrator, and City Representative, executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative, provided to the City Representative and the Administrator, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Administrator to request payment for Phase #3 Improvements Cost(s).

“**City Manager**” means the City Manager of the City, or its designee.

“**City Representative**” means City Manager of the City, or any other official or agent of the City later authorized by the City to undertake the action referenced herein.

“Construction Contracts” means the contracts for the construction of the Phase #3 Improvements. “Construction Contract” means any one of the Construction Contracts.

“Cost(s)” means the Budgeted Cost(s) or the cost(s) of a Phase #3 Improvement as reflected in a construction contract, if greater than the Budgeted Cost(s).

“Cost Overrun” means, with respect to each Phase #3 Improvement, the Cost(s) or Actual Cost(s) as appropriate of such Phase #3 Improvement in excess the Budgeted Cost(s).

“Cost Underrun” means, with respect to each Phase #3 Improvement, the amount by which the Budgeted Cost(s) exceeds the Actual Cost(s), as appropriate, of such Phase #3 Improvement.

“Developer” means collectively, CADG Creeks of Legacy West, LLC, a Texas limited liability company, and CADG Creeks of Legacy Stonegate, LLC, a Texas limited liability company.

“Development Agreement” means that certain Development Agreement executed by and between CTMGT Frontier 80, LLC and the City effective June 18, 2014 as recorded on June 27, 2014 as document 2014-62070 in the deed records of Denton County, Texas and as recorded on June 27, 2014 as document 20140627000661170 in the deed records of Collin County, Texas, as amended.

“District” means the Creeks of Legacy Public Improvement District created by the City on April 29, 2014.

“Final Completion” means completion of a Phase #3 Improvement (including a section or segment of a Phase #3 Improvement) in compliance with existing City standards for dedication under the City’s ordinances and the Development Agreement.

“Inspector” means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

“Phase #3 Assessed Property” means any property that benefits from the Phase #3 Improvements within the District on which Assessments have been imposed as shown in the Phase #3 Assessment Roll, as the Phase #3 Assessment Roll is updated each year by the Annual Service Plan Update. Phase #3 Assessed Property includes Parcels within the District other than Non-Benefited Property.

“Phase #3 Assessment Fund” means an interest-bearing fund by such name created under the Phase #3 Improvements Reimbursement Agreement where monies from the collection of Assessments shall be deposited and a portion of which shall be used to finance the Phase #3 Improvements.

“Phase #3 Improvements” mean, collectively, the Phase #3 Improvements listed in **Exhibit A** to be constructed in compliance with City ordinances. An individual Phase #3 Improvement, including a completed segment or part, shall be referred to as a **Phase #3 Improvement**.

“Phase #3 Improvements Reimbursement Agreement” means the Creeks of Legacy Public Improvement District Phase #3 Improvements Reimbursement Agreement dated as of June 9, 2020, by and between the City and the Developer providing for the construction and financing of certain Phase #3 Improvements by the Developer for which the Developer will be reimbursed by the City pursuant to the PID Act.

“PID Act” means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

“Plans” means the plans, specifications, schedules and related construction contracts for the Phase #3 Improvements, respectively, approved pursuant to the applicable standards and ordinances of the City, the Development Agreement, and any other applicable governmental entities.

“Service and Assessment Plan” means the Amended and Restated Creeks of Legacy Public Improvement District Service and Assessment Plan, adopted by the City Council on June 9, 2020, as the same may be updated, amended, or supplemented, for the purpose of assessing allocated cost(s) against the property located within the boundaries of the District having terms, provisions and findings approved and agreed to by the Developer and the City, as required by this Agreement and in accordance with the PID Act.

“Substantial Completion” means the time at which the construction of a Phase #3 Improvement (or specified part thereof) has progressed to the point where such Phase #3 Improvement (or a specified part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Phase #3 Improvement (or a specified part thereof) can be utilized for the purposes for which it is intended.

“Supplement” means a written document agreed upon by the Parties to this Agreement amending, supplementing or otherwise modifying this Agreement and any exhibit hereto, including any amendments to the list of Phase #3 Improvements in **Exhibit A** in a manner consistent with the Service and Assessment Plan, the PID Act and this Agreement.

ARTICLE II RECITALS

Section 2.01. The District and the Phase #3 Improvements.

- (a) The City has created the District under the PID Act for the financing of, among other things, the acquisition, construction and installation of the Phase #3 Improvements.
- (b) The Phase #3 Improvements are eligible to be financed with the collection of Assessments from property within the District to the extent specified in the Service and Assessment Plan and subject to the provisions of the Development Agreement.
- (c) Pursuant to that certain Partial Assignment and Assumption of Contracts effective as of July 11, 2017, by and between CTMGT Frontier 80, LLC, a Texas limited liability company (“CTMGT”) and CADG West, CTMGT partially assigned CTMGT’s right, title, interest, and obligations under the Development Agreement to CADG West (an affiliate of CTMGT) as they relate to development of the Phase #3 Assessed Property.
- (d) Pursuant to that certain Partial Assignment and Assumption of Contracts effective as of July 11, 2017, by and between CTMGT and CADG Stonegate, CTMGT partially assigned CTMGT’s right, title, interest, and obligations under the Development Agreement to CADG Stonegate (an affiliate of CTMGT) as they relate to development of the Phase #3 Improvements Assessed Property.
- (e) The Developer will undertake the construction and installation of the Phase #3 Improvements for dedication to and acceptance by the City, in accordance with the terms and conditions contained in the Development Agreement.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III FUNDING

Section 3.01. Reimbursements.

- (a) The City’s obligation with respect to the payment of the Phase #3 Improvements shall be limited to the Budgeted Cost(s), and shall be payable solely from amounts on deposit within the Phase #3 Assessment Fund for the payment of such cost(s) as provided herein and in the Service and Assessment Plan. The Developer agrees and acknowledges that it is responsible for all Actual Costs, Cost Overruns, except to the extent as provided for in Section 4.04 below, and all expenses related to the Phase #3 Improvements.

- (b) The obligation of owners of Phase #3 Assessed Property within the District, including the Developer to the extent it owns any Phase #3 Assessed Property in the District, to pay Assessments is not in any way dependent on the availability of amounts in the Phase #3 Assessment Fund, or otherwise available from other sources, including bonds issued by the City, that are secured or that are to be paid, in whole or in part, by the funds on deposit in the Phase #3 Assessment Fund, to pay for all or any portion of the Phase #3 Improvement Cost(s) hereunder.
- (c) The Developer acknowledges that any lack of availability of amounts in the Phase #3 Assessment Fund or otherwise available from other sources, including bonds issued by the City, that are secured or that are to be paid, in whole or in part, by the funds on deposit in the Phase #3 Assessment Fund, to pay the costs of the Phase #3 Improvements shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Phase #3 Improvements required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.
- (d) The City shall have no responsibility whatsoever to the Developer with respect to the investments of any monies held by a trustee under an indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment.

Section 3.02. Disbursements.

The City and the Developer agree that monies deposited into the Phase #3 Assessment Fund and upon the presentation of evidence satisfactory to the City Representative, the City will, on a monthly basis if a Certification for Payment is approved by the City, cause the payment for cost(s) incurred in the administration, and operation of the District and cost(s) of Phase #3 Improvements up to \$3,600,000.00 plus interest accrued pursuant to the Phase #3 Improvements Reimbursement Agreement from the Phase #3 Assessment Fund, subject to the availability of funds in the Phase #3 Assessment Fund, to the Developer or its assignees. These payments will be delivered to the Developer or its assignees pursuant to the submission of a Certification for Payment, in accordance with the Development Agreement, this Agreement, and the Phase #3 Improvements Reimbursement Agreement, substantially in the form of **Exhibit B** attached hereto.

Section 3.03. Accounts. All disbursements from the Phase #3 Assessment Fund shall be made by the City in accordance with provisions of the Development Agreement, the Service and Assessment Plan, and in all respects, the Phase #3 Improvements Reimbursement Agreement.

ARTICLE IV CONSTRUCTION OF PHASE #3 IMPROVEMENTS

Section 4.01. Duty of Developer to Construct.

- (a) All Phase #3 Improvements shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or caused to be performed all of its obligations and shall conduct all operations with respect to the construction of Phase #3 Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Phase #3 Improvements to be acquired and accepted by the City from the Developer as provided in this Agreement.
- (b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Phase #3 Improvement and, upon completion, inspection, and acceptance, convey each Phase #3 Improvement to the City in accordance with the terms hereof, even if there are insufficient funds in the Phase #3 Assessment Fund to pay the Actual Cost(s) thereof.

Section 4.02. No Competitive Bidding. The Phase #3 Improvements shall not require competitive bidding pursuant to Section 252.022(9) of the Texas Local Government Code, as amended.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City with respect to the Phase #3 Improvements.

Section 4.04. Remaining Funds after Completion of a Phase #3 Improvement. Upon the Final Completion of a Phase #3 Improvement (or its completed segment or phase thereof) and payment of all outstanding invoices for such Phase #3 Improvement, if the Actual Cost(s) of such Phase #3 Improvement (or its completed segment or phase thereof) is less than the Budgeted Cost(s) (a “Cost Underrun”), any remaining Budgeted Cost(s) will be available to pay Cost Overruns on any other Phase #3 Improvement (or its completed segment or phase thereof). The City shall promptly confirm to the Administrator that such remaining amounts are available to pay such Cost Overruns, and the Developer, the Administrator and the City Representative will agree how to use such moneys to secure the payment and performance of the work for other Phase #3 Improvements. Any Cost Underrun for any Phase #3 Improvement (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Phase #3 Improvement (or its completed segment or phase thereof), and may be added to the amount approved for payment in any Certification for Payment, as agreed to by the Developer, the Administrator, and the City Representative. Upon the completion of the Phase #3 Improvements (or its completed segment or phase thereof) and the payment thereof pursuant to the terms of the Phase #3 Improvements Reimbursement Agreement, if there are funds remaining in the Phase #3 Assessment Fund, such

funds will be distributed to the City's general fund and, with respect to such funds, there shall be no remaining obligation to make payment of such funds to the Developer. If bonds are issued by the City that are secured by or that are to be paid, in whole or in part, by funds deposited or to be deposited in the Phase #3 Assessment Fund for the payment of the Phase #3 Improvements, any net balance remaining in the Phase #3 Assessment Fund after a reconciliation of Cost Overruns and Cost Underruns related to Phase #3 Improvements (or its completed segment or phase thereof) will be distributed first to the bond trustee, to the extent prepayment is allowed without penalty under the indenture, for the payment of such bonds, second to the City's general fund, and in no case to the Developer, and the City agrees that upon such issuance of bonds, funds deposited to the Phase #3 Assessment Fund for the payment of Phase #3 Improvements will be dispersed only as described in the bond indenture.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Phase #3 Improvements. The Developer may approve and implement any change orders, even if such change order would increase the Cost of a Phase #3 Improvement, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders, except for amounts available and approved pursuant to Section 4.04.

ARTICLE V ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Payment Requests for the Phase #3 Improvements.

- (a) No payment hereunder shall be made from the Phase #3 Assessment Fund or pursuant to any bond indenture for bonds issued by the City for a Phase #3 Improvement (or its completed segment or phase thereof), until a Certification for Payment is received from the Developer for work with respect to a Phase #3 Improvement (or its completed segment or phase thereof) and approved for payment by the City. Upon receipt of a Certification for Payment, substantially in the form of **Exhibit B** hereto (along with all accompanying documentation required by the City) from the Developer, the Inspector shall conduct a review in order to confirm that such request is complete, to confirm that the work with respect to such Phase #3 Improvement identified therein for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"), and shall, upon the conclusion of the review, forward the request to the City Representative. The Inspector and/or City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the Inspector and/or City Representative in conducting

each such review and to provide the Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the Inspector and/or City Representative to conclude each such review.

- (b) Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall either (i) approve and execute the Certification for Payment and forward the same to the Administrator for payment from those funds available in the Phase #3 Assessment Fund or, if bonds have been issued by the City, forward the Certification for Payment to the bond trustee, or (ii) in the event the City Representative disapproves the Certification for Payment, give written notification to the Developer of the City Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the Administrator for approval in accordance with Section 5.02 hereof, or to the bond trustee in accordance with payment provisions applicable to the bonds, and delivery to the Developer in accordance with Section 5.01(d) hereof, and any such partial work shall be processed for payment under Section 5.02, notwithstanding such partial denial.
- (d) If the City Representative denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded to the Administrator or the bond trustee, as applicable, for payment until the dispute is resolved by the City and the Developer.
- (e) The Developer shall deliver the approved or partially approved Certification for Payment by the City Representative as provided in Section 5.01(c), or approved by the City Council, to the Administrator for payment and the Administrator shall make such payment from the Phase #3 Assessment Fund in accordance with Section 5.02 below; provided, however, if bonds have been issued, the Developer shall provide the Certification for Payment to the bond trustee.

Section 5.02. Payment for Phase #3 Improvement.

- (a) If no bonds have been issued by the City, upon receipt of a reviewed and approved Certification for Payment, as evidenced by the signature of the City Representative, the

Administrator shall make payment from the Phase #3 Assessment Fund from those funds available, for such approved Certification for Payment pursuant to the terms of the Certification for Payment in an amount not to exceed the Budgeted Cost(s), except as provided for in Section 4.04. Any amount remaining to be paid on a monthly basis after funds have been exhausted in the Phase #3 Assessment Fund, shall remain as an amount outstanding to be paid, and shall be paid in the next monthly disbursement of funds from the Phase #3 Assessment Fund, again subject to availability of funds in the Phase #3 Assessment Fund.

- (b) Notwithstanding any other provisions of this Agreement, the Administrator shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release is attached to such Certification for Payment; and, (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by the Developer or any assignee of the Developer to the extent of such lien release. If the request for payment results in ninety percent (90%) or more of the Budgeted Costs for such Phase #3 Improvement identified in such request for payment being paid, then the Administrator or the bond trustee, as applicable, shall hold the payment until work with respect to that Phase #3 Improvement has been completed by the Developer and accepted by the City. Neither the Administrator, nor the City, City Council, City Manager, or City Representative shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.
- (c) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of any such remedy, so long as such delay in performance shall not subject the Phase #3 Improvement to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Phase #3 Improvement is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Phase #3 Improvement until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI OWNERSHIP AND TRANSFER OF PHASE #3 IMPROVEMENT

Section 6.01. Phase #3 Improvement to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the Phase #3 Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for review and approval at least 30 calendar days prior to the transfer of title of a Phase #3 Improvement to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Phase #3 Improvement until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Phase #3 Improvement Constructed on City Land or Developer Land. If the Phase #3 Improvement is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Phase #3 Improvement. If the Phase #3 Improvement is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Phase #3 Improvement. The grant of the easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Phase #3 Improvement as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Phase #3 Improvement. The provisions for inspection and acceptance of such Phase #3 Improvement otherwise provided herein shall apply.

ARTICLE VII REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

- (a) Organization. The Developer consists of collectively, Texas limited liability companies duly formed, organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business in the State of Texas as now being conducted as hereby contemplated.
- (b) Authority. The Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and

this Agreement has been duly and validly executed and delivered by the Developer.

- (c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.
- (d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Phase #3 Improvements in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Phase #3 Improvements.
- (e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Phase #3 Assessment Fund for the acquisition or construction of any improvement that are not part of the Phase #3 Improvements, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.
- (f) Financial Records. For a period of two years after completion of the Phase #3 Improvements, the Developer covenants to maintain proper books of record and account for the construction of the Phase #3 Improvements and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City or its agent at any reasonable time during regular business hours on reasonable notice.
- (g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Phase #3 Improvements will be constructed in full compliance with such Plans and any change orders thereto consistent with the PID Act and the Development Agreement. The Developer shall provide as-built plans for all Phase #3 Improvements to the City.
- (h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the City Manager or the City Representative related to the status of construction of the Phase #3 Improvements within the District and the anticipated completion dates for future Phase #3 Improvements.
- (i) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement and the Development Agreement.

Section 7.02. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTOR, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN “INDEMNIFIED PARTY”), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE PHASE #3 IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER’S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND HIS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE PHASE #3 IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PHASE #3 IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER’S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE PHASE #3 IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PHASE #3 IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE “CLAIMS”). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER’S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER’S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED

DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

Section 7.03. Use of Monies by City. The City agrees not to take any action or direct the Administrator to take any action to expend, disburse or encumber the monies held in the Phase #3 Assessment Fund, and any monies to be transferred thereto for any purpose other than the purposes permitted by the Service and Assessment Plan, including amendments and annual updates, or the Phase #3 Improvements Reimbursement Agreement. The City agrees not to modify or supplement the Service and Assessment Plan without the approval of the Developer or its assigns if as a result or as a consequence of such modification or supplement (a) the amount of monies that would otherwise have been (i) available under the Phase #3 Assessment Fund for the Costs of the Phase #3 Improvements is reduced, delayed or deferred, or (ii) available in the Phase #3 Assessment Fund upon the issuance of bonds as described herein, is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer or its assigns are or may be increased or otherwise adversely affected in any manner, or (c) the rights of the Developer or its assigns are or may be modified, limited, restricted or otherwise adversely affected in any manner. Notwithstanding, the City may make annual updates to the Service and Assessment Plan in compliance with the Act, without the approval of the Developer or its assigns.

Section 7.04. No Reduction of Assessments. The Developer agrees not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

ARTICLE VIII TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may either execute contracts for or perform any remaining work related to the Phase #3 Improvements not accepted by the City or other appropriate entity and use all or any portion of funds on deposit in the Phase #3

Improvements Assessment Fund to pay for same, and the Developer shall have no claim or right to any further payments for the Costs of a Phase #3 Improvement hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer if the Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Authorized Improvements. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to a Phase #3 Improvement only as provided for under the terms of this Agreement and any bond indenture prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Phase #3 Improvements, provided that the Developer shall receive payment of the Actual Costs of any Phase #3 Improvements that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Phase #3 Improvements not accepted by the City and use all or any portion of the funds on deposit in the Phase #3 Assessment Fund and the Developer shall have no claim or right to any further payments for the Phase #3 Improvements hereunder, except as otherwise may be provided upon the mutual written consent

of the City and the Developer or as provided for in the Phase #3 Improvements Reimbursement Agreement. The City shall have no obligation to perform any work related to a Phase #3 Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Construction of the Phase #3 Improvements Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Phase #3 Improvements in accordance with this Agreement and the Development Agreement.

Section 8.04. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, epidemics and pandemics, damage to work in progress by casualty or by other cause beyond the reasonable control of the party (financial inability excepted) ("Force Majeure"), then the specified time for performance shall be extended by the amount of the delay actually so caused. The extension of time to perform allowed by this Section 8.04 shall not apply unless, upon the occurrence of an event of Force Majeure, the party needing additional time to perform notifies the other party of the event of Force Majeure and the amount of additional time reasonably required within ten (10) business days of the occurrence of the event of Force Majeure.

ARTICLE IX MISCELLANEOUS

Section 9.01. Limited Liability of City. The Developer agrees that any and all obligations of the City arising out of or related to this Agreement are special obligations of the City, and the City's obligations to make any payments hereunder are restricted entirely to the monies, if any, in the Phase #3 Assessment Fund and, subject in all respects to Article III hereof, from no other source. Neither the City, the Inspector, the City Representative, nor any other City employee, officer, official, or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The Inspector or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to Costs and expenses incurred by the Developer only with respect to any of the Phase #3 Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. Notices. Any notice, payment or instrument required or permitted by this

Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within twenty-four (24) hours after such transmission) or seventy-two (72) hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort, PLLC 6371 Preston Road, Suite 200 Frisco, Texas 75034
And to:	Attn: Robert Dransfield Norton Rose Fullbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Developer:	Attn: Mehrdad Moayed CADG Creeks of Legacy Stonegate, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: Robert Miklos Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234
To the Developer:	Attn: Mehrdad Moayed CADG Creeks of Legacy West, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: Robert Miklos Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Any party may change its address or addresses for delivery of notice by delivering written

notice of such change of address to the other party.

The City shall advise the Developer of the name and address of any person who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager, except pursuant to a collateral assignment to any person or entity providing construction financing to the Developer for the Developer for an Authorized Improvement, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Authorized Improvement. No such assignment shall be made by the Developer or any successor or assignee of the Developer that results in the City being an “obligated person” within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the City. In connection with any consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee’s express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the City’s or the Developer’s rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement and the Phase #3 Improvements Reimbursement Agreement with respect to any receivables due under this Agreement, the Phase #3 Improvements Reimbursement Agreement shall control. If the City issues bonds to finance the Phase #3 Improvements under the terms of a bond indenture and there is a conflict between this Agreement, the Development Agreement, the Phase #3 Improvements Reimbursement Agreement, and the bond indenture, the bond indenture shall control.

Section 9.07. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party’s right to insist and

demand strict compliance by such other Party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the Parties hereto any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

Section 9.10. Amendment. This Agreement may be amended upon Agreement of the Parties, from time to time in a manner consistent with the PID Act, in writing hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement shall become effective upon its execution and delivery, by the Parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Effective Date.

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or until all amounts under the Phase #3 Improvements Reimbursement Agreement have been paid, whichever is sooner. If bonds are issued by the City to finance the Phase #3 Improvements, this Agreement will terminate automatically and with no further action by the City or the Developer upon the redemption or defeasance of all outstanding bonds issued under the bond indenture. If the Developer defaults under this Agreement, the Development Agreement or the Phase #3 Improvements Reimbursement Agreement, this Agreement, the Development Agreement and the Phase #3 Improvements Reimbursement Agreement shall not terminate with respect to the costs of the Phase #3 Improvements that have been approved by the City pursuant to a Certification for Payment prior to the date of default.

Section 9.13 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.14 The Developer hereby verifies that the Developer and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with,

terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 9.15 The Developer hereby represents that neither the Developer nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[Execution pages follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of this the 9day
of June, 2020.

CITY OF CELINA

By: _____
Name: Chad Anderson, Mayor Pro-Tem

ATTEST:

Vicki Tarrant, City Secretary

APPROVED AS TO FORM

_____, Attorney for the City

[Signature Page for Phase #3 CFA]

Attachment: CFA (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

DEVELOPER:

CADG CREEKS OF LEGACY WEST, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayed,
Its: Manager

[Signature Page for Phase #3 CFA]

DEVELOPER:

CADG CREEKS OF LEGACY STONEGATE, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayed,
Its: Manager

[Signature Page for Phase #3 CFA]

Exhibit A**List of Phase #3 Improvements and Budgeted Costs**

Phase #3 Improvements	Total Budgeted Phase #3 Improvement Costs
Road improvements	\$1,779,000
Utility (water, sanitary sewer, and storm drainage) improvements	\$1,111,000
Other soft and miscellaneous costs	\$710,000
Subtotal – Estimated Phase #3 Improvement Costs	\$3,600,000
Proportional share of Additional Major Improvement Costs	\$803,717
Total	\$4,403,717

Exhibit B**FORM OF CERTIFICATION FOR PAYMENT**

The undersigned is an agent for CTMGT FRONTIER 80, LLC, a Texas limited liability company, CADG CREEKS OF LEGACY WEST, LLC, a Texas limited liability company, or CADG CREEKS OF LEGACY STONEGATE, LLC, a Texas limited liability company (collectively, the “Developer”) and requests payment from the Phase #3 Improvements Assessment Fund (as defined in the Phase #3 CFA Agreement) from the City of Celina, Texas (the “City”) in the amount of \$_____ for labor, materials, fees, and/or other general costs related to the construction of certain Phase #3 Improvements related to the Creeks of Legacy Public Improvement District (the “Phase #3 Improvements”). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Creeks of Legacy Public Improvement District Phase #3 Improvements Construction, Funding, and Acquisition Agreement (the “Phase #3 CFA Agreement”).

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced Phase #3 Improvements have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.
3. The amount listed for the Phase #3 Improvements below is a true and accurate representation of the costs associated with the creation, acquisition, or construction of said Phase #3 Improvement, and such costs are in compliance with the Phase #3 CFA Agreement and the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Phase #3 CFA Agreement, the Development Agreement and the Service and Assessment Plan.
5. All conditions set forth in the Phase #3 CFA Agreement, and the Development Agreement for the payment hereby requested have been satisfied.
6. The work with respect to the Phase #3 Improvement referenced below (or its completed segment) has been completed and the City may begin inspection of the Phase #3 Improvement.
7. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably

necessary for the City to complete said review.

8. As required by Texas Local Government Code, Section 252.051, as amended, the Developer has provided the City with an independent appraisal of any Phase #3 Improvement consisting of any real property, or any interest in real property including easements and rights-of-way and open space if any, to be acquired by the City including specifically monies on deposit in the Phase #3 Improvements Assessment Fund.

Payments requested should include the following:

Payee / Description of Phase #3 Improvement	Total Cost of Phase #3 Improvement	Budgeted Cost of Phase #3 Improvement	Amount to be paid from the Phase #3 Assessment Fund

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the Phase #3 CFA Agreement, after receiving this Certification for Payment, the City is authorized to inspect the Phase #3 Improvement (or completed segment or phase) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans. Afterwards, the City must then accept or deny this Certification for Payment.

I hereby declare that the above representations and warranties are true and correct.

CTMGT FRONTIER 80, LLC

By: _____
 Name: _____
 Title: _____
 Date: _____

CADG CREEKS OF LEGACY WEST, LLC

By: _____
 Name: _____
 Title: _____
 Date: _____

CADG CREEKS OF LEGACY STONEGATE, LLC

By: _____
 Name: _____
 Title: _____
 Date: _____

Attachment: CFA (Creeks of Legacy PID Phase #3 Miscellaneous Agreements)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment, acknowledges the Certification for Payment, and finds the Certification for Payment to be in order. After reviewing the Certification for Payment, the City approves the Certification for Payment.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Mustang Lakes Phase 4 - PID - Pre-SAP

Action Requested:

Consider and act upon a resolution of the City of Celina, Texas determining the costs of Phase #4 improvements to be financed by the Mustang Lakes Public Improvement District; approving an updated preliminary service plan and assessment plan, including proposed Phase #4 assessment roll; directing the filing of the proposed Phase #4 assessment roll with the City Secretary; providing for noticing and calling a public hearing for July 14, 2020 to consider an ordinance levying assessments on property located within the Mustang Lakes Public Improvement District. (Mustang Lakes Phase 4- PID – Pre-SAP) (McAfee)

Background Information:

The resolution is attached.

Legal Review:

This item has been reviewed by the City Attorney.

Supporting Documents:

- Resolution

Staff Recommendation:

Staff recommends approval as presented.

CITY OF CELINA, TEXAS

RESOLUTION NO. 2020-__R

A RESOLUTION OF THE CITY OF CELINA, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED WITHIN PHASE #4 OF THE LAKES AT MUSTANG RANCH PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE AND ASSESSMENT PLAN UPDATED FOR PHASE #4, INCLUDING A PROPOSED PHASE #4 ASSESSMENT ROLL; DIRECTING THE FILING OF THE PROPOSED PHASE #4 ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; NOTICING A PUBLIC HEARING FOR JULY 14, 2020 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN PHASE #4 OF THE LAKES AT MUSTANG RANCH PUBLIC IMPROVEMENT DISTRICT; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act") authorizes the City of Celina, Texas (the "City") to create a public improvement district within the City or the extraterritorial jurisdiction of the City; and

WHEREAS, on February 11, 2008, the City Council of the City (the "City Council") conducted a public hearing to consider a petition received by the City on January 24, 2008 titled "Petition for the Creation of a Public Improvement District Within the ETJ of the City of Celina, Texas, for the Lakes as Mustang Ranch Development" requesting the creation of a public improvement district; and

WHEREAS, on March 10, 2008, the City Council adopted Resolution No. 2008-06R (the "Authorization Resolution"), authorizing, establishing, and creating the "Lakes at Mustang Ranch Public Improvement District" (the "District"); and

WHEREAS, the City authorized the creation of the District and the issuance of up to \$111,000,000 in bonds for the District to finance certain public improvements authorized by the PID Act for the benefit of the property within the District (the "Authorized Improvements"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 13, 2015 the City Council approved The Lakes at Mustang Ranch Public Improvement District Service and Assessment Plan, including the Phases #2-9 Major Improvement Assessment Roll and the Phase #1 Assessment Roll (the “Original SAP”), levied special assessments for the construction of the Phases #2-9 Major Improvements against property within the District, levied special assessments for the construction of the Phase #1 Improvements against property within Phase #1 of the District, and established a lien on such property; and

WHEREAS, the City Council and the City staff have been presented a preliminary service and assessment plan updated for Phase #4, including a proposed Phase #4 Assessment Roll attached thereto (the “Preliminary Updated SAP”), which updates the Original SAP (as amended by Annual Service Plan Updates previously approved by the City Council) for the District to include assessments proposed to be levied against property within Phase #4 of the District that benefit from the Phase #4 Improvements. A copy of Preliminary Updated SAP is (i) attached hereto as **Exhibit A**, (ii) is incorporated herein for all purposes, (iii) identifies the area constituting Phase #4 of the District, (iv) identifies the costs of the Phase #4 Improvements, and (v) sets forth the proposed assessment roll for Phase #4 (the “Proposed Phase #4 Assessment Roll”); and

WHEREAS, the Preliminary Updated SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District at this time and the Phase #4 Assessment Roll states the assessments proposed to be levied against each benefitted parcel of land in Phase #4 of the District, as determined by the method of assessment chosen by the City and set forth in the Preliminary Updated SAP; and

WHEREAS, the PID Act requires that the Proposed Phase #4 Assessment Roll be filed with the City Secretary of the City (the “City Secretary”) and be subject to public inspection; and

WHEREAS, the PID Act requires that a public hearing (the “Assessment Hearing”) be called to consider proposed assessments against the benefitted property within Phase #4 of the District and requires City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the PID Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS:

SECTION 1. The recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. The City Council does hereby accept the Preliminary Updated SAP for the District, including the Proposed Phase #4 Assessment Roll, in a form substantially similar to the attached **Exhibit A**, which final form shall be approved by the City Manager and the City's land use attorney, and which is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary Updated SAP.

SECTION 3. The City Council hereby determines that the total costs of the Phase #4 Improvements to be financed by the District are as set forth in Section III.F of the Preliminary Updated SAP.

SECTION 4. The City Council's final determination and approval of the costs of the Phase #4 Improvements, or any portion thereof, shall be subject to and contingent upon City Council's approval of a final, updated Service and Assessment Plan which will include a final Phase #4 Assessment Roll, after the properly noticed and held Assessment Hearing.

SECTION 6. The Proposed Phase #4 Assessment Roll states the assessments and the projected annual installments proposed to be levied against each parcel of land in Phase #4 of the District that benefits from the Phase #4 Improvements, as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary Updated SAP.

SECTION 7. The City Council hereby authorizes and directs the filing of the Proposed Phase #4 Assessment Roll with the City Secretary and directs the City Secretary to make the same available for public inspection.

SECTION 8. The City Council hereby authorizes, and calls, a public hearing (the Assessment Hearing, as defined above) to be held on **July 14, 2020, at or after 5:00 p.m.** in the Celina City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009, at which, the City Council shall, among other actions, hear and pass on any objections to the proposed assessments, and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property located within Phase #4 of the District that benefits from the Phase #4 Improvements and which ordinance shall specify the method of payment of the assessments. In the event that the City Council will be unable to meet at the City Council Chambers on **July 14, 2020**, the City will post on its website, www.celina-tx.gov, information for persons to attend the meeting by telephone, videoconference or other electronic means.

SECTION 9. The City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on **July 14, 2020**, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in the *Celina Record*, a newspaper of general circulation in the City, on or before **July 3, 2020**, as required by Section 372.016(b) of the PID Act.

SECTION 10. When the Proposed Phase #4 Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary, on or before **July 3, 2020** to mail to owners of property liable for the proposed assessments notice of the Assessment Hearing to be held on **July 14, 2020**, as required by Section 372.016(c) of the PID Act.

SECTION 11. City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the **July 14, 2020** meeting of the City Council.

SECTION 12. This Resolution shall become effective from and after its date of passage in accordance with law.

[Remainder of Page Intentionally Left Blank]

ADOPTED, PASSED, AND APPROVED on this the 9th day of June, 2020.

Mayor

ATTEST:

City Secretary

(City Seal)

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

EXHIBIT A

PRELIMINARY UPDATED SAP

THE LAKES AT MUSTANG RANCH PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

January 13, 2015

As updated for Phase #2 on December 13, 2016, updated
for Phase #3 on December 10, 2019, and updated for Phase
#4 on June 9, 2020

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

THE LAKES AT MUSTANG RANCH

PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

TABLE OF CONTENTS

I.	Plan Description and Defined Terms	1
A.	Introduction	1
II.	Property Included in the PID	13
A.	Property Included in the PID	13
B.	Property Included in Phase #1, Phase #2, Phase #3, Phase #4 and Phases #2-9	13
C.	Property Included in Future Phases	16
III.	Description of the Authorized Improvements	18
A.	Authorized Improvement Overview	18
B.	Description of Major Improvements	19
C.	Description of Phase #1 Improvements	22
D.	Description of Phase #2 Improvements	24
E.	Description of Phase #3 Improvements	27
F.	Description of Phase #4 Improvements	28
G.	Authorized Improvement Costs	30
H.	Future Phase Authorized Improvements	30
IV.	Service Plan	32
A.	Sources and Uses of Funds	32
V.	Assessment Plan	46
A.	Introduction	46
B.	Special Benefit	49
C.	Allocation of Costs to Assessed Property	51
D.	Assessment Methodology	53
E.	Assessments	67
F.	Administrative Expenses	67
G.	Prepayment Reserve	67

H.	Delinquency Reserve	67
I.	City Contributed Grant Amount	68
VI.	The Assessment Roll	70
A.	Amount of Assessments and Annual Installments for Parcels Located within Phases #2 – 9	70
B.	Amount of Assessments and Annual Installments for Parcels Located Within Phase #1	70
C.	Amount of Assessments and Annual Installments for Parcels Located Within Phase #2	70
D.	Amount of Assessments and Annual Installments for Parcels Located Within Phase #3	71
E.	Amount of Assessments and Annual Installments for Parcels Located Within Phase #4	71
F.	Amount of Assessments and Annual Installments Reduced by City Contributed Grant Amount	71
G.	Amount of Assessments and Annual Installments for Parcels Located Within Future Phases	72
H.	Reallocation of Assessments	72
I.	Mandatory Prepayment of Assessments	73
J.	Reduction of Assessments	74
K.	Payment of Assessments	74
L.	Collection of Annual Installments	77
VII.	The Assessment Roll	79
A.	Phases #2-9 Major Improvement Assessment Roll	79
B.	Phase #1 Assessment Roll	79
C.	Phase #2 Assessment Roll	80
D.	Phase #3 Assessment Roll	80
E.	Phase #4 Assessment Roll	80
F.	Future Phase Assessment Roll	82
G.	Annual Assessment Roll Updates	82
VIII.	Miscellaneous Provisions	84
A.	Administrative Review	84
B.	Termination of Assessments	84
C.	Amendments	85
D.	Administration and Interpretation of Provisions	85
E.	Severability	85
APPENDIX A		87

APPENDIX B	88
APPENDIX C	89
APPENDIX D	90
APPENDIX E	102
APPENDIX F	113
APPENDIX G	115
APPENDIX H	118
APPENDIX I	121
APPENDIX J	124

[APPENDIX A - The PID Map](#)

[APPENDIX B - Estimated Costs of Authorized Improvements](#)

[APPENDIX C - Diagrams of the Authorized Improvements](#)

[APPENDIX D - Lot Type and Equivalent Units](#)

[APPENDIX E - Allocation of Assessments](#)

[APPENDIX F - Assessment Roll - Phases #2-9](#)

[APPENDIX G - Assessment Roll - Phase #1](#)

[APPENDIX H - Assessment Roll - Phase #2](#)

[APPENDIX I - Assessment Roll - Phase #3](#)

[APPENDIX J – Proposed Assessment Roll - Phase #4](#)

I. Plan Description and Defined Terms

A. INTRODUCTION

On March 10, 2008 (the “Creation Date”) the City Council of the City of Celina, Texas (the "City") passed Resolution No. 2008-06R approving and authorizing the creation of The Lakes at Mustang Ranch Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in the PID (the “Authorized Improvements”), all of which is located within the City.

The property in the PID is proposed to be developed in approximately nine phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on all property in the PID for the public improvements that benefit the entire PID and on the property in each phase for the public improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the "Public Improvement District Assessment Act" (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. The Lakes at Mustang Ranch Public Improvement District Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Rolls for the PID are included as Appendix F and G of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. Definitions

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“**Actual Cost(s)**” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the City. Actual Cost may include: (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise) (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

“Administrator” means the employee or designee of the City, identified in any Trust Indenture relating to the Bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments, as shown on the Assessment Rolls attached hereto as Appendix F, Appendix G, Appendix H, Appendix I, and Appendix J, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Prepayment Reserve described in Section V of this Service and Assessment Plan, and (iii) the Delinquency Reserve in Section V of this Service and Assessment Plan.

“Annual Installment Allocable to the City Contributed Major Improvements” means, with respect to each Parcel, each annual payment of: (i) that portion of each Assessment allocable to the City Contributed Major Improvements including interest, as shown on the Assessment Rolls attached hereto as Appendix F and Appendix G, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan.

“Annual Service Plan Update” has the meaning set forth in the second paragraph of Section IV of this Service and Assessment Plan.

“Assessed Property” means the property that benefits from the Authorized Improvements to be provided by the PID on which Assessments have been imposed as shown in the Assessment Roll, as the Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

“Assessment” means an assessment levied against a Parcel, consisting of the PID Bond Portion and the City Improvement Portion, imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

“Assessment Ordinance” means an Assessment Ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

“Assessment Revenues” mean the revenues actually received by or on behalf of the City from the collection of Assessments.

“Assessment Roll” means, as applicable, the Phases #2-9 Major Improvement Assessment Roll, the Phase #1 Assessment Roll, the Phase #2 Assessment Roll, the Phase #3 Assessment Roll, Phase #4 Assessment Roll, an Assessment Roll for Future Phases of development or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

“Authorized Improvements” mean those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“Authorized Improvement Costs” mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements, as shown in Appendix B.

“Bonds” mean any bonds issued by the City in one or more series and secured in whole or in part by the Assessment Revenues.

“Certification for Payment” means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements.

“City” means the City of Celina, Texas.

“City Contributed Grant Amount” means, with respect to each Parcel, the amount of unencumbered and lawfully available funds equal to ad valorem taxes collected by the City from the Assessed Property and the property in the Parks at Wilson Creek Public Improvement District (the “Parks PID”) during the previous year, as applicable, to be used for reducing the Annual Installment Allocable to the City Contribution Major Improvements in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan. Such payments are not pledged to the Bonds.

“City Contributed Major Improvements” mean those water and sewer Major Improvements described in Section III of this Service and Assessment Plan, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“City Improvement Portion” means the portion of the Assessment allocable to the City Contributed Major Improvements.

“City Council” means the duly elected governing body of the City.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Delinquency Reserve” means a reserve amount to be funded from additional interest collected each year as more fully described in Section V.H of this Service and Assessment Plan.

“Developer” means Celina 682 Partners, L.P., a Texas limited partnership.

“Equivalent Units” mean, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix D attached hereto.

“Future Phases” means Phases that are fully developed after Phase #1, Phase #2, Phase #3, and Phase #4, as such areas are generally depicted in Appendix A. The Future Phases are subject to adjustment and are shown for example only.

“Homeowner Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a home owners’ association.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Collin County, Texas.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the estimated final average home value for each Lot as of the date of the recorded subdivision plat, considering factors such as density, Lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the Lot, as determined by the Administrator and confirmed by the City Council.

“Lot Type 1” means lots identified as one acre lots in the Service and Assessment Plan and on the Assessment Roll, being lots with approximately 43,560 square feet size and a minimum lot width of 80 feet, as permitted by the Planned Development Regulations.

“Lot Type 2” means lots identified as 100 feet lots in the Service and Assessment Plan and on the Assessment Roll, being lots with approximately 15,000 square feet size and a minimum lot width of 75 feet, as permitted by the Planned Development Regulations.

“Lot Type 3” means lots identified as 86 feet lots in the Service and Assessment Plan and on the Assessment Roll, being lots with approximately 12,040 square feet size and a minimum lot width of 75 feet, as permitted by the Planned Development Regulations.

“Lot Type 4” means lots identified as 74 feet lots in the Service and Assessment Plan and on the Assessment Roll, being lots with approximately 9,620 square feet size and a minimum lot width of 70 feet, as permitted by the Planned Development Regulations.

“Lot Type 5” means lots identified as 60 feet lots in the Service and Assessment Plan and on the Assessment Roll, being lots with approximately 7,500 square feet size and a minimum lot width of 60 feet, as permitted by the Planned Development Regulations.

“Lot Type 6” means lots identified as 50 feet lots in the Service and Assessment Plan and on the Assessment Roll, being lots with approximately 6,000 square feet size and a minimum lot width of 50 feet, as permitted by the Planned Development Regulations.

“Major Improvements” or “MI” mean the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.I.

“Parcel” or “Parcels” means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Collin Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Collin County.

“Phase” means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

“Phase #1” means the initial Phase to be developed, identified as “Phase #1” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Improvements is levied.

“Phases #1 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Improvements.

“Phase #1 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #1 Bonds” mean those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (The Lakes at Mustang Ranch Improvement District Phase #1 Project)" that are secured by Phase #1 Assessment Revenues.

“Phase #1 Improvements” mean (i) the pro rata portion of the Major Improvements allocable to Phase #1, and (ii) the Authorized Improvements which only benefit Phase #1 Assessed Property and are described in Section III.C.

“Phase #2” means the second Phase to be developed, identified as “Phase #2” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix H.

“Phase #2 Assessed Property” means all Parcels within Phase #2 other than Non-Benefited Property and shown in the Phase #2 Assessment Roll against which an Assessment relating to the Phase #2 Improvements is levied.

“Phases #2 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #2 Assessed Property, or the Annual Installments thereof, for the Phase #2 Improvements.

“Phase #2 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix H, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #2 Improvements” mean the Authorized Improvements which only benefit Phase #2 Assessed Property and are described in Section III.D.

“Phase #3” means the third Phase to be developed, identified as “Phase #3” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix H.

“Phase #3 Assessed Property” means all Parcels within Phase #3 other than Non-Benefited Property and shown in the Phase #3 Assessment Roll against which an Assessment relating to the Phase #3 Improvements is levied.

“Phases #3 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #3 Assessed Property, or the Annual Installments thereof, for the Phase #3 Improvements.

“Phase #3 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix I, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #3 Improvements” mean the Authorized Improvements which only benefit Phase #3 Assessed Property and are described in Section III.E.

“Phase #4” means the fourth Phase to be developed, identified as “Phase #4” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix J.

“Phase #4 Assessed Property” means all Parcels within Phase #4 other than Non-Benefited Property and shown in the Phase #4 Assessment Roll against which an Assessment relating to the Phase #4 Improvements is levied.

“Phases #4 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #4 Assessed Property, or the Annual Installments thereof, for the Phase #4 Improvements.

“Phase #4 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix J, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #4 Improvements” mean the Authorized Improvements which only benefit Phase #4 Assessed Property and are described in Section III.F.

“Phased PID Bonds” mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels located within the Phase in question.

“Phases #2-9” mean the property within the PID excluding Phase #1 which is to be developed subsequent to Phase #1 and generally depicted in Appendix A of this Service and Assessment Plan or any Annual Service Plan Update.

“Phases #2-9 Assessed Property” means, for any year, all Parcels within the PID other than (a) Non-Benefited Property, and (b) Parcels within Phase #1.

“Phases #2-9 Major Improvements” mean (i) the pro rata portion of the Major Improvements allocable to Phases #2-9 and are described in Section III.C.

“Phases #2-9 Major Improvement Assessment Revenues” mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Phases #2-9 Assessed Property, or the Annual Installments thereof, for the pro rata portion of the Major Improvements allocable to Phases #2-9.

“Phases #2-9 Major Improvement Assessment Roll” means the document included in this Service and Assessment Plan as Appendix F, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phases #2-9 Major Improvement Bonds” mean those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (The Lakes at Mustang Ranch Improvement District Phases #2-9 Major Improvement Project)" that are secured by Phases #2-9 Major Improvement Assessment Revenues.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Act” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Bond Portion” means the portion of the Assessment allocable to the principal and interest on the Bonds.

“Planned Development Regulations” means the development regulations included as Exhibit D to the Amended and Restated Development Agreement dated as of October 23, 2014, and recorded in the Official Public Records of Collin County, Texas, on November 7, 2014, at document number 20141107001222280.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Prepayment Reserve” means a reserve amount to be funded from additional interest collected each year as more fully described in Section V.G of this Service and Assessment Plan.

“Public Property” means property, real property, right-of-way and easements within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Collin County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Reimbursement Agreement” means each installment sales contract or reimbursement agreement between the City and the Developer permitted by Section 372.023(d)(1) of the Act.

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be updated and/or amended from time to time.

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

“Trustee” means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

II. Property Included in the PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 682 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 1,772 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to property within the PID. The estimated number of Lots (1,772) and the classification of each Lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

Table II-A

Proposed Development

Proposed Development Type	Quantity	Measurement
Single Family Residential – One acre	48	units
Single Family Residential – 100 Ft	18	units
Single Family Residential – 86 Ft	163	units
Single Family Residential – 74 Feet	458	units
Single Family Residential – 60 Feet	495	units
Single Family Residential – 50 Feet	590	units
Total	1,772	units

B. PROPERTY INCLUDED IN PHASE #1, PHASE #2, PHASE #3, PHASE #4 AND PHASES #2-9

Phase #1 consists of 335 single family residential units developed as Phase #1 on approximately 178 acres as further described in Section III. Phase #2 consists of 360 single family residential units developed as Phase #2 on approximately 104 acres as further described in Section III. Phase #3 is projected to consist of 195 single family residential units to be developed as Phase #3 on approximately 72 acres, as further described in Section III. Phase #4 is projected to consist of nine single family residential units to be

developed as Phase #4 on approximately 3.007 acres, as further described in Section III. Phases #2-9 (including the 360 lots in Phase #2, 195 lots in Phase #3, and 9 lot in Phase #4) consist of approximately 504 acres and are projected to consist of approximately 1,437 residential units. A map of the property within Phase #1, Phase #2, Phase #3, Phase #4, and Phases #2-9 and depicting the boundaries of each proposed Phase is shown in Appendix A.

The property within Phase #1 of the PID has been developed as summarized in Table II-B on the following page:

Table II-B
Proposed Development – Phase #1

Lot Type	Quantity	Measurement
Single Family – One Acre	18	units
Single Family – 100 Ft	0	units
Single Family – 86 Ft	48	units
Single Family – 74 Ft	56	units
Single Family – 60 Ft	104	units
Single Family – 50 Ft	109	units
Total	335	units

The property within Phase #2 of the PID has been developed as summarized in Table II-C below:

Table II-C
Proposed Development – Phase #2

Lot Type	Quantity	Measurement
Single Family – One Acre	0	units
Single Family – 100 Ft	4	units
Single Family – 86 Ft	49	units
Single Family – 74 Ft	68	units
Single Family – 60 Ft	68	units
Single Family – 50 Ft	171	units
Total	360	units

The property within Phase #3 of the PID is proposed to be developed as summarized in Table II-D below:

Table II-D
Proposed Development – Phase #3

Lot Type	Quantity	Measurement
Single Family – One Acre	0	units
Single Family – 100 Ft	0	units
Single Family – 86 Ft	25	units
Single Family – 74 Ft	88	units
Single Family – 60 Ft	82	units
Single Family – 50 Ft	0	units
Total	195	units

The property within Phase #4 of the PID is proposed to be developed as summarized in Table II-E below:

Table II-E

Proposed Development – Phase #4

Lot Type	Quantity	Measurement
Single Family – One Acre	0	units
Single Family – 100 Ft	0	units
Single Family – 86 Ft	2	units
Single Family – 74 Ft	3	units
Single Family – 60 Ft	2	units
Single Family – 50 Ft	2	units
Total	9	units

C. PROPERTY INCLUDED IN FUTURE PHASES

As Phases are developed, it is anticipated that additional Bonds will be issued for each new Phase. In connection with the issuance of each new series of Phased PID Bonds, this Service and Assessment Plan will be updated to add additional details of each new Phase as shown for Phase #1 in Section B above. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix F, Appendix G, Appendix H, Appendix I, and Appendix J.

The estimated number of units at the build-out of the PID is based on the land use approvals by the City for the property, the anticipated subdivision of property in the PID, and the Developer's estimate of the highest and best use of the property within the PID.

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III. Description of the Authorized Improvements

A. AUTHORIZED IMPROVEMENT OVERVIEW

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined that the Authorized Improvements as described in Appendix B and shown on the diagram included as Appendix C should be undertaken by the City for the benefit of the property within the PID.

B. DESCRIPTION OF MAJOR IMPROVEMENTS

The Major Improvements benefit the entire PID. The costs of the Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the Equivalent Units as calculated and shown in Appendix D using the planned lot types and anticipated number of lots.

The Major Improvements include the City Contributed Major Improvements. The costs of the Major Improvements (excluding the City Contributed Major Improvements) are shown in Table III-A. The costs shown in Table III-A may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

The roadway portion of the Major Improvements includes clearing, grubbing, excavation of streets and right of ways, construction of lime treated subgrade and reinforced concrete street pavements, deceleration lanes, turn lanes, sidewalks and retaining walls. The roadway improvements include an allocable share of perimeter road improvements. The roadway improvements will be constructed according to City standards.

Water Distribution System Improvements:

The water distribution system portion of the Major Improvements includes water mains of various diameters, generally 8-12 inches, that are generally polyvinyl chloride (PVC) pipe, matching gate valves and boxes, fire hydrants, tapping sleeves, service lines, and other water line appurtenances. The water distribution system improvements will be constructed according to City standards.

Sanitary Sewer Improvements:

The sanitary sewer collection system portion of the Major Improvements includes sanitary sewer mains of various diameters, generally 6-12 inches, which are PVC pipe, manholes, service lines, clean-outs, and other sewer main appurtenances. The sanitary sewer collection system improvements will be constructed according to City standards.

PLEASE UPDATE Tables III-A, B and C with final costs. I will confirm final costs for Table III-D and E with Developer.

Storm Drainage Improvements:

The storm drainage collection system portion of the Major Improvements includes pre-development erosion control, silt fences, rock check dams, sedimentation basins and drainage structures, various size reinforced concrete pipes, curb inlets, pre-cast headwalls, detention structures and trench safety. The storm drainage collection system improvements will be constructed according to City standards.

Table III-A

Major Improvement Costs

(Excluding the City Contributed Major Improvements)

Authorized Improvements	Total Major Improvement Costs
Road improvements including right-of-way	\$10,366,268
Water distribution system improvements	\$918,591
Sanitary sewer collection system improvements	\$1,651,669
Storm sewer collection system improvements	\$1,768,948
Soft costs including PID creation, City, professional, and miscellaneous soft costs	\$427,195
Total – Major Improvement Costs	\$15,132,671

City Contributed Major Improvements ARE THESE COSTS FINAL?

The **estimated** costs of the City Contributed Major Improvements are shown in Table III-B. The costs shown in Table III-B **are estimates** and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID. The total **estimates** for the City Contributed Major Improvements costs of \$25,685,000 and the prorated amount of \$3,730,000 of such costs allocated to the PID have been provided by the City.

The water distribution system portion of the City Contributed Major Improvements based on the water models will include a combination of trunk main of various diameters, generally 12-inch and 24-inch, that are generally PVC pipe, matching gate valves, fire hydrants, a possible booster pump station, and associated water main appurtenances. The water distribution system improvements will be constructed according to City standards. **CITY TO CONFIRM NO CHANGE**

The wastewater system portion of the City Contributed Major Improvements based on waste water system models will include a combination of sanitary sewer trunk mains of various, generally 18-24 inches in diameter, that are generally PVC pipe, a lift station, force mains, manholes and other sewer main appurtenances. The wastewater system improvements will be constructed according to City standards. **CITY TO CONFIRM NO CHANGE**

Table III-B

Estimated City Contributed Major Improvements

Authorized Improvements	Total Estimated City Contributed Major Improvement Costs	Prorated Share Benefiting the PID Property
Water distribution system improvements	\$11,185,000	\$1,595,538
Sewer collection system improvements	\$11,238,300	\$1,603,141
Contingency and other costs	\$3,261,700	\$531,321
Total – City Contributed Major Improvement	\$25,685,000	\$3,730,000

C. DESCRIPTION OF PHASE #1 IMPROVEMENTS

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The costs of the Phase #1 Improvements are shown in Table III-C.

Road Improvements:

The roadway portion of the Phase #1 Improvements includes clearing, grubbing, excavation of streets and right of ways, construction entrance, lime treated subgrade and reinforced concrete street pavements, removal of existing curb, sidewalks, retaining walls, signage and traffic control devices. The Phase #1 roadway improvements include an allocable share of perimeter road improvements. The Phase #1 roadway improvements will be constructed according to City standards.

Water Distribution System Improvements:

The water distribution system portion of the Phase #1 Improvements include 12-inch PVC waterlines, 6-inch and 12-inch gate valves and boxes, fire hydrants, and tapping sleeves. The Phase #1 water distribution system improvements will be constructed according to City standards.

Sanitary Sewer Improvements:

The sanitary sewer collection system portion of the Phase #1 Improvements includes 8-inch PVC pipes, manholes, service lines, PSI concrete encasements, and trench safety. The Phase #1 sanitary sewer collection system improvements will be constructed according to City standards.

Storm Drainage Improvements:

The storm drainage collection system portion of the Phase #1 Improvements includes pre and post development erosion control, silt fences, rock check dams, sedimentation basins and drainage structures, various size R.C.Ps, curb inlets, pre-cast headwalls, detention structures and trench safety. The Phase #1 storm drainage collection system improvements will be constructed according to City standards.

Table III-C**Phase #1 Improvement Costs**

Authorized Improvements	Total Phase #1 Improvement Costs
Road improvements	\$3,088,351
Water distribution system improvements	\$914,569
Sanitary sewer collection system improvements	\$780,469
Storm sewer collection system improvements	\$1,142,382
Soft costs including PID creation, City, professional, and miscellaneous soft costs	\$432,000
<i>Subtotal –Phase #1 Improvement Costs</i>	<i>\$6,357,771</i>
Add: Proportional share of Major Improvement Costs (excluding City Contributed Major Improvements) ¹	\$2,839,556
Total Phase #1 Improvement Costs	
(excluding City Contributed Major Improvements)	\$9,197,327

¹ See Section V(C) for allocation of Major Improvement costs to Phase #1

D. DESCRIPTION OF PHASE #2 IMPROVEMENTS

The Phase #2 Improvements descriptions are presented below as provided by the project engineer. The costs of the Phase #2 Improvements are shown in Table III-D.

Road Improvements:

The roadway portion of the Phase #2 Improvements includes clearing, grubbing, excavation of streets and right of ways, construction entrance, lime treated subgrade and reinforced concrete street pavements, ramps, sidewalks, signage and traffic control devices. The Phase #2 roadway improvements will be constructed according to City standards.

Water Distribution System Improvements:

The water distribution system portion of the Phase #2 Improvements include 8-inch PVC waterlines, 6-inch and 8-inch gate valves and boxes, fire hydrants, and miscellaneous fittings. The Phase #2 water distribution system improvements will be constructed according to City standards.

Sanitary Sewer Improvements:

The sanitary sewer collection system portion of the Phase #2 Improvements includes 8-inch PVC pipes, manholes, service lines, PSI concrete encasements, and trench safety. The Phase #2 sanitary sewer collection system improvements will be constructed according to City standards.

Storm Drainage Improvements:

The storm drainage collection system portion of the Phase #2 Improvements includes pre and post development erosion control, silt fences, rock check dams, sedimentation basins and drainage structures, various size R.C.Ps, curb inlets, pre-cast headwalls, detention structures and trench safety. The Phase #2 storm drainage collection system improvements will be constructed according to City standards.

Table III-D

Phase #2 Improvement Costs

Authorized Improvements	Total Phase #2 Improvement Costs
Road improvements	\$2,463,000
Water distribution system improvements	\$796,000
Sanitary sewer collection system improvements	\$800,000
Storm sewer collection system improvements	\$967,000
Soft costs including PID creation, City, professional, and miscellaneous soft costs	\$274,000
Total Phase #2 Improvement Costs	
(excluding City Contributed Major Improvements)	\$5,300,000

E. DESCRIPTION OF PHASE #3 IMPROVEMENTS

The Phase #3 Improvements descriptions are presented below as provided by the project engineer. The costs of the Phase #3 Improvements are shown in Table III-E. The costs shown in Table III-E are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

The roadway portion of the Phase #3 Improvements includes clearing, grubbing, excavation of streets and right of ways, construction entrance, lime treated subgrade and reinforced concrete street pavements, ramps, sidewalks, signage and traffic control devices. The Phase #3 roadway improvements will be constructed according to City standards.

Water Distribution System Improvements:

The water distribution system portion of the Phase #3 Improvements include 8-inch PVC waterlines, 6-inch and 8-inch gate valves and boxes, fire hydrants, and miscellaneous fittings. The Phase #3 water distribution system improvements will be constructed according to City standards.

Sanitary Sewer Improvements:

The sanitary sewer collection system portion of the Phase #3 Improvements includes various sizes of PVC pipes, manholes, service lines, PSI concrete encasements, and trench safety. The Phase #3 sanitary sewer collection system improvements will be constructed according to City standards.

Storm Drainage Improvements:

The storm drainage collection system portion of the Phase #3 Improvements includes pre and post development erosion control, silt fences, rock check dams, sedimentation basins and drainage structures, various size R.C.Ps, curb inlets, headwalls, detention structures and trench safety. The Phase #3 storm drainage collection system improvements will be constructed according to City standards.

Table III-E

Estimated Phase #3 Improvement Costs

Authorized Improvements	Total Estimated Phase #3 Improvement Costs
Road improvements	\$1,919,000
Water distribution system improvements	\$727,000
Sanitary sewer collection system improvements	\$554,000
Storm sewer collection system improvements	\$965,000
Soft costs including PID creation, City, professional, and miscellaneous soft costs	\$212,000
Total Phase #3 Estimated Improvement Costs	
(excluding City Contributed Major Improvements)	\$4,377,000

F. DESCRIPTION OF ESTIMATED COSTS OF PHASE #4 IMPROVEMENTS

The Phase #4 Improvements descriptions are presented below as provided by the project engineer. The costs of the Phase #4 Improvements are shown in Table III-F. The costs shown in Table III-F are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

The roadway portion of the Phase #4 Improvements includes clearing, grubbing, excavation of streets and right of ways, construction entrance, lime treated subgrade and reinforced concrete street pavements, ramps, sidewalks and signage. The Phase #4 roadway improvements will be constructed according to City standards.

Water Distribution System Improvements:

The water distribution system portion of the Phase #4 Improvements include 8-inch PVC waterlines and miscellaneous fittings. The Phase #4 water distribution system improvements will be constructed according to City standards.

Sanitary Sewer Improvements:

The sanitary sewer collection system portion of the Phase #4 Improvements includes various sizes of PVC pipes, manholes, service lines, PSI concrete encasements, and trench safety. The Phase #4 sanitary sewer collection system improvements will be constructed according to City standards.

Storm Drainage Improvements:

The storm drainage collection system portion of the Phase #4 Improvements includes pre and post development erosion control, silt fences, various size R.C.Ps, storm inlets, headwalls, curb inlets, curlex with seed and trench safety. The Phase #4 storm drainage collection system improvements will be constructed according to City standards.

Table III-F**Estimated Phase #4 Improvement Costs**

Authorized Improvements	Total Estimated Phase #4 Improvement Costs
Road improvements	\$222,000
Water distribution system improvements	\$48,000
Sanitary sewer collection system improvements	\$33,000

Storm sewer collection system improvements	\$33,000
Soft costs including PID creation, City, professional, and miscellaneous soft costs	\$56,000
Total Estimated Phase #4 Improvement Costs	
(excluding City Contributed Major Improvements)	\$392,000

G. AUTHORIZED IMPROVEMENT COSTS

The costs of the Major Improvements and the City Contributed Major Improvements applicable to Phase #4 have already been accounted for as part of the Phase #2-9 Major Improvement Area. As a result, there are no prorata amounts of the costs of the Major Improvements and the City Contributed Major Improvements to be included as part of Phase #4 Improvements and shown in Table III-F.

The costs shown in Tables III-A, III-B, III-D, III-E, and III-F may be revised in Annual Service Plan Updates. The detailed costs of the Authorized Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

H. FUTURE PHASE AUTHORIZED IMPROVEMENTS

As Phases are developed, additional Phased Bonds will be issued to finance Authorized Improvements for each Future Phase. As Phased PID Bonds are issued for each Future Phase, this Service and Assessment Plan will be updated to identify the specific Authorized Improvements financed by such Phased PID Bonds that benefit each Phase (e.g., a Table III-G will be added to show the estimated costs for Phase #5 Authorized Improvements, etc.).

IV. Service Plan

A. SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. The Major Improvements financed with the Phases #2-9 Major Improvement Bonds, the Phase #1 Improvements financed with the Phase #1 Bonds, the City Contributed Major Improvements, the Phase #2 Improvements and the Phase #3 Improvements have been constructed and accepted by the City. Phase #4 is under development and it is anticipated that construction of the Phase #4 Improvements will be complete and accepted by the City in July 2020. After Phase #4 is developed, it is anticipated that Phase #5 will begin development, and so on, with each Future Phase to be subsequently developed corresponding to the updates to this Service and Assessment Plan related to that development.

PLEASE CONFIRM

The Actual Costs for Major Improvements and Phase #1 Improvements plus costs related to the issuance of the Bonds, in one or more series, for the Major Improvements and Phase #1 Improvements and payment of expenses incurred in the establishment, administration and operation of the PID is \$32,777,224 as shown in Table IV-A.1. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

Table IV-A.1 summarizes the sources and uses of funds required to construct the Major Improvements (excluding the City Contributed Major Improvements) to be financed with the Phases #2-9 Major Improvement Bonds and Phase #1 Bonds, the City Contributed Major Improvements to be financed with the sum of the Annual Installment Allocable to the City Contributed Major Improvements as offset by applicable credits, the Phase #1 Improvements to be financed with the Phase #1 Bonds, establish the PID, and issue the Phase #1 PID Bonds and the Phases #2-9 Major Improvement Bonds. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table IV-A.2 summarizes the sources and uses of funds required to construct the Phase #2 Improvements to be financed with the Phase #2 Assessment Revenues. The sources and uses of funds shown in Table IV-A.2 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table IV-A.3 summarizes the sources and uses of funds required to construct the Phase #3 Improvements to be financed with the Phase #3 Assessment Revenues. The sources and uses of funds shown in Table IV-A.3 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table IV-A.4 summarizes the sources and uses of funds required to construct the Phase #4 Improvements to be financed with the Phase #4 Assessment Revenues. The sources and uses of funds shown in Table IV-A.4 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

As Future Phases are developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (e.g. Table IV-A.5 will be included to add Phase #5, etc.).

Bonds have been issued starting in 2015 to finance the Major Improvements (excluding the City Contributed Major Improvements) and Phase #1 Improvements. The City Contributed Major Improvements will be financed by the City and the City will be reimbursed for such expenditures with the sum of each Annual Installment Allocable to the City Contributed Major Improvements as offset by applicable credits.

Table IV-A.1 on the following page shows the sources and uses of the Bonds, the Reimbursement Agreement for Future Phases Major Improvements, and the City Contributed Major Improvements.

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Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

Table IV-A.1
Sources and Uses – Major Improvement Area and Phase #1

Sources of Funds	Phases # 2-9 Major Improvement Area Bonds	Phases #2-9 for Future Phases Major Improvements	Phase #1 Bonds	City Contributed Major Improvements	Total
Estimated Bond par amount	\$13,150,000	\$5,000,000	\$9,000,000	\$0	\$27,150,000
City Contribution	\$0	\$0	\$0	\$3,730,000	\$3,730,000
Developer Contribution	\$0	\$0	\$1,897,224 ¹	\$0	\$1,897,224
Total Sources	\$13,150,000	\$5,000,000	\$10,897,224	\$3,730,000	\$32,777,224
Uses of Funds					
<u>Major Improvements</u>					
Road improvements	\$6,315,471	\$2,105,628	\$1,945,169	\$0	\$10,366,268
Water distribution system improvements	\$468,504	\$277,719	\$172,368	\$1,595,538	\$2,574,129
Sanitary sewer improvements	\$859,158	\$482,585	\$309,926	\$1,603,141	\$3,254,810
Storm drainage improvements	\$712,550	\$724,465	\$331,933	\$0	\$1,768,948
Other soft and miscellaneous costs	\$222,589	\$124,446	\$80,161	\$531,321	\$958,516
<i>Subtotal</i>	<i>\$8,578,271</i>	<i>\$3,714,843</i>	<i>\$2,839,556</i>	<i>\$3,730,000</i>	<i>\$18,862,671</i>
<u>Phase 1 Improvements</u>					
Road improvements	\$0	\$0	\$3,088,351	\$0	\$3,088,351
Water distribution system improvements	\$0	\$0	\$914,569	\$0	\$914,569
Sanitary sewer improvements	\$0	\$0	\$780,469	\$0	\$780,469
Storm drainage improvements	\$0	\$0	\$1,142,382	\$0	\$1,142,382

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

Other soft and miscellaneous costs	\$0	\$0	\$432,000	\$0	\$432,000
<i>Subtotal</i>	<i>\$0</i>	<i>\$0</i>	<i>\$6,357,771</i>	<i>\$0</i>	<i>\$6,357,771</i>
Estimated debt service reserve	\$1,073,375	\$500,000	\$727,844	\$0	\$2,301,219
Estimated capitalized interest	\$1,590,250	\$321,500	\$456,939	\$0	\$2,368,689
Estimated Bond issue costs	\$1,908,104	\$463,267	\$515,114	\$0	\$2,886,875
Total Uses	\$13,150,000	\$5,000,000	\$10,897,224	\$3,730,000	\$32,777,224

Note – 1 – The Developer contribution amount includes amount deposited for Phase #1 Bonds and Phase #1 share of future estimated Major Improvement costs. See Appendix B for details of the Phase #1 share of future estimated Major Improvement costs.

The Phase #1 Bonds shown in Table IV-A.1 were issued in 2015 were being used to pay and/or reimburse the Developer for the costs of Phase #1 Improvements.

The Phases #2-9 Major Improvement Bonds shown in Table IV-A.1 were issued in 2015. The Phases #2-9 Major Improvement Bonds issued in 2015 are being used to pay and/or reimburse the Developer for a portion of the costs of Phases #2-9 Major Improvements. The remaining costs of Phases #2-9 Major Improvements were financed in accordance with the Reimbursement Agreement dated as of December 9, 2014 (as supplemented by an addendum dated December 13, 2016), which is anticipated to be replaced by the second series of Phases #2-9 Major Improvement Area Bonds and Phased PID Bonds, as applicable. A second series of Phases #2-9 Major Improvement Bonds may be issued in the future after some or all of the remaining Phases #2-9 Major Improvements are constructed and will be used to pay obligations under the Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phases #2-9 Major Improvements.

Table IV-A.2 below shows the sources and uses of the Reimbursement Agreement obligation for Phase #2 Improvements.

Table IV-A.2
Sources and Uses –Phase #2 Improvements

Sources of Funds	Reimbursement Agreement for	Total

Phase #2 Improvements		
Assessments	\$5,300,000	\$5,300,000
City Contribution	\$0	\$0
Developer Contribution	\$0	\$0
Total Sources	\$5,300,000	\$5,300,000
Uses of Funds		
<i><u>Phase#2 Improvements</u></i>		
Road improvements	\$2,463,000	\$2,463,000
Water distribution system improvements	\$796,000	\$796,000
Sanitary sewer improvements	\$800,000	\$800,000
Storm drainage improvements	\$967,000	\$967,000
Other soft and miscellaneous costs	\$274,000	\$274,000
<i>Subtotal</i>	<i>\$5,300,000</i>	<i>\$5,300,000</i>
Estimated Bond issue costs	\$0	\$0
Total Uses	\$5,300,000	\$5,300,000

The costs of Phases #2 Improvements are anticipated to be financed through the Reimbursement Agreement. The City may elect to issue one or more series of Bonds (the “Phase #2 Bonds”) secured by the Phase #2 Assessments to finance the costs of the Phase #2 Improvements, including paying any amounts owed for the Phase #2 Improvements under the Reimbursement Agreement. It is anticipated that in 2020 or 2021, the City may consider issuing such Phase #2 Bonds and pay obligations under the Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #2 Improvements.

Table IV-A.3 on the following page shows the sources and uses of the Reimbursement Agreement obligation for Phase #3 Improvements.

Table IV-A.3
Sources and Uses –Phase #3 Improvements

Sources of Funds	Reimbursement Agreement for	
	Phase #3 Improvements	Total
Assessments	\$3,700,000	\$3,700,000
City Contribution	\$0	\$0
Other funding sources	\$677,000	\$677,000
Total Sources	\$4,377,000	\$4,377,000
Uses of Funds		
<u>Phase#3 Improvements</u>		
Road improvements	\$1,919,000	\$1,919,000
Water distribution system improvements	\$727,000	\$727,000
Sanitary sewer improvements	\$554,000	\$554,000
Storm drainage improvements	\$965,000	\$965,000
Other soft and miscellaneous costs	\$212,000	\$212,000
<i>Subtotal</i>	<i>\$4,377,000</i>	<i>\$4,377,000</i>
Estimated Bond issue costs	\$0	\$0
Total Uses	\$4,377,000	\$4,377,000

The costs of Phases #3 Improvements are anticipated to be financed through the Reimbursement Agreement. The City may elect to issue one or more series of Bonds (the “Phase #3 Bonds”) secured by the Phase #3 Assessments to finance the costs of the Phase #3 Improvements, including paying any amounts owed for the Phase #3 Improvements under the Reimbursement Agreement. It is anticipated that

in 2020 or 2021, the City may consider issuing such Phase #3 Bonds and pay obligations under the Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #3 Improvements.

Table IV-A.4 on the following page shows the sources and uses of the Reimbursement Agreement obligation for Phase #4 Improvements.

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Table IV-A.4
Sources and Uses –Phase #4 Improvements

Sources of Funds	Reimbursement Agreement for	
	Phase #4 Improvements	Total
Assessments	\$167,000	\$167,000
City Contribution	\$0	\$0
Developer Contribution	\$225,000	\$225,000
Total Sources	\$392,000	\$392,000
Uses of Funds		
<u>Phase#2 Improvements</u>		
Road improvements	\$222,000	\$222,000
Water distribution system improvements	\$48,000	\$48,000
Sanitary sewer improvements	\$33,000	\$33,000
Storm drainage improvements	\$33,000	\$33,000
Other soft and miscellaneous costs	\$56,000	\$56,000
<i>Subtotal</i>	\$392,000	\$392,000
Estimated Bond issue costs	\$0	\$0
Total Uses	\$392,000	\$392,000

The costs of Phases #4 Improvements are anticipated to be financed through the Reimbursement Agreement. The City may elect to issue one or more series of Bonds (the “Phase #4 Bonds”) secured by the Phase #4 Assessments to finance the costs of the Phase #4 Improvements, including paying any amounts owed for the Phase #4 Improvements under the Reimbursement Agreement. It is anticipated that

in 2020 or 2021 after some or all of the Phase #4 Improvements are constructed, the City may consider issuing such Phase #4 Bonds and pay obligations under the Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #4 Improvements.

As Future Phases are developed, additional Bonds are anticipated to be issued for each new future phase improvements. Phase #2 Bonds may be issued to finance the Authorized Improvements required for Phase #2, Phase #3 Bonds may be issued to finance the Authorized Improvements required for Phase #3, Phase #4 Bonds may be issued to finance the Authorized Improvements required for Phase #4, and future Phased PID Bonds may be issued as each future phase is developed. Each future Phased PID Bond may also be issued in one or more series of Bonds. The projected chronology of the Bonds anticipated to be issued for the first three phases is presented below. This chronology will be updated in the Annual Service Plan Updates as development begins for each Future Phase.

Series 2015 - Phase #1 Bonds to finance (i) the pro-rata costs of the Major Improvements (excluding the City Contributed Major Improvements) allocable to Phase #1 and, (ii) a portion of the Authorized Improvements that benefit only Phase #1.

Phases #2-9 Major Improvement Bonds to finance the pro-rata costs of the Major Improvements (excluding the City Contributed Major Improvements) allocable to Phases #2-9 that benefit only Phases #2-9. It is possible the balance will be funded by a subsequent 'B' financing for the Phases #2-9 Major Improvements once the development within Phases #2-9 is commenced.

Series ____ Phase #2A Bonds to finance a part of the internal subdivision Authorized Improvements within Phase #2 and the remaining pro-rata costs of the Major Improvements allocable to Phases #2-9. It is possible that this and the subsequent 'A' financings for each phase will only be able to fund a part of the internal public infrastructure [to maintain a prudent value to lien ("VtL")] and the balance of the Phases #2-9 Major Improvements, instead of being financed by the "A" financing, will be funded by a subsequent 'B' financing once the development within Phases #2-9 is commenced.

Series ____ Phase #2B parity bonds to complete the Developer reimbursements for the internal subdivision Authorized Improvements within Phase #2.

Series _____ **Phase #3A Bonds** to finance a part of the internal subdivision Authorized Improvements within Phase #3.

Series _____ **Phase #3B parity bonds** to fund the Developer reimbursements for the internal subdivision Authorized Improvements within Phase #3. The Bonds for the remaining Phases will be issued as the development progresses and the estimated timeline may be updated in subsequent Annual Service Plan Updates.

Series _____ **Phase #4 Bonds** to finance a part of the internal subdivision Authorized Improvements within Phase #4, and

The annual projected costs and annual projected indebtedness is shown by Table IV-B. The annual projected costs and indebtedness are subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-B**Annual Projected Costs and Annual Projected Indebtedness**

Year	Annual Projected Costs	Annual Projected Indebtedness	Developer Contribution
2014	\$295,000	\$295,000	\$0
2015	\$25,464,069	\$24,425,000	\$1,039,069
2016	\$6,460,000	\$6,460,000	\$0
2017	\$0	\$0	\$0
2018	\$5,858,155	\$5,000,000	\$858,155
2019	\$4,377,000	\$3,700,000	\$670,000
2020	\$392,000	\$167,000	\$225,000
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
2023	\$0	\$0	\$0
2024	\$0	\$0	\$0
2025	\$0	\$0	\$0
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
Total	\$42,846,224	\$40,047,000	\$2,792,224

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Major Improvements (excluding the City Contributed Major Improvements) shown in Table III-A, the Phase #1 Improvements shown in Table III-C, the Phase #2 Improvements shown in Table III-D, the Phase #3 Improvements shown in Table III-E, the Phase #4 Improvements shown in Table III-F, and the costs associated with setting up the PID and costs of issuance including reserves shown in Table IV-A.1, Table IV-A.2, Table IV-A.3, and Table IV-A.4. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer. As Future Phases are developed, in association with issuing Phased PID Bonds, this Table IV-B will be updated to identify the Authorized Improvements to be financed by each new series of the Phased PID Bonds and the projected indebtedness resulting from each additional series of the Phased PID Bonds.

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V. Assessment Plan

A. INTRODUCTION

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Phase #1 Bonds and the Phases #2-9 Major Improvement Bonds to be issued in 2015, subsequent financings may be issued over the upcoming decade as the nine subsequent phases (Phases #2, #3, #4 etc.) of the development are gradually constructed.

The purpose of this gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of Bonds will maintain a prudent VtL within the financing program. In order to maintain a prudent VtL, the initial issuance of bonds for a specific portion of Authorized Improvements within a Phase may not fund all of the necessary Authorized Improvements because the property value is not high enough to support the entire debt load at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements can be reimbursed by a subsequent parity lien bond financing, secured by the same special assessments, once the assessed property is partially or fully developed and the value has increased sufficiently to permit the issuance of the additional bonds in a prudent fashion.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Major Improvements and Phase #1 Improvements shall be allocated as described on the following page.

1. The Major Improvement and Phase #1 Improvement costs shall be allocated on the basis of the relative value of Parcels once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.
2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken in to consideration: (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home prices provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the improvements.
3. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.
5. The Major Improvement costs are proportionally allocated to the Phases #2-9 Assessed Property and the Phase #1 Assessed Property based on the ratio of total Equivalent Units calculated for the Phases #2-9 Assessed Property and the Phase #1 Assessed Property.
6. The Phases #2-9 Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Phases #2-9 Assessed Property based on the total Equivalent Units calculated for each Parcel.
7. The Phase #1 Improvement costs (including Phase #1 Assessed Property's proportional share of the costs of the Major Improvements) are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units calculated for each Parcel.
8. The Phase #2 Improvement Costs are allocated to each Parcel within the Phase #2 Assessed Property based on the total Equivalent Units calculated for each Parcel.
9. The Phase #3 Improvement Costs are allocated to each Parcel within the Phase #3 Assessed Property based on the total Equivalent Units calculated for each Parcel.

10. The Phase #4 Improvement Costs are allocated to each Parcel within the Phase #4 Assessed Property based on the total Equivalent Units calculated for each Parcel.

Table V-A provides the allocation of costs of the Authorized Improvements constituting Major Improvements (excluding City Contributed Major Improvements) and Phase #1 Improvements. The Annual Installment Allocable to the City Contributed Major Improvements are allocated to the Phase #1 Assessed Property and the Phases #2-9 Assessed Property in the same manner using the allocation percentages calculated in Table V-A, as presented in Appendix E.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from internal subdivision Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time Parcels is only assessed for the special benefits conferred upon the Parcel because of the Major Improvements, Phase #1 Improvements, City Contributed Major Improvements, Phase #2 Improvements and Phase #3 Improvements.

In connection with the issuance of Phased PID Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Phase receives from the specific Authorized Improvements funded with those Phased PID Bonds issued with respect to that Future Phase. Prior to assessing Parcels located within Future Phases in connection with issuance of Phased PID Bonds, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently: (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvements, Phase #1 Improvements, the Phase #2 Improvements, the Phase #3 Improvements, and the Phase #4 Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Phase #1 Assessed Property and Phases #2-9 Assessed Property, the Phase #2 Assessed Property, the Phase #3 Assessed Property, and the Phase #4 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvements, Phase #1 Improvements, the Phase #2 Improvements, the Phase #3 Improvements, and the Phase #4 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

As Future Phases are developed, in connection with the issuance of Phased PID Bonds this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phase.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the Act. These improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The public improvements provide a special benefit to the Assessed Property as a result of the close proximity of these improvements to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as "the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." (Dictionary of Real Estate Appraisal, Third Edition.) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

The Assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the public improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax- exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve; (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The property owner has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the property owner is acting in its interest by consenting to this imposition;

3. The Authorized Improvements are required for the highest and best use of the Assessed Property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ALLOCATION OF COSTS TO ASSESSED PROPERTY

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Major Improvement costs must be allocated throughout all Assessed Property in the District. Table V-A summarizes the allocation of costs for each Major Improvement (excluding the City Contributed Major Improvements). The costs shown in Table V-A may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 contains 335 residential units. As shown in Appendix D, the total Equivalent Units for Phase #1 is recalculated as 210.80. Phases #2-9 are projected to contain 1,437 residential units resulting in a total of 888.39 Equivalent Units as shown in Appendix D. The Total projected Equivalent Units in the PID is, therefore, calculated to be 1,099.19 (i.e., $210.80 + 888.39 = 1,099.19$). As a result, 19.18 percent of the costs of Major Improvements (i.e., $210.80 \div 1,099.19 = 18.76\%$) are allocated to the Phase #1 Assessed Property and 81.24 percent of the costs Major Improvements (i.e., $888.39 \div 1,099.19 = 81.24\%$) are allocated to the Phases #2-9 Assessed Property. The Phases #2-9 Major Improvement Bonds funded the proportionate share of the costs of the Major Improvements (excluding the City Contributed Major Improvements) allocated to Phases #2-9; and, Phase #1 Bonds funded Phase #1's proportionate share of the costs of the Major Improvements (excluding the City Contributed Major Improvements).

Table V-A

**Allocation of Major Improvement Costs
(excluding City Contributed Major Improvements)**

Authorized Improvement	Total Costs
Road improvements	\$10,366,268
Water improvements	\$918,591
Sanitary sewer Improvements	\$1,651,669
Storm Drainage Improvements	\$1,768,948
Other Soft and miscellaneous costs	\$427,195
<i>Total Major Improvements</i>	<i>\$15,132,671</i>
<i>Phase #1</i>	
Projected total Equivalent Units ¹	210.80
% of total Equivalent Units	19.18%
Proportionate share of costs	\$2,902,107
<i>Phases #2-9</i>	
Projected total Equivalent Units ¹	888.39
% of total Equivalent Units	80.82%
Proportionate share of costs	\$12,230,564

1 – See Appendix D for the detailed recalculation of Equivalent Units

Phase #2 contains 360 residential units. As shown in Appendix D, the total Equivalent Units for Phase #2 is calculated as 214.67. Phases #2-9 are projected to contain 1,437 residential units resulting in a total of 888.39 Equivalent Units as shown in Appendix D. As a result, 24.16 percent of the costs of Major Improvements (i.e. $214.67 \div 888.39 = 24.16\%$) originally allocated to the Phases #2-9 Assessed Property are applicable to the Phase #2 Assessed Property and was reallocated Phase #2 Assessed Property when separate Parcels were created for Phase #2.

Phase #3 is projected to contain 195 residential units. As shown in Appendix D, the total Equivalent Units for Phase #3 is calculated as 131.67. Phases #2-9 are projected to contain 1,437 residential units resulting in a total of 888.39 Equivalent Units as shown in Appendix D. As a result, 14.82 percent of the costs of Major Improvements (i.e. $131.67 \div 888.39 = 14.82\%$) originally allocated to the Phases #2-9 Assessed Property are applicable to the Phase #3 Assessed Property and will be reallocated to the Phase #3 Assessed Property once separate Parcels are created for Phase #3.

Phase #4 is projected to contain 9 residential units. As shown in Appendix D, the total Equivalent Units for Phase #4 is calculated as 5.94. Phases #2-9 are projected to contain 1,437 residential units resulting in a total of 888.39 Equivalent Units as shown in Appendix D. As a result, 0.67 percent of the costs of Major Improvements (i.e. $5.94 \div 888.39 = 0.67\%$) originally allocated to the Phases #2-9 Assessed Property are applicable to the Phase #4 Assessed Property and will be reallocated to the Phase #4 Assessed Property once separate Parcels are created for Phase #4.

D. ASSESSMENT METHODOLOGY

The Actual Costs may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

1. *Assessment Methodology for the Major Improvements for Phases #2-9*

For purpose of this Service and Assessment Plan, the City Council determined that the portion of Actual Costs of the Major Improvement costs to be allocated to Phases #2-9 shall be allocated to the Phases #2-9 Assessed Property by spreading the entire Assessment across the Parcels based on the Equivalent Units as calculated and shown in Appendix D using the types, number and average home value of Lots anticipated to be developed on each Parcel. Having taken into consideration the matters described under Sections V (A) and (B) above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the Lot Types. These classifications (from Lot Type 1 (One-acre Lots) representing the highest residential value to Lot Type 6 (50 Ft Lot) representing the lowest value. Assessments are allocated to each land use class on the basis of the average value for each Lot Type. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each Lot Type, setting the Equivalent Unit factor for Lot Type 1 (One-acre Lots) to 1.0.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phases #2-9 is shown on the Phases #2-9 Major Improvement Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. *Assessment Methodology for Phase #1*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements, including the portion of the Major Improvements to be financed with the Phase #1 Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #1. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the costs of the Phase #1 Improvements and the portion of the Major Improvements that benefit Phase #1 provided by Dowdey, Anderson and Associates, as set forth in Tables III-A and III-C, the City Council has determined that the benefit to Phase #1 property of the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the

total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach will be that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

Appendix E shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

3. *Assessment Methodology for Phase #2*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #2 Improvements shall be allocated to the Phase #2 Assessed Property by spreading the entire Assessment across the Parcels based on the Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #2. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the costs of the Phase #2 Improvements provided by Dowdey, Anderson and Associates, as set forth in Tables III-D, the City Council has determined that the benefit to Phase #2 property of the Phase #2 Improvements is at least equal to the Assessments levied on the Phase #2 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on

the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach will be that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

4. *Assessment Methodology for Phase #3*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #3 Improvements shall be allocated to the Phase #3 Assessed Property by spreading the entire Assessment across the Parcels based on the Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #3. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the of the costs of the Phase #3 Improvements provided by Dowdey, Anderson and Associates, as set forth in Tables III-E, the City Council has determined that the benefit to Phase #3 property of the Phase #3 Improvements is at least equal to the Assessments levied on the Phase #3 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed

by the City Council. The result of this approach will be that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #3 is shown on the Phase #3 Assessment Roll, attached as Appendix I, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

5. *Assessment Methodology for Phase #4*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #4 Improvements shall be allocated to the Phase #4 Assessed Property by spreading the entire Assessment across the Parcels based on the Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #4. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the estimates of the costs of the Phase #4 Improvements provided by Dowdey, Anderson and Associates, as set forth in Tables III-F, the City Council has determined that the benefit to Phase #4 property of the Phase #4 Improvements is at least equal to the Assessments levied on the Phase #4 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach will be that each final residential Lot within a recorded

subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #4 is shown on the Phase #4 Assessment Roll, attached as Appendix J, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

6. *Assessment Methodology for Future Phases*

When any given Future Phase is developed, and Phased PID Bonds for that Future Phase are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

The projected leverage calculated based on the estimated finished lot values and home values for each Lot Type in Phase #1 is shown in Table V-B on the following page.

Table V-B
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Average Finished Lot Value per unit	Average		Leverage (Lot Value)	Leverage (Home Value)
			Home Value per unit	Assessment per Unit		
Lot Type 1 (One-acre Lot)	18	\$165,000	\$825,000	\$46,015	3.59	17.93
Lot Type 2 (100' Lot)	0	\$145,000	\$725,000	\$40,493	3.58	17.90
Lot Type 3 (86' Lot)	48	\$137,600	\$688,000	\$38,192	3.60	18.01
Lot Type 4 (74' Lot)	56	\$118,400	\$592,000	\$33,131	3.57	17.87
Lot Type 5 (60' Lot)	104	\$96,000	\$480,000	\$26,689	3.60	17.99
Lot Type 6 (50' Lot)	109	\$80,000	\$400,000	\$22,087	3.62	18.11
Total	335					

The projected tax rate equivalent per unit calculated based on the average finished lot values and average home values for each Lot Type in Phase #1 is shown in Table V-C below.

Table V-C
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Average Finished Lot Value per unit	Average		Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
			Home Value per unit	Average Annual Installment per unit		
Lot Type 1 (One-acre Lot)	18	\$165,000	\$825,000	\$4,042	\$2.45	\$0.49

Lot Type 2 (100' Lot)	0	\$145,000	\$725,000	\$3,552	\$2.45	\$0.49
Lot Type 3 (86' Lot)	48	\$137,600	\$688,000	\$3,371	\$2.45	\$0.49
Lot Type 4 (74' Lot)	56	\$118,400	\$592,000	\$2,900	\$2.45	\$0.49
Lot Type 5 (60' Lot)	104	\$96,000	\$480,000	\$2,352	\$2.45	\$0.49
Lot Type 6 (50' Lot)	109	\$80,000	\$400,000	\$1,960	\$2.45	\$0.49
Total	335					

The projected leverage calculated based on the average finished lot values and average home values for each Lot Type in Phase #2 is shown in Table V-D on the following page.

Table V-D**Projected Leverage – Phase #2**

Lot Type	Planned No. of Units	Average		Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
		Average Finished Lot Value per unit	Average Home Value per unit			
Lot Type 1 (One-acre Lot)	0	\$165,000	\$825,000	\$48,530	3.40	17.00
Lot Type 2 (100' Lot)	4	\$145,000	\$725,000	\$42,706	3.40	16.98
Lot Type 3 (86' Lot)	49	\$137,600	\$688,000	\$40,280	3.42	17.08
Lot Type 4 (74' Lot)	68	\$118,400	\$592,000	\$34,942	3.39	16.94
Lot Type 5 (60' Lot)	68	\$96,000	\$480,000	\$28,147	3.41	17.05
Lot Type 6 (50' Lot)	171	\$80,000	\$400,000	\$23,294	3.44	17.17
Total	360					

1 – The Assessment per unit amounts shown represent the combined Phases #2-9 Major Improvement Assessments applicable to Phase #2 and the Phase #2 Assessments related to the Phase #2 Improvements.

The projected tax rate equivalent per unit calculated based on the average finished lot values and average home values for each Lot Type in Phase #2 is shown in Table V-E below.

Table V-E**Estimated Tax Rate Equivalent per unit – Phase #2**

Lot Type	Planned No. of Units	Average Finished Lot Value per unit	Projected Home Value per unit	Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate
						Equivalent (per \$100 Home Value)

Lot Type 1 (One-acre Lot)	0	\$165,000	\$825,000	\$4,117	\$2.50	\$0.50
Lot Type 2 (100' Lot)	4	\$145,000	\$725,000	\$3,618	\$2.50	\$0.50
Lot Type 3 (86' Lot)	49	\$137,600	\$688,000	\$3,433	\$2.50	\$0.50
Lot Type 4 (74' Lot)	68	\$118,400	\$592,000	\$2,954	\$2.50	\$0.50
Lot Type 5 (60' Lot)	68	\$96,000	\$480,000	\$2,395	\$2.50	\$0.50
Lot Type 6 (50' Lot)	171	\$80,000	\$400,000	\$1,996	\$2.50	\$0.50
Total	360					

1 – The average Annual Installment per unit amounts shown represent the combined Phases #2-9 Major Improvement Annual Installments applicable to Phase #2 and the Phase #2 Assessments related to the Phase #2 Improvements.

The Assessment and Annual Installments related to the Phase #2 Improvements for each Parcel or Lot located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

The projected leverage calculated based on the estimated finished lot values and home values for each Lot Type in Phase #3 is shown in Table V-F on the following page.

Table V-F
Projected Leverage – Phase #3

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (One-acre Lot)	0	\$165,000	\$825,000	\$51,873	3.18	15.90
Lot Type 2 (100' Lot)	0	\$145,000	\$725,000	\$45,648	3.18	15.88
Lot Type 3 (86' Lot)	25	\$137,600	\$688,000	\$43,055	3.20	15.98
Lot Type 4 (74' Lot)	88	\$118,400	\$592,000	\$37,349	3.17	15.85
Lot Type 5 (60' Lot)	82	\$96,000	\$480,000	\$30,086	3.19	15.95
Lot Type 6 (50' Lot)	0	\$80,000	\$400,000	\$24,899	3.21	16.06
Total	195					

1 – The Assessment per unit amounts shown represent the combined Phases #2-9 Major Improvement Assessments applicable to Phase #3 and the Phase #3 Assessments related to the Phase #3 Improvements.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each Lot Type in Phase #3 is shown in Table V-G on the below.

Table V-G
Estimated Tax Rate Equivalent per unit – Phase #3

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (One-acre Lot)	0	\$165,000	\$825,000	\$4,172	\$2.53	\$0.51

Lot Type 2 (100' Lot)	0	\$145,000	\$725,000	\$3,666	\$2.53	\$0.51
Lot Type 3 (86' Lot)	25	\$137,600	\$688,000	\$3,479	\$2.53	\$0.51
Lot Type 4 (74' Lot)	88	\$118,400	\$592,000	\$2,994	\$2.53	\$0.51
Lot Type 5 (60' Lot)	82	\$96,000	\$480,000	\$2,427	\$2.53	\$0.51
Lot Type 6 (50' Lot)	0	\$80,000	\$400,000	\$2,023	\$2.53	\$0.51
Total	195					

1 – The average Annual Installment per unit amounts shown represent the combined Phases #2-9 Major Improvement Annual Installments applicable to Phase #3 and the Phase #3 Assessments related to the Phase #3 Improvements.

The Assessment and Annual Installments related to the Phase #3 Improvements for each Parcel or Lot located within Phase #3 is shown on the Phase #3 Assessment Roll, attached as Appendix I, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

The projected leverage calculated based on the estimated finished lot values and home values for each Lot Type in Phase #4 is shown in Table V-H on the following page

Table V-H
Projected Leverage – Phase #4

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit ¹	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (One-acre Lot)	0	\$165,000	\$825,000	\$51,887	3.18	15.90
Lot Type 2 (100' Lot)	0	\$145,000	\$725,000	\$45,660	3.18	15.88
Lot Type 3 (86' Lot)	2	\$137,600	\$688,000	\$43,066	3.20	15.98
Lot Type 4 (74' Lot)	3	\$118,400	\$592,000	\$37,359	3.17	15.85
Lot Type 5 (60' Lot)	2	\$96,000	\$480,000	\$30,094	3.19	15.95
Lot Type 6 (50' Lot)	2	\$80,000	\$400,000	\$24,906	3.21	16.06
Total	9					

1 – The Assessment per unit amounts shown represent the combined Phases #2-9 Major Improvement Assessments applicable to Phase #4 and the Phase #4 Assessments related to the Phase #4 Improvements.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each Lot Type in Phase #4 is shown in Table V-I below.

Table V-I
Estimated Tax Rate Equivalent per unit – Phase #4

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (One-acre Lot)	0	\$165,000	\$825,000	\$4,182	\$2.53	\$0.51

Lot Type 2 (100' Lot)	0	\$145,000	\$725,000	\$3,675	\$2.53	\$0.51
Lot Type 3 (86' Lot)	2	\$137,600	\$688,000	\$3,487	\$2.53	\$0.51
Lot Type 4 (74' Lot)	3	\$118,400	\$592,000	\$3,001	\$2.53	\$0.51
Lot Type 5 (60' Lot)	2	\$96,000	\$480,000	\$2,433	\$2.53	\$0.51
Lot Type 6 (50' Lot)	2	\$80,000	\$400,000	\$2,028	\$2.53	\$0.51
Total	9					

1 – The average Annual Installment per unit amounts shown represent the combined Phases #2-9 Major Improvement Annual Installments applicable to Phase #4 and the Phase #4 Assessments related to the Phase #4 Improvements.

The Assessment and Annual Installments related to the Phase #4 Improvements for each Parcel or Lot located within Phase #4 is shown on the Phase #4 Assessment Roll, attached as Appendix J, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

Appendix E shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

E. ASSESSMENTS

The Assessments for the Phases #2-9 Major Improvement Bonds and the City Contributed Major Improvements, the Phase #1 Bonds, and the obligations under the Reimbursement Agreement applicable to Phase #2, Phase #3 and Phase #4 will be levied on each Parcel according to the Phases #2-9 Major Improvement Assessment Roll, the Phase #1 Assessment Roll, the Phase #2 Assessment Roll, the Phase #3 Assessment Roll, and the Phase #4 Assessment Roll attached hereto as Appendix F, Appendix G, Appendix H, Appendix I, and Appendix J, respectively. The Annual Installments for the Phases #2-9 Major Improvement Bonds, the Phase #1 Bonds, the City Contributed Major Improvements and the obligations the Reimbursement Agreement applicable to Phase #2, Phase #3 and Phase #4 will be collected at the time and in the amounts shown on the Phases #2-9 Major Improvement Assessment Roll, the Phase #1 Assessment Roll the Phase #2 Assessment Roll, the Phase #3 Assessment Roll, and the Phase #4 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

F. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

G. PREPAYMENT RESERVE

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds (the “Additional Interest Component”), with up to 0.20% (the “Prepayment Component”) allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and up to 0.30% (the “Delinquency Component”) allocated to fund a Delinquency Reserve account as described below. The Prepayment Reserve Component shall be deposited to a Prepayment Reserve until it reaches 1.50% of the outstanding Bonds as stipulated in the Bond documents. Once the Prepayment Reserve is funded in full, the Prepayment Component will continue to be collected and the Prepayment Component shall be deposited in a Delinquent Reserve account as described in sub-section H below.

H. DELINQUENCY RESERVE

The City has allocated the Delinquency Component of the Annual Installments to offset any possible delinquent payments. The Delinquency Reserve shall be funded up to 4% of the outstanding Bonds. Once the Delinquent Reserve has reached such level, the Delinquency Component may not continue to be collected. The City may allocate a portion of the Delinquency Component of the Annual Installments to pay for Administrative Expenses, improvement costs, any other use that benefits the Assessed Property or reduce the Assessments, as determined by the City Council.

I. CITY CONTRIBUTED GRANT AMOUNT

The City will offset the cost of the City Contributed Major Improvements, as estimated in Table III-B, that is included in the Annual Installments as the Annual Installment Allocable to the City Contributed Major Improvements using an amount of unencumbered and lawfully available funds equal to the cash balance of ad valorem tax revenues collected from all Parcels in the PID and the Parks PID for the previous year. Such offset or credit will first be applied on a Parcel-by-Parcel basis. Then, for multiple parcels owned by a single developer or ownership group, excess collections will be pooled and applied on a pro-rata basis to each Annual Installment Allocable to the City Contributed Major Improvements that has not been reduced to zero from the Parcel-by-Parcel offset or credit.

If in a consecutive two-year period the ad valorem taxes collected on all Parcels within the PID and all parcels within the Parks PID in each year of such consecutive two-year period equals or exceeds one hundred fifty percent (150%) of the Annual Installment Allocable to the City Contributed Major Improvements based on a confirming audit, then the Annual Installment Allocable to the City Contributed Major Improvements will be permanently reduced to zero.

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VI. The Assessment Roll

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASES #2 – 9

The Assessment and Annual Installments for each Assessed Property located within Phases #2-9 are shown on the Phases #2-9 Major Improvement Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phases #2-9 Major Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, to cover Administrative Expenses of Phases #2 – 9.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Assessed Property located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #1 Bonds and Phase #1's share of the Annual Installment Allocable to the City Contributed Major Improvements, to fund the Prepayment Component and Delinquency Component described in Section V, and to cover Administrative Expenses of Phase #1.

C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #2

The Assessment and Annual Installments for each Assessed Property located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the obligations under the Reimbursement Agreement for the Phase #2 Improvements and to cover Administrative Expenses of Phase #2.

D. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #3

The Assessment and Annual Installments for each Assessed Property located within Phase #3 is shown on the Phase #3 Assessment Roll, attached as Appendix I, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the obligations under the Reimbursement Agreement for the Phase #3 Improvements and to cover Administrative Expenses of Phase #3.

E. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #4

The Assessment and Annual Installments for each Assessed Property located within Phase #4 is shown on the Phase #4 Assessment Roll, attached as Appendix J, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the obligations under the Reimbursement Agreement for the Phase #4 Improvements and to cover Administrative Expenses of Phase #4.

F. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS REDUCED BY CITY CONTRIBUTED GRANT AMOUNT

The Annual Installment for each Parcel shall be calculated by taking into consideration any credit to the Annual Installment Allocable to the City Contributed Major Improvements owed to a Parcel for a particular year representing the annual City Contributed Grant Amount applied first on a Parcel-by-Parcel basis then for multiple parcels owned by a single developer or ownership group pooled on a pro-rata basis. The annual City Contributed Grant Amount shall be calculated as follows:

- 1) If the aggregate annual City Contributed Grant Amount available to offset the Annual Installment Allocable to the City Contributed Major Improvements is equal to or greater than the Annual Installment Allocable to the City Contributed Major Improvements, the net Annual Installment Allocable to the City Contributed Major Improvements amount to be included as part of the total Annual Installments for the year shall be reduced to zero and no Annual Installment Allocable to the City Contributed Major Improvements shall be included as part of the Annual Installments to be collected from each Parcel. Such offset or credit will first be

applied on a Parcel-by-Parcel basis then excess collections will be pooled and applied on a pro-rata basis to each Annual Installment Allocable to the City Contributed Major Improvements that has not been reduced to zero from the Parcel-by-Parcel offset or credit. The pooled City Contributed Grant Amount will be allocated on a pro-rata basis amongst multiple parcels owned by a single developer or ownership group of property within the PID with any one owner's share of the pooled amount calculated as a fraction the numerator of which is that owner's Annual Installment Allocable to the City Contributed Major Improvements and the denominator of which is the aggregate amount of all Annual Installments Allocable to the City Contributed Major Improvements not reduced to zero by the Parcel-by-Parcel credit.

If the aggregate annual City Contributed Grant Amount available to offset the Annual Installment Allocable to the City Contributed Major Improvements is less than the Annual Installment Allocable to the City Contributed Major Improvements, the annual City Contributed Grant Amount to be applied as a credit to each Parcel will be calculated based on the amount of City ad-valorem taxes generated by each Parcel. The net Annual Installment Allocable to the City Contributed Major Improvements amount to be included as part of the total Annual Installments for the year shall be allocated to each Parcel based on the actual amount of City ad-valorem taxes generated by each Parcel.

G. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE PHASES

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Phases (e.g., an Appendix will be added as the Assessment Roll for Phase 5, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

H. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated Equivalent Units to be built on all of the new subdivided
Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount and related Prepayment Costs by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

I. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full

amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

2. Payments required as described in Section H or this Section I shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

J. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.
2. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the Bonds, including interest on the Bonds and Administrative Expenses, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Administrative Expenses. The principal portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced Principal Portion of the Bonds is equal to the outstanding principal amount of the Bonds.

K. PAYMENT OF ASSESSMENTS

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture or applicable reimbursement agreement; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner responsible to pay an Assessment, the Assessment on any Parcel plus Prepayment Costs related thereto may be paid in part [in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator and approved by the City, if applicable]. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, Administrative Expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Prepayment Component and Delinquency Component. Payment of the Annual Installments shall commence with tax bills mailed in the tax year after the initial issuance of Bonds.

Each Assessment shown on the Phase #1 Assessment Roll and the Phases #2-9 Major Improvement Assessment Roll is composed of the City Improvement Portion, the applicable reimbursement agreement, and the PID Bond Portion. The PID Bond Portion shall be paid with interest at the rate of the actual interest

rate paid on the Bonds plus the Additional Interest Component. The City Improvement Portion shall be paid with interest at the rates of 3.92%, 4.45% and 4.88%.

The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel consisting of (i) the annual portion allocable to the PID Bond Portion for the Phase #1 Bonds for each Parcel and the Additional Interest Component, (ii) the Annual Installment Allocable to the City Contributed Major Improvements for each Parcel, and (iii) the component of the Annual Installment allocable to Administrative Expenses. The Annual Installments for Phase #1 may not exceed the amounts shown on the Phase #1 Assessment Roll. The Phase #1 Assessment Roll is shown as Appendix G.

The Phases #2-9 Major Improvement Assessment Roll sets forth for each year the Annual Installments relating to the Phases #2-9 Major Improvements consisting of (i) the annual portion allocable to the PID Bond Portion for the Phases #2-9 Major Improvement Bonds, the obligations under the Reimbursement Agreement for the Phases #2-9 Improvements for each Parcel and the Additional Interest Component, (ii) the Annual Installment Allocable to the City Contributed Major Improvements, and (iii) the component of the Annual Installment allocable to Administrative Expenses. The Annual Installments for #2-9 Major Improvements may not exceed the amounts shown on the Phases #2-9 Major Improvement Assessment Roll. The Phases #2-9 Major Improvement Assessment Roll is shown as Appendix F.

The Phase #2 Assessment Roll sets forth for each year the Annual Installment for each Parcel consisting of (i) the annual portion allocable to the obligations under the Reimbursement Agreement for the Phase #2 Improvements for each Parcel, and (ii) the component of the Annual Installment allocable to Administrative Expenses. The Annual Installments for Phase #2 may not exceed the amounts shown on the Phase #2 Assessment Roll. The Phase #2 Assessment Roll is shown as Appendix H.

The Phase #3 Assessment Roll sets forth for each year the Annual Installment for each Parcel consisting of (i) the annual portion allocable to the obligations under the Reimbursement Agreement for the Phase #3 Improvements for each Parcel, and (ii) the component of the Annual Installment allocable to Administrative Expenses. The Annual Installments for Phase #3 may not exceed the amounts shown on the Phase #3 Assessment Roll. The Phase #3 Assessment Roll is shown as Appendix I.

The Phase #4 Assessment Roll sets forth for each year the Annual Installment for each Parcel consisting of (i) the annual portion allocable to the obligations under the Reimbursement Agreement for the Phase #4 Improvements for each Parcel, and (ii) the component of the Annual Installment allocable to Administrative Expenses. The Annual Installments for Phase #4 may not exceed the amounts shown on the Phase #4 Assessment Roll. The Phase #4 Assessment Roll is shown as Appendix J.

The Annual Installments shown on the Phase #1 Assessment Roll and the Phases #2-9 Major Improvement Assessment Roll shall be reduced to equal the actual costs of repaying the Phase #1 Bonds and the Phases #2-9 Major Improvement Bonds, respectively, the Additional Interest Component and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. The Annual Installments

shall be further reduced by any offset or credit of applicable City Contributed Grant Amount. The Annual Installments shown on the Phase #2 Assessment Roll shall be reduced to equal the actual costs of repaying the obligations under the Reimbursement Agreement for the Phase #2 Improvements and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. The Annual Installments shown on the Phase #3 Assessment Roll shall be reduced to equal the actual costs of repaying the obligations under the Reimbursement Agreement for the Phase #3 Improvements and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. The Annual Installments shown on the Phase #4 Assessment Roll shall be reduced to equal the actual costs of repaying the obligations under the Reimbursement Agreement for the Phase #4 Improvements and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City may adopt additional Assessment Rolls relating to additional Authorized Improvements within the PID and the issuance of additional Phased PID Bonds as provided in Section VII.C hereof.

L. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits for a Prepayment Reserve. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes, as applicable, and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Annual Installments shall be calculated as of September 1 of each applicable year. The collection of the first Annual Installment for a Phase #2 Lot or Phase #2 Parcel shall commence upon: (A) satisfaction of the requirements of the Trust Indenture relating to the Phases #2-9 Major Improvement Bonds relating to the issuance of additional obligations, and (B) the earlier of: (i) the 1st day of the first full month immediately following the recording of the final plat for that Lot or Parcel in the official public records of Collin County, Texas, (ii) the issuance of one or more Phase #2 Bonds, or (iii) the two year anniversary of the levy of Assessments on the Phase #2 Assessed Property. Such first Annual Installment for a Phase #2 Lot or Phase #2 Parcel shall be due by January 31st of the following calendar year.

The collection of the first Annual Installment for a Phase #3 Lot or Phase #3 Parcel shall commence upon: (A) satisfaction of the requirements of the Trust Indenture relating to the Phases #2-9 Major Improvement Bonds relating to the issuance of additional obligations, and (B) the earlier of: (i) September 1st following the recording of the final plat for that Lot or Parcel in the official public records of Collin County, Texas, (ii) the issuance of one or more Phase #3 Bonds, or (iii) September 1st following the two year anniversary of the levy of Assessments on the Phase #3 Assessed Property. Such first Annual Installment for a Phase #3 Lot or Phase #3 Parcel shall be due by January 31st of the following calendar year.

The collection of the first Annual Installment for a Phase #4 Lot or Phase #4 Parcel shall commence upon: (A) satisfaction of the requirements of the Trust Indenture relating to the Phases #2-9 Major Improvement Bonds relating to the issuance of additional obligations, and (B) the earlier of: (i) September 1st following the recording of the final plat for that Lot or Parcel in the official public records of Collin County, Texas, (ii) the issuance of one or more Phase #4 Bonds, or (iii) September 1st following the two year anniversary of the levy of Assessments on the Phase #4 Assessed Property. Such first Annual Installment for a Phase #4 Lot or Phase #4 Parcel shall be due by January 31st of the following calendar year.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

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VII. The Assessment Roll

A. PHASES #2-9 MAJOR IMPROVEMENT ASSESSMENT ROLL

Each Parcel within Phases #2-9 has been evaluated by the City Council (based on the concept plan, developable area, proposed Homeowner Association Property and Public Property, the Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the Assessed Property within each Parcel.

Phases #2-9 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Major Improvements. Table IV-A summarizes the \$32,777,224 in special benefit received by all Parcels in the PID from the Major Improvements (excluding the City Contributed Major Improvements), the City Contributed Major Improvements, the Phase #1 Improvements and the costs of the PID formation, and issuance costs for the proposed Phases #2-9 Major Improvement Bonds, the Reimbursement Agreement and the Phase #1 Bonds. The proportional amount of benefits received by the Phases #2-9 Assessed Property from the Phases #2-9 Major Improvement Bonds, the Reimbursement Agreement and the City Contributed Major Improvements is calculated as \$21,180,087 [$\$13,150,000 + \$5,000,000 + (\$3,730,000 \times 81.24\%) = \$21,180,087$]. As shown in Appendix E, the amount of Phases #2-9 Major Improvement Bonds, the Reimbursement Agreement and the prorata share of the City Contributed Major Improvements is \$21,180,087, which is equal to the benefit received by Phases #2-9 Major Improvement Assessed Property, and as such the total Assessment for all Assessed Property within Phases #2-9 is \$21,180,087 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Phases #2-9 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phases #2-9 Major Improvement Assessment Roll is attached hereto as Appendix F.

B. PHASE #1 ASSESSMENT ROLL

Phase #1 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #1 Improvements that benefit Phase #1, which include a proportionate share of the Major Improvements allocable to Phase #1. Table IV-A.1 summarizes the \$11,597,137 [$\$10,897,224 + (\$3,730,000 \times 18.76\%) = \$11,597,137$] in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements that benefit Phase #1, including the proportionate share of the Major Improvements allocable to Phase #1, the pro rata costs of the PID formation, and Bond issuance costs. As shown in Appendix E, the amount of Phase #1 Bonds is \$9,000,000 and Phase #1's share of the City Contributed Major Improvements is \$699,913, the total amount of \$9,699,913 which is less than the benefit received by Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within

Phase #1 is \$9,699,913 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix G.

C. PHASE #2 ASSESSMENT ROLL

Phase #2 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #2 Improvements that benefit Phase #2. Table IV-A.2 summarizes the \$5,300,000 in special benefit received by Phase #2 Assessed Property from the Phase #2 Improvements that benefit Phase #2. As shown in Appendix E, the amount of the obligation under the Reimbursement Agreement for the Phase #2 Improvements is \$5,300,000 which is equal to the benefit received by Phase #2 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #2 is \$5,300,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #2 will be calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #2 Assessment Roll is attached hereto as Appendix H.

D. PHASE #3 ASSESSMENT ROLL

Phase #3 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #3 Improvements that benefit Phase #3. Table IV-A.3 summarizes the \$4,377,000 in special benefit received by Phase #3 Assessed Property from the Phase #3 Improvements that benefit Phase #3. As shown in Appendix I, the amount of the obligation under the Reimbursement Agreement for the Phase #3 Improvements is \$3,700,000 which is less than to the benefit received by Phase #3 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #3 is \$3,700,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #3 will be calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #3 Assessment Roll is attached hereto as Appendix I.

E. PHASE #4 ASSESSMENT ROLL

Phase #4 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #4 Improvements that benefit Phase #4. Table IV-A.4 summarizes the \$392,000 in special benefit received by Phase #4 Assessed Property from the Phase #4 Improvements that benefit Phase #4. As shown in Appendix J, the amount of the obligation under the Reimbursement Agreement for the Phase #4 Improvements is \$167,000 which is less than to the benefit received by Phase #4 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #4 is \$167,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #4 will be calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #4 Assessment Roll is attached hereto as Appendix J.

F. FUTURE PHASE ASSESSMENT ROLL

As Future Phases are developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within Future Phases (e.g., an Appendix will be added as the Assessment Roll for Phase #5, etc.).

G. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phases #2-9 Major Improvement Assessment Roll, the Phase #1 Assessment Roll, the Phase #2 Assessment Roll, the Phase #3 Assessment Roll, and the Phase #4 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); (iv) the credits or offsets of the City Contributed Grant Amount applied on a Parcel-by-Parcel basis as described herein; (v) the application of the pooled credits or offsets of the City Contributed Grant Amount on a pro-rata basis; and (iv) payments of the Assessment, if any, as provided by Section VI.H of this Service and Assessment Plan.

Once future Phased PID Bonds are issued, the Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds. For so long as the Phase #1 Bonds or the Phases #2-9 Major Improvement Bonds are outstanding and if available from the Central Appraisal District of Collin County, any Annual Service Plan Update shall include the total certified assessed value of the Phase #1 Assessed Property and the Phases #2-9 Assessed Property for the latest tax year.

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VIII. Miscellaneous Provisions

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination".

C. AMENDMENTS

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

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APPENDIX A
THE PID MAP

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

APPENDIX B
ESTIMATED COSTS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

APPENDIX D
LAND USE CLASS AND EQUIVALENT UNITS

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

Appendix D
LAND USE CLASS AND EQUIVALENT UNITS

For purposes of allocating the Assessments, the Assessed Property has been classified in one of six Lot Types. The following table shows the proposed residential Lot Types within the PID.

Table D-1
Proposed Development within the PID

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	One-acre Lots	48 units
Lot Type 2	100 Ft Lots	18 units
Lot Type 3	86 Ft Lots	163 units
Lot Type 4	74 Ft Lots	458 units
Lot Type 5	60 Ft Lots	495 units
Lot Type 6	50 Ft Lots	590 units
Total		1,772 Units

Table D-2 below shows the residential Lot Types within Phase #1.

Table D-2
Development – Phase #1

Lot Type	Description	Development
<u>Residential</u>		
Lot Type 1	One-acre Lots	18 Units
Lot Type 2	100 Ft Lots	0 Units
Lot Type 3	86 Ft Lots	48 Units
Lot Type 4	74 Ft Lots	56 Units

Lot Type 5	60 Ft Lots	104	Units
Lot Type 6	50 Ft Lots	109	Units
<i>Total</i>		335	Units

Table D-3 on the following page shows the proposed residential Lot Types within Phases #2-9.

Table D-3
Proposed Development – Phases #2-9

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	One-acre Lots	30 Units
Lot Type 2	100 Ft Lots	18 Units
Lot Type 3	86 Ft Lots	115 Units
Lot Type 4	74 Ft Lots	402 Units
Lot Type 5	60 Ft Lots	391 Units
Lot Type 6	50 Ft Lots	481 Units
Total		1,437 Units

As explained under Section IV.D, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the portion of the Major Improvements to be financed with the Phases #2-9 Major Improvement Bonds shall be allocated to the Phases #2-9 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #2-9 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., One-acre, 100 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1 (One-acre Lots) representing the highest value to Lot Type 6 (50 Ft Lot) representing the lowest value for residential lots are set forth in Table D-4 on the following page. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent

Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (One-acre Lots) to 1.0.

Table D-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (One-acre Lot)	\$825,000	1.00 per dwelling unit
Lot Type 2 (100 Ft Lot)	\$725,000	0.88 per dwelling unit
Lot Type 3 (86 Ft Lot)	\$688,000	0.83 per dwelling unit
Lot Type 4 (74 Ft Lot)	\$592,000	0.72 per dwelling unit
Lot Type 5 (60 Ft Lot)	\$480,000	0.58 per dwelling unit
Lot Type 6 (50 Ft Lot)	\$400,000	0.48 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table D-5 below as calculated based on the Equivalent Unit factors shown above in Table D-4, estimated Lot Types and number of units estimated to be built within Phase 1.

Table D-5
Equivalent Units- Phase #1

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (One-acre Lot)	18	1.00	18.00
Lot Type 2 (100 Ft Lot)	0	0.88	0.00
Lot Type 3 (86 Ft Lot)	48	0.83	39.84
Lot Type 4 (74 Ft Lot)	56	0.72	40.32
Lot Type 5 (60 Ft Lot)	104	0.58	60.32
Lot Type 6 (50 Ft Lot)	109	0.48	52.32
Total Equivalent Units	335		210.80

The total estimated Equivalent Units for Phases #2-9 are shown in Table D-6 below as calculated based on the Equivalent Unit factors shown in Table D-4, estimated Lot Types and number of units estimated to be built within Phases #2-9.

Table D-6
Estimated Equivalent Units- Phases #2-9

Lot Type	Planned No. of units	Equivalent Unit Factor	Total
			Equivalent Units
Lot Type 1 (One-acre Lot)	30	1.00	30.00
Lot Type 2 (100 Ft Lot)	18	0.88	15.84
Lot Type 3 (86 Ft Lot)	115	0.83	95.45
Lot Type 4 (74 Ft Lot)	402	0.72	289.44
Lot Type 5 (60 Ft Lot)	391	0.58	226.78
Lot Type 6 (50 Ft Lot)	481	0.48	230.88
Total Equivalent Units	1,437		888.39

Table D-7 below shows the residential Lot Types within Phase #2.

Table D-7
Development – Phase #2

Lot Type	Description	Development
<u>Residential</u>		
Lot Type 1	One-acre Lots	0 units
Lot Type 2	100 Ft Lots	4 units
Lot Type 3	86 Ft Lots	49 units
Lot Type 4	74 Ft Lots	68 units
Lot Type 5	60 Ft Lots	68 units

Lot Type 6	50 Ft Lots	171	units
Total		360	units

The total estimated Equivalent Units for Phase #2 are shown in Table D-8 below as calculated based on the Equivalent Unit factors shown above in Table D-4, Lot Types and number of units built within Phase #2.

Table D-8
Estimated Equivalent Units- Phase #2

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (One-acre Lot)	0	1.00	0.00
Lot Type 2 (100 Ft Lot)	4	0.88	3.52
Lot Type 3 (86 Ft Lot)	49	0.83	40.67
Lot Type 4 (74 Ft Lot)	68	0.72	48.96
Lot Type 5 (60 Ft Lot)	68	0.58	39.44
Lot Type 6 (50 Ft Lot)	171	0.48	82.08
Total Equivalent Units	360		214.67

Table D-9 below shows the proposed residential Lot Types within Phase #3.

Table D-9
Proposed Development – Phase #3

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	One-acre Lots	0 units
Lot Type 2	100 Ft Lots	0 units
Lot Type 3	86 Ft Lots	25 units

Lot Type 4	74 Ft Lots	88	units
Lot Type 5	60 Ft Lots	82	units
Lot Type 6	50 Ft Lots	0	units
Total		195	units

The total estimated Equivalent Units for Phase #3 are shown in Table D-10 on the following page as calculated based on the Equivalent Unit factors shown above in Table D-4, estimated Lot Types and number of units estimated to be built within Phase #3.

Table D-10
Estimated Equivalent Units- Phase #3

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (One-acre Lot)	0	1.00	0.00
Lot Type 2 (100 Ft Lot)	0	0.88	0.00
Lot Type 3 (86 Ft Lot)	25	0.83	20.75
Lot Type 4 (74 Ft Lot)	88	0.72	63.36
Lot Type 5 (60 Ft Lot)	82	0.58	47.56
Lot Type 6 (50 Ft Lot)	0	0.48	0.00
Total Equivalent Units	195		131.67

Table D-11 below shows the proposed residential Lot Types within Phase #4.

Table D-11
Proposed Development – Phase #4

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	One-acre Lots	0 units
Lot Type 2	100 Ft Lots	0 units
Lot Type 3	86 Ft Lots	2 units
Lot Type 4	74 Ft Lots	3 units
Lot Type 5	60 Ft Lots	2 units
Lot Type 6	50 Ft Lots	2 units
Total		9 units

The total estimated Equivalent Units for Phase #4 are shown in Table D-12 on the following page as calculated based on the Equivalent Unit factors shown above in Table D-4, estimated Lot Types and number of units estimated to be built within Phase #4.

Table D-12
Estimated Equivalent Units- Phase #4

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (One-acre Lot)	0	1.00	0.00
Lot Type 2 (100 Ft Lot)	0	0.88	0.00
Lot Type 3 (86 Ft Lot)	2	0.83	1.66
Lot Type 4 (74 Ft' Lot)	3	0.72	2.16
Lot Type 5 (60 Ft Lot)	2	0.58	1.16
Lot Type 6 (50 Ft Lot)	2	0.48	0.96
Total Equivalent Units	9		5.94

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APPENDIX E
ALLOCATION OF ASSESSMENTS

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)

Appendix E
ALLOCATION OF ASSESSMENTS

Calculation of the Total Assessments applicable to Phases #1 and Phases #2-9

As shown in Section IV, Table IV-A of the Service and Assessment Plan, the total amounts of the Phases #2-9 Major Improvement Bonds, the Reimbursement Agreement obligation for the Phases # 2-9 Major Improvements not financed by the Phases #2-9 Major Improvement Bonds, the Phase #1 Bonds, the City Contributed Major Improvements allocable to the PID, are \$13,150,000, \$5,000,000, and \$3,730,000, respectively. As shown in Section V, Table V-A of the Service and Assessment Plan, the proration percentages applicable to Phases #1 and Phases #2-9, as calculated based on the Equivalent Units, are 18.76% and 81.24%, respectively. Table E-1 below shows the amounts of Assessments allocated to Phases #1 and Phases #2-9, based on these total amounts and proration percentages.

Table E-1
Allocation of Total Assessments to
Phases #1 Assessed Property and Phases #2-9 Assessed Property

Description	Total Amount	Percentage applicable to Phase #1 Assessed Property	Percentage applicable to Phases #2-9 Assessed Property	Total Amount allocated to Phase #1 Assessed Property	Total Amount Allocated to Phases #2-9 Assessed Property
Phases #2-9 Major Improvement Bonds	\$13,150,000	0.00%	100.00%	\$0	\$13,150,000
Reimbursement Agreement for Phases #2-9 Major Improvements	\$5,000,000	0.00%	100.00%	\$0	\$5,000,000
Phase #1 Bonds	\$9,000,000	100.00%	0.00%	\$9,000,000	\$0
City Contributed Major Improvements	\$3,730,000	18.76%	81.26%	\$699,913	\$3,030,087
Total Assessments	\$30,880,000			\$9,699,913	\$21,180,087

A) Allocation of Assessments to Lot Types in Phases #2-9

As shown in Table E-1 above, the total Assessments allocated to Phases #2-9 Assessed Property, is \$21,180,087. As shown in Appendix D, there are a total of 888.39 estimated Equivalent Units in Phases #2-9, resulting in an Assessment per Equivalent Unit of \$23,840.98.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$23,840.98 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (One-acre Lot) dwelling unit is \$23,840.98 (i.e. $\$23,840.98 \times 1.00$). The Assessment for a Lot Type 2 (100 Ft Lot) dwelling unit is \$20,980.06 (i.e. $\$23,840.98 \times 0.88$). Table E-2 sets forth the Assessment per dwelling unit for each of the Lot Types in Phases #2-9.

Table E-2
Assessment per Unit – Phases #2-9
for Phases #2-9 Major Improvements and City Contributed Major Improvements

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
<u>Residential</u>					
Lot Type 1	30	\$23,840.98	1.00	\$23,840.98 per dwelling unit	\$715,229
Lot Type 2	18	\$23,840.98	0.88	\$20,980.06 per dwelling unit	\$377,641
Lot Type 3	115	\$23,840.98	0.83	\$19,788.01 per dwelling unit	\$2,275,621
Lot Type 4	402	\$23,840.98	0.72	\$17,165.51 per dwelling unit	\$6,900,533
Lot Type 5	391	\$23,840.98	0.58	\$13,827.77 per dwelling unit	\$5,406,657
Lot Type 6	481	\$23,840.98	0.48	\$11,443.67 per dwelling unit	\$5,504,405
Total	1,437				\$21,180,088

B) Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds, which represents the total Assessment allocated to all Parcels within Phase #1, is \$9,699,913. As shown in Appendix D, there are a total of 210.80 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$46,014.77.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$46,014.77 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (One-acre Lot) dwelling unit is \$46,014.77 (i.e. \$46,014.77 × 1.00). The Assessment for a Lot Type 2 (100 Ft Lot) dwelling unit is \$40,653.06 (i.e. \$46,014.77 × 0.88). Table E-3 below sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #1.

Table E-3
Assessment per Unit – Phase #1
for Phase #1 Improvements

Type	No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
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Equivalent Unit						
<u>Residential</u>						
Lot Type 1	18	\$46,014.77	1.00	\$46,014.77	per dwelling unit	\$828,266
Lot Type 2	0	\$46,014.77	0.88	\$40,492.99	per dwelling unit	\$0
Lot Type 3	48	\$46,014.77	0.83	\$38,192.26	per dwelling unit	\$1,833,228
Lot Type 4	56	\$46,014.77	0.72	\$33,130.63	per dwelling unit	\$1,855,315
Lot Type 5	104	\$46,014.77	0.58	\$26,688.56	per dwelling unit	\$2,775,611
Lot Type 6	109	\$46,014.77	0.48	\$22,087.09	per dwelling unit	\$2,407,493
Total	335					\$9,699,913

C) Allocation of Assessments to Lot Types in Phase #2

As shown in Section IV of this Service and Assessment Plan, the total amount of the obligations under the Reimbursement Agreement for the Phase #2 Improvements, which represents the total Assessment allocated to all Parcels within Phase #2 for the Phase #2 Improvements, is \$5,300,000. As shown in Appendix D, there are a total of 214.67 estimated Equivalent Units in Phase #2, resulting in an Assessment per Equivalent Unit of \$24,689.06.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$24,689.06 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (One-acre Lot) dwelling unit is \$24,689.06 (i.e. $\$24,689.06 \times 1.00$). The Assessment for a Lot Type 2 (100 Ft Lot) dwelling unit is \$21,726.37 (i.e. $\$24,689.06 \times 0.88$). Table E-4 below sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #2.

Table E-4
Assessment per Unit – Phase #2
For Phase #2 Improvements

Type	No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
<u>Residential</u>					

Lot Type 1	0	\$24,689.06	1.00	\$24,689.06	per dwelling unit	\$0
Lot Type 2	4	\$24,689.06	0.88	\$21,726.37	per dwelling unit	\$86,905
Lot Type 3	49	\$24,689.06	0.83	\$20,491.92	per dwelling unit	\$1,004,104
Lot Type 4	68	\$24,689.06	0.72	\$17,776.12	per dwelling unit	\$1,208,776
Lot Type 5	68	\$24,689.06	0.58	\$14,319.65	per dwelling unit	\$973,736
Lot Type 6	171	\$24,689.06	0.48	\$11,850.75	per dwelling unit	\$2,026,478
Total	360					\$5,300,000

Table E-5 on the following page sets forth the combined Phases #2-9 Major Improvements related Assessment per dwelling unit and the Phase #2 Assessments per dwelling unit for each of the Lot Types in Phase #2.

Table E-5
Combined Assessment per Unit – Phase #2

Type	Planned No. of Units	Assessment per Unit (Phases #2-9 Major Improvements)	Assessment per Unit (Phase #2 Improvements)	Equivalent Unit Factor	Combined Phase #2 Assessment per Unit	Total Combined Assessment
<u>Residential</u>						
Lot Type 1	0	\$23,840.98	\$24,689.06	1.00	\$48,530.04 per dwelling unit	
Lot Type 2	4	\$20,980.06	\$21,726.37	0.88	\$42,706.43 per dwelling unit	\$170,825.48
Lot Type 3	49	\$19,788.01	\$20,491.92	0.83	\$40,279.93 per dwelling unit	\$1,973,616.57
Lot Type 4	68	\$17,165.51	\$17,776.12	0.72	\$34,941.63 per dwelling unit	\$2,376,029.84
Lot Type 5	68	\$13,827.77	\$14,319.65	0.58	\$28,147.42 per dwelling unit	\$1,914,024.00
Lot Type 6	171	\$11,443.67	\$11,850.75	0.48	\$23,294.42 per dwelling unit	\$3,983,345.38
Total	360					\$10,417,541.27

D) Allocation of Assessments to Lot Types in Phase #3

As shown in Section IV of this Service and Assessment Plan, the total amount of the obligations under the Reimbursement Agreement for the Phase #3 Improvements, which represents the total Assessment to be allocated on all Parcels within Phase #3 for the Phase #3 Improvements, is \$3,700,000. As shown in Appendix D, there are a total of 131.67 estimated Equivalent Units in Phase #3, resulting in an Assessment per Equivalent Unit of \$28,100.55.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$28,100.55 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (One-acre Lot) dwelling unit is \$28,100.55 (i.e. $\$28,100.55 \times 1.00$). The Assessment for a Lot Type 3 (86 Ft Lot) dwelling unit is \$23,323.46 (i.e. $\$28,100.55 \times 0.83$). Table E-6 below sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #3.

Table E-6
Assessment per Unit – Phase #3
For Phase #3 Improvements

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
<u>Residential</u>						
Lot Type 1	0	\$28,100.55	1.00	\$28,100.55	per dwelling unit	\$0
Lot Type 2	0	\$28,100.55	0.88	\$24,728.49	per dwelling unit	\$0
Lot Type 3	25	\$28,100.55	0.83	\$23,323.46	per dwelling unit	\$583,087
Lot Type 4	88	\$28,100.55	0.72	\$20,232.40	per dwelling unit	\$1,780,451
Lot Type 5	82	\$28,100.55	0.58	\$16,298.32	per dwelling unit	\$1,336,462
Lot Type 6	0	\$28,100.55	0.48	\$13,488.27	per dwelling unit	\$0
Total	195					\$3,700,000

Table E-7 below sets forth the combined Phases #2-9 Major Improvements related Assessment per dwelling unit and the Phase #3 Assessments per dwelling unit for each of the Lot Types in Phase #3.

Table E-7
Combined Assessment per Unit – Phase #3

Type	Planned No. of Units	Assessment per Unit (Phases #2-9 Major Improvements)	Assessment per Unit (Phase #3 Improvements)	Equivalent Unit Factor	Combined Phase #3 Assessment per Unit		Total Combining Assessments
<u>Residential</u>							
Lot Type 1	0	\$23,772.40	28,100.55	1.00	\$51,873	per dwelling unit	
Lot Type 2	0	\$20,919.71	24,728.49	0.88	\$45,648	per dwelling unit	
Lot Type 3	25	\$19,731.09	23,323.46	0.83	\$43,055	per dwelling unit	\$1,076,000
Lot Type 4	88	\$17,116.13	20,232.40	0.72	\$37,349	per dwelling unit	\$3,286,000

Lot Type 5	82	\$13,787.99	16,298.32	0.58	\$30,086	per dwelling unit	\$2,467, ¹
Lot Type 6	0	\$11,410.75	13,488.27	0.48	\$24,899	per dwelling unit	
Total	195						\$6,830,

E) Allocation of Assessments to Lot Types in Phase #4

As shown in Section IV of this Service and Assessment Plan, the total amount of the obligations under the Reimbursement Agreement for the Phase #4 Improvements, which represents the total Assessment to be allocated on all Parcels within Phase #4 for the Phase #4 Improvements, is \$167,000. As shown in Appendix D, there are a total of 5.94 estimated Equivalent Units in Phase #4, resulting in an Assessment per Equivalent Unit of \$28,114.48.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$28,114.48 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (One-acre Lot) dwelling unit is \$28,114.48 (i.e. $\$28,114.48 \times 1.00$). The Assessment for a Lot Type 3 (86 Ft Lot) dwelling unit is \$23,335.02 (i.e. $\$28,114.48 \times 0.83$). Table E-8 on the following page sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #4.

Table E-8
Assessment per Unit – Phase #4
For Phase #4 Improvements

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
<u>Residential</u>						
Lot Type 1	0	\$28,114.48	1.00	\$28,114.48	per dwelling unit	\$0
Lot Type 2	0	\$28,114.48	0.88	\$24,740.74	per dwelling unit	\$0
Lot Type 3	2	\$28,114.48	0.83	\$23,335.02	per dwelling unit	\$46,670
Lot Type 4	3	\$28,114.48	0.72	\$20,242.42	per dwelling unit	\$60,727
Lot Type 5	2	\$28,114.48	0.58	\$16,306.40	per dwelling unit	\$32,613
Lot Type 6	2	\$28,114.48	0.48	\$13,494.95	per dwelling unit	\$26,990
Total	9					\$167,000

Table E-9 below sets forth the combined Phases #2-9 Major Improvements related Assessment per dwelling unit and the Phase #4 Assessments per dwelling unit for each of the Lot Types in Phase #4.

Table E-9
Combined Assessment per Unit – Phase #4

Type	Planned No. of Units	Assessment per Unit (Phases #2-9 Major Improvements)	Assessment per Unit (Phase #4 Improvements)	Equivalent Unit Factor	Combined Phase #3 Assessment per Unit		Total Combining Assessments
<u>Residential</u>							
Lot Type 1	0	\$23,772.40	\$28,114.48	1.00	\$51,886.88	per dwelling unit	
Lot Type 2	0	\$20,919.71	\$24,740.74	0.88	\$45,660.45	per dwelling unit	

Lot Type 3	2	\$19,731.09	\$23,335.02	0.83	\$43,066.11	per dwelling unit	\$86,
Lot Type 4	3	\$17,116.13	\$20,242.42	0.72	\$37,358.55	per dwelling unit	\$112,
Lot Type 5	2	\$13,787.99	\$16,306.40	0.58	\$30,094.39	per dwelling unit	\$60,
Lot Type 6	2	\$11,410.75	\$13,494.95	0.48	\$24,905.70	per dwelling unit	\$49,
Total	9						\$308,

APPENDIX F
ASSESSMENT ROLL – PHASES #2-9

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID – Pre-SAP)

Appendix F
Phases #2-9 Major Improvement Assessment Roll

Parcel	All Parcels
Equivalent Units	888.39
Assessment	\$21,180,087

Year	Principal and Interest¹	Principal and Interest²	Principal and Interest³	Administrative Expenses⁴	Total Annual Installment
1	\$663,434	\$264,500	\$0	\$35,000	\$962,934
2	\$963,050	\$361,000	\$122,492	\$35,700	\$1,482,242
3	\$1,213,050	\$445,000	\$146,320	\$36,414	\$1,840,784
4	\$1,195,675	\$438,935	\$246,911	\$37,142	\$1,918,663
5	\$1,203,300	\$443,870	\$252,148	\$37,885	\$1,937,203
6	\$1,184,188	\$447,011	\$252,782	\$38,643	\$1,922,623
7	\$1,190,075	\$439,430	\$252,929	\$39,416	\$1,921,850
8	\$1,194,225	\$442,849	\$248,470	\$40,204	\$1,925,749
9	\$1,196,638	\$444,474	\$251,759	\$41,008	\$1,933,879
10	\$1,197,313	\$446,377	\$250,384	\$41,828	\$1,935,901
11	\$1,196,250	\$436,486	\$248,658	\$42,665	\$1,924,058
12	\$1,192,250	\$436,594	\$250,628	\$43,518	\$1,922,990
13	\$1,186,438	\$446,981	\$251,991	\$44,388	\$1,929,798
14	\$1,178,813	\$445,851	\$248,605	\$45,276	\$1,918,545
15	\$1,169,375	\$442,927	\$248,903	\$46,182	\$1,907,387
16	\$1,183,125	\$440,282	\$248,717	\$47,105	\$1,919,229
17	\$1,168,250	\$446,842	\$252,152	\$48,047	\$1,915,291
18	\$1,176,563	\$440,885	\$250,834	\$49,008	\$1,917,291
19	\$1,156,250	\$445,207	\$248,982	\$49,989	\$1,900,428

20	\$1,157,500	\$448,013	\$250,655	\$50,988	\$1,907,156
21	\$1,155,000	\$449,302	\$251,606	\$52,008	\$1,907,916
22	\$1,148,750	\$449,075	\$0	\$53,048	\$1,650,874
23	\$1,163,750	\$458,332	\$0	\$54,109	\$1,676,192
24	\$1,148,125	\$454,279	\$0	\$55,191	\$1,657,595
25	\$1,153,750	\$458,709	\$0	\$56,295	\$1,668,755
26	\$1,128,750	\$458,901	\$0	\$57,421	\$1,645,072
27	\$0	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0	\$0
Total	\$29,863,884	\$11,332,114	\$4,775,926	\$1,178,482	\$47,150,406

1 - The principal and interest amounts represent the debt service requirements of the Series 2015 Phases #2-9 Major Improvement Bonds at the interest rates. The interest amount also includes the additional 0.5% interest being collected for the prepayment and delinquency reserves.

2 - The principal and interest amounts represent the estimated debt service requirements of the Reimbursement Agreement for the Major Improvements allocated to Phases #2-9 that are not paid by the Phases #2-9 Bonds. The interest amount also includes the additional 0.5% interest being collected for the prepayment and delinquency reserves.

3 - The principal and interest amounts represent the estimated debt service requirements of the City Contributed Major Improvements. Assessments. The interest amount also includes the additional 0.5% interest being collected for the prepayment and delinquency reserves.

4- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

APPENDIX G

ASSESSMENT ROLL – PHASE #1

Appendix G

Phase #1 Assessment Roll

Parcel	All Parcels
Equivalent Units	210.80
Assessment	\$9,699,913

Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment
1	\$430,383	\$0	\$15,000	\$445,383
2	\$637,088	\$28,294	\$15,255	\$680,637
3	\$787,088	\$33,798	\$15,514	\$836,400
4	\$801,963	\$57,033	\$15,778	\$874,774
5	\$790,150	\$58,243	\$16,046	\$864,439
6	\$803,338	\$58,389	\$16,319	\$878,046
7	\$789,838	\$58,423	\$16,597	\$864,857
8	\$801,338	\$57,394	\$16,879	\$875,610
9	\$786,150	\$58,153	\$17,166	\$861,469
10	\$795,963	\$57,835	\$17,457	\$871,255
11	\$804,088	\$57,437	\$17,754	\$879,279
12	\$785,525	\$57,892	\$18,056	\$861,473
13	\$791,963	\$58,207	\$18,363	\$868,532
14	\$796,713	\$57,425	\$18,675	\$872,812
15	\$799,775	\$57,493	\$18,993	\$876,261
16	\$800,275	\$57,451	\$19,315	\$877,041
17	\$799,025	\$58,244	\$19,644	\$876,913
18	\$796,025	\$57,940	\$19,978	\$873,942

19	\$791,275	\$57,512	\$20,317	\$869,104
20	\$783,425	\$57,898	\$20,663	\$861,986
21	\$798,750	\$58,118	\$21,014	\$877,882
22	\$785,425	\$0	\$21,371	\$806,796
23	\$795,275	\$0	\$21,735	\$817,010
24	\$801,475	\$0	\$22,104	\$823,579
25	\$804,025	\$0	\$22,480	\$826,505
26	\$777,925	\$0	\$22,862	\$800,787
27	\$0	\$0	\$0	\$0
28	\$0	\$0	\$0	\$0
29	\$0	\$0	\$0	\$0
30	\$0	\$0	\$0	\$0
Total	\$20,134,258	\$1,103,179	\$485,335	\$21,722,772

1 - The principal and interest amounts represent the estimated debt service requirements of the Series 2015 Phases #1 Bonds. The interest amount also includes the additional 0.5% interest being collected for the prepayment and delinquency reserves.

2 - The principal and interest amounts represent the estimated debt service requirements of the City Contributed Major Improvements Assessments. The interest amount also includes the additional 0.5% interest being collected for the prepayment and delinquency reserves.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

APPENDIX H
ASSESSMENT ROLL – PHASE #2

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID – Pre-SAP)

Appendix H
Phase #2 Assessment Roll

Parcel	All Parcels
Equivalent Units	214.67
Assessment	\$5,300,000

Year	Principal and Interest¹	Administrative Expenses²	Total Annual Installment
1	\$470,110	\$20,000	\$490,110
2	\$470,110	\$20,340	\$490,450
3	\$565,110	\$20,686	\$585,796
4	\$561,684	\$21,037	\$582,721
5	\$557,814	\$21,395	\$579,209
6	\$403,500	\$21,759	\$425,259
7	\$402,043	\$22,129	\$424,172
8	\$405,293	\$22,505	\$427,797
9	\$402,955	\$22,887	\$425,842
10	\$405,324	\$23,277	\$428,601
11	\$402,106	\$23,672	\$425,778
12	\$403,595	\$24,075	\$427,669
13	\$399,496	\$24,484	\$423,980
14	\$400,104	\$24,900	\$425,004
15	\$400,125	\$25,323	\$425,448
16	\$399,559	\$25,754	\$425,313
17	\$398,406	\$26,192	\$424,598
18	\$396,666	\$26,637	\$423,303

19	\$399,339	\$27,090	\$426,429
20	\$396,132	\$27,550	\$423,682
21	\$397,337	\$28,019	\$425,356
22	\$397,662	\$28,495	\$426,157
23	\$397,107	\$28,980	\$426,086
24	\$395,671	\$29,472	\$425,143
25	\$773,354	\$29,973	\$803,327
26	\$772,851	\$30,483	\$803,334
27	\$0	\$0	\$0
28	\$0	\$0	\$0
29	\$0	\$0	\$0
30	\$0	\$0	\$0
Total	\$11,773,450	\$647,114	\$12,420,563

1 - The principal and interest amounts represent the estimated debt service requirements of the Reimbursement Agreement for the Phase #2 Improvements. The interest amounts are calculated using 8.87% per annum for years 1 to 5 and 5.87% per annum thereafter.

2 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

APPENDIX I
ASSESSMENT ROLL – PHASE #3

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID – Pre-SAP)

Appendix I
Phase #3 Assessment Roll

Parcel	All Parcels
Equivalent Units	131.67
Assessment	\$3,700,000

Year	Principal and Interest¹	Administrative Expenses²	Total Annual Installment
1	\$313,210	\$20,000	\$333,210
2	\$312,794	\$20,340	\$333,134
3	\$312,377	\$20,686	\$333,063
4	\$311,961	\$21,037	\$332,998
5	\$311,544	\$21,395	\$332,939
6	\$245,878	\$21,759	\$267,636
7	\$248,213	\$22,129	\$270,341
8	\$250,281	\$22,505	\$272,786
9	\$247,083	\$22,887	\$269,970
10	\$248,885	\$23,277	\$272,162
11	\$250,421	\$23,672	\$274,093
12	\$246,690	\$24,075	\$270,764
13	\$247,959	\$24,484	\$272,442
14	\$248,961	\$24,900	\$273,861
15	\$249,697	\$25,323	\$275,020
16	\$245,167	\$25,754	\$270,920
17	\$245,636	\$26,192	\$271,828
18	\$245,839	\$26,637	\$272,476

19	\$245,776	\$27,090	\$272,865
20	\$250,446	\$27,550	\$277,996
21	\$504,583	\$28,019	\$532,601
22	\$504,862	\$28,495	\$533,357
23	\$504,075	\$28,980	\$533,054
24	\$502,222	\$29,472	\$531,694
25	\$504,303	\$29,973	\$534,276
26	\$495,051	\$30,483	\$525,534
27	\$0	\$0	\$0
28	\$0	\$0	\$0
29	\$0	\$0	\$0
30	\$0	\$0	\$0
Total	\$8,293,907	\$647,114	\$8,941,020

1 - The principal and interest amounts represent the estimated debt service requirements of the Reimbursement Agreement for the Phase #3 Improvements. The interest amounts are calculated using 8.33% per annum for years 1 to 5 and 5.33% per annum thereafter.

2 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

APPENDIX J
PROPOSED ASSESSMENT ROLL – PHASE #4

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID – Pre-SAP)

Appendix J
Phase #4 Assessment Roll

Parcel			All Parcels
Equivalent Units			
Assessment			\$
Year	Principal and Interest ¹	Administrative Expenses ²	Total Annual Installment
1	\$14,193	\$1,500	\$15,693
2	\$14,114	\$1,526	\$15,640
3	\$14,035	\$1,551	\$15,586
4	\$13,956	\$1,578	\$15,534
5	\$13,877	\$1,605	\$15,482
6	\$9,938	\$1,632	\$11,570
7	\$9,840	\$1,660	\$11,500
8	\$10,742	\$1,688	\$12,430
9	\$10,595	\$1,717	\$12,312
10	\$10,448	\$1,746	\$12,194
11	\$10,301	\$1,775	\$12,076
12	\$10,154	\$1,806	\$11,960
13	\$10,007	\$1,836	\$11,843
14	\$9,860	\$1,868	\$11,728
15	\$10,713	\$1,899	\$12,612
16	\$10,517	\$1,932	\$12,449
17	\$10,321	\$1,964	\$12,285
18	\$10,125	\$1,998	\$12,123

19	\$9,929	\$2,032	\$11,961
20	\$10,733	\$2,066	\$12,799
21	\$22,488	\$2,101	\$24,589
22	\$21,655	\$2,137	\$23,792
23	\$21,822	\$2,173	\$23,995
24	\$21,940	\$2,210	\$24,150
25	\$22,009	\$2,248	\$24,257
26	\$22,029	\$2,286	\$24,315
27	\$0	\$0	\$0
28	\$0	\$0	\$0
29	\$0	\$0	\$0
30	\$0	\$0	\$0
Total	\$356,341	\$48,534	\$404,875

1 - The principal and interest amounts represent the estimated debt service requirements of the Reimbursement Agreement for the Phase #3 Improvements. The interest amounts are estimated using 7.90% per annum for years 1 to 5 and 4.90% per annum thereafter, and will be adjusted at the time of levy.

2 - Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

EXHIBIT B
CITY OF CELINA, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Celina, Texas on July 14, 2020 at or after 5:00 p.m. at the Celina City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009. In the event that the City Council will be unable to meet at the City Council Chambers on July 14, 2020, the City will post on its website, www.celina-tx.gov, information for persons to attend the meeting by telephone, videoconference or other electronic means. The public hearing will be held to consider proposed assessments to be levied against the assessable property within Phase #4 of The Lakes at Mustang Ranch Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended.

The proposed Authorized Improvements to be undertaken at this time (the "Phase #4 Improvements") include road improvements, water distribution system improvements, sanitary sewer system improvements, storm drainage system improvements, and costs related to the establishment, administration and operation of the District.

The total costs of the Phase #4 Improvements, including administrative costs and the costs of issuing bonds, is \$400,000.

The boundaries of the District include approximately 681.999 acres of land situated in the Coleman Watson Survey, Abstract No. A0945, Block 4, Tract 26, and is generally located north of FM 1461, west of FM 2478, east of County Road 84, and south of Brinkmann Ranch Road, as more particularly described by a metes and bounds description available at Celina City Hall located at 142 N. Ohio Street, Celina, Texas 75009 and available for public inspection.

All written or oral objections on the proposed assessment within Phase #4 of the District will be considered at the public hearing.

A copy of the proposed Phase #4 Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within Phase #4 of the District that benefits from the Phase #4 Improvements, is available for public inspection at the office of the City Secretary, 142 N. Ohio Street, Celina, Texas 75009.

Attachment: Resolution with Pre-SAP (Mustang Lakes Phase 4 - PID - Pre-SAP)



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Sutton Fields Phase 4 - PID - Pre-SAP

Action Requested:

Consider and act upon a resolution of the City of Celina, Texas determining the costs of Phase #4 improvements to be financed by the Sutton Fields Public Improvement District; approving an updated preliminary service plan and assessment plan, including proposed Phase #4 assessment roll; directing the filing of the proposed Phase #4 assessment roll with the City Secretary; providing for noticing and calling a public hearing for July 14, 2020 to consider an ordinance levying assessments on property located within the Sutton Fields Public Improvement District. (Sutton Fields Phase 4- PID – Pre-SAP) (McAfee)

Background Information:

The resolution is attached.

Legal Review:

This item has been reviewed by the City Attorney.

Supporting Documents:

- Resolution

Staff Recommendation:

Staff recommends approval as presented.

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS DETERMINING THE COSTS OF NEIGHBORHOOD IMPROVEMENT AREA #4 IMPROVEMENTS TO BE FINANCED BY THE SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED NEIGHBORHOOD IMPROVEMENT AREA #4 ASSESSMENT ROLL; CALLING A MEETING AND NOTICING A PUBLIC HEARING FOR JULY 14, 2020 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED NEIGHBORHOOD IMPROVEMENT AREA #4 ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

RECITALS

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “Act”) authorizes the governing body (the “City Council”) of the City of Celina, Texas (the “City”), to create a public improvement district within the City; and

WHEREAS, on October 13, 2015 the City Council conducted a public hearing to consider a petition received by the City on September 3, 2015 titled “Petition for the Creation of a Public Improvement District Within the City of Celina, Texas, for the Sutton Fields II Public Improvement District” requesting the creation of a public improvement district; and

WHEREAS, on October 13, 2015, the City Council approved Resolution No. 2015-51R (the “Authorization Resolution”), authorizing, establishing and creating the Sutton Fields II Public Improvement District (the “District”); and

WHEREAS, the City authorized the creation of the District and the issuance of up to \$85,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the “Authorized Improvements”); and

WHEREAS, on November 10, 2015, the City Council adopted Ordinance No. 2015-54, which approved the District Service and Assessment Plan dated November 10, 2015 (the “2015 SAP”); and

WHEREAS, on August 28, 2018, the City Council adopted Ordinance No. 2018-46, which amended and restated the 2015 SAP (the “SAP”); and

WHEREAS, the property within the District is being developed in phases, of which Phase #2C includes approximately 42.114 acres (“Phase #2C”) and Phase #4B includes approximately 35.223 acres (“Phase #4B”) (Phase #2C and Phase #4B are collectively, “Neighborhood Improvement Area #4”); and

WHEREAS, the City desires to update the SAP to reflect the Neighborhood Improvement Area #4 Improvements (as defined in the Preliminary Updated SAP referenced below) and the construction of and development of Neighborhood Improvement Area #4 of the District; and

WHEREAS, the total cost of the Neighborhood Improvement Area #4 Improvements is approximately \$5,742,609, as referenced in Table III-D of the Preliminary Updated SAP; and

WHEREAS, the City Council and the City staff have been presented an “Sutton Fields II Public Improvement District Amended and Restated Service Plan Updated for Neighborhood Improvement Area #2, Neighborhood Improvement Area #3, and Neighborhood Improvement Area #4” dated June 9, 2020 (the “Preliminary Updated SAP”), including the proposed assessment roll attached thereto as Appendix H (the “Proposed Neighborhood Improvement Area #4 Assessment Roll”), a copy of the Preliminary Updated SAP is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary Updated SAP sets forth the estimated total costs of the Neighborhood Improvement Area #4 Improvements to be financed by the District and the Proposed Neighborhood Improvement Area #4 Assessment Roll states the assessments proposed to be levied against each parcel of land in Neighborhood Improvement Area #4 of the District as determined by the method of assessment chosen by the City; and

WHEREAS, the Act requires that the Proposed Neighborhood Improvement Area #4 Assessment Roll be filed with the City Secretary of the City (the “City Secretary”) and be subject to public inspection; and

WHEREAS, the Act requires that a public hearing (the “Assessment Hearing”) be called to consider the Preliminary Updated SAP and proposed Neighborhood Improvement Area #4 assessments and requires the City Council to hear and pass on any objections to the Preliminary Updated SAP and proposed Neighborhood Improvement Area #4 assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS AS FOLLOWS:

SECTION 1. THAT the recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. THAT the City Council does hereby accept the Preliminary Updated SAP for the District, including the Proposed Neighborhood Improvement Area #4 Assessment Roll. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary Updated SAP.

SECTION 3. THAT the City Council hereby determines that the total costs of the Neighborhood Improvement Area #4 Improvements to be financed by the District are as set forth in Table III-D of the Preliminary Updated SAP, which costs include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

SECTION 4. THAT the City Council’s final determination and approval of the costs of the Neighborhood Improvement Area #4 Improvements shall be subject to and contingent upon City

Council approval of a final Updated SAP which will include final Neighborhood Improvement Area #4 Assessment Roll, after the properly noticed and held Assessment Hearing.

SECTION 5. THAT the Proposed Neighborhood Improvement Area #4 Assessment Roll states the assessment proposed to be levied against each parcel of land in Neighborhood Improvement Area #4 of the District as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary Updated SAP.

SECTION 6. THAT the City Council expressly defers the levy of assessments against property within future phases for phase-specific improvements that will benefit only the property within each subsequent phase until the date the costs of such phase-specific improvements can be determined with certainty as referenced in the Preliminary Updated SAP.

SECTION 7. THAT the City Council hereby authorizes and directs the filing of the Proposed Neighborhood Improvement Area #4 Assessment Roll with the City Secretary and the same shall be available for public inspection.

SECTION 8. THAT the City Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *July 14, 2020 at 5:00 p.m. at Celina City Council Chambers, 112 N. Colorado St., Celina, Texas 75009*, at which the City Council shall, among other actions, hear and pass on any objections to the proposed assessments; and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on Neighborhood Improvement Area #4 within the District (which ordinance shall specify the method of payment of the assessments). In the event that the City Council will be unable to meet at the City Council Chambers on July 14, 2020, the City will post on its website, www.celina-tx.gov, information for persons to attend the meeting by telephone, videoconference, or other electronic means

SECTION 9. THAT the City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on *July 14, 2020*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City, on or before July 3, 2020 as required by Section 372.016(b) of the Act.

SECTION 10. THAT when the Proposed Neighborhood Improvement Area #4 Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *July 14, 2020*, on or before July 3, 2020, as required by Section 372.016(c) of the Act.

SECTION 11. THAT City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *July 14, 2020* meeting of the City Council.

SECTION 12. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED on this the 9th day of June, 2020.

ATTEST:

Chad Anderson, Mayor Pro-Tem

Vicki Tarrant, City Secretary

EXHIBIT A

UPDATED PRELIMINARY SERVICE AND ASSESSMENT PLAN

SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

AMENDED AND RESTATED PRELIMINARY SERVICE AND ASSESSMENT PLAN UPDATED FOR NEIGHBORHOOD IMPROVEMENT AREA #4

June 13, 2017

As Updated for NIA #3 on June 11, 2019, collectively
updated for NIA #2 & NIA #3 on September 10, 2019, and
updated for NIA #4 on June 4, 2020

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT

AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN

UPDATED FOR NEIGHBORHOOD IMPROVEMENT AREA #4

TABLE OF CONTENTS

RECITALS.....	1
I. PLAN DESCRIPTION AND DEFINED TERMS	4
A. INTRODUCTION	4
B. DEFINITIONS	5
II. PROPERTY INCLUDED IN THE PID	18
A. PROPERTY INCLUDED IN THE PID	18
B. PROPERTY LOCATED IN NEIGHBORHOOD IMPROVEMENT AREA #1	19
C. PROPERTY LOCATED IN NEIGHBORHOOD IMPROVEMENT AREAS #2-5	21
III. DESCRIPTION OF THE PUBLIC IMPROVEMENTS.....	25
A. AUTHORIZED IMPROVEMENT OVERVIEW	25
B. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #1	26
C. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS	27
D. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #2	35
E. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #3	37
F. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #4	38
G. DESCRIPTIONS AND COSTS OF FUTURE NEIGHBORHOOD IMPROVEMENT AREA IMPROVEMENTS	40
IV. FUTURE NEIGHBORHOOD IMPROVEMENT AREA BONDS TEST	42
A. FUTURE NEIGHBORHOOD IMPROVEMENT AREA BONDS	42
V. ASSESSMENT PLAN	43
A. INTRODUCTION	43
B. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #1	45
C. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #2	46
D. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #3	46
E. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #4	46
F. ALLOCATION OF COSTS OF MAJOR IMPROVEMENTS	46
G. ALLOCATION OF COSTS RELATING TO ISSUANCE OF PID BONDS.....	46

H.	ALLOCATION OF ACTUAL COSTS OF FUTURE NEIGHBORHOOD IMPROVEMENT AREA IMPROVEMENTS.....	47
I.	INCORPORATION BY REFERENCE	47
J.	DETERMINATION OF SPECIAL BENEFIT AND ASSESSMENTS.....	53
K.	ANNUAL ASSESSMENT ROLL UPDATES.....	62
L.	FUTURE NEIGHBORHOOD IMPROVEMENT AREA ASSESSMENT ROLL.....	64
M.	ASSESSMENTS AND ANNUAL INSTALLMENTS	64
N.	ADMINISTRATIVE EXPENSES	64
O.	EXCESS INTEREST RATE.....	64
P.	PREPAYMENT RESERVE	65
Q.	DELINQUENCY RESERVE	65
R.	DELINQUENCY AND PREPAYMENT RESERVE	65
S.	TIRZ CREDIT.....	67
VI.	SERVICE PLAN.....	68
VII.	TERMS OF THE ASSESSMENTS	76
A.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE NEIGHBORHOOD IMPROVEMENT AREA #1	76
B.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5	76
C.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE NEIGHBORHOOD IMPROVEMENT AREA #2, NEIGHBORHOOD IMPROVEMENT AREA #3, AND NEIGHBORHOOD IMPROVEMENT AREA #4	76
D.	TIRZ CREDIT FOR PARCELS LOCATED IN NEIGHBORHOOD IMPROVEMENT AREA #1	77
E.	TIRZ CREDIT FOR PARCELS LOCATED IN NEIGHBORHOOD IMPROVEMENT AREAS #2-5	78
F.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE NEIGHBORHOOD IMPROVEMENT AREAS	78
G.	REALLOCATION OF ASSESSMENTS FOR PARCELS LOCATED WITHIN THE PID.....	78
H.	MANDATORY PREPAYMENT OF ASSESSMENTS	81
I.	REDUCTION OF ASSESSMENTS	81
J.	PAYMENT OF ASSESSMENTS	82
K.	COLLECTION OF ANNUAL INSTALLMENTS	84
VIII.	MISCELLANEOUS PROVISIONS	87
A.	ADMINISTRATIVE REVIEW	87
B.	TERMINATION OF ASSESSMENTS	87
C.	AMENDMENTS	87
D.	ADMINISTRATION AND INTERPRETATION OF PROVISIONS.....	88
E.	SEVERABILITY.....	88
	APPENDIX A - UPDATED CONCEPT PLAN	
	APPENDIX B - LEGAL DESCRIPTIONS OF PARCELS	
	APPENDIX C - ASSESSMENT PER UNIT	
	APPENDIX D - NEIGHBORHOOD IMPROVEMENT AREA #1 ASSESSMENT ROLL	
	APPENDIX E - NEIGHBORHOOD IMPROVEMENT AREAS #2-5 ASSESSMENT ROLL	
	APPENDIX F - NEIGHBORHOOD IMPROVEMENT AREA #2 ASSESSMENT ROLL	
	APPENDIX G - NEIGHBORHOOD IMPROVEMENT AREA #3 ASSESSMENT ROLL	
	APPENDIX H - PROPOSED NEIGHBORHOOD IMPROVEMENT AREA #4 PROPOSED ASSESSMENT ROLL	

RECITALS

WHEREAS, this Service and Assessment Plan amends and restates that particular Sutton Fields PID II Service and Assessment Plan approved by the City Council on November 10, 2015 (the “Original SAP”); and

WHEREAS, certain terms used herein are defined in Section II; and

WHEREAS, on September 3, 2015, CADG Sutton Fields, LLC, a Texas limited liability company; owner of a majority of the real property petitioned the City for creation of a PID; and

WHEREAS, by Resolution 2015-51R adopted on October 13, 2015, after notice and a public hearing in the manner required by law, the City Council of the City of Celina, Texas approved a resolution authorizing the creation of the Sutton Fields II Public Improvement District (the “District”) of the City of Celina; and

WHEREAS, on November 10, 2015, after notice and a public hearing conducted in the manner required by law, the City Council adopted Ordinance Nos. 2015-54 and 2015-56 approving the Sutton Fields II Public Improvement District Original SAP and Assessment Roll and the levy of assessments on property in the District; and

WHEREAS, the original plan of development contemplated the City to provide retail water and sewer service, the Developer had agreed to secure the water and wastewater certificates of convenience and necessity (“CCNs”) from Mustang Special Utility District for an estimated cost of \$3,300,000 as shown in the Major Improvements budget in the Original SAP and in connection with the securing of the CCN Certificate in order to provide water and wastewater services for the City, the Developer had agreed to purchase capacity for such services from Upper Trinity Regional Water District (“UTRWD”) for an estimated cost of \$800,000; and

WHEREAS, Mustang Special Utility District (“MSUD”) held the certificates of convenience and necessity (the “CCNs”) to provide retail water and sewer service to Tract A; and

WHEREAS, Aqua Texas (“Aqua”) held the CCNs to provide retail water and sewer service to Tract B; and

WHEREAS, MSUD CCNs were decertified on July 16, 2015 and Aqua CCNs were decertified on March 22, 2016, in order to allow the City to provide retail water and sewer service to the Property; and

WHEREAS, the Developer and the City have agreed that the Property will receive water and sewer service from MSUD; and

WHEREAS, the MSUD, the City, and the Developer entered into that certain Facilities Agreement (the “Facilities_Agreement”) effective on June 13, 2017, wherein MSUD has agreed to provide retail water

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

and sewer service to the Assessed Property and, therefore, the CCNs and the UTRWD capacity included in the Original SAP are no longer required; and

WHEREAS, the City Council decided to amend and restate the Original SAP to, among other things, allow MSUD to provide retail water and sewer service to the Assessed Property; and

WHEREAS, the City and the Developer entered that certain Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Reimbursement Agreement, effective November 10, 2015 (the "NIA #1 Reimbursement Agreement"), to pay and reimburse the Developer for cost of Neighborhood Improvement Area #1 Improvements (as defined in the Reimbursement Agreement) plus interest; and

WHEREAS, the City and the Developer entered that certain Sutton Fields II Public Improvement District Neighborhood Improvement Area #2 Reimbursement Agreement, effective August 28, 2018 (the "NIA #2 Reimbursement Agreement"), to pay and reimburse the Developer for cost of Neighborhood Improvement Area #2 Improvements (as defined in the Reimbursement Agreement) plus interest; and

WHEREAS, the City and the Developer entered that certain Sutton Fields II Public Improvement District Neighborhood Improvement Area #3 Reimbursement Agreement, effective June 11, 2019 (the "NIA #3 Reimbursement Agreement"), to pay and reimburse the Developer for cost of Neighborhood Improvement Area #3 Improvements (as defined in the Reimbursement Agreement) plus interest; and

WHEREAS, the City and the Developer entered that certain Sutton Fields II Public Improvement District Neighborhood Improvement Area #4 Reimbursement Agreement, effective _____ (the "NIA #4 Reimbursement Agreement"), to pay and reimburse the Developer for cost of Neighborhood Improvement Area #4 Improvements (as defined in the Reimbursement Agreement) plus interest; and

WHEREAS, the City and the Developer determined that due to the change in water and sewer service providers, the Developer will no longer expend the amount of \$2,225,000.00 for the costs incurred in the construction of the Neighborhood Improvement Area #1 Improvements (as defined in the Reimbursement Agreement) for which the City would be obligated to reimburse the Developer; and

WHEREAS, the City Council approved the creation of *Reinvestment Zone Number Four, City of Celina, Texas* ("TIRZ No. 4"), on November 5, 2015; and

WHEREAS, the TIRZ Credit related to TIRZ No. 4 was amended to reduce the City's participation rate; and

WHEREAS, the City created TIRZ #8 to encompass the Neighborhood Improvement Areas #2-5 Assessed Property; and

WHEREAS, the Original SAP was amended and restated on August 28, 2018, as updated from time to time:

NOW THEREFORE, the Service and Assessment Plan is updated as follows:

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On October 13, 2015, (the “Creation Date”) the City Council of the city of Celina, Texas (the “City”) passed and approved Resolution No. 2015-51R approving and authorizing the creation of the Sutton Fields II Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property within the PID (the “Authorized Improvements”), which is located within the City.

Certain development standards have been established for the property within the PID pursuant to the terms and conditions of that certain Amended and Restated Sutton Fields Facilities and Development Agreement dated June 13, 2017 (“the Development Agreement”). The property in the PID is proposed to be developed in approximately five phases, and the PID will finance Authorized Improvements for each phase as each phase is developed. Assessments will be imposed on all property in each phase for the Authorized Improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the “Public Improvement District Assessment Act” (as amended, the “PID Act”), governs the creation of public improvement districts within the State of Texas. The Sutton Fields II Service and Assessment Plan was prepared pursuant to the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the Assessment Roll. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan for the PID is described in more detail in Section VI.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V.

Section 372.015 of the PID Act requires that the “governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the Authorized Improvement Costs and apportionment of such costs to the property in the PID is included in Section V.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed Assessment Roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The proposed Assessment Rolls for the PID are included as Appendix D, Appendix E, Appendix F, Appendix G and Appendix H of this Service and Assessment Plan. The Assessments as shown on the proposed Assessment Rolls are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. DEFINITIONS

Capitalized terms shall have the meanings ascribed to them as follows:

“Actual Cost(s)” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a certification for payment, as defined in the Construction, Funding and Acquisition Agreement, that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and taxes (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses. Actual Costs include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a certification for payment, as defined in the Construction, Funding and Acquisition Agreement, that has been reviewed and approved by the City. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

“Administrative Expenses” means the administrative, organization, maintenance and operation costs and expenses associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the PID Bonds, (v) issuing, paying and redeeming the PID Bonds (vii) investing or depositing of monies, (viii) complying with the PID Act and codes with respect to the PID Bonds, (ix) the Trustee fees and expenses relating to the PID Bonds, including other reasonable fees (x) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors (xi) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the PID Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Administrator” means the employee or designee of the City, identified in any indenture of trust relating to the PID Bonds or identified in any agreement approved by City Council, who shall have the responsibilities provided for herein and in the Service and Assessment Plan.

“Annual Installment” means, with respect to each Assessed Property, each annual payment of the: (i) Assessments (including the principal of and interest on), as shown on the Assessment Rolls attached hereto as Appendix D, Appendix E, Appendix F, Appendix G and Appendix H or in an Annual Service Plan Update, and calculated as provided in Section VII of this Service and Assessment Plan, (ii) Administrative Expenses, (iii) Prepayment reserve described in Section V of this Service and Assessment Plan, and (iv) Delinquency reserve described in Section V of this Service and Assessment Plan.

“Annual Service Plan Update” has the meaning set forth in Section VI of this Service and Assessment Plan.

“As-Built Assessed Value” means the estimated future assessed value of a parcel after construction.

“Assessed Property” means a Parcel, other than Non-Benefitted Property, of land located within the PID, described by metes and bounds, by lot and block number in a final subdivision plat recorded in the Official Public Records of the County, or by any other means determined by the County, against which an Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years and includes Administrative Expenses and interest on all Assessments.

“Assessment Ordinance” means each ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

“Assessment Roll(s)” means the document(s) included in this Service and Assessment Plan as Appendix D, Appendix E, Appendix F, Appendix G and Appendix H, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan.

“Authorized Improvements” means the public improvements identified in Section III herein and authorized under Section 372.003 of the PID Act, acquired, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“Authorized Improvement Costs” mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements.

“City” means City of Celina, Texas.

“City Council” means the duly elected governing body of the City.

“Construction, Funding and Acquisition Agreement”, as applicable, the (i) “Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement” between the City and the Developer relating to the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, dated as of November 10, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Areas #2-5 Major Improvements, the maintenance of the Neighborhood Improvement Areas #2-5 Major Improvements, the issuance of bonds and other matters related thereto, (ii) the “Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement” between the City and the Developer relating to the Neighborhood Improvement Area #1 Bonds, dated as of November 10, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Area #1 Improvements, the maintenance of the Neighborhood Improvement Area #1 Improvements, the issuance of bonds and other matters related thereto, (iii) the “Neighborhood Improvement Area #2 Construction, Funding and Acquisition Agreement” between the City and the Developer dated as of August 28, 2018, (iv) the “Neighborhood Improvement Area #3 Construction, Funding and Acquisition Agreement” between the City and the Developer dated as of June 11, 2019, and (v) the “Neighborhood Improvement Area #4 Construction, Funding and Acquisition Agreement” between the City and the Developer dated as of July 14, 2019.

“County” means Denton County, Texas.

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means, collectively, CADG Sutton Fields, LLC, a Texas limited liability company; CADG Sutton Fields II, LLC, a Texas limited liability company, and MM Sutton Fields 4A-4B, LLC, a Texas limited liability company.

“Future Neighborhood Improvement Area” means Neighborhood Improvement Areas that may be fully developed after Neighborhood Improvement Area #1, Neighborhood Improvement Area #2, Neighborhood Improvement Area #3, and Neighborhood Improvement Area #4, as such areas are generally depicted in Table II-C. The Future Neighborhood Improvement Areas are subject to adjustment and are shown for example only.

“Future Neighborhood Improvement Area Improvements” means those Authorized Improvements associated with any Future Neighborhood Improvement Area.

“Future Neighborhood Improvement Area Bonds” mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Future Neighborhood Improvement Area. In connection with the Future Neighborhood Improvement Area Bonds, Assessments will be levied only on Parcels located within the Future Neighborhood Improvement Area in question.

“Homeowner Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner’s Association established for the benefit of property owners within the PID.

“Indenture” means an indenture of trust, trust agreement, ordinance or similar document between the City and Trustee setting forth the terms and other provisions relating to a series of one or more PID Bonds, as modified, amended, and/or supplemented from time to time.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the Official Public Records of Denton County, Texas.

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential Lots, the Lot Type shall be further defined by classifying the residential lots by the estimated Lot size and Lot width.

“Major Improvements” means both on-site and off-site Authorized Improvements which benefit all Assessed Property within the PID and described in Section III.

“Neighborhood Improvement Area #1” means the initial area to be developed within the PID as generally shown on the map on Table II-B consisting of approximately 130 acres.

“Neighborhood Improvement Area #1 Assessed Property” means any and all Parcels within Neighborhood Improvement Area #1 other than Non-Benefited Property and as shown in the Neighborhood Improvement Area #1 Assessment Roll against which an Assessment relating to the Neighborhood Improvement Area #1 Improvements is levied.

“Neighborhood Improvement Area #1 Assessment Roll” means the Assessment Roll covering the Neighborhood Improvement Area #1 included in this SAP as Appendix D, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Updates.

“Neighborhood Improvement Area #1 Bonds” means those certain “City of Celina, Texas, Special Assessment Revenue Bonds, Series, 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)” that are secured by actual revenues received by or on behalf of the City from the collection of Assessments levied against Neighborhood Improvement Area #1 Assessed Property, or the Annual Installments thereof, for the Neighborhood Improvement Area #1 Improvements.

“Neighborhood Improvement Area #1 Improvements” means (i) the pro rata portion of the Major Improvements that benefit the entire PID allocable to the Neighborhood Improvement Area #1, and (ii) the Authorized Improvements which only benefit the Neighborhood Improvement Area #1 Assessed Property and are described in Section III.B hereto, and which are to be financed with Neighborhood Improvement Area #1 Bonds.

“Neighborhood Improvement Area #2” or “NIA #2” means the property within the PID, being developed as Phase 1C, as depicted on the map in Appendix A consisting of approximately 45.4 acres within the PID.

“Neighborhood Improvement Area #2 Assessed Property” means, for any year, any and all Parcels within Neighborhood Improvement Areas #2 other than Non-Benefited Property.

“Neighborhood Improvement Area #2 Assessment Roll” means the Assessment Roll covering Neighborhood Improvement Area #2 included in this SAP as Appendix F, as updated, modified or amended

from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Neighborhood Improvement Area #2 Initial Parcel” means the portion of all Parcels located within Neighborhood Improvement Area #2, which as of July 1, 2018 includes the following tax map identification numbers assigned by the Denton County Appraisal District: 134236.

“Neighborhood Improvement Area #2 Improvements” means those Authorized Improvements that benefit the Neighborhood Improvement Area #2, as described in Section III.D hereto, and which are to be financed with the Neighborhood Improvement Areas #2 Reimbursement Agreement and/or the Neighborhood Improvement Areas #2-3 Bonds.

“Neighborhood Improvement Area #2 Reimbursement Agreement” means reimbursement agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Neighborhood Improvement Area #2 Improvements and the City agrees to reimburse the Developer for the Actual Costs of those Neighborhood Improvement Area #2 Improvements funded by the Developer with interest as permitted by the Act.

“Neighborhood Improvement Areas #2-3 Bonds” means those certain City of Celina, Texas Special Assessment Revenue Bonds, Series 2019 (Sutton Fields II Public Improvement District Neighborhood Improvement Area’s #2-3 Projects) that are secured by actual revenues received by or on behalf of the City from the collection of Assessments levied against Neighborhood Improvement Area #2 Assessed Property and Neighborhood Improvement Area #3 Assessed Property, or the Annual Installments thereof, for the Neighborhood Improvement Area #2 Improvements and Neighborhood Improvement Area #3 Improvements.

“Neighborhood Improvement Areas #2-5” means the property within the PID, excluding the Neighborhood Improvement Area #1, as depicted on the map on Table II-C consisting of approximately 493 acres within the PID.

“Neighborhood Improvement Areas #2-5 Assessed Property” means, for any year, any and all Parcels within Neighborhood Improvement Areas #2-5 other than Non-Benefited Property.

“Neighborhood Improvement Areas #2-5 Assessment Roll” means the Assessment Roll covering Neighborhood Improvement Areas #2-5 Major Improvements included in this SAP as Appendix E, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Neighborhood Improvement Areas #2-5 Initial Parcel” means the portion of all Parcels located within Neighborhood Improvement Areas #2-5, which as of May 1, 2017 includes the following tax map identification numbers assigned by the Denton County Appraisal District: 52680, 122875, 52751, 52810, 52744, 52760, 52721, 660188, 134236.

“Neighborhood Improvement Areas #2-5 Major Improvements” means those Major Improvements that benefit the entire PID that are allocable to Neighborhood Improvement Areas #2-5, as described in Section III.C hereto, and which are to be financed with the Neighborhood Improvement Areas #2-5 Major Improvement Bonds.

“Neighborhood Improvement Areas #2-5 Major Improvement Bonds” means those certain City of Celina, Texas Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project) that are secured by Assessments levied on Neighborhood Improvement Areas #2-5 Assessed Property.

“Neighborhood Improvement Area #3” or “NIA #3” means the property within the PID, being developed as Phases 2A and 2B, as depicted on the map in Appendix A consisting of approximately 77.4 acres within the PID.

“Neighborhood Improvement Area #3 Assessed Property” means, for any year, any and all Parcels within Neighborhood Improvement Areas #3 other than Non-Benefited Property.

“Neighborhood Improvement Area #3 Assessment Roll” means the Assessment Roll covering Neighborhood Improvement Area #3 included in this SAP as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Neighborhood Improvement Area #3 Initial Parcels” means the portion of all Parcels located within Neighborhood Improvement Area #3, which as of June 11, 2019 includes the following tax map identification numbers assigned by the Denton County Appraisal District: 52810, 52744, 52760, and 52721.

“Neighborhood Improvement Area #3 Improvements” means those Authorized Improvements that benefit the Neighborhood Improvement Area #3, as described in Section III.E hereto, and which are to be financed with the Neighborhood Improvement Areas #3 Reimbursement Agreement and/or the Neighborhood Improvement Areas #2-3 Bonds.

“Neighborhood Improvement Area #3 Reimbursement Agreement” means reimbursement agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Neighborhood Improvement Area #3 Improvements and the City agrees to reimburse the Developer for the Actual Costs of those Neighborhood Improvement Area #3 Improvements funded by the Developer with interest as permitted by the Act.

“Neighborhood Improvement Area #4” or “NIA #4” means the property within the PID, being developed as Phases 2C and 4B, as depicted on the map in Appendix A consisting of approximately 77 acres within the PID.

“Neighborhood Improvement Area #4 Assessed Property” means, for any year, any and all Parcels within Neighborhood Improvement Areas #4 other than Non-Benefited Property.

“Neighborhood Improvement Area #4 Assessment Roll” means the Assessment Roll covering Neighborhood Improvement Area #4 included in this SAP as Appendix H, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act,

including any updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Neighborhood Improvement Area #4 Bonds” means bonds expected to be issued in 2020 to reimburse the Developer and/or finance that for the Neighborhood Improvement Area #4 Improvements.

“Neighborhood Improvement Area #4 Initial Parcels” means the portion of all Parcels located within Neighborhood Improvement Area #4, which as of June 9, 2019 includes the following tax map identification numbers assigned by the Denton County Appraisal District: 751232, 751234, and 134236.

“Neighborhood Improvement Area #4 Improvements” means those Authorized Improvements that benefit the Neighborhood Improvement Area #4, as described in Section III.F hereto, and which are to be financed with the Neighborhood Improvement Areas #4 Reimbursement Agreement and/or the Neighborhood Improvement Area #4 Bonds.

“Neighborhood Improvement Area #4 Reimbursement Agreement” means reimbursement agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Neighborhood Improvement Area #4 Improvements and the City agrees to reimburse the Developer for the Actual Costs of those Neighborhood Improvement Area #4 Improvements funded by the Developer with interest as permitted by the Act.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property is not assessed at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel. For Assessed Property that is converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, such property remains subject to the Assessments and the Assessments must be prepaid as provided for in Section VII.H.

“Parcel” or “Parcels” means a specific property within the PID identified by either a tax map identification number assigned by the Denton County Appraisal District for real property tax purpose, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of Denton County, or by any other means determined by the County.

“PID” means the Sutton Fields II Public Improvement District created by the City pursuant to Resolution 2015-51R on October 13, 2015.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“PID Bonds” means the bonds to be issued by the City, in one or more series, to finance the Authorized Improvements that confer special benefit on the property within the PID, which may include funds for any required reserves and amounts necessary to pay the PID Bond issuance costs, and to be secured by a pledge of the Assessments pursuant to the authority granted in the PID Act, for the purposes of (i) financing the costs of Authorized Improvements and related costs, and (ii) reimbursement for Actual Costs paid prior to the issuance of and payment for the PID Bonds. This term is used to collectively refer to the Neighborhood Improvement Area #1 Bonds, the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, the Neighborhood Improvement Area #2-3 Bonds, and the Future Improvement Area Bonds, including the Neighborhood Improvement Area #4 bonds expected to be issued in 2020, throughout this SAP.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional amounts due pursuant to the Indenture related to the PID Bonds and allowed by law, if any, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment and the PID Bonds secured by such Assessment.

“Project” means the approximately 622 acres of land located within the City. The project is contained within the area depicted on Table II-A.

“Public Property” means property, real property, right of way and easements located within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the City, a school district, a public utility provider or any other political subdivision or public agency, whether in fee simple, through an exclusive use easement, or through a public utility easement.

“Service and Assessment Plan” or “SAP” means this Sutton Fields II Public Improvement District Service and Assessment Plan (as such plan is amended from time to time), to be initially adopted by the City Council in the Assessment Ordinance for the purpose of assessing allocated costs against property located within the boundaries of the PID.

“TIRZ No. 4” means the Tax Increment Reinvestment Zone No. 4, City of Celina, Texas.

“TIRZ No. 8” means the Tax Increment Reinvestment Zone No. 8, City of Celina, Texas.

“TIRZ Credit” means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to **Section V.N** of this Service and Assessment Plan.

“TIRZ Ordinances” means the ordinances adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 4 Project Plan and Financing Plan (including amendments or supplements thereto) and the Tax Increment Reinvestment Zone No. 8 Project Plan and Financing Plan (including amendments or supplements thereto)..

“TIRZ Revenues” mean, for each year, the amounts paid by the City from the TIRZ No. 4 tax increment fund and TIRZ No 8 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section V.M of this Service and Assessment Plan.

“Trustee” means the fiscal agent or trustee as specified in the Indenture, including a substitute fiscal agent or trustee.

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II. PROPERTY INCLUDED IN THE PID

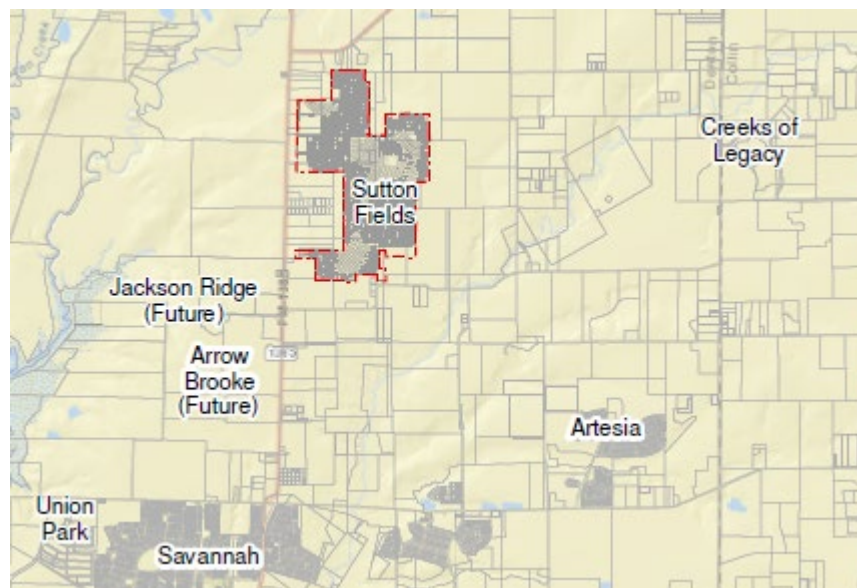
A. PROPERTY INCLUDED IN THE PID

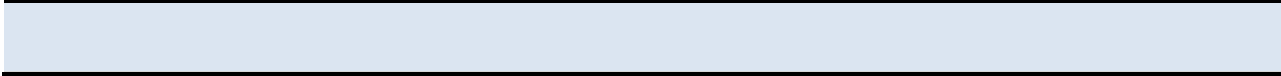
The PID is comprised of the property depicted and described by metes and bounds on Exhibit A to Resolution 2015-51R, as adopted by the City Council. The PID is located within the City's corporate limits and within the extraterritorial jurisdiction of the City and contains approximately 622 acres planned for the development of approximately 2,290 single family residential lots and includes the associated rights-of-way, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

A map of the property within the PID is shown in Table II-A. Legal descriptions for all original Parcels within the PID are included in Appendix B.

Table II-A

PID Boundary Map





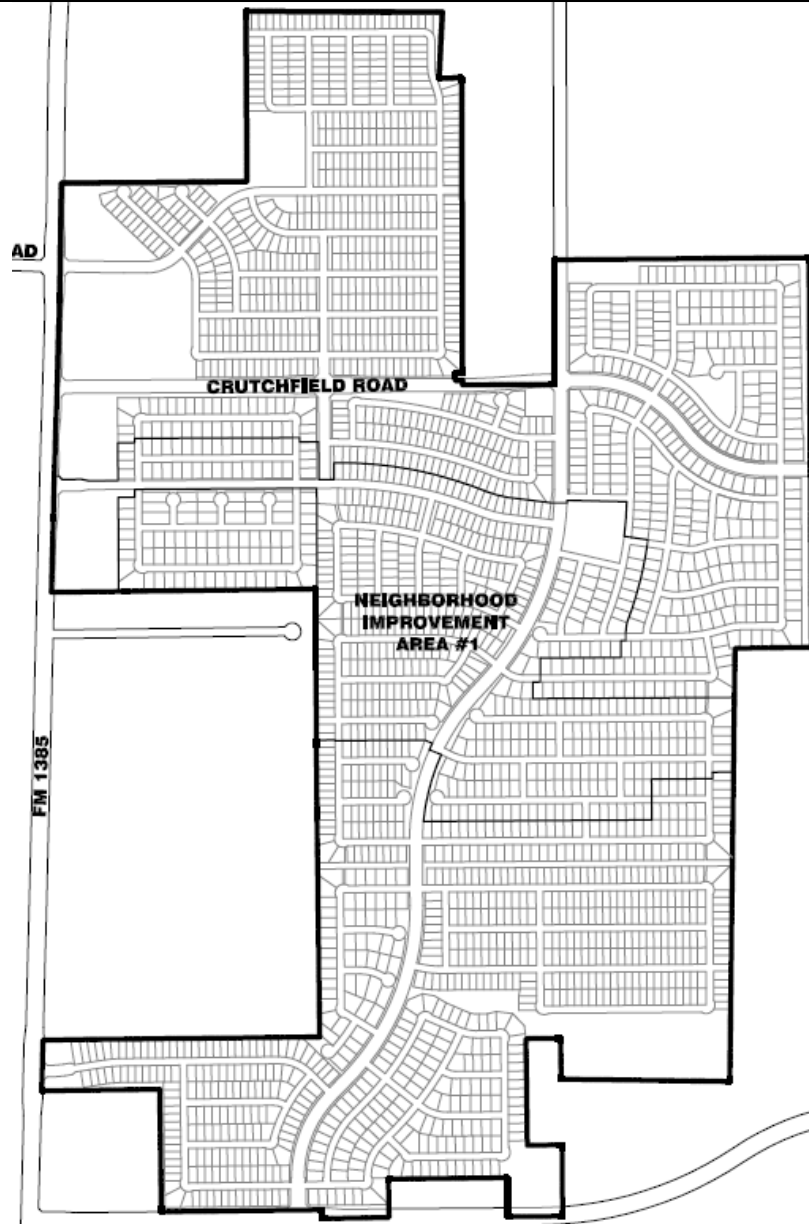
B. PROPERTY LOCATED IN NEIGHBORHOOD IMPROVEMENT AREA #1

The Neighborhood Improvement Area #1 contains approximately 130 acres. Neighborhood Improvement Area #1 is expected to be developed into approximately 515 single family residential lots.

A map of the property within the PID and Neighborhood Improvement Area #1 is shown in Table II-B.

<u>Table II-B</u>
PID Boundary Map

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)



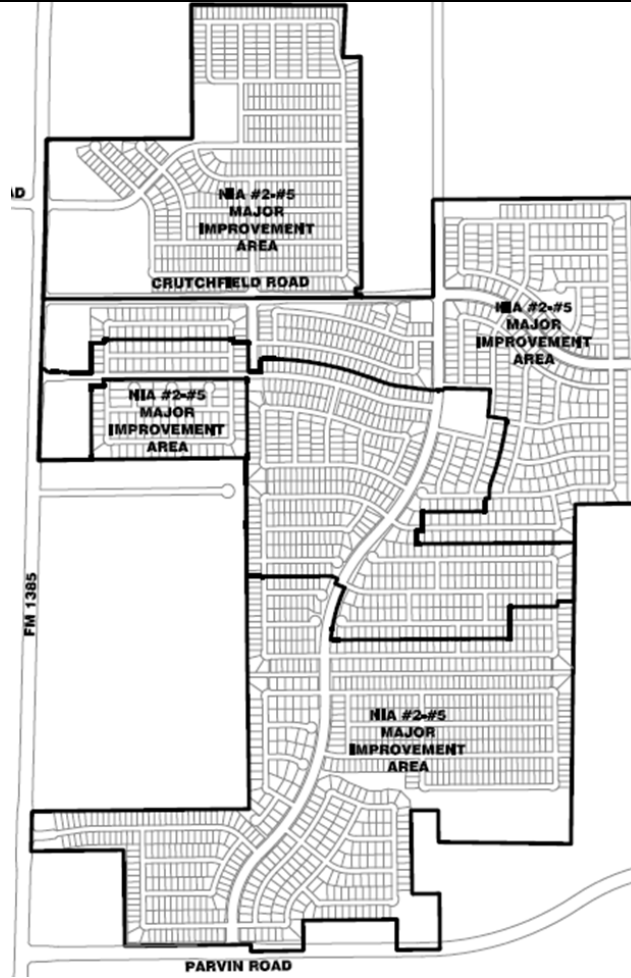
C. PROPERTY LOCATED IN NEIGHBORHOOD IMPROVEMENT AREAS #2-5

Neighborhood Improvement Areas #2-5 contain approximately 493 acres. Neighborhood Improvement Areas #2-5 are expected to be developed in separate Future Neighborhood Improvement Areas containing, in total, approximately 1,775 single family residential lots. As Future Neighborhood Improvement Areas continue to be developed and Future Neighborhood Improvement Area Bonds are issued, the Assessment Plan will be amended to incorporate any applicable new information and a new table that depicts the impact of the applicable Future Neighborhood Improvement Area being developed.

A map of the property within the Neighborhood Improvement Areas #2-5 is shown in Table II-C.

Table II-C

PID Boundary Map



Neighborhood Improvement Area #2 contains approximately 45.4 acres. Neighborhood Improvement Area #2 is expected to be developed into approximately 162 single family residential lots.

Neighborhood Improvement Area #3 contains approximately 77.4 acres. Neighborhood Improvement Area #3 is expected to be developed into approximately 368 single family residential lots.

Neighborhood Improvement Area #4 contains approximately 77.337 acres. Neighborhood Improvement Area #4 is expected to be developed into approximately 305 single family residential lots.

[We need to include maps showing NIA #2, 3 and 4]

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III. DESCRIPTION OF THE PUBLIC IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvements authorized by the PID Act, the City has determined that of the improvements authorized under the PID Act, it will undertake the Authorized Improvements more particularly described in Section III.B, Section III.C, Section III.D, Section III.E, and Section III.F herein for the benefit of the Property within the PID.

B. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #1

The Authorized Improvements that only benefit Improvement Area #1 are described below:

Neighborhood Improvement Area #1 Water Distribution System

This water portion of the Neighborhood Improvement Area #1 waterline improvements consists of constructing 8-inch water line, including associated and 8-inch gate valves. One-inch diameter water services will be provided to each of the 515 lots within Neighborhood Improvement Area #1. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with Mustang Special Utility District (MSUD) standards and specifications and will be owned and operated by MSUD. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Neighborhood Improvement Area #1 and all 515 lots within Neighborhood Improvement Area #1.

Neighborhood Improvement Area #1 Sanitary Sewer

Neighborhood Improvement Area #1 wastewater improvements also include construction of 8" gravity sanitary sewer line that connects to the 10" gravity sewer main line. Construction includes connection at multiple points through concrete manholes. Services to individual lots are by 4" gravity sewer services. All lines have been designed and constructed in accordance with MSUD standards and specifications and are owned and operated by MSUD. These lines will include the necessary appurtenances to be fully operational extending wastewater service to the limits of Neighborhood Improvement Area #1 and each of the 515 lots within Neighborhood Improvement Area #1.

Neighborhood Improvement Area #1 Storm Drainage

The drainage portion of the Neighborhood Improvement Area #1 Improvements shall consist round concrete pipes, reinforced concrete boxes, inlets and rock riprap protection at outfalls. The main means of conveyance of storm drainage within Neighborhood Improvement Area #1 is within underground storm drainpipes. The roadway pavement section incorporates the use of curbs with integrated drainage inlets to control runoff and conveyance of storm-water throughout the drainage basins associated with Neighborhood Improvement Area #1. The system includes underground reinforced concrete pipe (RCP) with associated headwalls, safety end treatments, manholes and storm sewer energy dissipaters at the points of discharge. This project was constructed to City standards and specifications and was dedicated to the City to own and operate.

Neighborhood Improvement Area #1 Residential Streets

Roadway improvements within Neighborhood Improvement Area #1 include construction of concrete pavement and pavement subgrade. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. These roadway improvements include streets that will provide street access to each lot within Neighborhood Improvement Area #1. All roadway projects have been designed and constructed in accordance with City standards and specifications and was dedicated to the City to own and operate These projects provide access to community roadways and state highways.

C. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS

The original plan for the PID anticipated the City as a customer of Upper Trinity Regional Water District (UTRWD) providing water to the properties in the PID. This plan has since changed and currently, the PID is being developed with Mustang Special Utility District ("MSUD") as its retail provider of water. The Major Improvements originally anticipated to be constructed and updates to the Major Improvements because of the change are described below:

The Neighborhood Improvement Areas #2-5 Major Improvements are described below and their Actual Costs are shown in Table III-A. The Neighborhood Improvement Areas #2-5 Major Improvement Bonds

will only pay for Neighborhood Improvement Areas #2-5's share of the Major Improvements (approximately 79% except for the Offsite Sewer Improvements which are approximately 74%) as shown within Table III-A. The Actual Costs to construct the Major Improvements including the Off-Site Major Improvements is \$11,520,649. The Actual Costs to construct the Neighborhood Improvement Areas #2-5 Major Improvements minus the Off-Site Sewer Major Improvements allocated to Neighborhood Improvement Areas #2-5 and as shown in Table V-B, is \$10,611,272. The Actual Costs shown in Table III-A may be revised through Annual Service Plan Updates.

The Actual Costs for the Neighborhood Improvement Areas #2-5 Major Improvements are to be funded both from the proceeds of the Neighborhood Improvement Areas #2-5 Major Improvement Bonds as described herein and from funds contributed by the Developer.

1. Detention Ponds

Drainage System

Project shall consist of the construction of one (1) retention/detention pond, including excavation to a depth of 15-feet and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond. This project will be constructed according to City standards and specifications and will be owned and operated by the City. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is \$215,582.

Updates to the Drainage System Improvements:

According to Pettit Barazza, LLC (the "Project Engineer"), final design incorporated additional detention ponds, which are new projects. Storm drainage system associated with the detention ponds are included with these improvements and generally consists of reinforced concrete pipes and reinforced concrete boxes, along with headwalls and safety end treatments, erosion control such as riprap protection, and soil stabilization. The improvements were designed according to City and the Texas Department of

Transportation (TxDOT). The City will maintain and operate the underground storm drainage system and a Homeowners' Association will maintain and operate the detention ponds.

2. Paving

A. Road "A" Improvements

The Roadway 'A' portion of the project consists of the construction of approximately 240 linear feet of 6-inch thick, 36-foot wide, concrete pavement with curb and gutter and 3,280 linear feet of 6-inch thick, 44-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 17,978 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This will provide access from FM 1385 into the Sutton Fields Amenity Center and rest of the development.

B. Updates to the Roadway "A" Improvements:

According to the Project Engineer, Roadway "A" was renamed as Fenwick Trail. In addition, the final design includes 6-inch lime stabilization and 5-foot wide sidewalk and round concrete pipes are also included in the contracted quantities for Fenwick Trail improvements.

C. Road "F" Improvements

The Roadway 'F' portion of the project consists of the construction of 4 lanes divided concrete pavement with curb and gutter. The pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides north-south access to the entire development. The roadway improvements will be constructed according to City standards.

D. Updates to the Roadway "F" Improvements:

The Project Engineer provided the following updates to the Roadway "F" Improvements:

The City required a second point of access for the current phases, which required the extension of Sutton Fields Boulevard to the north and partial construction of the intersection at Crutchfield Road. The southern end of Sutton Fields Boulevard was also extended to the end of the lots developed and platted with the current phases. 4-lane divided concrete pavement and 6-inch stabilized subgrade are currently under contract. The north and south extension of Sutton Fields Boulevard is a new project, not included in the initial list of Authorized Improvements for the PID and will be constructed according to City standards.

E. Road C1 – Crutchfield Road

The improvement of one-half (1/2) of Crutchfield Road (Road C1), from FM 1385 east to the intersection of Sutton Fields Boulevard, was required by the City as a second point of access to the development through Sutton Fields Boulevard. The Roadway 'C1' portion of the project consists of the construction 4 lanes divided concrete pavement with curb and gutter. The pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides east-west access to the entire development. The improvement of Crutchfield Road is a new project that was not included in the initial list of Authorized Improvements for the PID and will be constructed according to City standards.

F. Road B – Boleyn Avenue

The City required the additional improvement of Boleyn Avenue as a condition of approval. The Roadway 'B' portion of the project consists of the construction of, 4 lanes divided concrete pavement with curb and gutter. The pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides a north access to the entire development. The construction of Boleyn Avenue is a new project that was not included in the initial list of Authorized Improvements for the PID and will be constructed according to City standards.

G. FM 1385

The FM 1385 roadway portion of the project consists of the construction left and right turn lanes within FM 1385 to enhance traffic turning movement in and out of the development. These improvements will

be constructed to TX DOT, Denton County and City standards. These Improvements will benefit the entire project.

H. Updates to the FM 1385 Improvements:

With the additional new project of Crutchfield Road (Road C1) Improvements by the City, an additional right turn lane was required. One (1) northbound right turn lane is being constructed at Fenwick Trail (Road A) and an additional one (1) northbound right turn lane at Crutchfield Road (Road C1) with the current phases. Both turn lanes consist of hot mix asphaltic concrete. The additional right turn lane is a new project that was not included in the initial list of Authorized Improvements for the PID.

As described above, MSUD will continue to provide water and wastewater services to the properties in the PID, as a result, CCNs are no longer required for the PID.

Offsite Water

A. Water Distribution System

The City is a customer of the Upper Trinity Regional Water District (“UTRWD”) and will receive wholesale treated water through a major transmission line from the UTRWD Tom Harpool water treatment plant. Therefore, there are no water treatment plant upgrades required.

There is an existing 36-inch water transmission line located along the Western boundary of the project. The proposed off-site improvements will consist of constructing a new delivery point/ meter station, a 0.25 MG Ground Storage Tank, a 1.0 MG Elevated Storage Tank and a Pump Station with the required pumps to provide adequate pressure to the system. The combination of the Elevated and Ground Storage Tanks will provide the adequate storage capacity required by TCEQ and will also provide the required pressures for the entire system. Approximately 11,000 linear feet of 12-inch water line will also be constructed as part of the water distribution system. All of the proposed improvements will benefit the Development. Additional waterline improvements will include connection to the existing water-main, installation of associated 12-inch valves, fire hydrants, ductile iron fittings, erosion control, trench safety and testing. All water improvements will be constructed to City standards and specifications and all improvements will be owned and operated by the City. These Improvements will benefit Neighborhood Improvement Areas #1-4.

B. Updates to the Offsite Water Distribution System Improvements:

The original plan for the PID anticipated the City as a customer of Upper Trinity Regional Water District (UTRWD) providing water to the properties in the PID. This plan has since changed and currently, the PID is being developed with MSUD as its retail provider of water. The transition from UTRWD to MSUD resulted in the addition of 12-inch water lines along the future Tudor Place, and downsizing the proposed 12-inch water line along Fenwick Trail to an 8-inch water line. Also, a 12-inch water line was extended along the additional length of Sutton Fields Boulevard required by the City in conjunction with the current phase. The additional 12-inch water lines are new projects that were not included in the initial list of Authorized Improvements for the PID.

C. Elevated Storage Tank Engineering

Engineering for the Elevated Storage Tank will start with NIA #1 to secure all necessary approvals, including TCEQ and the City. These Improvements will benefit the entire project.

D. Updates to the Elevated Storage Tank:

The elevated storage tank is no longer required because of the transition from UTRWD to MSUD. As a result, the water distribution system was redesigned to accommodate the new points of connection and the elevated storage tank is no longer required for the PID.

3. Offsite Sewer

A. Sanitary Sewer

The City is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.

This project consists of constructing 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Areas #2-3 is \$909,377.

B. Updates to the Offsite Sanitary Sewer System Improvements:

The original plan for the PID anticipated the City as a customer of UTRWD providing wastewater collection services to the PID. This plan has since changed and currently, The PID is being developed with MSUD as its retail provider of wastewater collection services. As a result of this the transition from UTRWD to MSUD, the metering station at the UTRWD delivery point is no longer required because the offsite gravity

sewer will connect into an existing MSUD gravity line. The contracted quantities for the offsite sewer also includes gravity sanitary sewer mains from 8-inch to 24-inch diameters, along with a concrete encasement for crossing under Doe Creek, and removal and replacement of existing MSUD gravity lines to facilitate outfall. It also includes removal and replacement of existing fences.

4. Right of Way, Open Space and Civic Site Land

Upon closing of the PID Bonds corresponding to the development of a certain number of lots, the City shall pay a certain amount for the acquisition of the right-of-way, open space and civic site land comprising approximately 71.3 acres.

Table III-A

Estimated Costs of Major Improvements and Neighborhood Area #1 Improvements

	Hard Costs	Soft Costs	Total Costs
Major Improvements			
Detention Ponds	\$1,451,898	\$261,342	\$1,713,240
Paving Road A - Fenwick	\$1,489,264	\$268,068	\$1,757,332
Paving Road F - Sutton Fields	\$1,126,284	\$202,731	\$1,329,016
Paving - FM 1385	\$401,140	\$72,205	\$473,345
Crutchfield Road	\$861,119	\$155,001	\$1,016,121
Boleyn Paving - Road B	\$222,703	\$40,087	\$262,789
ROW, open space land acquisition and park contribution	\$6,500,000	\$0	\$6,500,000
Offsite water improvements	\$860,759	\$154,937	\$1,015,695
Offsite sewer improvements	\$2,378,990	\$428,218	\$2,807,208
Professional consulting, legal fees and additional debt service reserve funding	\$0	\$620,000	\$620,000
<i>Subtotal Major Improvements</i>	<i>\$15,292,158</i>	<i>\$2,202,588</i>	<i>\$17,494,746</i>
Neighborhood Improvement Area #1 Improvements			
Water distribution improvements	\$1,321,380	\$162,699	\$1,484,079
Sewer collection improvements	\$1,152,965	\$174,878	\$1,327,844
Storm sewer collection improvements	\$2,280,820	\$282,781	\$2,563,601
Roadway improvements including site preparation	\$3,205,063	\$422,853	\$3,627,916
<i>Subtotal NIA #1 Improvements</i>	<i>\$7,960,229</i>	<i>\$1,043,211</i>	<i>\$9,003,440</i>
Total Authorized Improvements	\$23,252,386	\$3,245,800	\$26,498,186

Note: Costs provided by Pettitt Barraza, LLC. The amounts shown may be revised in Annual Service Plan Updates.

D. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #2

The descriptions of the Neighborhood Improvement Area #2 Improvements are presented below and the estimated costs of the Neighborhood Improvement Area #2 Improvements are shown in Table III-B. The estimated costs shown in Table III-B may be revised in an Annual Service Plan Update as needed.

Roadway improvements:

The roadway improvements within the PID include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and

traffic control devices. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water distribution system improvements:

The water distribution system improvements within the PID consist of construction and installation of water lines, mains, pipes, valves and appurtenances necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Assessed Property. The water distribution system improvements will be designed and constructed in accordance with MSUD standards and specifications and will be owned and operated by MSUD.

Sanitary sewer collection system improvements:

The sanitary sewer collection system improvements within the PID consist of construction and installation of pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with MSUD standards and specifications and will be owned and operated by MSUD.

Storm drainage collection system improvements:

The storm drainage collection system improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Table III-B

Estimated Costs Neighborhood Improvement Area #2 Improvements

Authorized Improvements	Total Costs
--------------------------------	--------------------

Roadway improvements	\$1,312,024
Water distribution improvements	\$1,203,966
Sewer collection improvements	\$413,815
Storm sewer collection improvements	\$765,336
Other soft and miscellaneous costs	\$328,594
Total Estimated Costs	\$4,023,734

Note: The amounts shown may be revised in Annual Service Plan Updates.

E. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #3

The descriptions of the Neighborhood Improvement Area #3 Improvements are presented below and the estimated costs of the Neighborhood Improvement Area #3 Improvements are shown in Table III-C. The estimated costs shown in Table III-C may be revised in an Annual Service Plan Update as needed.

Roadway improvements:

The roadway improvements within the PID include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water distribution system improvements:

The water distribution system improvements within the PID consist of construction and installation of water lines, mains, pipes, valves and appurtenances necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Assessed Property. The water distribution system improvements will be designed and constructed in accordance with MSUD standards and specifications and will be owned and operated by MSUD.

Sanitary sewer collection system improvements:

The sanitary sewer collection system improvements within the PID consist of construction and installation of pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with MSUD standards and specifications and will be owned and operated by MSUD.

Storm drainage collection system improvements:

The storm drainage collection system improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Table III-C

Estimated Costs Neighborhood Improvement Area #3 Improvements

Authorized Improvements	Total Costs
Roadway improvements	\$2,215,224
Water distribution improvements	\$825,120
Sewer collection improvements	\$679,260
Storm sewer collection improvements	\$1,786,223
Other soft and miscellaneous costs	\$931,336
Total Estimated Costs	\$6,437,163

Note: The amounts shown may be revised in Annual Service Plan Updates.

The costs of the Authorized improvements shown above are estimates and may be updated in Annual Service Plan Updates. Savings from one line item may be applied to other line items or other Authorized Improvements specified in an Annual Service Plan Update or as otherwise approved by the City Council.

F. DESCRIPTIONS AND COSTS OF THE AUTHORIZED IMPROVEMENTS THAT ONLY BENEFIT NEIGHBORHOOD IMPROVEMENT AREA #4

The descriptions of the Neighborhood Improvement Area #4 Improvements are presented below and the estimated costs of the Neighborhood Improvement Area #4 Improvements are shown in Table III-D. The estimated costs shown in Table III-D may be revised in an Annual Service Plan Update as needed.

Roadway improvements:

The roadway improvements within the PID include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water distribution system improvements:

The water distribution system improvements within the PID consist of construction and installation of water lines, mains, pipes, valves and appurtenances necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Assessed Property. The water distribution system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Sanitary sewer collection system improvements:

The sanitary sewer collection system improvements within the PID consist of construction and installation of pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm drainage collection system improvements:

The storm drainage collection system improvements consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, sheet draining slopes and drainage channels as well as detention ponds. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Table III-D**Estimated Costs Neighborhood Improvement Area #4 Improvements**

Authorized Improvements	Total Costs
Roadway improvements	\$2,286,637
Water distribution improvements	\$753,549
Sewer collection improvements	\$1,294,285
Storm sewer collection improvements	\$1,443,748
Other soft and miscellaneous costs	\$0
Total Estimated Costs	\$5,778,220

Note: The amounts shown may be revised in Annual Service Plan Updates.

The costs of the Authorized improvements shown above are estimates and may be updated in Annual Service Plan Updates. Savings from one line item may be applied to other line items or other Authorized Improvements specified in an Annual Service Plan Update or as otherwise approved by the City Council, provides such application complies with the provision of the PID Act.

G. DESCRIPTIONS AND COSTS OF FUTURE NEIGHBORHOOD IMPROVEMENT AREA IMPROVEMENTS

Future Neighborhood Improvement Area Bonds may be issued in the future to fund Future Neighborhood Improvement Area Improvements, subject to the approval of the City Council. Should that occur, then in association with issuing Future Neighborhood Improvement Area Bonds, this Service and Assessment Plan will be amended to identify the Future Neighborhood Improvement Area Improvements as well as adding Table III-E.

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IV. FUTURE NEIGHBORHOOD IMPROVEMENT AREA BONDS TEST

A. FUTURE NEIGHBORHOOD IMPROVEMENT AREA BONDS

The City has reserved the right to issue Future Neighborhood Improvement Area Bonds for any purpose permitted by the Act, including those described above, and in accordance with the conditions set forth below:

1. At least seventy five percent (75%) of the residential lots within the particular Future Neighborhood Improvement Area of the PID for which Authorized Improvements are financed by the Future Neighborhood Improvement Area Bonds must be under contract with merchant builders unaffiliated with the Developer.
2. The ratio of the appraised value of all of the land in the particular Future Neighborhood Improvement Area of the PID, based on an independent appraisal and assuming completion of the improvements within such phase to be financed with the proceeds of the Future Neighborhood Improvement Area Bonds to be issued, to the principal amount of the Future Neighborhood Improvement Area Bonds to be issued must be at least 3.0:1;
3. Construction contracts for at least 50% of the costs of the Authorized Improvements in such Future Neighborhood Improvement Area to be paid with proceeds of the applicable series of Future Neighborhood Improvement Area Bonds must be executed and ready to proceed; and
4. Construction of residences in all previously financed Neighborhood Improvement Areas taken as a whole must be at least twenty five percent (25%) complete or underway.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the City Council to apportion the cost of the Authorized Improvements based on the special benefits conferred to each Parcel resulting from the Authorized Improvements. The PID Act provides that the costs of certain Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program entails a series of PID Bond financings that are intended to finance the Authorized Improvements required for the Project. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Neighborhood Improvement Area #1 Area Bonds, the Neighborhood Improvement Areas #2-5 Major Improvement Bonds issued in 2015, and the Neighborhood Improvement Areas #2-3 Bonds issued in 2019, and the Additional Neighborhood Improvement Area #1 Bonds, if issued, Future Neighborhood Improvement Area Bonds, including the Neighborhood Improvement Area #4 Bonds expected to issued in 2020, may be issued over the upcoming decade as the subsequent neighborhood improvement areas are added (phases #5, each corresponding to a Future Neighborhood Improvement Area) of the development are gradually constructed.

The purpose of this gradual issuance of PID Bonds as the Future Neighborhood Improvement Areas are developed is to mirror the actual private development of the Authorized Improvements. The PID Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the PID Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of debt will maintain a prudent value to lien ("VtL") within the financing program. In order to maintain a prudent VtL, the initial issuance of PID Bonds for a specific set of Authorized Improvements may not fund the entire desired level of public infrastructure because the

property value is not high enough to support the entire debt load at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements can be reimbursed by a subsequent parity lien bond financing, secured by the same assessments, once the assessed property is partially or fully developed and the value has increased sufficiently to permit the issuance of the additional bonds in a prudent fashion.

It is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Neighborhood Improvement Areas will receive from internal subdivision Authorized Improvements that will benefit each individual Future Neighborhood Improvement Area and that are to be financed with Future Neighborhood Improvement Area Bonds. Therefore, Parcels within Neighborhood Improvement Areas #2-5 were initially assessed for the special benefits conferred upon the Parcel because of the Major Improvements.

In connection with the levying of additional Assessments on Future Neighborhood Improvement Area Assessed Property, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel within a Future Neighborhood Improvement Area receives from the specific Authorized Improvements. Prior to levying an additional Assessment on a Parcel located within Future Neighborhood Improvement Areas, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Neighborhood Improvement Areas #2-5 Major Improvements, Neighborhood Improvement Area #1 Improvements, Neighborhood Improvement Area #2 Improvements, Neighborhood Improvement Area #3 Improvements, and Neighborhood Improvement Area #4 Improvements (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Neighborhood Improvement Area #1 Assessed Property, the Neighborhood Improvement Area #2 Assessed Property, the Neighborhood Improvement Area #3 Assessed Property, the Neighborhood Improvement Area #4 Assessed Property, and the Neighborhood Improvement Areas #2-5 Assessed Property for such Authorized Improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Neighborhood Improvement Area #2-5 Major Improvements, Neighborhood Improvement Area #1 Improvements, Neighborhood Improvement Area #2 Improvements, Neighborhood Improvement Area #3 Improvements, and Neighborhood Improvement Area #4 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such Authorized Improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment

methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #1

Some Authorized Improvements only provide special benefit to Parcels within Neighborhood Improvement Area #1, and these costs are allocated 100% to Neighborhood Improvement Area #1. The Actual Costs of the Authorized Improvements that only provide a benefit to Neighborhood Improvement Area #1 are shown in Table V-A.1. The costs detailed in Table V-A.1 are subject to revision through the Annual Service Plan Updates.

C. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #2

Some Authorized Improvements only provide special benefit to Parcels within Neighborhood Improvement Area #2, and these costs are allocated 100% to Neighborhood Improvement Area #2. The estimated costs of the Authorized Improvements that only provide a benefit to Neighborhood Improvement Area #2 are shown in Table V-A.2. The costs detailed in Table V-A.2 are subject to revision through the Annual Service Plan Updates.

D. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #3

Some Authorized Improvements only provide special benefit to Parcels within Neighborhood Improvement Area #3, and these costs are allocated 100% to Neighborhood Improvement Area #3. The estimated costs of the Authorized Improvements that only provide a benefit to Neighborhood Improvement Area #3 are shown in Table V-A.3. The costs detailed in Table V-A.3 are subject to revision through the Annual Service Plan Updates.

E. ALLOCATION OF COSTS OF AUTHORIZED IMPROVEMENTS ONLY BENEFITING NEIGHBORHOOD IMPROVEMENT AREA #4

Some Authorized Improvements only provide special benefit to Parcels within Neighborhood Improvement Area #4, and these costs are allocated 100% to Neighborhood Improvement Area #4. The estimated costs of the Authorized Improvements that only provide a benefit to Neighborhood Improvement Area #4 are shown in Table V-A.4. The costs detailed in Table V-A.4 are subject to revision through the Annual Service Plan Updates.

F. ALLOCATION OF COSTS OF MAJOR IMPROVEMENTS

The Major Improvements provide special benefit to all Assessed Property within the PID, and these costs are allocated between Neighborhood Area #1 and Neighborhood Improvement Areas #2-5 based on the estimated As-Built Assessed Value. The estimated costs of the Major Improvements are shown in Table V-A.1. The costs detailed in Table V-A.1 are subject to revision through the Annual Service Plan Updates.

G. ALLOCATION OF COSTS RELATING TO ISSUANCE OF PID BONDS

The costs relating to the issuance of the Neighborhood Improvement Area #1 Bonds are allocated 100% to Neighborhood Improvement Area #1 Assessed Property. The costs relating to issuing Neighborhood

Improvement Area #2-5 Major Improvement Bonds is allocated 100% to Neighborhood Improvement Areas 2-5. The costs relating to the issuance of the Neighborhood Improvement Areas #2-3 Bonds are allocated 100% to Neighborhood Improvement Area #2 Assessed Property and the Neighborhood Improvement Area #3 Assessed Property. Any costs associated with a Future Neighborhood Improvement Area Bond will be allocated 100% to that Future Neighborhood Improvement Area.

H. ALLOCATION OF ACTUAL COSTS OF FUTURE NEIGHBORHOOD IMPROVEMENT AREA IMPROVEMENTS

As Future Neighborhood Improvement Areas continue to be developed and Future Neighborhood Improvement Area Bonds are issued, the Assessment Plan will be amended to reflect allocation of the cost of Authorized Improvements benefitting the Future Neighborhood Improvement Area.

I. INCORPORATION BY REFERENCE

The Recitals to this amended and restated Service and Assessment Plan are hereby incorporated by reference as if set forth in the body of this amended and restated Service and Assessment Plan and are made a part hereof for all purposes.

The estimated costs of the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Areas #2-5 Improvements that provide a benefit to Neighborhood Improvement Area #1 and Neighborhood Improvement Areas #2-5 are shown in Table V-A.1 on the following page.

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Table V-A.1**Allocation of Authorized Improvement Costs**

		Neighborhood Improvement Area #1		Neighborhood Improvement Areas #2-5	
	Total Costs (a)	% Allocation	Share of Costs	% Allocation	Share of Costs
MAJOR IMPROVEMENTS					
Detention Ponds (b)	\$1,713,240	20.81%	\$356,525	79.19%	\$1,356,714
Paving Road A - Fenwick (b)	\$1,757,332	20.81%	\$365,701	79.19%	\$1,391,631
Paving Road F - Sutton Fields (b)	\$1,329,016	20.81%	\$276,568	79.19%	\$1,052,447
Paving - FM 1385	\$473,345	20.81%	\$98,503	79.19%	\$374,842
1/2 Crutchfield Road (b)	\$1,016,121	20.81%	\$211,455	79.19%	\$804,666
ROW and Open Space Acquisition	\$6,500,000	20.81%	\$1,352,650	79.19%	\$5,147,350
Boleyn Paving - Road B (b)	\$262,789	20.81%	\$54,686	79.19%	\$208,103
Offsite Water	\$1,015,695	20.81%	\$211,366	79.19%	\$804,329
Offsite Sewer (b)	\$2,807,208	20.81%	\$584,180	79.19%	\$2,223,028
Professional consulting and legal fees	\$620,000	20.81%	\$129,022	79.19%	\$490,978
A	\$17,494,746		\$3,640,657		\$13,854,089
AUTHORIZED IMPROVEMENTS ONLY BENEFITTING NEIGHBORHOOD IMPROVEMENT AREA #1					
Water	\$1,484,079	100%	\$1,484,079	0%	\$0
Sewer	\$1,327,844	100%	\$1,327,844	0%	\$0
Storm Sewer	\$2,563,601	100%	\$2,563,601	0%	\$0
Roadway Improvements	\$3,627,916	100%	\$3,627,916	0%	\$0
B	\$9,003,440		\$9,003,440		\$0

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

<i>Subtotal - Major Improvements + Neighborhood Area #1 Improvements</i>	<i>C=A+B</i>	<i>\$26,078,186</i>	<i>\$12,644,097</i>	<i>\$13,854,089</i>
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NEIGHBORHOOD IMPROVEMENT AREAS #2-5 BOND COSTS						
Debt Service Reserve Fund		\$1,430,125	0%	\$0	100%	\$1,430,125
Capitalized Interest		\$2,398,125	0%	\$0	100%	\$2,398,125
Cost of Issuance		\$1,179,750	0%	\$0	100%	\$1,179,750
Underwriter's Discount		\$437,266	0%	\$0	100%	\$437,266
	D	\$5,445,266		\$0		\$5,445,266

NEIGHBORHOOD IMPROVEMENT AREA #1 BOND COSTS						
Debt Service Reserve Fund		\$978,100	100%	\$978,100	0%	\$0
Capitalized Interest		\$1,448,051	100%	\$1,448,051	0%	\$0
Cost of Issuance		\$871,556	100%	\$871,556	0%	\$0
Underwriter's Discount		\$300,434	100%	\$300,434	0%	\$0
	<i>E</i>	\$3,598,141		\$3,598,141		\$0
<i>Subtotal – Neighborhood Improvement Areas #2-5</i>						
<i>Bond Cost + Neighborhood Improvement Area #1</i>	<i>F=D+E</i>	<i>\$9,043,546</i>		<i>\$3,598,141</i>		<i>\$5,445,405</i>
<i>Bond Cost</i>						
TOTAL AUTHORIZED IMPROVEMENTS	<i>G=C+F</i>	\$35,541,732		\$16,242,238		\$19,299,494

(a) See also Table III-A.

(b) The costs shown are updated from what was presented in the original SAP. City Council has allowed the cost overruns to be included in the NIAs #2-5 Actual Cost, but the cost overruns are not permitted in the NIA #1 Actual Cost and will be covered by the Developer.

The estimated costs of the Neighborhood Improvement Area #2 Improvements that only provide a benefit to Neighborhood Improvement Area #2 are shown in Table V-A.2 below.

Table V-A.2**Allocation of NIA #2 Improvement Costs**

		Neighborhood Improvement Area #2	
	Total Costs (a)	% Allocation	Share of Costs
Authorized Improvements Only Benefitting Neighborhood Improvement Area #2			
Roadway improvements	\$1,312,024	100%	\$1,312,024
Water distribution improvements	\$1,203,966	100%	\$1,203,966
Sewer collection improvements	\$413,815	100%	\$413,815
Storm Sewer collection improvements	\$765,336	100%	\$765,336
Other soft and miscellaneous costs	\$328,594	100%	\$328,594
Total NIA #2 Improvements	\$4,023,734		\$4,023,734

The estimated costs of the Neighborhood Improvement Area #3 Improvements that only provide a benefit to Neighborhood Improvement Area #3 are shown in Table V-A.3 below.

Table V-A.3**Allocation of NIA #3 Improvement Costs**

		Neighborhood Improvement Area #3	
	Total Costs (a)	% Allocation	Share of Costs

Authorized Improvements Only Benefitting Neighborhood Improvement Area #3

Roadway improvements	\$2,215,224	100%	\$2,215,224
Water distribution improvements	\$825,120	100%	\$825,120
Sewer collection improvements	\$679,260	100%	\$679,260
Storm Sewer collection improvements	\$1,786,223	100%	\$1,786,223
Other soft and miscellaneous costs	\$931,336	100%	\$931,336
Total NIA #3 Improvements	\$6,437,163		\$6,437,163

The estimated costs of the Neighborhood Improvement Area #4 Improvements that only provide a benefit to Neighborhood Improvement Area #4 are shown in Table V-A.4 on the following page.

Table V-A.4
Allocation of NIA #4 Improvement Costs

		Neighborhood Improvement Area #4	
	Total Costs (a)	% Allocation	Share of Costs
Authorized Improvements Only Benefitting Neighborhood Improvement Area #4			
Roadway improvements	\$2,286,637	100%	\$2,286,637
Water distribution improvements	\$753,549	100%	\$753,549
Sewer collection improvements	\$1,294,285	100%	\$1,294,285
Storm Sewer collection improvements	\$1,443,748	100%	\$1,443,748
Other soft and miscellaneous costs	\$0	100%	\$0
Total NIA #3 Improvements	\$5,778,220		\$5,778,220

J. DETERMINATION OF SPECIAL BENEFIT AND ASSESSMENTS

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has found and determined:

Neighborhood Improvement Area #1

- a) The Neighborhood Improvement Area #1 Improvement costs allocated to Neighborhood Improvement Area #1 equals \$16,242,238; and
- b) The Neighborhood Improvement Area #1 Assessed Property receives special benefit from the Neighborhood Improvement Area #1 Improvements; and

- c) The Neighborhood Improvement Area #1 Initial Parcel consists of all property in Neighborhood Improvement Area #1, therefore the Neighborhood Improvement Area #1 Initial Parcel will be allocated 100% of the Neighborhood Improvement Area #1 Assessments, which equal \$11,560,000 as shown on the Neighborhood Improvement Area #1 Assessment Roll attached hereto as Appendix D. The Assessment per Unit for each Lot Type within Neighborhood Improvement Area #1 is shown in Appendix C as calculated pursuant to the Assessment allocation methodology using estimated buildout values as described in the Original SAP; and
- d) The Neighborhood Improvement Area #1 Assessed Property receives a direct and special benefit from the Neighborhood Improvement Area #1 Improvements, and this benefit is equal to or greater than the amount of the Assessments, as shown on Table V-B.

Table V-B**Neighborhood Improvement Area #1 Special Benefit and Assessment**

Special Benefit	
Neighborhood Improvement Area #1 Improvements (a)	\$12,644,097
Reserve Fund	\$978,100
Capitalized Interest	\$1,448,051
Cost of Issuance (b)	\$871,556
Underwriter's Discount/Underwriter's Counsel	\$300,434
<i>Subtotal Special Benefit</i>	<i>\$16,242,238</i>
Assessments	
Assessments securing Neighborhood Improvement Area #1 Bonds	\$11,560,000
Excess Benefits	\$4,682,238

(a) See Table V-A.1 for details

(b) Includes cost of issuance plus developer's counsel, SAP consultant, and appraisal costs.

Neighborhood Improvement Areas #2-5

- a) The Neighborhood Improvement Areas #2-5 Improvement costs allocated to Neighborhood Improvement Areas #2-5 equals \$19,299,494; and
- b) The Neighborhood Improvement Area #2-5 Assessed Property receives special benefit from the Neighborhood Improvement Areas #2-5 Improvements; and
- c) The Neighborhood Improvement Areas #2-5 Initial Parcel consists of all property in Neighborhood Improvement Areas #2-5, therefore the Neighborhood Improvement Areas #2-5 Initial Parcel will be allocated 100% of the Neighborhood Improvement Areas #2-5 Assessments, which equal \$16,825,000 as shown on the Neighborhood Improvement Areas #2-5 Assessment Roll attached hereto as Appendix E; and
- d) The Neighborhood Improvement Areas #2-5 Assessed Property receives a direct and special benefit from the Neighborhood Improvement Areas #2-5 Improvements, and this benefit is equal to or greater than the amount of the Assessments, as shown on Table V-C on the following page.

Table V-C**Neighborhood Improvement Areas #2-5 Special Benefit and Assessment**

Special Benefit	
Neighborhood Improvement Area #2-5 Improvements (a)	\$13,854,089
Reserve Fund	\$1,430,125
Capitalized Interest	\$1,179,750
Cost of Issuance (b)	\$437,266
Underwriter's Discount/Underwriter's Counsel	\$437,266
<i>Subtotal Special Benefit</i>	<i>\$19,299,494</i>
Assessments	
Assessments securing Neighborhood Improvement Area #2-5 Bonds	\$16,825,000
Excess Benefits	\$2,474,494

(a) See Table V-A.1 for details

(b) Includes cost of issuance plus developer's counsel, SAP consultant, and appraisal costs.

Neighborhood Improvement Area #2

- The estimated costs of the Neighborhood Improvement Area #2 Improvements allocated to Neighborhood Improvement Area #2 equals \$4,023,734; and
- The Neighborhood Improvement Area #2 Assessed Property receives special benefit from the Neighborhood Improvement Area #2 Improvements; and
- The Neighborhood Improvement Area #2 Initial Parcel initially consisted of all property in Neighborhood Improvement Area #2, therefore the Neighborhood Improvement Area #2 Initial Parcel (or Parcel or Parcels subsequently subdivided from it) was being allocated 100% of the Neighborhood Improvement Area #2 Assessments, which equal \$1,905,000

as shown on the Neighborhood Improvement Area #2 Assessment Roll attached hereto as Appendix F. The Assessment per Unit for each Lot Type within Neighborhood Improvement Area #2 is shown in Appendix C as calculated pursuant to the Assessment allocation methodology using estimated buildout values as described in the Original SAP; and

- d) The Neighborhood Improvement Area #2 Assessed Property receives a direct and special benefit from the Neighborhood Improvement Area #2 Improvements, and this benefit is equal to or greater than the amount of the Assessments, as shown on Table V-D on the following page.

Table V-D**Neighborhood Improvement Area #2 Special Benefit and Assessment**

Special Benefit	
Neighborhood Improvement Area #2 Improvements (a)	\$4,023,734
Reserve Fund	\$176,832
Capitalized Interest	\$0
Cost of Issuance	\$114,300
Underwriter's Discount/Underwriter's Counsel	\$57,150
<i>Subtotal Special Benefit</i>	<i>\$4,372,016</i>
Assessments	
Assessments securing Neighborhood Improvement Areas #2-3 Bonds	\$1,905,000
Excess Benefits	\$2,467,016

(a) See Table V-A.2 for details

Neighborhood Improvement Area #3

- The estimated costs of the Neighborhood Improvement Area #3 Improvements allocated to Neighborhood Improvement Area #3 equals \$6,437,163; and
- The Neighborhood Improvement Area #3 Assessed Property receives special benefit from the Neighborhood Improvement Area #3 Improvements; and
- The Neighborhood Improvement Area #3 Initial Parcel consists of all property in Neighborhood Improvement Area #3, therefore the Neighborhood Improvement Area #3 Initial Parcel (or Parcel or Parcels subsequently subdivided from it) will be allocated 100% of the Neighborhood Improvement Area #3 Assessments, which equal \$4,450,000 as shown on the Neighborhood Improvement Area #3 Assessment Roll attached hereto as Appendix G. The Assessment per Unit for each Lot Type within Neighborhood Improvement Area #3 is shown in Appendix C as calculated pursuant to the Assessment

allocation methodology using estimated buildout values as described in the Original SAP;
and

- d) The Neighborhood Improvement Area #3 Assessed Property receives a direct and special benefit from the Neighborhood Improvement Area #3 Improvements, and this benefit is equal to or greater than the amount of the Assessments, as shown on Table V-E on the following page.

Table V-E
Neighborhood Improvement Area #3 Special Benefit and Assessment

Special Benefit	
Neighborhood Improvement Area #3 Improvements (a)	\$6,437,163
Reserve Fund	\$413,071
Capitalized Interest	\$388,108
Cost of Issuance	\$267,000
Underwriter's Discount/Underwriter's Counsel	\$133,500
<i>Subtotal Special Benefit</i>	<i>\$7,638,842</i>
Assessments	
Assessments securing Neighborhood Improvement Areas #2-3 Bonds	\$4,450,000
Excess Benefits	\$3,188,842

(a) See Table V-A.3 for details

Neighborhood Improvement Area #4

- a) The estimated costs of the Neighborhood Improvement Area #4 Improvements allocated to Neighborhood Improvement Area #4 equals \$5,742,609; and
- b) The Neighborhood Improvement Area #4 Assessed Property receives special benefit from the Neighborhood Improvement Area #4 Improvements; and
- c) The Neighborhood Improvement Area #4 Initial Parcel consists of all property in Neighborhood Improvement Area #4, therefore the Neighborhood Improvement Area #4 Initial Parcel (or Parcel or Parcels subsequently subdivided from it) will be allocated 100% of the Neighborhood Improvement Area #4 Assessments, which equal \$4,000,000 as shown on the Neighborhood Improvement Area #4 Assessment Roll attached hereto as Appendix H. The Assessment per Unit for each Lot Type within Neighborhood Improvement Area #4 is shown in Appendix C as calculated pursuant to the Assessment

allocation methodology using estimated buildout values as described in the Original SAP;
and

- d) The Neighborhood Improvement Area #4 Assessed Property receives a direct and special benefit from the Neighborhood Improvement Area #4 Improvements, and this benefit is equal to or greater than the amount of the Assessments, as shown on Table V-F on the following page.

Table V-F
Neighborhood Improvement Area #4 Special Benefit and Assessment

Special Benefit	
Neighborhood Improvement Area #4 Improvements (a)	\$5,778,220
<i>Subtotal Special Benefit</i>	
Assessments	
Assessments securing Neighborhood Improvement Areas #4	\$4,000,000
Excess Benefits	\$1,778,220

(a) See Table V-A.4 for details

At the time the City Council approved the SAP, the Developer owned 100% of the Assessed Property. The Developer has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Developer has ratified, confirmed, accepted, agreed to and approved: (i) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (ii) the SAP and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property.

The City Council has determined that funding the Actual Costs through the PID is beneficial to the City. The Authorized Improvements result in a special benefit to the Assessed Property, and such special benefit exceeds the amount of the Assessment. This conclusion is supported by the information provided to the City Council regarding the PID.

K. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, updates to the Assessment Rolls and the Annual Service Plan Update to reflect changes such as (i) the identification of

each Parcel or Lot (ii) the Assessment for each Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VII.G of this Service and Assessment Plan.

The Service and Assessment Plan Update shall reflect the actual interest on the PID Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the PID Bonds and Developer funds.

L. FUTURE NEIGHBORHOOD IMPROVEMENT AREA ASSESSMENT ROLL

As Future Neighborhood Improvement Areas are developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within Future Neighborhood Improvement Areas (e.g., an Appendix will be added as the Assessment Roll for Neighborhood Improvement Area #5, etc.).

M. ASSESSMENTS AND ANNUAL INSTALLMENTS

The Assessments for the PID Bonds will be levied on each Parcel or Lot according to the Assessment Rolls. The Annual Installments for the PID Bonds will be collected on the dates and in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

N. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel or Lot based on the amount of outstanding Assessment remaining on the Parcel or Lot. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which will be revised based on actual costs incurred in Annual Service Plan Updates. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of Administration Expenses.

O. EXCESS INTEREST RATE

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the PID Bonds by no more than one half of one percent (0.50%), (the "Excess Interest Rate"). For Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Major Improvement Bonds, to the extent funds are available under the applicable Indenture, forty percent (40.0%) of the funds generated by the Excess Interest Rate (0.20%) will initially fund the Prepayment Reserve. For Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Major Improvement Bonds, to the extent funds are available under the applicable Indenture, the remaining sixty percent (60.0%) balance of the funds generated by the Excess Interest Rate (0.30%) will initially fund the Delinquency Reserve. For Neighborhood Improvement Area #2-3 Bonds the funds

generated by the Excess Interest Rate, (0.50%), will fund the Delinquency and Prepayment Reserve (as described in Section V.R herein) pursuant to the applicable indenture.

P. PREPAYMENT RESERVE

As stated, a portion of the funds generated by the Excess Interest Rate will be allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds are actually redeemed (“the Prepayment Reserve”). To the extent funds are available under the applicable Indenture, the Prepayment Reserve shall be funded each year until it reaches 1.5% of the par amount of the Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds, but in no event will the annual collections be more than 0.20% higher than the actual interest rate paid on the Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds. If the PID Act is subsequently amended to allow prepayment of an Assessment to include all applicable interest from the date of prepayment through and including the date of the regularly scheduled Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds payments to be charged upon the prepayment of the Assessment, the 0.20% allocated to fund the associated interest charged between the date of prepayment of the Assessment and the date on which Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds are actually prepaid may be eliminated. If in a given year the additional reserve is fully funded at 1.5% of the par amount of the Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds, the City and the Developer can allocate the Prepayment Reserve Component of the Excess Interest Rate collected during that year to the Delinquency Reserve or to pay Administrative Expenses as set forth in the Indenture.

Q. DELINQUENCY RESERVE

To the extent funds are available under the applicable Trust Indenture, this additional reserve (the “Delinquency Reserve”) shall be funded each year up to 4.0% of the par amount of the Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds, but in no event will the annual collection of the Delinquency Reserve be more than 0.30% higher than the actual interest rate paid on the Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds. If in a given year the additional reserve is fully funded at 5.5% of the par amount of the Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds, the City and the Developer shall allocate the Delinquency Reserve component of the Excess Interest Rate collected to the redemption of Neighborhood Improvement Area #1 Bonds and Neighborhood Improvement Areas #2-5 Bonds as set forth in the Indenture.

R. DELINQUENCY AND PREPAYMENT RESERVE

A portion of the funds generated by the Excess Interest Rate will be allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which and Neighborhood Improvement Areas #2-3 Bonds are actually redeemed and to offset any possible

delinquent payments. To the extent funds are available under the applicable Trust Indenture, this additional reserve for Neighborhood Improvement Areas #2-3 (the “Delinquency and Prepayment Reserve”) shall be funded each year up to 5.5% of the par amount of the Neighborhood Improvement Areas #2-3 Bonds. If in a given year the additional reserve is fully funded at 5.5% of the par amount of the Neighborhood Improvement Areas #2-3 Bonds, the City shall will designate such Excess Interest Rate collected for the redemption of Neighborhood Improvement Areas #2-3 Bonds as set forth in the Indenture.

S. TIRZ CREDIT

The City has agreed to use TIRZ Revenues from TIRZ No. 4 generated from property within Neighborhood Improvement Area #1 Assessed Property to offset a portion of the Annual Installment on the Neighborhood Improvement Area #1 Assessed Property and has agreed to use TIRZ Revenues from TIRZ No. 8 generated from property within Neighborhood Improvement Areas #2-5 Assessed Property to offset a portion of the Annual Installment on the Neighborhood Improvement Areas #2-5 Assessed Property, respectively (the "TIRZ Credit"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel.

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Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

VI. SERVICE PLAN

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five-year period. The Major Improvements financed with the Phases #2-5 Major Improvement Bonds and the Phase #1 Improvements financed with the Phase #1 Bonds have been constructed and accepted by the City. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Rolls. Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

The projected Annual Installments for the Neighborhood Improvement Area #1 Bonds, the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, and the Neighborhood Improvement Areas #2-3 Bonds (relating to Neighborhood Improvement Area #2), the Neighborhood Improvement Areas #2-3 Bonds (relating to Neighborhood Improvement Area #3), and the Neighborhood Improvement Area #4 Reimbursement Agreement are shown on Appendix D, Appendix E, Appendix F, Appendix G, and Appendix H, respectively. The projected annual installments are subject to revision and shall be updated in the Annual Service Plan Update as necessary.

The estimated costs for Neighborhood Improvement Area #1 Improvements plus the costs related to the issuance of the Neighborhood Improvement Area #1 Bonds and payment of expenses incurred in the establishment, administration and operation of the PID is \$16,242,238 as shown in Table VI-A. The estimated costs for Neighborhood Improvement Areas #2-5 Major Improvements plus costs related to the issuance of the Neighborhood Improvement Areas #2-5 Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is \$19,299,494 as shown in Table VI-A on the following page.

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Table VI-A
Sources and Uses of Funds – NIA #1 and NIA #2-5

Sources of Funds	Neighborhood Improvement Area #1	Neighborhood Improvement Area #2-5
Gross Bond Amount	\$11,560,000	\$16,825,000
Developer's Advance (a)	\$2,581,645	\$437,266
Other funding sources (b)	\$2,100,592	\$2,037,228
Total Sources	\$16,242,238	\$19,299,494
Uses of Funds		
Authorized Improvements (c)	\$12,644,097	\$13,854,089
Debt Service Reserve Fund	\$978,100	\$1,430,125
Capitalized Interest	\$1,448,051	\$2,398,264
Costs of Issuance	\$871,556	\$1,179,750
Underwriter's Discount	\$300,434	\$437,266
Total Uses	\$16,242,238	\$19,299,494

(a) The amounts represent the Developer deposits at the time of bond issuance.

(b) The other funding sources represent projected costs of Authorized Improvements to be paid by the Developer in excess of the bond proceeds and Developer deposits at bond closing.

(c) See Table V-A for details.

The estimated costs for Neighborhood Improvement Area #2 Improvements and the Neighborhood Improvement Area #3 Improvements plus the costs related to the issuance of the Neighborhood Improvement Area #2-3 Bonds is \$12,010,858 as shown in Table VI-B on the following page.

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Table VI-B**Sources and Uses of Funds – NIA #2 and NIA #3**

Sources of Funds	Neighborhood Improvement Area #2	Neighborhood Improvement Area #3	Total
Neighborhood Improvement Areas #2-3 Bond Amount	\$1,905,000	\$4,450,000	\$6,355,000
Other funding sources (a)	\$2,451,380	\$3,108,201	\$5,559,581
Total Sources	\$4,356,380	\$7,558,201	\$11,914,581
Uses of Funds			
Authorized Improvements (b)	\$4,023,734	\$6,437,163	\$10,460,897
Debt Service Reserve Fund	\$164,967	\$385,357	\$550,324
Capitalized Interest	\$0	\$360,710	\$360,710
Costs of Issuance	\$110,529	\$241,471	\$352,000
Underwriter's Discount	\$57,150	\$133,500	\$190,650
Total Uses	\$4,356,380	\$7,558,201	\$11,914,581

(a) The other funding sources represent projected costs of Authorized Improvements to be paid by the Developer in excess of the Neighborhood Improvement Areas #2-3 Bond proceeds and Developer deposits at bond closing.

(b) See Table V-D and Table V-E for details.

The estimated costs for Neighborhood Improvement Area #4 Improvements is shown in Table VI-C below.

Table VI-C**Sources and Uses of Funds – NIA #4**

Sources of Funds	Total
Neighborhood Improvement Area #4 Reimbursement Agreement	\$4,000,000
Other funding sources (a)	\$1,778,220
Total Sources	
Uses of Funds	
Authorized Improvements (b)	\$5,778,220
Total Uses	\$5,778,220

(a) The other funding sources represent projected costs of Neighborhood Improvements Area #4 to be funded by the Developer in excess of the Assessments for Neighborhood Improvements Area #4.

(b) See Table V-F for details.

The annual projected costs and annual projected indebtedness is shown by Table VI-D. The annual projected costs and indebtedness is subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table VI-D

Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Costs	Annual Projected Indebtedness	Other Funding Sources
2015	\$35,541,732	\$28,385,000	\$7,156,732
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$11,914,581	\$6,355,000	\$5,559,581
2020	\$0	\$0	\$0
2021	\$5,778,220	\$4,000,000	\$1,778,220
2022	\$0	\$0	\$0
Total	\$53,234,533	\$38,740,000	\$14,494,533

The annual projected costs shown in Table VI-D are the annual expenditures relating to the Authorized Improvements shown in Tables III-A, III-B, III-C, and III-D, the costs associated with creating the PID and costs of issuing the PID Bonds, including reserves shown in Table V-A.1. The difference between the annual projected cost and the annual projected indebtedness represents an amount funded by the Developer, which may be reimbursed with the proceeds of Future Neighborhood Improvement Area Bonds to the extent available.

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VII. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE NEIGHBORHOOD IMPROVEMENT AREA #1

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Area #1 is shown on the Neighborhood Improvement Area #1 Assessment Roll, attached as Appendix D, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Neighborhood Improvement Area #1 Bonds, to fund the prepayment reserve and delinquency reserve described in Section VI, and to cover Administrative Expenses of Neighborhood Improvement Area #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel in Neighborhood Improvement Area #1. The TIRZ Credit for each Parcel shall be as described in Section V.N, and shall be as provided for in Section VII.C below:

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Areas #2-5 are shown on the Neighborhood Improvement Areas #2-5 Assessment Roll, attached as Appendix E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in Section VI, to cover Administrative Expenses of Neighborhood Improvement Areas #2-5.

C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE NEIGHBORHOOD IMPROVEMENT AREA #2, NEIGHBORHOOD IMPROVEMENT AREA #3, AND NEIGHBORHOOD IMPROVEMENT AREA #4

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Area #2 are shown on the Neighborhood Improvement Area #2 Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay the debt obligations under the Neighborhood Improvement Areas #2-3 Bonds and to cover Administrative Expenses of Neighborhood Improvement Area #2.

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Area #3 are shown on the Neighborhood Improvement Area #3 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay the debt obligations under the Neighborhood Improvement Areas #2-3 Bonds, and to cover Administrative Expenses of Neighborhood Improvement Area #3.

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Area #4 are shown on the Neighborhood Improvement Area #4 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay the debt obligations under the Neighborhood Improvement Areas #4 Reimbursement Agreement and/or under the Neighborhood Improvement Area #4 Bonds, and to cover Administrative Expenses of Neighborhood Improvement Area #4.

D. TIRZ CREDIT FOR PARCELS LOCATED IN NEIGHBORHOOD IMPROVEMENT AREA #1

The Annual Installment for each Parcel in Neighborhood Improvement Area #1 shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel.

The TIRZ Credit for each Parcel in Neighborhood Improvement Area #1 in any given year shall be determined by the TIRZ Revenues collected within TIRZ No. 4 in the preceding year (i.e., TIRZ Revenues collected in 2019 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2020).

E. TIRZ CREDIT FOR PARCELS LOCATED IN NEIGHBORHOOD IMPROVEMENT AREAS #2-5

The Annual Installment for each Parcel in Neighborhood Improvement Areas #2-5 shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel.

The TIRZ Credit for each Parcel in Neighborhood Improvement Areas #2-5 in any given year shall be determined by the TIRZ Revenues collected within TIRZ No. 8 in the preceding year (i.e., TIRZ Revenues collected in 2019 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2020).

F. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN FUTURE NEIGHBORHOOD IMPROVEMENT AREAS

As Future Neighborhood Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Neighborhood Improvement Areas (e.g., an Appendix will be added as the Assessment Roll for Neighborhood Improvement Areas #5, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

G. REALLOCATION OF ASSESSMENTS FOR PARCELS LOCATED WITHIN THE PID

1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for the new divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the estimated As-Built Assessed Value of the new divided Assessed Property

D = the sum of the As-Built Assessed Value for all of the new divided Assessed Properties

The calculation of the As-Built Assessed Value of an Assessed Property shall be performed by the Administrator based on information from the City, the Developer, third party consultants, the Official Public Records of Denton County, Texas, and any other relevant source of information regarding the Assessed Property. The calculation as confirmed by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded Subdivision Plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the estimated As-Built Assessed Value of all new subdivided Lots with same Lot Type

D = the sum of the estimated As-Built Assessed Value for all of the new subdivided Lots excluding Non-Benefitted Property

E = the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an estimated As-Built Assessed Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat considering factors such as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, discussions with homebuilders, and any other factors that may impact future as-built Lot value and any other information available to the Developer. The calculation of the estimated As-Built Lot value for a Lot shall be performed by the Administrator and confirmed by the City Council based on information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of Denton County, Texas regarding the Lot.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

3. Upon Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

H. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

I. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of PID Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such series of PID Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of PID Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.
2. If all the Authorized Improvements are not undertaken, resulting in excess PID Bond proceeds being available to redeem PID Bonds, then the Assessments and Annual Installments for each

Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the PID Bonds, including interest on the PID Bonds and Collection Costs, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on estimated build out value of each Parcel or Lot, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the PID Bonds, including interest on the PID Bonds and Collection Costs. The Principal Portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced Principal Portion of the PID Bonds is equal to the outstanding principal amount of the PID Bonds.

3. If after all Authorized Improvements to be funded with a series of PID Bonds have been completed and the Actual Costs for the Authorized Improvements are less than the Budgeted Costs used to calculate the Assessments securing the PID Bonds, resulting in excess Bond proceeds, then the City Council may reduce the Assessment securing the PID Bonds for each Assessed Property on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds.
4. Similarly, if the City does not undertake some of the Authorized Improvements with the PID Bonds then the City Council may reduce the Assessment securing the PID Bonds for each Assessed Property pro-rata to reflect only the Actual Costs that were expended. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds.
5. The City Council may apply excess PID Bond proceeds to the redemption of the respective PID Bonds.

J. PAYMENT OF ASSESSMENTS

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time in accordance the PID Act. The Payment shall include all Prepayment Costs. If prepayment in full will result in redemption of PID Bonds, the payment amount shall be reduced from any proceeds from the Debt Service Reserve Fund applied to the redemption pursuant to the Indenture, net of any other costs applicable to the redemption of PID Bonds.

- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount upon payment.
- (c) Upon payment in full of an Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the related Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate. The City shall provide the owner of the affected Assessed Property a recordable "Notice of PID Assessment Termination."
- (d) At the option of the Parcel owner, the Assessment on any Parcel may be paid in part in an amount equal to the amount of prepaid Assessments plus Prepayment Costs with respect thereto. Upon the payment of such amount for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made. The partial Assessment payment will be used to redeem the bonds.

2. Payment of Annual Installments

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the City to collect interest and collection costs on the outstanding Assessment. An Annual Installment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

The Annual Installments as listed on the Assessment Rolls for Neighborhood Improvement Area #1 in Appendix D and Neighborhood Improvement Areas #2-5 in Appendix E have been calculated using an interest rate on the Neighborhood Improvement Area #1 Bonds of 7.25% and an interest rate on the Neighborhood Improvement Areas #2-5 Major Improvement Bonds of 8.25%, respectively.

The Annual Installments as listed on the Assessment Rolls for Neighborhood Improvement Area #2 in Appendix F and Neighborhood Improvement Areas #3 in Appendix G have been calculated using an interest rate of 4.125% for the Neighborhood Improvement Area #2-3 Bonds maturing through 2039 and an interest rate of 4.250% for the Neighborhood Improvement Area #2-3 Bonds maturing after 2039.

The Annual Installments as listed on the Assessment Rolls for Neighborhood Improvement Area #4 in Appendix H have been calculated using an estimated interest rate of 5% for the Neighborhood Improvement Area #4 Reimbursement Agreement.

The Annual Installments shall be reduced to equal the actual costs of repaying the PID Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. If additional Assessments are levied on the Project by the City, the Annual Installments will be adjusted to reflect the changes.

The City reserves and shall have the right and option to refund the PID Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installment so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding PID Bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding PID Bonds, and such refunding PID Bonds shall constitute "PID Bonds" for purposes of this Service and Assessment Plan.

K. COLLECTION OF ANNUAL INSTALLMENTS

The Administrator shall, no less frequently than annually, prepare and submit to the City Council for its approval, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Assessed Property. Administrative Expenses shall be allocated among Assessed Properties in proportion to the amount of the Annual Installments for the Assessed Property. Each Annual Installment shall be reduced by any credits applied under the Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and existing deposits for a prepayment reserve. Annual Installments may be collected by the City (or such entity to whom the City directs) in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies in the same manner and at the same time as ad valorem taxes. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of Assessed Property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be calculated each September 1 and assessed annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

Each Annual Installment for the Neighborhood Improvement Area #2 Assessments, including the interest on the unpaid amount of an Assessment, shall begin at the earlier of (i) Future Neighborhood Improvement Area Bonds issued for Neighborhood Improvement Area #2 Improvements, or (ii) September 1, 2019, and be assessed annually thereafter. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of each year following the commencement of collection of the Neighborhood Improvement Area #2 Annual Installments. Collection of the Annual Installment for the Neighborhood Improvement Area #2 Assessments commenced as of September 1, 2019.

Each Annual Installment for the Neighborhood Improvement Area #3 Assessments, including the interest on the unpaid amount of an Assessment, shall begin at the earlier of (i) Future Neighborhood Improvement Area Bonds issued for Neighborhood Improvement Area #3 Improvements, or (ii) September 1, 2020, and be assessed annually thereafter. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of each year following the commencement of collection of the Neighborhood Improvement Area #3 Annual Installments.] Collection of the Annual Installment for the Neighborhood Improvement Area #3 Assessments commenced with the issuance of the Neighborhood Improvement Areas #2-3 Bonds.

Each Annual Installment for the Neighborhood Improvement Area #4 Assessments, including the interest on the unpaid amount of an Assessment, shall begin at the earlier of (i) Future Neighborhood Improvement Area Bonds issued for Neighborhood Improvement Area #4 Improvements, or (ii) September 1, 2021, and be assessed annually thereafter. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of each year following the commencement of collection of the Neighborhood Improvement Area #4 Annual Installments.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator of the PID. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the PID Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, must send a written notice describing the error to the City no later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. If an owner fails to give such notice, such owner shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Property owner, such change or modification shall be presented to the City Council for approval, to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Property owner (except for the final year during which the Annual Installment shall be collected), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll pursuant to calculation errors shall be made pursuant to the PID Act.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall terminate on the date the Assessment is paid in full, including payment of any unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of the Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

C. AMENDMENTS

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer (or cause the administration of) the PID, this SAP, and all Annual Service Plan Updates consistent with the PID Act, unless stated otherwise herein or in the Indenture, such determination shall be conclusive.

E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan, or the application of same to an Assessed Property or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part thereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose. In addition, the amendment and restatement to the Original SAP does not in any way affect the Assessment lien placed on the Assessed Property as part of the levy of Assessments for the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Area's #2-5 Improvements on November 10, 2015, the levy of Assessments for the Neighborhood Improvement Area #2 on [REDACTED], the levy of Assessments for the Neighborhood Improvement Area #3 on [REDACTED] or the initial levy of Assessments for the Neighborhood Improvement Area #4.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

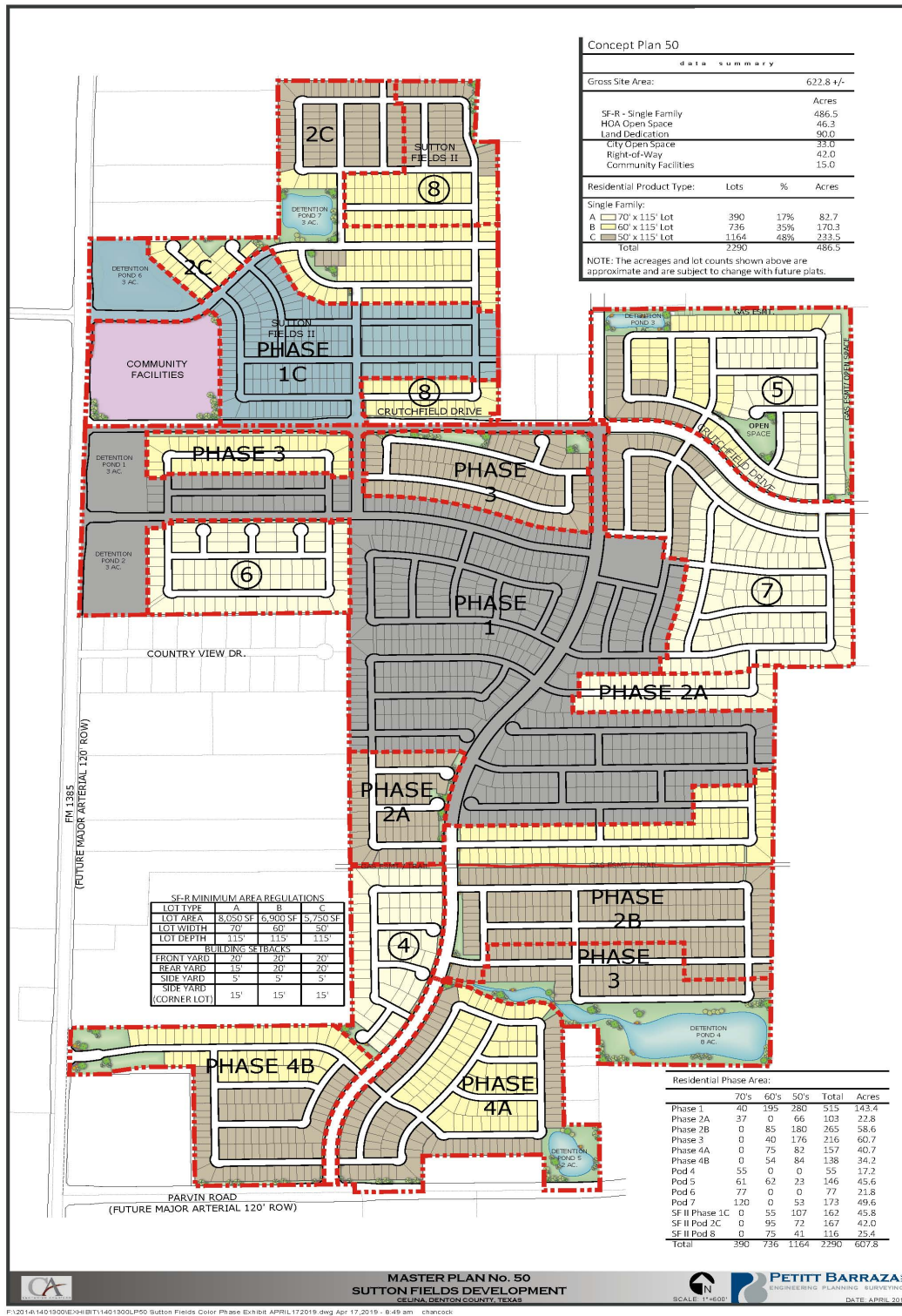
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APPENDIX A
UPDATED CONCEPT PLAN

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

APPENDIX A

Updated Concept Plan



Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

APPENDIX B
LEGAL DESCRIPTIONS OF PARCELS

APPENDIX B
Legal Description of Parcels

622.779 ACRE TRACT

BEING that certain tract of land situated in the Freeman Wilkerson Survey, Abstract No. 1411, the Thomas H. McIntyre Survey, Abstract No. 903, the Thomas B. Cox Survey, Abstract No. 309, the Carrol Jackson Survey, Abstract No. 1546, the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being all of that certain tract of land described in deed to Denton County 128 Development LLC recorded in Document No. 2013-135475, of the Real Property Records of Denton County, Texas (RPRDCT), all of that certain tract of land described in deed to Tarsan Corporation recorded in Document No. 2002-108524, RPRDCT, all of those certain tracts of land described in deeds to Mike A. Myers Investment Holdings, L.P. recorded in Document No. 2005-33384, RPRDCT, Document No. 2007-53939 RPRDCT, and Document No. 2005-93340, RPRDCT, all of that certain tract of land described in deed to The Amanda S. Myers Irrevocable Asset Trust recorded in Document No. 2011-125051, RPRDCT, all of that certain tract of land described in deed to Ok Kyun and Youngmoo Kim, Trustees of the Kim Family Living Trust recorded in Document No. 2005-86220, RPRDCT, and part of that certain tract of land described in deed to Frisco Industrial Partners recorded in Document NO. 2008-66233, RPRDCT, and being more particularly described as follows;

BEGINNING at a 1/2 inch capped iron rod found, said iron rod being located on the east right-of-way line of Farm to Market (FM) Road No. 1385 (variable width R.O.W.), and also being the northwest corner of Countryview Addition, an addition to Denton County according to Final Plat recorded in Cabinet F, Page 267, of the Plat Records of Denton County, Texas;

THENCE North 01°28'19" East, with said east right-of-way line of FM No. 1385, a distance of 310.72 feet to a ½ inch iron rod found for corner, said iron rod being the northwest corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT, and a southwest corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT;

THENCE North 01°22'30" East, continuing with the east right-of-way line of FM No. 1385, a distance of 204.07 feet to a 1/2 inch iron rod found for corner, said iron rod being the northwest corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT, and the southwest corner of the aforementioned tract of land described in deed to Tarsan Corporation recorded in Document No. 2002-108524, RPRDCT;

THENCE North 01°32'20" East, continuing with the east right-of-way line of FM No. 1385, a distance of 455.39 feet to a 1/2 inch iron rod found for corner;

THENCE North 01°55'54" East, continuing with the east right-of-way line of FM No. 1385, a distance of 446.59 feet to a 1/2 inch iron rod found for corner at the intersection of the east right-of-way line of FM No. 1385, and the approximate center of Crutchfield Road (undedicated public road), the northwest corner of said Tarsan Corporation tract, and the southwest corner of said Denton County 128 Development LLC tract;

THENCE North 89°43'38" East, continuing with the east right-of-way line of FM No. 1385, a distance of 2.88 feet to a 1/2 inch iron rod found for corner;

THENCE North 01°41'28" East, continuing with the east right-of-way line of FM No. 1385, a distance of 606.35 feet to a point for corner;

THENCE North 00°48'41" East, continuing with the east right-of-way line of FM No. 1385, a distance of 797.78 feet to a 1/2 inch iron rod found for corner at the most westerly northwest corner of said Denton County 128 Development LLC tract;

THENCE North 89°34'28" East, leaving the east right-of-way line of FM No. 1385, and with the north line of said Denton County 128 Development LLC tract, a distance of 1280.69 feet to a 1/2 inch iron rod found for corner;

THENCE North 00°20'50" West, with a west line of said Denton County 128 Development LLC tract, a distance of 546.92 feet to a 5/8 inch iron rod found for corner;

THENCE North 00°25'58" West, with a west line of said Denton County 128 Development LLC tract, a distance of 553.08 feet to a 1/2 inch iron rod found for corner;

THENCE North 00°04'10" East, with a west line of said Denton County 128 Development LLC tract, a distance of 73.78 feet to a 1/2 inch iron rod found for corner at the most northerly northwest corner of said Denton County 128 Development LLC tract, and the most southerly southwest corner of that certain tract of land described in deed to Blue Angus Ranch, LP, recorded in Instrument No. 2007-107216, RPRDCT;

THENCE South 89°46'34" East, with the most northerly north line of said Denton County 128 Development LLC tract, and the most southerly south line of said Blue Angus Ranch, LP tract, a distance of 959.68 feet to a 3/8 inch iron rod found for corner at the most southerly southeasterly corner of said Blue Angus Ranch, LP tract, and a southwest corner of that certain tract of land described in deed to Fashand Farm, Ltd. recorded in Document No. 2004-135532, RPRDCT;

THENCE South 89°47'07" East, continuing with the most northerly north line of said Denton County 128 Development LLC tract, and with a south line of said Fashand Farm, Ltd. tract, a distance of 395.15 feet to a 1/2 inch iron rod found for corner;

THENCE South 02°54'24" West, with an east line of said Denton County 128 Development LLC tract, and a west line of said Fashand Farm, Ltd. tract, a distance of 454.69 feet to a 1/2 inch iron rod found for corner;

THENCE North 89°30'36" East, with a north line of said Denton County 128 Development LLC tract, and a south line of said Fashand Farm, Ltd. tract, a distance of 156.62 feet to 1/2 inch iron rod found for corner located at a northeast corner of said Denton County 128 Development LLC tract, a southwest corner of said Fashand Farm, Ltd. tract, and also being the northwest corner of that certain tract of land described in deed to Fashand Farm, Ltd. recorded in Document No. 2005-21653, RPRDCT;

THENCE South 00°08'58" East, with the most easterly east line of said Denton County 128 Development LLC tract, the west line of said Fashand Farm, Ltd. tract recorded in Document No. 2005-21653, RPRDCT, and the west line of that certain tract of land described in deed to Jan M. Paliwoda and Margaret Paliwoda recorded in Volume 4364, Page 1631, RPRDCT, a distance of 2034.69 feet to a 1/2 inch iron rod found for corner located at the northeast corner of that certain tract of land described in deed to SBA Towers IV, LLC recorded in Document No.

2013-94302, RPRDCT;

THENCE South 89°15'21" West, with the north line of said SBA Towers IV, LLC tract, a distance of 50.31 feet to a 1/2 inch iron rod found for corner;

THENCE South 00°56'04" East, with the west line of said SBA Towers IV, LLC tract, a distance of 50.03 feet to a 1/2 inch iron rod found for corner;

THENCE North 89°12'39" East, with the south line of said SBA Towers IV, LLC tract, a distance of 49.92 feet to a 1/2 inch iron rod found for corner located on said most easterly east line of said Denton County 128 Development LLC tract, and the west line of said Jan M. Paliwoda and Margaret Paliwoda tract;

THENCE South 01°18'28" East, with said most easterly east line of said Denton County 128 Development LLC tract, and the west line of the Jan M. Paliwoda and Margaret Paliwoda tract, a distance of 31.08 feet to a 1/2 inch iron rod found for corner located on said approximate center of Crutchfield Road, and being the southeast corner of said Denton County 128 Development LLC tract;

THENCE North 89°43'38" East, with said approximate center of Crutchfield Road, the north line of said Tarsan tract, and the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005- 33384, RPRDCT, a distance of 627.96 feet to a railroad spike found for corner at the northeast corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT;

THENCE North 00°08'37" West, continuing with the approximate center of Crutchfield Road, and with the west line of the aforementioned Amanda S. Myers Irrevocable Asset Trust tract, a distance of 858.91 feet to a 1/2 inch iron rod found for corner, said iron rod being the northwest corner of said Amanda S. Myers Irrevocable Asset Trust tract, and the southwest corner of said Fashand Farm, Ltd. tract recorded in Document No. 2004-135532, RPRDCT;

THENCE North 89°30'51" East, continuing with the approximate center of Crutchfield Road, and with the north line of the Amanda S. Myers Irrevocable Asset Trust tract, a distance of 1759.29 feet to a 1/2 inch iron rod found for corner;

THENCE South 00°23'19" East, with the east line of the Amanda S. Myers Irrevocable Asset Trust tract, and the west line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Document No. 2006-2064, RPRDCT, a distance of 2685.16 feet to a 5/8 inch iron rod found for corner;

THENCE South 89°13'31" West, with a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 527.69 feet to a 1/2 inch iron rod found for corner;

THENCE South 00°41'45" West, with a line described in said Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 2985.21 feet to a 60d nail found in asphalt for corner, said nail being located in the approximate center of Parvin Road (undedicated public road);

THENCE North 89°11'44" West, with said approximate center of Parvin Road, and with a line described in said Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 1163.46 feet to a 3/8 inch iron rod found for corner;

THENCE North 00°42'55" West, leaving the approximate center of Parvin Road and with the west line of the Amanda S. Myers Irrevocable Asset Trust tract, the east line of that certain tract of land described in deed to Donald K. Estep and Sonja K. Estep recorded in Document No. 2011-67774, RPRDCT, and that certain tract of land described in deed to Donald Kenny Estep and Sonja Kay Estep recorded in Document No. 2001-99806, RPRDCT, a distance of 280.30 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner;

THENCE South 89°32'42" West, with a south line of that certain tract of land described in deed to Ok Kyun and Youngmoo Kim, Trustees of the Kim Family Living Trust recorded in Document No. 2005-86220, RPRDCT, a distance of 239.66 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner;

THENCE South 00°49'27" East, with an easterly line of said Kim Family Living Trust tract, the west line of said Estep tracts, and the west line of that certain tract of land described in deed to Claude Adams and Kathleen Adams recorded in Document No. 2011-67775, RPRDCT, and the west line of that certain tract of land described in deed to David P. Brewer and Carolyn Brewer recorded in Document No. 2012-34990, RPRDCT, a distance of 734.88 feet to a 1/2 inch iron rod found for corner at the southwest corner of said Brewer tract, and an interior "ell" corner of the Kim Family Living Trust tract;

THENCE North 89°20'27" East, a distance of 238.85 feet to a 1/2 inch iron rod found for corner, said iron rod being located at the southeast corner of the Brewer tract, a northeast corner of the Kim Family Living Trust tract, and also being located in the aforementioned approximate center of Parvin Road;

THENCE South 00°32'10" East, with an easterly line of the Kim Family Living Trust tract, and said approximate center of Parvin Road, a distance of 490.79 feet to a 1/2 inch iron rod found for corner at the most southerly southeast corner of the Kim Family Living Trust tract;

THENCE South 89°26'22" West, with the south line of the Kim Family Living Trust tract, and the approximate center of Parvin Road, a distance of 378.96 feet to a nail in asphalt found for corner;

THENCE North 00°17'53" East, leaving the approximate center of Parvin Road, and with a west line of the Kim Family Living Trust tract, and the east line of that certain tract of land described in deed to John M. Cosper and Jackie Cosper recorded in Volume 626, Page 706, RPRDCT, passing at a distance of 27.73 feet a 5/8 inch iron rod in concrete found, continuing in all, a distance of 267.98 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner, from which a 5/8 inch iron rod in concrete found bears South 00°17'53" West, a distance of 2.99 feet;

THENCE South 89°25'59" West, with a south line of the Kim Family Living Trust tract, and the north line of the Cosper tract, a distance of 824.19 feet to a 1/2 inch iron rod found for corner;

THENCE South 00°39'57" East, with the west line of the Cosper tract, and an easterly line of the Kim Family Living Trust tract, passing at a distance of 244.64 feet a 1/2 inch iron rod found, continuing in all, a distance of 265.80 feet to a 1/2 inch iron rod found for corner at a southeast corner of Kim Family Living Trust tract, and also being located in the aforementioned approximate center of Parvin Road;

THENCE South 89°09'41" West, with the south line of the Kim Family Living Trust tract, and the approximate center of Parvin Road, passing at a distance of 411.81 feet a 1/2 inch iron rod found at the northeast corner of that certain tract of land described in deed to Swisher Partners, L.P. recorded in Document No. 2004-7927, RPRDCT, continuing in all, a distance of 462.41 feet to a 1/2 inch iron rod found for corner at the southeast corner of that certain tract of land described in deed to the City of Celina, Texas recorded in Document No. 2008-62468,

RPRDCT;

THENCE North 00°41'57" West, with the east line of said City of Celina, Texas tract, a distance of 60.00 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner;

THENCE South 89°18'56" West, with a north line of the City of Celina, Texas tract, and Parvin Road, a distance of 1107.30 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 00°41'04" West, leaving said north line of Parvin Road, a distance of 843.46 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner;

THENCE South 89°18'56" West, a distance of 815.06 feet to a 5/8 inch iron rod with plastic cap marked "PETITRPLS 4087" set for corner, said iron rod being located on an easterly line of said City of Celina, Texas tract, and the aforementioned east right-of-way line of FM No. 1385;

THENCE North 01°32'26" East, with said east right-of-way line of FM No. 1385 according to City of Celina, Texas tract deed, a distance of 350.05 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 89°22'47" East, leaving the east right-of-way line of FM No. 1385, and with the north line of the aforementioned tract of land described in deed to Frisco Industrial Partners recorded in Document No. 2008-66233, RPRDCT, and the south line of that certain tract of land described in deed to Anna Liz

Hong recorded in Document No. 2014-15601, RPRDCT, a distance of 1908.52 feet to a 5/8 inch iron rod with plastic cap marked "PETITTRPLS

4087" set for corner;

THENCE North 00°41'47" West, with the east line of said Anna Liz Hong tract, and the most westerly line of the aforementioned Kim Family Living Trust tract, a distance of 1546.84 feet to an old wood corner post found for corner, from which a 5/8 inch iron rod found bears South 16°28'53" West, a distance of 1.57 feet;

THENCE North 00°24'23" West, with the west line of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, passing at a distance of 479.75 feet a 5/8 inch iron rod found at the southeast corner of that certain tract of land described in deed to Lee A. Brown recorded in Document No. 2003-122624, RPRDCT, continuing with said west line of the Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, and the east line of said Lee A. Brown tract, in all, a total distance of 951.64 feet to a 5/8 inch iron rod found for corner at the southeast corner of the aforementioned Countryview Addition;

THENCE North 00°07'02" West, continuing with the west line of the Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, and the east line of said Countryview Addition, a distance of 588.61 feet to a 5/8 inch iron rod with plastic cap marked "PETITT-RPLS 4087" set for corner, from which a ½ inch iron rod found bears South 89°26'31" West, a distance of 1.51 feet;

THENCE South 89°18'14" West, with the south line of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340, RPRDCT, a distance of 1301.63 feet to a 1/2 inch iron rod found for corner at the most southerly southwest corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT, and the southeast corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT;

THENCE South 89°15'45" West, with the south line of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT, a distance of 522.72 feet to the POINT OF BEGINNING of herein described tract of land containing an area of 622.779 acres of land.

Note: This document was prepared under 22 TAC §663.21, 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.

SUTTON FIELDS PHASE 2A

22.782 ACRES

TRACT 1

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE FREEMAN WILKERSON SURVEY, ABSTRACT NUMBER 1411, IN THE CITY OF CELINA, DENTON COUNTY, TEXAS, AND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED AS TRACT 1 IN DEED TO CADG SUTTON FIELDS, LLC RECORDED IN DOCUMENT NO. 2015-15963, OF THE REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS (RPRDCT), AND PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO CADG SUTTON FIELDS, LLC RECORDED IN DOCUMENT NO. 2015-30387, RPRDCT, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR THE SOUTHWEST CORNER OF LOT 2, BLOCK N, OF SUTTON FIELDS PHASE 1A, AN ADDITION TO THE CITY OF CELINA ACCORDING TO FINAL PLAT RECORDED IN DOCUMENT NUMBER 2017-395, PLAT RECORDS, DENTON COUNTY, TEXAS (PRDCT), SAID IRON ROD ALSO BEING LOCATED IN THE EAST LINE OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO LEE A. BROWN RECORDED IN DOCUMENT NUMBER 2003-122624 RPRDCT, ALSO BEING LOCATED IN THE WEST LINE OF SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NUMBER 2015-15963 RPRDCT;

THENCE NORTH 89°18'13" EAST WITH THE SOUTH LINE OF SAID SUTTON FIELDS PHASE 1A, A DISTANCE OF 129.75 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD ALSO BEING LOCATED IN THE WEST RIGHT-OF-WAY LINE OF CLEVES AVENUE (CALLED 50-FOOT RIGHT-OF-WAY);

THENCE SOUTH 00°41'47" EAST, CONTINUING WITH THE SOUTH LINE OF SAID SUTTON FIELDS PHASE 1A, AND SAID WEST RIGHT-OF-WAY LINE OF CLEVES AVENUE, A DISTANCE OF 5.00 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER;

THENCE NORTH 89°18'13" EAST, DEPARTING SAID WEST RIGHT-OF-WAY LINE OF CLEVES AVENUE, AND CONTINUING WITH THE SOUTH LINE OF SUTTON FIELDS PHASE 1A, A DISTANCE OF 619.40 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER;

THENCE SOUTH 63°21'49" EAST, CONTINUING WITH SAID SOUTH LINE OF SUTTON FIELDS PHASE 1A, A DISTANCE OF 51.22 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD BEING LOCATED IN THE WESTERLY RIGHT-OF-WAY LINE OF BOTHWELL BOULEVARD, SAID RIGHT-OF-WAY ACCORDING TO THE RIGHTS-OF-WAY FOR SUTTON FIELDS PHASE 1, AN ADDITION TO THE CITY OF CELINA ACCORDING TO FINAL PLAT RECORDED IN DOCUMENT NUMBER 2017-398, PRDCT, ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

THENCE SOUTHWESTERLY, WITH SAID WEST RIGHT-OF-WAY LINE OF BOTHWELL BOULEVARD, AND WITH SAID CURVE TO THE LEFT WHICH HAS A CENTRAL ANGLE OF 21°57'17", A RADIUS OF 1445.00 FEET, A CHORD THAT BEARS SOUTH 15°39'33" WEST, A DISTANCE OF 550.31 FEET, FOR AN ARC DISTANCE OF 553.70 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD ALSO BEING A SOUTHWEST CORNER OF SAID RIGHTS-OF-WAY FOR SUTTON FIELDS PHASE 1;

THENCE SOUTH 85°19'22" EAST, WITH THE SOUTH LINE OF THE BOTHWELL BOULEVARD DEDICATION ACCORDING TO SAID RIGHTS-OF-WAY FOR SUTTON FIELDS PHASE 1, A DISTANCE OF 90.00 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD BEING A SOUTHEAST CORNER OF SAID RIGHTS-OF-WAY FOR SUTTON FIELDS PHASE 1, THE SOUTHWEST CORNER OF SUTTON FIELDS PHASE 1B, AN ADDITION TO THE CITY OF CELINA ACCORDING TO FINAL PLAT RECORDED IN DOCUMENT NUMBER 2017-478, PRDCT, AND BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

THENCE SOUTHWESTERLY, OVER AND ACROSS SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NO. 2015-30387, RPRDCT, AND WITH SAID CURVE TO THE LEFT WHICH HAS A CENTRAL ANGLE OF 05°22'43", A RADIUS OF 1355.00 FEET, A CHORD THAT BEARS SOUTH 01°59'34" WEST, A DISTANCE OF 127.16 FEET, FOR AN ARC DISTANCE OF 127.20 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" SET FOR CORNER;

THENCE CONTINUING OVER AND ACROSS SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NO. 2015-30387, RPRDCT, THE FOLLOWING COURSES TO A 5/8-INCH IRON RODS WITH CAP MARKED "PETITT-RPLS 4087" SET FOR CORNER:

SOUTH 00°41'47" EAST, A DISTANCE OF 177.23 FEET;

SOUTH 89°43'30" WEST, A DISTANCE OF 90.00 FEET;

NORTH 00°41'47" WEST, A DISTANCE OF 20.00 FEET;

AND SOUTH 89°43'30" WEST, A DISTANCE OF 635.87 FEET, SAID IRON ROD BEING LOCATED IN THE WEST LINE OF SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NO. 2015-30387, RPRDCT, AND THE EAST LINE OF THAT CERTAIN TRACT OF LAND DESCRIBED AS TRACT II IN DEED TO TIMOTHY DAN CHESNEY AND MARGIE BETH CHESNEY RECORDED IN DOCUMENT NUMBER 94-R0036277, RPRDCT;

THENCE NORTH 00°41'47" WEST, WITH THE COMMON LINE OF SAID CADG SUTTON FIELDS, LLC AND SAID CHESNEY TRACT RECORDED IN DOCUMENT NUMBER 94-R0036277 RPRDCT, AND THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO TIM CHESNEY AND MARGIE BETH CHESNEY RECORDED IN VOLUME 1209, PAGE 434, RPRDCT, A DISTANCE OF 344.97 FEET TO AN OLD WOOD CORNER POST FOUND FOR CORNER AT THE NORTHWEST CORNER OF SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NO. 2015-30387, RPRDCT, A SOUTHWEST CORNER OF SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NO. 2015-15963, RPRDCT, AND THE SOUTHEAST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO JENNIFER S. DAHL AND RICHARD A. DAHL, RECORDED IN DOCUMENT NUMBER 2006-1961 RPRDCT, FROM WHICH A 5/8 INCH IRON ROD FOUND BEARS SOUTH 16°28'53" WEST, A DISTANCE OF 1.57 FEET;

THENCE NORTH 00°24'23" WEST, WITH A WEST LINE OF SAID CADG SUTTON FIELDS, LLC TRACT RECORDED IN DOCUMENT NO. 2015-15963, RPRDCT, AND THE EAST LINE OF SAID DAHL TRACT, A DISTANCE OF 498.94 TO THE POINT OF BEGINNING, AND CONTAINING 13.792 ACRES OF LAND.

TRACT 2

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE FREEMAN WILKERSON SURVEY, ABSTRACT NUMBER 1411, THE CARROL JACKSON SURVEY, ABSTRACT NUMBER 1546, THE JACOB RUE SURVEY, ABSTRACT NUMBER 1109, AND THE THOMAS B. COX SURVEY, ABSTRACT NUMBER 309, IN THE CITY OF CELINA, DENTON COUNTY, TEXAS, AND BEING PART OF THOSE CERTAIN TRACTS OF LAND DESCRIBED AS TRACT 1, AND TRACT 4, IN DEED TO CADG SUTTON FIELDS, LLC RECORDED IN DOCUMENT NO. 2015-

15963, OF THE REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS (RPRDCT), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR THE NORTHEAST CORNER OF LOT 5, BLOCK R, OF SUTTON FIELDS PHASE 1B, AN ADDITION TO THE CITY OF CELINA RECORDED IN DOCUMENT NUMBER 2017-478, OF THE PLAT RECORDS OF DENTON COUNTY, TEXAS (PRDCT), SAID IRON ROD ALSO BEING LOCATED ON A LINE DESCRIBED IN BOUNDARY LINE AGREEMENT RECORDED IN INSTRUMENT NUMBER 2005-122140, RPRDCT;

THENCE SOUTH 89°18'13" WEST, WITH A NORTH LINE OF SAID SUTTON FIELDS PHASE 1B, A DISTANCE OF 1367.16 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD BEING THE SOUTHEAST CORNER OF LOT 55, BLOCK R, OF SAID SUTTON FIELDS PHASE 1B;

THENCE NORTH 00°23'16" WEST, WITH THE EAST LINE OF SAID LOT 55, BLOCK R, A DISTANCE OF 121.55 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR THE NORTHEAST CORNER OF SAID LOT 55, BLOCK R, ALSO BEING LOCATED IN THE SOUTH RIGHT-OF-WAY LINE OF HIGHTOWER STREET (CALLED 50-FOOT RIGHT-OF-WAY);

THENCE NORTH 89°36'44" EAST, WITH SAID SOUTH RIGHT-OF-WAY LINE OF HIGHTOWER STREET, A DISTANCE OF 41.70 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER;

THENCE NORTH 00°23'16" WEST, DEPARTING SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 165.00 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR THE NORTHEAST CORNER OF LOT 11, BLOCK SSSS, OF SAID SUTTON FIELDS PHASE 1B, SAID IRON ROD ALSO BEING LOCATED IN THE SOUTH LINE OF LOT 8, BLOCK SSSS, OF SAID SUTTON FIELDS PHASE 1B;

THENCE NORTH 89°36'44" EAST, WITH THE SOUTH LINE OF SAID BLOCK SSSS, PASSING AT A DISTANCE OF 552.07 FEET A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND AT A SOUTHEAST CORNER OF SAID SUTTON FIELDS PHASE 1B, CONTINUING OVER AND ACROSS SAID CADG SUTTON FIELDS, LLC TRACT 4, IN ALL, A TOTAL DISTANCE OF 1001.00 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" SET FOR CORNER;

THENCE CONTINUING OVER AND ACROSS SAID CADG SUTTON FIELDS, LLC TRACT 4, THE FOLLOWING COURSES TO A 5/8-INCH IRON RODS WITH CAP MARKED "PETITT-RPLS 4087" SET FOR CORNER:

NORTH 84°18'02" EAST, A DISTANCE OF 152.84 FEET;

NORTH 00°23'16" WEST, A DISTANCE OF 41.64 FEET;

AND NORTH 89°36'44" EAST, A DISTANCE OF 178.60 FEET;

THENCE SOUTH 00°41'45" WEST, CONTINUING OVER AND ACROSS SAID CADG SUTTON FIELDS, LLC TRACT 4, PASSING AT A DISTANCE OF 12.21 FEET A 1/2-INCH IRON ROD FOUND AT AN INTERIOR "ELL" CORNER OF SAID TRACT 4, CONTINUING WITH SAID LINE DESCRIBED IN BOUNDARY LINE AGREEMENT, IN ALL, A TOTAL DISTANCE OF 335.04 FEET TO THE POINT OF BEGINNING, AND CONTAINING 8.990 ACRES OF LAND.

CONTAINING IN ALL (TRACT 1 AND TRACT 2), A TOTAL OF 22.782 ACRES OF LAND.

SUTTON FIELDS PHASE 2B

54.573 ACRES

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE FREEMAN WILKERSON SURVEY, ABSTRACT NUMBER 1411, THE CARROL JACKSON SURVEY, ABSTRACT NUMBER 1546, AND THE JACOB RUE SURVEY, ABSTRACT NUMBER 1109, IN DENTON COUNTY, TEXAS, AND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO CADG SUTTON FIELDS, LLC, RECORDED IN DOCUMENT NUMBER 2015-30387, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS (RPRDCT), AND PART OF TRACT 1 AND TRACT 4 IN DEED TO CADG SUTTON FIELDS, LLC, RECORDED IN DOCUMENT NUMBER 2015-15963, RPRDCT, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR THE SOUTHWEST CORNER OF SUTTON FIELDS PHASE 1B, AN ADDITION TO THE CITY OF CELINA ACCORDING TO THE PLAT THEREOF RECORDED IN DOCUMENT NUMBER 2017-478, PLAT RECORDS, DENTON COUNTY, TEXAS (PRDCT), SAID IRON ROD ALSO BEING THE SOUTHEAST CORNER OF A RIGHT-OF-WAY DEDICATION FOR BOTHWELL BOULEVARD ACCORDING TO THE RIGHTS-OF-WAY FOR SUTTON FIELDS PHASE 1, AN ADDITION TO THE CITY OF CELINA RECORDED IN DOCUMENT NUMBER 2017-398, PRDCT;

THENCE WITH THE SOUTH LINE OF SAID SUTTON FIELDS PHASE 1B, THE FOLLOWING BEARINGS AND DISTANCES TO 5/8-INCH IRON RODS WITH CAPS MARKED "PETITT-RPLS 4087" FOUND FOR CORNER:

NORTH 89°18'14" EAST, A DISTANCE OF 1596.19 FEET;

NORTH 00°41'47" WEST, A DISTANCE OF 280.00 FEET;

NORTH 89°18'13" EAST, A DISTANCE OF 420.00 FEET;

NORTH 00°41'47" WEST, A DISTANCE OF 105.00 FEET;

NORTH 44°18'13" EAST, A DISTANCE OF 14.14 FEET;

AND NORTH 89°18'13" EAST, A DISTANCE OF 120.62 FEET, SAID IRON ROD BEING LOCATED ON A LINE DESCRIBED IN BOUNDARY LINE AGREEMENT RECORDED IN INSTRUMENT NUMBER 2005-122140, RPRDCT;

THENCE SOUTH 00°41'45" WEST, WITH SAID BOUNDARY AGREEMENT LINE, A DISTANCE OF 1560.41 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" SET FOR CORNER;

THENCE, DEPARTING THE WEST LINE OF SAID BOUNDARY AGREEMENT LINE, AND OVER AND ACROSS SAID CADG SUTTON FIELDS TRACTS, THE FOLLOWING COURSES AND DISTANCES TO 5/8-INCH IRON RODS WITH CAP MARKED "PETITT-RPLS 4087" SET FOR CORNER:

SOUTH 89°18'13" WEST, A DISTANCE OF 128.64 FEET;

SOUTH 00°41'47" EAST, A DISTANCE OF 25.00 FEET;

SOUTH 89°18'13" WEST, A DISTANCE OF 50.00 FEET;

NORTH 00°41'47" WEST, A DISTANCE OF 20.00 FEET;

SOUTH 89°18'13" WEST, A DISTANCE OF 410.00 FEET;

NORTH 00°41'47" WEST, A DISTANCE OF 280.00 FEET;

SOUTH 89°18'13" WEST, A DISTANCE OF 710.00 FEET;

SOUTH 00°41'47" EAST, A DISTANCE OF 20.00 FEET;

SOUTH 89°18'13" WEST, A DISTANCE OF 50.00 FEET;

NORTH 00°41'47" WEST, A DISTANCE OF 20.00 FEET;

SOUTH 89°18'13" WEST, A DISTANCE OF 570.00 FEET;

SOUTH 00°41'47" EAST, A DISTANCE OF 115.00 FEET;

NORTH 89°18'13" EAST, A DISTANCE OF 20.50 FEET;

SOUTH 00°41'47" EAST, A DISTANCE OF 50.00 FEET;

SOUTH 89°18'13" WEST, A DISTANCE OF 53.99 FEET;

SOUTH 00°41'47" EAST, A DISTANCE OF 115.00 FEET;

SOUTH 89°40'23" WEST, A DISTANCE OF 53.81 FEET;

NORTH 86°04'38" WEST, A DISTANCE OF 61.02 FEET;

NORTH 80°36'44" WEST, A DISTANCE OF 61.02 FEET;

NORTH 76°42'01" WEST, A DISTANCE OF 83.14 FEET;

NORTH $71^{\circ}56'34''$ WEST, A DISTANCE OF 90.00 FEET, SAID IRON ROD ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

NORTHEASTERLY, WITH SAID CURVE TO THE LEFT, WHICH HAS A CENTRL ANGLE OF $18^{\circ}45'13''$, A RADIUS OF 1655.00 FEET, A CHORD THAT BEARS NORTH $08^{\circ}40'49''$ EAST, A DISTANCE OF 539.29 FEET, AND AN ARC DISTANCE OF 541.70 FEET;

NORTH $00^{\circ}41'47''$ WEST, A DISTANCE OF 77.93 FEET;

SOUTH $89^{\circ}18'13''$ WEST, A DISTANCE OF 28.50 FEET;

NORTH $00^{\circ}41'47''$ WEST, A DISTANCE OF 50.00 FEET;

NORTH $89^{\circ}18'13''$ EAST, A DISTANCE OF 28.50 FEET;

NORTH $00^{\circ}41'47''$ WEST, A DISTANCE OF 141.37 FEET;

NORTH $89^{\circ}43'30''$ EAST, A DISTANCE OF 90.00 FEET;

NORTH $00^{\circ}41'47''$ WEST, A DISTANCE OF 177.23 FEET, SAID IRON ROD ALSO BEING THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

AND NORTHEASTERLY, WITH SAID CURVE TO THE RIGHT, WHICH HAS A CENTRAL ANGLE OF $05^{\circ}22'42''$, A RADIUS OF 1355.00 FEET, A CHORD THAT BEARS NORTH $01^{\circ}59'34''$ EAST, A DISTANCE OF 127.15 FEET, AND AN ARC DISTANCE OF 127.20 FEET TO THE POINT OF BEGINNING, AND CONTAINING 54.573 ACRES OF LAND.

ADD Legal for 4B and 2C

APPENDIX C
ASSESSMENT PER UNIT

APPENDIX C
Assessment Per Unit

The Assessment per Unit for NIA #1, as calculated using the estimated buildout values described in the Original SAP are shown in Table C-1 below.

Table C-1
Assessment Per Unit – NIA #1

Lot Type	Lot Size	No. of Units	Total Estimated Buildout Value (Per Original SAP)	% of Total Buildout Value	Total Assessments Allocated	Assessment per Unit
A	70	40	\$14,700,000	9.05%	\$1,046,634	\$26,166
B	60	195	\$63,940,500	39.38%	\$4,552,537	\$23,346
C	50	280	\$83,720,000	51.56%	\$5,960,829	\$21,289
Total		515	\$162,360,500		\$11,560,000	

The Assessment per Unit for NIA #2, as calculated using the estimated buildout values described in the Original SAP are shown in Table C-2 below.

Table C-2
Assessment Per Unit – NIA #2

Lot Type	Lot Size	No. of Units	Total Estimated Buildout Value (per Original SAP)	% of Total Buildout Value	Total Assessments Allocated	Assessment per Unit - NIA #2	Assessment per Unit - NIA #2-5 ^(a)	Combined Assessment per Unit - NIA #2
A	70	-	-	-	-	-	-	-
B	60	55	\$18,034,500	36.05%	\$686,737	\$12,486	\$9,929	\$22,415
C	50	107	\$31,993,000	63.95%	\$1,218,263	\$11,386	\$9,929	\$21,315

Total	162	\$50,027,500	\$1,905,000
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^(a) Represents initial Assessment per Unit per the Original SAP.

The Assessment per Unit for NIA #3, as calculated using the estimated buildout values described in the Original SAP are shown in Table C-3 on the following page.

Table C-3**Assessment Per Unit – NIA #3**

Lot Type	Lot Size	No. of Units	Total Estimated Buildout Value (per Original SAP)	% of Total Buildout Value	Total Assessments Allocated	Assessment per Unit - NIA #2	Assessment per Unit - NIA #2-5 ^(a)	Combined Assessment per Unit - NIA #3
A	70	37	\$13,597,500	11.82%	\$526,059	\$14,218	\$9,929	\$24,147
B	60	85	\$27,871,500	24.23%	\$1,078,290	\$12,686	\$9,929	\$22,615
C	50	246	\$73,554,000	63.95%	\$2,845,651	\$11,568	\$9,929	\$21,497
Total		368	\$115,023,000		\$4,450,000			

^(a) Represents initial Assessment per Unit per the Original SAP.

The Assessment per Unit for NIA #4, as calculated using the estimated buildout values described in the Original SAP are shown in Table C-4 below.

Table C-4**Assessment Per Unit – NIA #4**

Lot Type	Lot Size	No. of Units	Total Estimated Buildout Value (per Original SAP)	% of Total Buildout Value	Total Assessments Allocated	Assessment per Unit - NIA #2	Assessment per Unit - NIA #2-5 ^(a)	Combined Assessment per Unit - NIA #2
A	70	-	-	-	-	-	-	-
B	60	149	\$48,857,100	51.16%	\$2,046,347	\$13,734	\$9,929	\$23,663
C	50	156	\$46,644,000	48.84%	\$1,953,653	\$12,523	\$9,929	\$22,452
Total		305	\$95,501,100		\$4,000,000			

^(a) Represents initial Assessment per Unit per the Original SAP.

APPENDIX D
NEIGHBORHOOD IMPROVEMENT AREA #1 ASSESSMENT ROLL

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

Appendix D**Neighborhood Improvement Area #1 Assessment Roll****Parcel(s)****Various****Assessment****\$11,560,000**

Year (a)	Principal	Interest (b)	Total Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment
9/1/2016	\$0	\$609,951	\$609,951	\$30,000	\$23,120	\$34,680	\$0	(\$609,951)	\$87,8
9/1/2017	\$0	\$838,100	\$838,100	\$30,600	\$23,120	\$34,680	\$0	(\$838,100)	\$88,4
9/1/2018	\$140,000	\$838,100	\$978,100	\$61,212	\$23,120	\$34,680	\$0	\$0	\$1,097,1
9/1/2019	\$150,000	\$827,950	\$977,950	\$62,436	\$22,840	\$34,260	\$0	\$0	\$1,097,4
9/1/2020	\$160,000	\$817,075	\$977,075	\$63,685	\$22,540	\$33,810	\$0	\$0	\$1,097,1
9/1/2021	\$170,000	\$805,475	\$975,475	\$64,959	\$22,220	\$33,330	\$0	\$0	\$1,095,9
9/1/2022	\$180,000	\$793,150	\$973,150	\$66,258	\$21,880	\$32,820	\$0	\$0	\$1,094,1
9/1/2023	\$195,000	\$780,100	\$975,100	\$67,583	\$2,560	\$51,240	\$0	\$0	\$1,096,4
9/1/2024	\$210,000	\$765,963	\$975,963	\$68,935	\$0	\$52,825	\$0	\$0	\$1,097,7
9/1/2025	\$225,000	\$750,738	\$975,738	\$70,313	\$0	\$51,775	\$0	\$0	\$1,097,8
9/1/2026	\$240,000	\$734,425	\$974,425	\$71,720	\$0	\$11,100	\$0	\$0	\$1,057,2

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

9/1/202 7	\$260,000	\$717,025	\$977,025	\$73,154	\$0	\$0	\$0	\$0	\$1,050,1
9/1/202 8	\$275,000	\$698,175	\$973,175	\$74,617	\$0	\$0	\$0	\$0	\$1,047,7
9/1/202 9	\$295,000	\$678,238	\$973,238	\$76,109	\$0	\$0	\$0	\$0	\$1,049,3
9/1/203 0	\$320,000	\$656,850	\$976,850	\$77,632	\$0	\$0	\$0	\$0	\$1,054,4
9/1/203 1	\$340,000	\$633,650	\$973,650	\$79,184	\$0	\$0	\$0	\$0	\$1,052,8
9/1/203 2	\$365,000	\$609,000	\$974,000	\$80,768	\$0	\$0	\$0	\$0	\$1,054,7
9/1/203 3	\$395,000	\$582,538	\$977,538	\$82,383	\$0	\$0	\$0	\$0	\$1,059,9
9/1/203 4	\$420,000	\$553,900	\$973,900	\$84,031	\$0	\$0	\$0	\$0	\$1,057,9
9/1/203 5	\$450,000	\$523,450	\$973,450	\$85,712	\$0	\$0	\$0	\$0	\$1,059,1
9/1/203 6	\$485,000	\$490,825	\$975,825	\$87,426	\$0	\$0	\$0	\$0	\$1,063,2
9/1/203 7	\$520,000	\$455,663	\$975,663	\$89,174	\$0	\$0	\$0	\$0	\$1,064,8
9/1/203 8	\$555,000	\$417,963	\$972,963	\$90,958	\$0	\$0	\$0	\$0	\$1,063,9
9/1/203 9	\$600,000	\$377,725	\$977,725	\$92,777	\$0	\$0	\$0	\$0	\$1,070,5
9/1/204 0	\$640,000	\$334,225	\$974,225	\$94,633	\$0	\$0	\$0	\$0	\$1,068,8
9/1/204 1	\$685,000	\$287,825	\$972,825	\$96,525	\$0	\$0	\$0	\$0	\$1,069,3
9/1/204 2	\$735,000	\$238,163	\$973,163	\$98,456	\$0	\$0	\$0	\$0	\$1,071,6
9/1/204 3	\$790,000	\$184,875	\$974,875	\$100,425	\$0	\$0	\$0	\$0	\$1,075,3

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

9/1/204									
4	\$850,000	\$127,600	\$977,600	\$102,433	\$0	\$0	\$0	\$0	\$1,080,0
9/1/204									
5	\$910,000	\$65,975	\$975,975	\$104,482	\$0	\$0	(\$978,100)	\$0	\$102,3
Totals	\$11,560,000	\$17,194,688	\$28,754,688	\$2,328,580	\$161,400	\$405,200	(\$978,100)	(\$1,448,051)	\$29,223,7

(a) The 9/1/XX dates represent the fiscal year end for the bonds, and the installments are due on the immediately prior January 31st

(b) Interest rate is 7.25%

(c) Preliminary estimate, will be updated in Annual Service Plan Updates.

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

APPENDIX E
NEIGHBORHOOD IMPROVEMENT AREAS #2-5 ASSESSMENT ROLL

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

Appendix E

Neighborhood Improvement Areas #2-5 Assessment Roll

Parcel(s)									Various		
Assessment									\$16,825,000		
											</

9/1/2029	\$650,000	\$1,032,075	\$1,682,075	\$38,808	\$0	\$62,550	\$0	\$0	\$0	\$1,783,433	
9/1/2030	\$705,000	\$978,450	\$1,683,450	\$39,584	\$0	\$59,300	\$0	\$0	\$0	\$1,783,433	4
9/1/2031	\$760,000	\$920,288	\$1,680,288	\$40,376	\$0	\$45,500	\$0	\$0	\$0	\$1,783,433	4
9/1/2032	\$825,000	\$857,588	\$1,682,588	\$41,184	\$0	\$0	\$0	\$0	\$0	\$1,783,433	2
9/1/2033	\$890,000	\$789,525	\$1,679,525	\$42,007	\$0	\$0	\$0	\$0	\$0	\$1,783,433	2
9/1/2034	\$965,000	\$716,100	\$1,681,100	\$42,847	\$0	\$0	\$0	\$0	\$0	\$1,783,433	7
9/1/2035	\$1,045,000	\$636,488	\$1,681,488	\$43,704	\$0	\$0	\$0	\$0	\$0	\$1,783,433	2
9/1/2036	\$1,130,000	\$550,275	\$1,680,275	\$44,578	\$0	\$0	\$0	\$0	\$0	\$1,783,433	3
9/1/2037	\$1,225,000	\$457,050	\$1,682,050	\$45,470	\$0	\$0	\$0	\$0	\$0	\$1,783,433	0
9/1/2038	\$1,325,000	\$355,988	\$1,680,988	\$46,379	\$0	\$0	\$0	\$0	\$0	\$1,783,433	7
9/1/2039	\$1,435,000	\$246,675	\$1,681,675	\$47,307	\$0	\$0	\$0	\$0	\$0	\$1,783,433	2
9/1/2040	\$1,555,000	\$128,288	\$1,683,288	\$48,253	\$0	\$0	\$0	(\$1,683,863)	\$0	\$48,253	8
Total	\$16,825,000	\$23,962,526	\$40,787,526	\$960,909	\$252,375	\$673,000	\$252,375	(\$1,683,863)	(\$2,398,264)	\$38,808	8

(a) The 9/1/XX dates represent the fiscal year end for the bonds, and the installments are due on the immediately prior January 31st

(b) Interest rate is 8.25%

(c) Preliminary estimate, will be updated in Annual Service Plan Updates.

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

APPENDIX F
NEIGHBORHOOD IMPROVEMENT AREA #2 ASSESSMENT ROLL

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID – Pre-SAP)

Appendix F**Neighborhood Improvement Area #2 Assessment Roll****Parcel(s)****134236****Assessment****\$1,905,000**

Year (a)	Principal	Interest (b)	Total Debt Service	Administrative Expenses (c)	Delinquency and Prepayment Reserve	Annual Installment (d)
9/1/2020	\$0	\$119,063	\$119,063	\$25,500	\$0	\$144,563
9/1/2021	\$5,000	\$80,831	\$85,831	\$20,096	\$8,350	\$114,277
9/1/2022	\$5,000	\$80,625	\$85,625	\$20,498	\$8,325	\$114,448
9/1/2023	\$5,000	\$80,419	\$85,419	\$20,908	\$8,300	\$114,627
9/1/2024	\$5,000	\$80,213	\$85,213	\$21,326	\$8,275	\$114,814
9/1/2025	\$5,000	\$80,006	\$85,006	\$21,753	\$8,250	\$115,009
9/1/2026	\$5,000	\$79,800	\$84,800	\$22,188	\$8,225	\$115,213
9/1/2027	\$5,000	\$79,594	\$84,594	\$22,631	\$8,200	\$115,425
9/1/2028	\$5,000	\$79,388	\$84,388	\$23,084	\$8,175	\$115,647
9/1/2029	\$5,000	\$79,181	\$84,181	\$23,546	\$8,150	\$115,877
9/1/2030	\$5,000	\$78,975	\$83,975	\$24,017	\$8,125	\$116,117
9/1/2031	\$5,000	\$78,769	\$83,769	\$24,497	\$8,100	\$116,366
9/1/2032	\$5,000	\$78,563	\$83,563	\$24,987	\$8,075	\$116,625
9/1/2033	\$5,000	\$78,356	\$83,356	\$25,487	\$8,050	\$116,893
9/1/2034	\$5,000	\$78,150	\$83,150	\$25,996	\$8,025	\$117,171
9/1/2035	\$5,000	\$77,944	\$82,944	\$26,516	\$8,000	\$117,460
9/1/2036	\$5,000	\$77,738	\$82,738	\$27,047	\$7,975	\$117,760

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

9/1/2037	\$5,000	\$77,531	\$82,531	\$27,588	\$7,950	\$118,069
9/1/2038	\$10,000	\$77,325	\$87,325	\$28,139	\$7,925	\$123,389
9/1/2039	\$10,000	\$76,913	\$86,913	\$28,702	\$7,875	\$123,490
9/1/2040	\$10,000	\$76,500	\$86,500	\$29,276	\$7,825	\$123,601
9/1/2041	\$165,000	\$76,075	\$241,075	\$29,862	\$7,775	\$278,712
9/1/2042	\$175,000	\$69,063	\$244,063	\$30,459	\$6,950	\$281,472
9/1/2043	\$180,000	\$61,625	\$241,625	\$31,068	\$6,075	\$278,768
9/1/2044	\$190,000	\$53,975	\$243,975	\$31,689	\$5,175	\$280,839
9/1/2045	\$200,000	\$45,900	\$245,900	\$32,323	\$4,225	\$282,448
9/1/2046	\$205,000	\$37,400	\$242,400	\$32,970	\$3,225	\$278,595
9/1/2047	\$215,000	\$28,688	\$243,688	\$33,629	\$2,200	\$279,517
9/1/2048	\$225,000	\$19,550	\$244,550	\$34,302	\$1,125	\$279,977
9/1/2049	\$235,000	\$9,988	\$244,988	\$34,988	\$2,300	\$282,276
Total	\$1,905,000	\$2,098,144	\$4,003,144	\$805,072	\$201,225	\$5,009,441

(a) The 9/1/XX dates represent the fiscal year end for the bonds, and the installments are due on the immediately prior January 31st

(b) Interest rate is 4.125% through 2039 and 4.250% thereafter.

(c) Preliminary estimate, will be updated in Annual Service Plan Updates.

(d) The 9/1/2020 Annual Installments were calculated and billed under the Neighborhood Improvement Area #2 Reimbursement Agreement.

APPENDIX G NEIGHBORHOOD IMPROVEMENT AREA #3 ASSESSMENT ROLL

Appendix G**Neighborhood Improvement Area #3 Assessment Roll****Parcel(s)** **52810, 52744, 52760, 52721****Assessment** **\$4,450,000**

Year (a)	Principal	Interest (b)	Total Debt Service	Administrative Expenses (c)	Delinquency and Prepayment Reserve	Annual Installment (d)
9/1/2020	\$0	\$171,967	\$171,967	\$25,000	\$0	\$196,967
9/1/2021	\$0	\$188,744	\$188,744	\$35,000	\$22,250	\$245,994
9/1/2022	\$15,000	\$188,744	\$203,744	\$35,700	\$22,250	\$261,694
9/1/2023	\$15,000	\$188,125	\$203,125	\$36,414	\$22,175	\$261,714
9/1/2024	\$15,000	\$187,506	\$202,506	\$37,142	\$22,100	\$261,749
9/1/2025	\$15,000	\$186,888	\$201,888	\$37,885	\$22,025	\$261,798
9/1/2026	\$15,000	\$186,269	\$201,269	\$38,643	\$21,950	\$261,862
9/1/2027	\$15,000	\$185,650	\$200,650	\$39,416	\$21,875	\$261,941
9/1/2028	\$15,000	\$185,031	\$200,031	\$40,204	\$21,800	\$262,035
9/1/2029	\$15,000	\$184,413	\$199,413	\$41,008	\$21,725	\$262,146
9/1/2030	\$15,000	\$183,794	\$198,794	\$41,828	\$21,650	\$262,272
9/1/2031	\$15,000	\$183,175	\$198,175	\$42,665	\$21,575	\$262,415
9/1/2032	\$15,000	\$182,556	\$197,556	\$43,518	\$21,500	\$262,574
9/1/2033	\$20,000	\$181,938	\$201,938	\$44,388	\$21,425	\$267,751
9/1/2034	\$20,000	\$181,113	\$201,113	\$45,276	\$21,325	\$267,714
9/1/2035	\$20,000	\$180,288	\$200,288	\$46,182	\$21,225	\$267,694
9/1/2036	\$20,000	\$179,463	\$199,463	\$47,105	\$21,125	\$267,693

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

9/1/2037	\$20,000	\$178,638	\$198,638	\$48,047	\$21,025	\$267,710
9/1/2038	\$20,000	\$177,813	\$197,813	\$49,008	\$20,925	\$267,746
9/1/2039	\$20,000	\$176,988	\$196,988	\$49,989	\$20,825	\$267,801
9/1/2040	\$25,000	\$176,163	\$201,163	\$50,988	\$20,725	\$272,876
9/1/2041	\$385,000	\$175,100	\$560,100	\$52,008	\$20,600	\$632,708
9/1/2042	\$400,000	\$158,738	\$558,738	\$53,048	\$18,675	\$630,461
9/1/2043	\$415,000	\$141,738	\$556,738	\$54,109	\$16,675	\$627,522
9/1/2044	\$435,000	\$124,100	\$559,100	\$55,191	\$14,600	\$628,891
9/1/2045	\$455,000	\$105,613	\$560,613	\$56,295	\$12,425	\$629,333
9/1/2046	\$475,000	\$86,275	\$561,275	\$57,421	\$10,150	\$628,846
9/1/2047	\$495,000	\$66,088	\$561,088	\$58,570	\$7,775	\$627,432
9/1/2048	\$520,000	\$45,050	\$565,050	\$59,741	\$5,300	\$630,091
9/1/2049	\$540,000	\$22,950	\$562,950	\$60,936	\$2,700	\$626,586
Total	\$4,450,000	\$4,760,910	\$9,210,910	\$1,382,728	\$540,375	\$11,134,014

(a) The 9/1/XX dates represent the fiscal year end for the bonds, and the installments are due on the immediately prior January 31st

(b) Interest rate is 4.125% through 2039 and 4.250% thereafter.

(c) Preliminary estimate, will be updated in Annual Service Plan Updates.

(d) Does not include capitalized interest.

APPENDIX H

PROPOSED NEIGHBORHOOD IMPROVEMENT AREA #4 PROPOSED ASSESSMENT ROLL

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

Appendix H

Proposed Neighborhood Improvement Area #4 Assessment Roll

Parcel(s)

Assessment

\$4,000,000

Year (a)	Principal	Interest (b)	Total Debt Service	Administrative Expenses (c)	Annual Installment
1	\$0	\$200,000	\$200,000	\$25,000	\$225,000
2	\$5,000	\$200,000	\$205,000	\$35,000	\$240,000
3	\$5,000	\$199,750	\$204,750	\$35,700	\$240,450
4	\$10,000	\$199,500	\$209,500	\$36,414	\$245,914
5	\$10,000	\$199,000	\$209,000	\$37,142	\$246,142
6	\$10,000	\$198,500	\$208,500	\$37,885	\$246,385
7	\$10,000	\$198,000	\$208,000	\$38,643	\$246,643
8	\$10,000	\$197,500	\$207,500	\$39,416	\$246,916
9	\$10,000	\$197,000	\$207,000	\$40,204	\$247,204
10	\$10,000	\$196,500	\$206,500	\$41,008	\$247,508
11	\$15,000	\$196,000	\$211,000	\$41,828	\$252,828
12	\$15,000	\$195,250	\$210,250	\$42,665	\$252,915
13	\$15,000	\$194,500	\$209,500	\$43,518	\$253,018
14	\$15,000	\$193,750	\$208,750	\$44,388	\$253,138
15	\$15,000	\$193,000	\$208,000	\$45,276	\$253,276
16	\$15,000	\$192,250	\$207,250	\$46,182	\$253,432
17	\$20,000	\$191,500	\$211,500	\$47,105	\$258,605
18	\$20,000	\$190,500	\$210,500	\$48,047	\$258,547
19	\$20,000	\$189,500	\$209,500	\$49,008	\$258,508
20	\$20,000	\$188,500	\$208,500	\$49,989	\$258,489

Attachment: Resolution With SAP (Sutton Fields Phase 4- PID - Pre-SAP)

21	\$280,000	\$187,500	\$467,500	\$50,988	\$518,488
22	\$295,000	\$173,500	\$468,500	\$52,008	\$520,508
23	\$315,000	\$158,750	\$473,750	\$53,048	\$526,798
24	\$335,000	\$143,000	\$478,000	\$54,109	\$532,109
25	\$360,000	\$126,250	\$486,250	\$55,191	\$541,441
26	\$380,000	\$108,250	\$488,250	\$56,295	\$544,545
27	\$405,000	\$89,250	\$494,250	\$57,421	\$551,671
28	\$430,000	\$69,000	\$499,000	\$58,570	\$557,570
29	\$460,000	\$47,500	\$507,500	\$59,741	\$567,241
30	\$490,000	\$24,500	\$514,500	\$60,936	\$575,436
	\$4,000,000	\$5,038,000	\$9,038,000	\$1,382,728	\$10,420,728

(a) The 9/1/XX dates represent the assessment year end, and the installments are due on the immediately prior January 31st

(b) Interest rate is estimated at 5%.

(c) Preliminary estimate, will be updated in Annual Service Plan Updates.



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Northside at Rollertown - DA Amendment

Action Requested:

Consider and act upon a request to amend an existing development agreement for Northside at Rollertown; generally located on the northeast corner of the BNSF Railroad and Malone Street, within both the City Limits and the Extraterritorial Jurisdiction (ETJ). (Northside at Rollertown - Development Agreement) (Mohan)

Applicant:

Kimley-Horn & Associates, Inc.
6160 Warren Parkway, Suite 210
Frisco, TX 75034

Background Information:

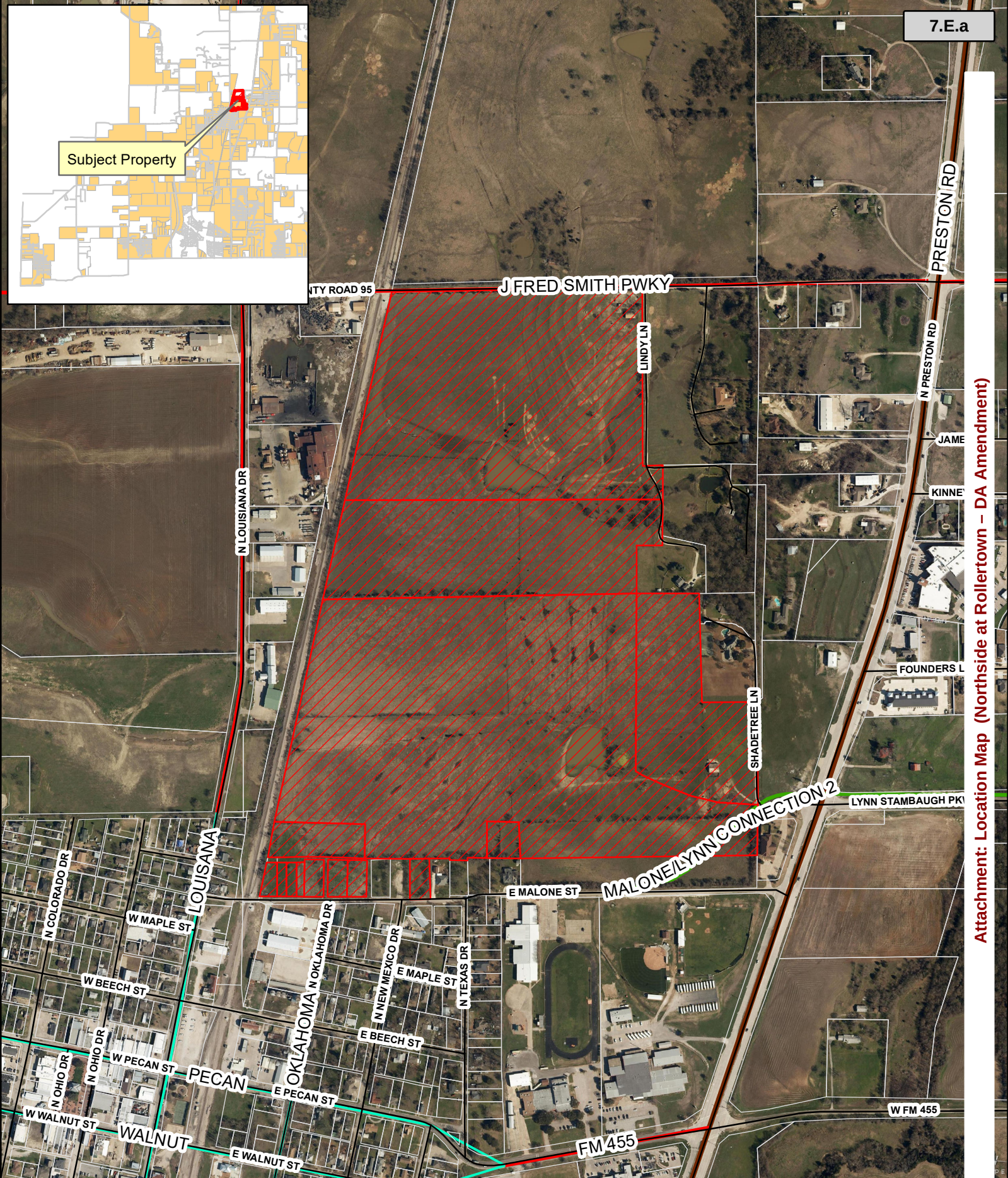
The property is generally located east of the BNSF Railroad and north of Malone Street, generally north of downtown. The revised Development Agreement is attached.

Supporting Documents:

- Location Map
- Revised Development Agreement

Staff Recommendation:

Staff recommends approval as presented.



Attachment: Location Map (Northside at Rollertown - DA Amendment)

7.E.a

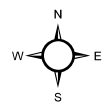


Location Map Northside at Rollertown

Date: 6/1/2020

Legend

- Roads
- Northside at Rollertown
- Parcels



FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

This First Amendment to Development Agreement (this “First Amendment”) is executed between RCI – Celina 115, LP, a Texas limited partnership (“Owner”), and the City of Celina, Texas (“City”), to be effective on the date upon which the last of all of the Parties has approved and duly executed this First Amendment (the “Effective Date”).

RECITALS

WHEREAS, RCI-Celina 115, LLC, a Texas limited liability company (“RCI LLC”), and the City previously entered into that certain Development Agreement recorded as Instrument Number 2019001619930 in the Real Property Records of Collin County, effective December 12, 2019 (the “Development Agreement”), governing the development of approximately 130 acres of land (the “Property”) located partially within the City’s extraterritorial jurisdiction (“ETJ”) and partially within the City’s corporate limits and described by metes and bounds on Exhibit A attached hereto; and

WHEREAS, pursuant to that certain Assignment and Assumption of Development Agreement, effective March 6, 2020, by and between RCI LLC and Owner, RCI LLC assigned all of its rights, title and interest in, under and to the Development Agreement to Owner; and

WHEREAS, Owner and the City now desire to amend the Development Agreement for the purposes set forth in this First Amendment; and

WHEREAS, this First Amendment is entered into pursuant to Section 212.172 of the Texas Local Government Code and Owner and the City are proceeding in reliance of the enforceability of this First Amendment.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this First Amendment and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, Owner and the City hereby agree as follows:

AGREEMENT

Section 1. Definitions. The term “Capital Recovery Fee Credits” shall be incorporated into Section 1.2 of the Development Agreement, as defined in Section 4.1(b). The term “Parkland Dedication Fee” shall be incorporated into Section 1.2 of the Development Agreement, as defined in Section 4.1(a). Additionally, certain terms defined in Section 1.2 of the Development Agreement are hereby amended to read as follows:

Capital Recovery Fees is defined in Section 4.1(b).

Open Space Improvements is defined in Section 4.1(a).

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

Owner's Construction Costs is defined in Section 4.1(b).

Section 2. Development and Capital Recovery Fees. Section 4.1 of the Development Agreement is amended in its entirety to read as follows:

4.1 Development and Capital Recovery Fees.

(a) Development Fees. The Owner shall be subject to those fees and charges due and payable to the City in connection with the Development of the Property that are charged uniformly to other developments located in the corporate limits of the City, except as described herein: (i) Park improvement fees shall be charged in an amount not to exceed \$1,500 per residential dwelling unit (the "Park Fees"), (ii) technology fees shall be charged in an amount not to exceed \$500 per residential dwelling unit (the "Technology Fee"), (iii) a parkland dedication fee ("Parkland Dedication Fee") of (a) \$0.00 for phase 1, (b) \$125,000 for each of phases 2 and 3, and (c) \$0.00 for any future phase(s) beyond phase 3, subject to the limitations contained herein, and (iv) Capital Recovery Fees (as described in 4.1(b)) shall be paid in lieu of impact fees adopted by ordinance pursuant to Chapter 395, Texas Local Government Code. Owner shall construct the walking trails and amenity ponds as generally reflected in Exhibit I, which improvements shall comply with the standards set forth in the City Regulations ("Open Space Improvements"). As consideration for Owner constructing the Open Space Improvements and paying the Park Fees, Owner shall not be required to dedicate any land for open space or park purposes to the City.

(b) Capital Recovery Fees-Single Family Residential. Capital recovery fees, including, but not limited to, pro rata fees and/or impact fees, for water, sewer and roadways and other capital recovery fees (the "Capital Recovery Fees") shall be charged at \$0.00 for roadways, water and wastewater (the "Capital Recovery Fee Credits") as a credit for the costs incurred by Owner to construct, including associated engineering and surveying, the Roadway Improvements, Offsite Wastewater Line and Offsite Water Line (the "Owner's Construction Costs"). Owner's Construction Costs shall include engineering and surveying costs. After the maximum allowable amount of Capital Recovery Fee Credits attributable to the Roadway Improvements, Offsite Wastewater Line and Offsite Water Line have been credited, Owner agrees to pay and the City agrees to set (a) roadway capital recovery fees of \$3,000.00 per single-family residential lot, (b) water capital recovery fees of \$3,000.00 per single-family residential lot, and (c) wastewater capital recovery fees of \$3,000.00 per single-family residential lot. All Capital Recovery Fees applicable to individual lots will be due and payable by the Owner at the time building permits are issued for each lot. The Capital Recovery Fee Credits may be applied to costs for the any infrastructure type (i.e. water impact fee credits may be applied to costs for wastewater improvements, etc.). Owner is not entitled to be compensated by the City for any unused Capital Recovery Fee Credits. Owner represents that Owner's Construction Costs are

anticipated to exceed the amount of Capital Recovery Fees being waived and agrees that continued waiver is conditioned upon Owner's Construction Costs actually exceeding the amount of impact fees waived. Notwithstanding anything herein to the contrary, if Owner fails to complete the construction of the infrastructure for Phase 1 of the development within 5 years of the Effective Date of this Agreement, then the Owner shall not receive the Capital Recovery Fee Credits and all single-family residential lots shall be charged Capital Recovery Fees as outlined in this Section 4.1(b).

(c) Roadway Capital Recovery Fees-Multi-Family Residential. Roadway capital recovery fees shall be charged at \$0.00 per multi-family residential unit for the first five hundred (500) units developed on the Property, and roadway capital recovery fees shall be charged at \$1,000 per multi-family residential unit beginning with the 501st unit developed on the Property.

(d) Capital Recovery Fees-Non-Residential. Except as provided in Section 4.1(c) above, non-residential lots will be charged those capital recovery fees due and payable to the City in connection with the development of the Property that are charged uniformly to other developments located in the corporate limits of the City at the time such non-residential lots are developed. For purposes of this paragraph, "non-residential lot" means all development other than single-family and two-family units.

(e) Additional Credits. In addition to the credits to and waivers of the Capital Recovery Fees as specified in Sections 4.1(b) and (c), the City agrees to pay the Developer an additional \$1,000,000.00 through either (i) the issuance of bonds (in addition to the PID Bonds), (ii) the credit of roadway, water and wastewater impact fees adopted under the authority of Chapter 395, Texas Local Government Code, for any additional roadway, water and wastewater public infrastructure, which is paid for by Owner and part of the Public Infrastructure, benefitting multiple landowners not funded by PID Bonds and not otherwise receiving Capital Recovery Fee Credits, or (iii) some combination of (i) and (ii).

Section 3. Term. Article V of the Development Agreement is amended in its entirety to read as follows:

The term of this Agreement shall be for a period of fifteen (15) years after the Effective Date, except that **Exhibit D** and Section 3.4, plus all provisions of this Agreement related to **Exhibit D** and Section 3.4 shall have a term of forty-five (45) years. The Parties may extend the term of this Agreement if they execute an agreement in writing. Notwithstanding anything to the contrary in this Agreement, this Agreement shall automatically terminate, be *void ab initio* and shall be of no further force or effect if a phase 1 construction permit consisting of a minimum of 150 lots has not been issued and if a minimum of \$3,000,000 of capital has not been invested in the Development by January 1, 2023.

Section 4. Exhibits. The following Exhibits to the Development Agreement are hereby replaced in their entirety as attached hereto:

Exhibit A	Legal Description of the Property
Exhibit B	Depiction of the Property
Exhibit C-1	Concept Plan
Exhibit C-2	Concept Plan
Exhibit D	Development Standards
Exhibit E-1	Roadway Improvements
Exhibit E-2	Roadway Improvements
Exhibit F	Offsite Water Improvements
Exhibit G	Offsite Wastewater Improvements
Exhibit H	Tract to sell to City
Exhibit I	Trails and Open Space Exhibit

Section 5. No Other Amendments. Subject to the amendments contained in this First Amendment, all provisions of the Development Agreement remain in full force and effect.

Section 6. Counterparts. This First Amendment may be executed in any number of which shall be deemed an original and constitute one and the same instrument.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTED by the City and Owner on the respective dates stated below.

Date: _____

CITY OF CELINA

By: _____

Sean Terry, Mayor

ATTEST:

By: _____

Vicki Tarrant, City Secretary

APPROVED AS TO FORM

By: _____

Lance Vanzant, Attorney for the City

STATE OF TEXAS §

§

COUNTY OF COLLIN §

This instrument was acknowledged before me on the __ day of _____, 2020, by Sean Terry, the Mayor of the City of Celina, Texas, on behalf of said City.

Notary Public in and for the State of Texas

(SEAL)

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

DEVELOPER:**RCI-CELINA 115, LP**

a Texas limited partnership

By: RCI – Celina 115 GP LLC.
a Texas limited liability company
its General Partner

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2020, by _____, _____ of RCI – Celina 115 GP LLC, a Texas limited liability company, General Partner of RCI – Celina 115, LP, a Texas limited partnership, on behalf of said limited partnership.

Notary Public in and for the State of Texas

(SEAL)

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

EXHIBIT A
DESCRIPTION OF THE PROPERTY

BEING a tract of land situated in the Collin County School Land Survey, Abstract No. 170, Collin County, Texas, Collin County, Texas, and being all of a called 114.889 acre tract of land described in a Special Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332040 of the Official Public Records of Collin County, Texas, being all of a called 11.202 acre tract of land described in a Special Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332150 of the Official Public Records of Collin County, Texas, being all of a called 2.932 acre tract of land described in a General Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332120 of the Official Public Records of Collin County, Texas, being all of a called 0.479 acre tract of land described in a General Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332180 of the Official Public Records of Collin County, Texas, and also being all of a called 0.868 acre tract of land described as Tract 1 and all of a called 0.438 acre tract of land described as Tract 2 in a General Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332190 of the Official Public Records of Collin County, Texas, and also being all of Lots 1 through 5, Block 1, Lots 1 and 2, Block 2, and Lot 1, Block 4 of Malone Addition, an unrecorded plat, and being more particularly described as follows:

BEGINNING at the southeast corner of said 114.889 acre tract on the northerly right-of-way line of Malone Street, a variable width right-of-way, no record found;

THENCE South 88°50'41" West, along the southerly line of said 114.889 acre tract and the northerly right-of-way line of said Malone Street, a distance of 1212.59 feet to the southerly southwest corner of said 114.889 acre tract;

THENCE departing the northerly right-of-way line of said Malone Street and continuing along the southerly line of said 114.889 acre tract, the following:

North 2°00'20" West, a distance of 155.16 feet to an ell corner of said 114.889 acre tract;

North 89°57'33" West, a distance of 457.72 feet to the northeast corner of said 0.479 acre tract;

THENCE South 1°11'25" West, departing the southerly line of said 114.889 acre tract and along the easterly line of said 0.479 acre tract, a distance of 208.88 feet to the southeast corner of said 0.479 acre tract, being on the northerly right-of-way line of said Malone Street;

THENCE North 89°56'31" West, along the southerly line of said 0.479 acre tract and the northerly right-of-way line of said Malone Street, a distance of 100.00 feet to the southwest corner of said 0.479 acre tract;

THENCE North 1°11'25" East, departing the northerly right-of-way line of said Malone Street and along the westerly line of said 0.479 acre tract, a distance of 208.85 feet to the northwest corner of said 0.479 acre tract, being on the southerly line of said 114.889 acre tract;

THENCE North 89°57'33" West, along the southerly line of said 114.889 acre tract, a distance of 234.93 feet to the northeast corner of said Tract 1;

THENCE South 1°15'19" West, departing the southerly line of said 114.889 acre tract and along the easterly line of said Tract 1, a distance of 187.69 feet to the southeast corner of said Tract 1, being on the northerly right-of-way line of said Malone Street;

THENCE North 89°29'53" West, along the southerly line of said Tract 1 and the northerly right-of-way line of said Malone Street, a distance of 200.00 feet to the southwest corner of said Tract 1, being on the easterly right-of-way line of a 20 foot wide alley;

THENCE North 1°15'01" East, departing the northerly right-of-way line of said Malone Street, along the westerly line of said Tract 1 and the easterly right-of-way line of said 20 foot wide alley, a distance of 190.37 feet to the northwest corner of said Tract 1, common to the east end of the northerly terminus of said 20 foot wide alley, being on southerly line of aforesaid 2.932 acre tract;

THENCE North 88°42'26" West, along the northerly terminus of said 20 foot wide alley and the southerly line of said 2.932 acre tract, a distance of 20.00 feet to the west end of said terminus, common to the northeast corner of aforesaid Tract 2;

THENCE South 1°15'01" West, departing the southerly line of said 2.932 acre tract, along the easterly line of said Tract 2 and the westerly right-of-way line of said 20 foot wide alley, a distance of 190.64 feet to the southeast corner of said Tract 2, being on the northerly right-of-way line of said Malone Street;

THENCE North 89°29'53" West, departing the westerly right-of-way line of said 20 foot wide alley, along the southerly line of said Tract 2 and the northerly right-of-way line of said Malone Street, a distance of 99.86 feet to the southwest corner of said Tract 2, being on the easterly line of said 2.932 acre tract;

THENCE South 1°16'58" West, continuing along the northerly right-of-way line of said Malone Street and along the easterly line of said 2.932 acre tract, a distance of 17.01 feet to the southerly southeast corner of said 2.932 acre tract;

THENCE North 88°45'14" West, continuing along the northerly right-of-way line of said Malone Street and along the southerly line of said 2.932 acre tract, a distance of 230.05 feet to the southwest corner of said 2.932 acre tract, being on the easterly right-of-way line of the St. Louis and San Francisco Railroad, a 100 foot wide right-of-way;

THENCE North 12°26'44" East, departing the northerly right-of-way line of said Malone Street, along the westerly line of said 2.932 acre tract and the easterly right-of-way line of said St. Louis and San Francisco Railroad, a distance of 387.82 feet to the northwest corner of said 2.932 acre tract, common to the northerly southwest corner of said 114.889 acre tract;

THENCE North 12°26'19" East, along the westerly line of aforesaid 114.889 acre tract and continuing along the easterly right-of-way line of said St. Louis and San Francisco Railroad, a distance of 2792.89 feet to the northwest corner of said 114.889 acre tract;

THENCE North 88°55'09" East, departing the easterly right-of-way line of said St. Louis and San Francisco Railroad and along the northerly line of said 114.889 acre tract, a distance of 1315.73 feet to the northeast corner of said 114.889 acre tract;

THENCE along the easterly line of said 114.889 acre tract, the following:

South 0°14'01" East, a distance of 915.38 feet to a point for corner;

North 89°52'46" East, a distance of 70.06 feet to a point for corner;

South 0°21'08" East, a distance of 416.20 feet to a point for corner;

South 89°36'42" West, a distance of 133.06 feet to a point for corner;

South 0°18'12" East, a distance of 245.29 feet to the northwest corner of aforesaid 11.202 acre tract;

THENCE North 89°21'01" East, departing the easterly line of said 114.889 acre tract and along the northerly line of said 11.202 acre tract, a distance of 321.10 feet to the northeast corner of said 11.202 acre tract;

THENCE along the easterly line of said 11.202 acre tract and the easterly line of said 114.889 acre tract, the following:

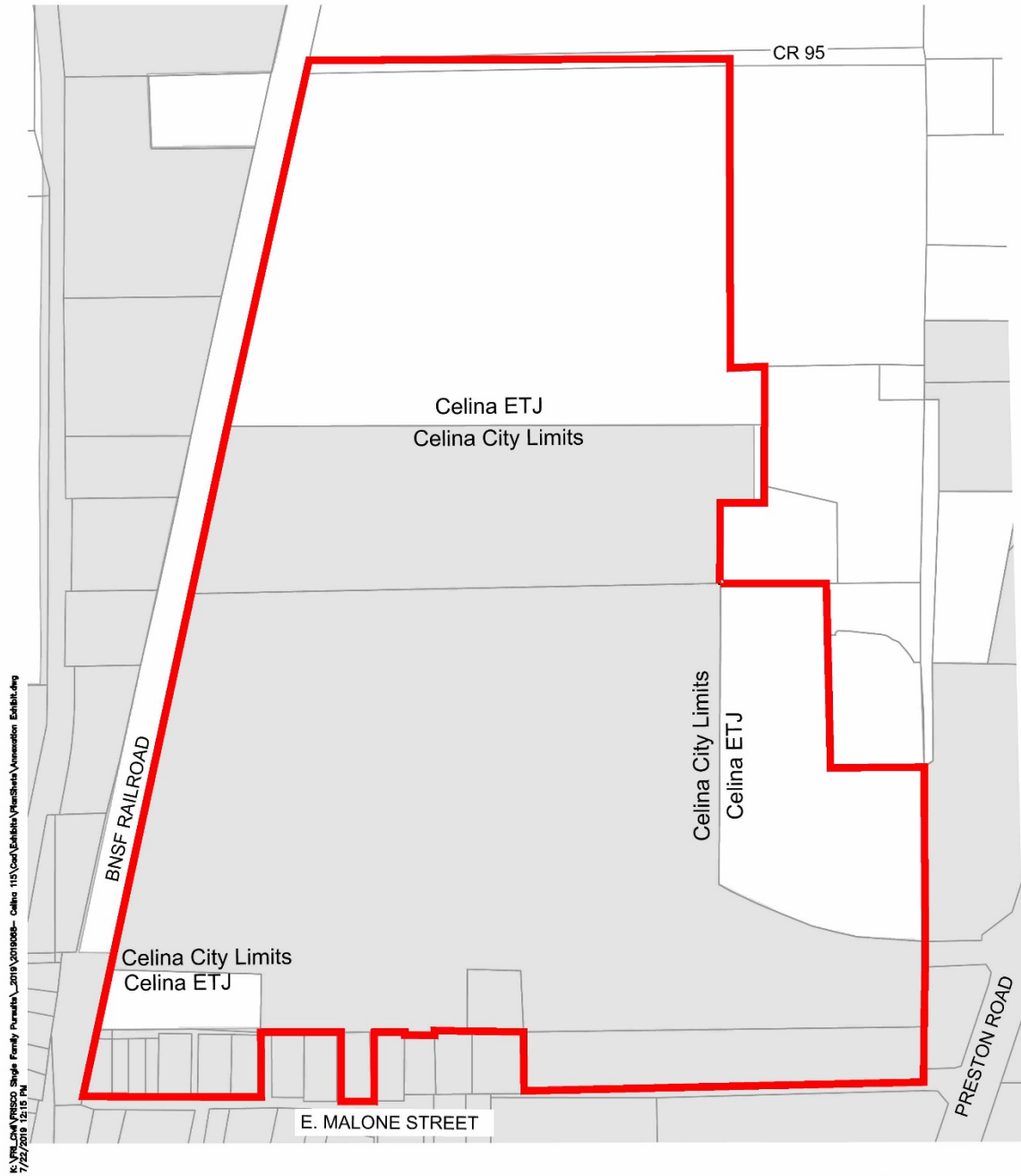
South 1°16'12" East, a distance of 530.89 feet to a point for corner;

North 88°43'48" East, a distance of 269.14 feet to a point for corner;

South 2°04'32" East, a distance of 564.22 feet to a point for corner;

South 0°24'08" West, a distance of 402.60 feet to the **POINT OF BEGINNING** and containing 130.809 acres (5,698,027 square feet) of land, more or less.

EXHIBIT B
DEPICTION OF THE PROPERTY



DWG NAME
 LAST SAVED

Celina, Texas
 May 2020

Kimley»Horn

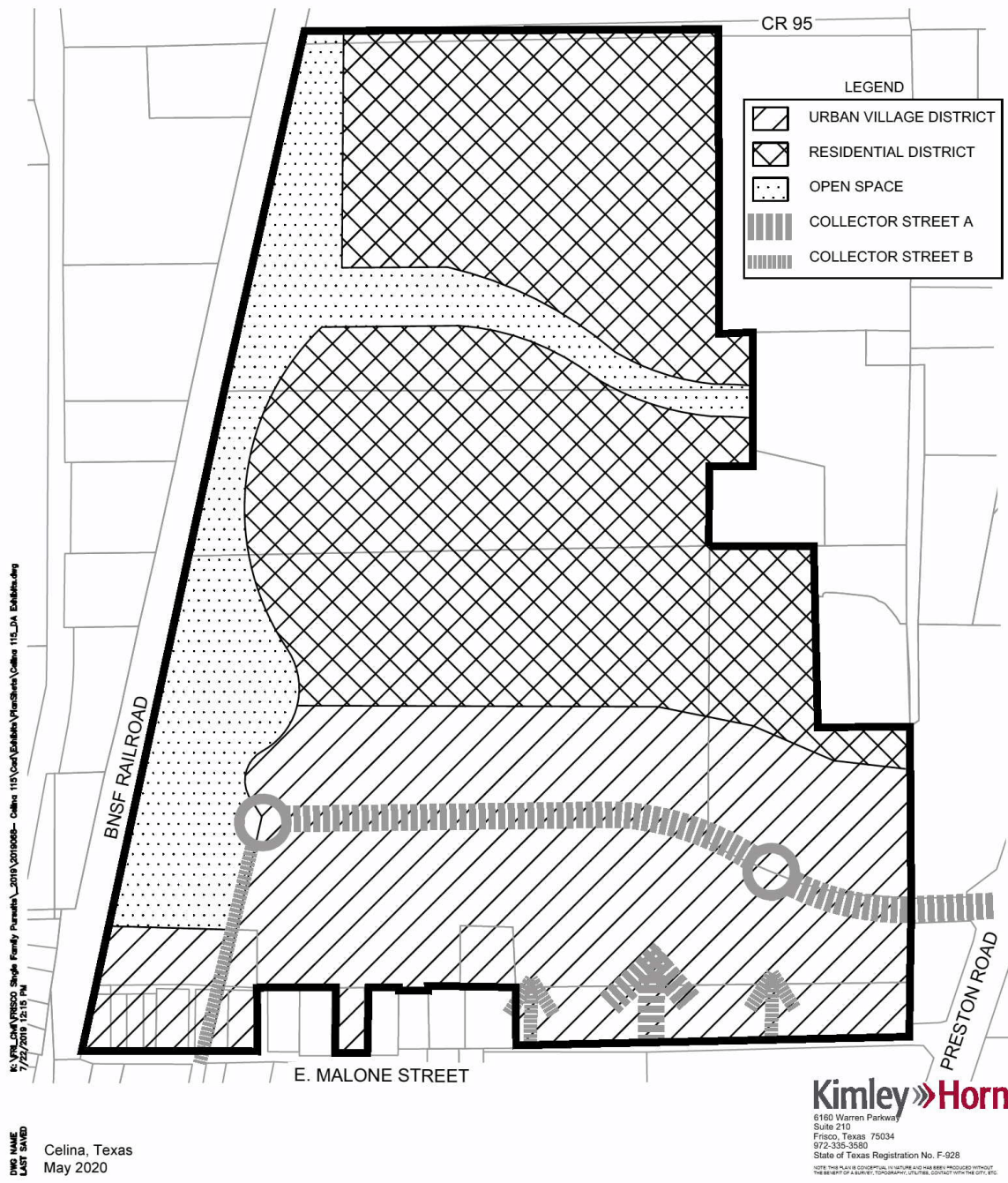
6160 Warren Parkway
 Suite 210
 Frisco, Texas 75034
 972-335-3590
 State of Texas Registration No. F-928

NOTE: THIS PLAN IS A CONCEPTUAL, AS SHOWN AND USED ONLY. PROCEEDURE WITHOUT THE BENEFIT OF A SURVEY. CONSULTANCY, LIMITED LIABILITY COMPANY WITH THE CITY, LTD.

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

EXHIBIT C-1
CONCEPT PLAN

CONCEPT DIAGRAM



Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

EXHIBIT C-2
CONCEPT PLAN

Legend*				
Use	Units	Allowed Unit Percentage	Acreage	Acreage Percentage
Village (45' min. width)	29	0-10%		
Cottage (40' -49' width)	113	10-45%		
Casita (30' -39' width)	227	20-50%		
Townhome (22' -35' width)	149	0-30%		
Total Single Family	518	100%		
MF Site**	610		14.1 ac.	100%
Retail / Commercial			4.1 ac.	100%
Amenity Center			1.4 ac.	5.6%
Parks and Greens			17.7 ac.	70.5%
Detention/Retention			6 ac.	23.9%
Total Open Space		20% min.	25.1 ac.	100%

*Values in chart are subject to change
**Maximum 500 units urban edge or maximum 1,000 units with urban living



TBG northside at rollertown
concept plan

10/09/19
The draft illustration shown is based on the best information available. Product type and mix are conceptual in nature only. All information is subject to change without notice.

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

EXHIBIT D
DEVELOPMENT STANDARDS
Northside at Rollertown

BASE ZONING

The base zoning of the property shall be MU, Mixed-Use District; however, the following shall be allowed deviations.

CONCEPT PLAN

The subject property shall generally develop per the attached Concept Plan. The Concept Plan displays the general location and configurations of buildings, parking lots, and other site layout features, all of which can be adjusted for pragmatic purposes at time of pemlitting, and such modifications shall not be unreasonably withheld, but are subject to review and approval by the Director of Development Services. Minor modifications up to 15% of any numerical figure can be reviewed by the Director.

STREET SECTIONS

Street sections shall be provided as generally shown in the Street Sections exhibit. Minor modifications are subject to review and approval by the Director of Engineering. Bump outs (parking island) shall be provided in parking area on Type A Collectors. In addition to the Street Section shown on the exhibit, the City's Residential Street Section at the time of development shall also be pemlitted.

ARCHITECTURE

The subject property is an architecturally, historically, and culturally significant tract of land and reflect the vision of the Downtown Master Plan as the logical extension northward of the historic urban core, and shall abide by the City' architectural standards, as may be amended.

LANDSCAPING AND SCREENING

1. County Road 95:
 - a. 6 masonry wall.
 - b. 40' landscape buffer with landscaping to abide by the Zoning Ordinance, as may be amended.
 - c. 10' wide sidewalk on the south side of CR 95.
2. BNSF Railroad:
 - a. 50' landscape buffer, including detention/retention, with landscaping to abide by the Zoning Ordinance as may be amended.
3. Malone Street
 - a. No screening required, a long as the urban form actively engages the street.
 - b. 10' wide sidewalk on the north side of Malone Street.

OPEN SPACE

The minimum open space acreage shall be 15% of the overall property. Detention and retention ponds shall count toward this requirement. The definition of open space shall meet the requirements of the ZO, as may be amended.

Detention and retention ponds shall be designated as usable open space.

Note for open spaces: No concrete in detention nor any concrete pilot channels Detention and Retention ponds shall have a six-to-one (6:1) slope to the normal water surface elevation. Beneath the normal water surface elevation, the slope can increase based on recommendation provided by a geotechnical engineer.

PARKLAND

Park fees (both park fees) shall apply to this development, in accordance with State and local law. The City acknowledges that payment of fees are preferred over land dedication for this project in accordance with the Development Agreement with the City of Celina and any amendments thereto.

TRAILS

1. Railroad Spine Trail is 12' wide concrete per Master Trails Plans.
2. Detention/retention ponds shall have looped concrete trails of 6' wide.
3. Internal trails within interior open spaces shall have pedestrian paths.
4. Bike lane connection shall be made to south trail system.
5. For five (5) feet on each side of the twelve (12) foot wide public hike-and-bike trail, a maximum 6:1 slope shall be required.

GENERAL CONDITIONS

Amenities shall be provided as follows:

- a. Single Family – The building permit for the associated Amenity Center is required to be issued before the issuance of the 300th single family home building permit. The amenity center shall include a pool, playground, bathrooms, and shaded or enclosed gathering spaces.
- b. Multi-Family – Amenities shall include two of the following for every 500 units: a pool, fitness center, a sports court, dog park, second pool, or other City Staff-approved amenity. A pool must be one of the two options.

RESIDENTIAL DISTRICT

1. Area: The Residential District is generally the northern portion of the development, as depicted in the Concept Diagram.
2. Permitted Uses: All residential product types (Village, Cottage, Casita, Townhome) and any associated incidental and secondary land uses normally included in single-family zoning districts.
3. General Standards:
 - a. A porch may encroach into the Front Street “build-to-zone” by up to 10’ on Casita Urban and Cottage Urban Product Types. A porch may encroach into the Front Street “build-to-zone” by 5’ on all other Product Types.
 - b. Gated communities are not permitted.
 - c. No one product type shall exceed 60% of the unit count within the Residential District.
 - d. All lots less than 60’ in width shall be served by alleys. Lots 50’ in width adjacent to the east property line and Lots 50’ in width adjacent to the open space along the west property line may be front-loaded and will not require an alley.
 - e. All driveways serving a rear garage shall either be setback 20’ + or less than 3’.
 - f. Parking for SF shall have a minimum of 2 off-street parking spaces, with at least 1 in the garage. Off-street visitor parking for TH shall be provided at a ratio of 1 visitor space for every 4 units.

- g. Accessory units are permitted up to 600 sq. ft. The accessory units may have a kitchen and bathroom, but not a separate water meter or electric panel. An accessory unit must have 1 additional dedicated parking space in addition to the primary unit's required parking.
- h. Garage doors shall meet the architectural standards of the ZO, as may be amended.
- i. Mews lots are permitted per the regulations in the City's base ZO.

4. Product Types

a. Village

Min. Lot Area	4,950 sq. ft.
Min. Lot Width	45'
Min. Lot Depth	110'
Max. Height	2.5 stories
Front Street "build-to-zone"	Min. 15', max. 20' from property line
Side "build-to-zone" on Corner Lot	15'
Min. Side Yard	5'
Min. Rear Yard	5'
Min. Rear Yard setback to Garage	3'
Min. Dwelling Unit Area (air-conditioned)	2,000 sq. ft.
Percentage of Total Lots	0-10%

b. Cottage

Min. Lot Area	4,000 sq. ft.
Min. Lot Width	40'
Max. Lot Width	49'
Min. Lot Depth	100'
Max. Height	2.5 stories
Front Street "build-to-zone"	Min. 10', max. 5' from property line
Side "build-to-zone" on Corner Lot	15'
Min. Side Yard	5'
Min. Rear Yard	5'
Min Rear Yard setback to Garage	3'
Min. Dwelling Unit Area (air-conditioned)	1,400 sq. ft.
Percentage of Total Lots	10-45%

c. Casita

Min. Lot Area	2,700 sq. ft.
Min. Lot Width	30'
Max. Lot Width	39'
Min. Lot Depth	90'
Max. Height	3 stories
Front Street "build-to-zone" (Residential)	Min. 5', max. 10' from property line
Front Street "build-to-zone" (Urban)	Min. 15', max. 26' from property line
Side "build-to-zone" on Corner Lot	Min. 15'

Min. Side Yard	0' *
Min. Rear Yard	5'
Min. Rear Yard setback to Garage	3'
Min. Dwelling Unit Area (air-conditioned)	1,200 sq. ft.
Percentage of Total Lots	20-50%

* For lots with a zero (0) side yard setback

- i. A roof overhang equipped with a gutter or other architectural features may extend into a neighboring property.
- ii. A three (3') foot wide access, maintenance, overhang intrusion and use easement shall be dedicated on the Final Plat for all lots adjacent to lots with a "zero" side. The purpose of this easement is to give the adjoining owner access for maintenance of his/her dwelling.
- iii. The "zero" side shall be designated on the Final Plat. All access, maintenance, overhang intrusion, and use easements shall be provided on Preliminary and Final Plats.

d. Townhome

Min. Lot Area	1,600 sq. ft.
Min. Lot Width	22'
Max. Lot Width	35'
Min. Lot Depth	80'
Max. Height	3 stories
Front Street "build-to-zone" (Residential)	Min. 5', max. 10' from property line
Front Street "build-to-zone" (Urban)	Min. 15', max. 26' from property line
Side "build-to-zone" on Corner Lot	Min. 15'
Min. Rear Yard	5'
Min. Rear Yard setback to garage	3'
Min. Dwelling Unit Area (air-conditioned)	1,000 sq. ft.
Percentage of Total Lots	0-30%

URBAN VILLAGE

1. Area: The Urban Village is generally the southern portion of the development, as depicted in the Concept Diagram, and is appropriate for a wide range of land uses associated with urban cores.
2. Permitted Uses: All residential product types (Village, Cottage, Casita, Townhome), Multi-Family, Retail, Office, Restaurant, Hotel, Entertainment venues, Amphitheater, and similar non-residential uses.
3. General Standards
 - a. All Urban Villages land uses are limited to a maximum of 4 stories in height unless otherwise amended within this document.
4. Product Types
 - a. Multi-Family

- i. A maximum of 500 units are permitted, if developed as Urban Edge. A maximum of 1,000 units and up to 6 stories is permitted, if developed as Urban Living.
- ii. Three-bedroom unit type limited to maximum 10% of overall dwelling units.
- iii. No perimeter walls, fencing, or gates are allowed as the project is meant to incorporate an urban design and promote pedestrian freedom.
- iv. Parking ratio to follow base Zoning Ordinance, as may be amended.
- v. Side yard between buildings shall be per the IBC/IFC.
- vi. The minimum setback shall be increased to 60' for MF structures adjacent to property that is zoned or developed for single-family uses.

Front Street "build-to-zone"	Min. 15', max. 26' from property line
Side "build-to-zone"	Min. 15'
Min. Rear Yard	Min. 25'

b. Non-residential

- i. Minimum ground floor-to-ceiling height to be 12'.

Front Street "build-to-zone"	Min. 15', max. 26' from property line
Side Yard	0', except where non-residential abuts residential lots, in which case the requirement shall be the same as the adjoining residential zone
Min. Rear Yard	0', except where non-residential abuts residential lots, in which case the requirement shall be the same as the adjoining residential zone

EXHIBIT E-1 ROADWAY IMPROVEMENTS

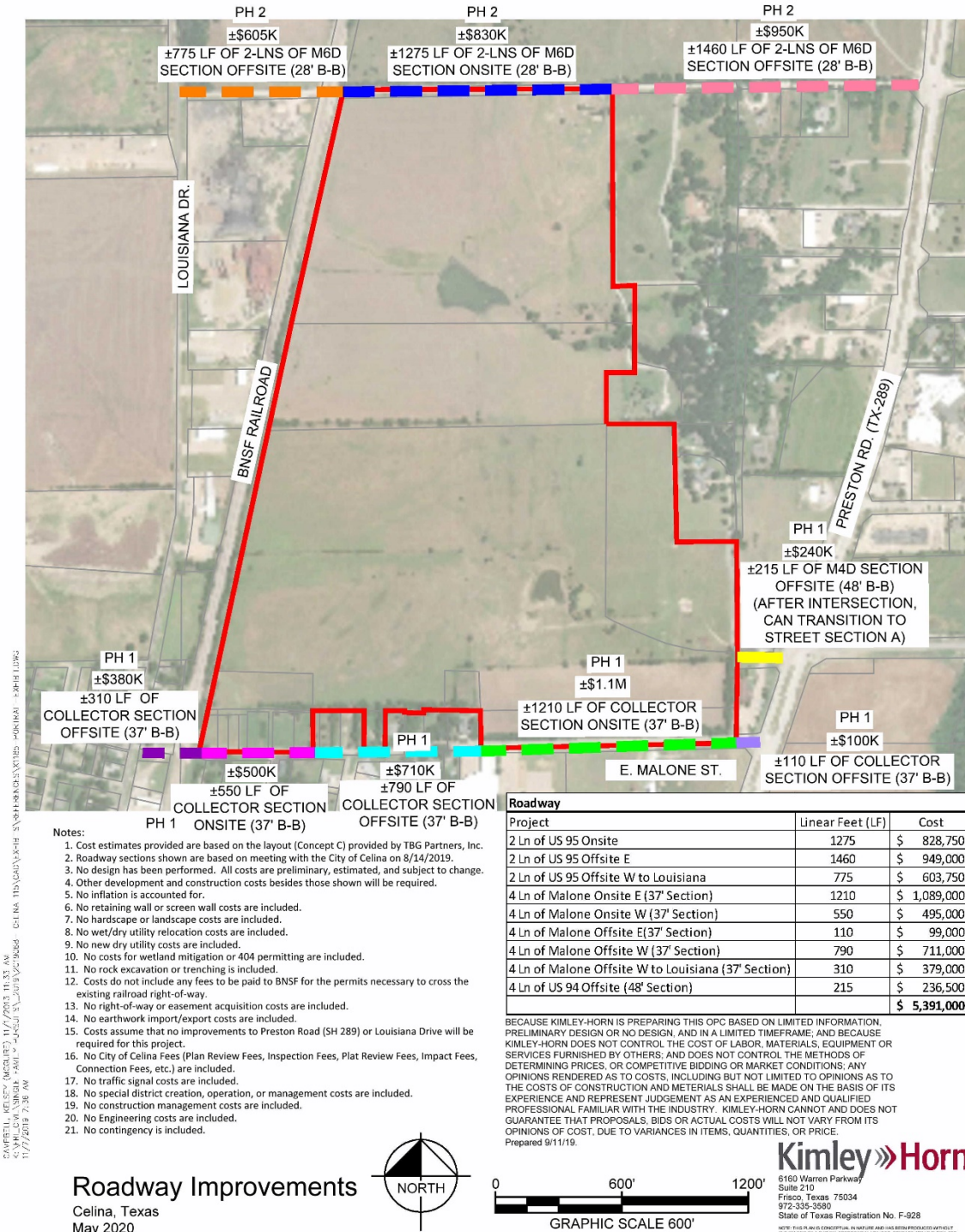
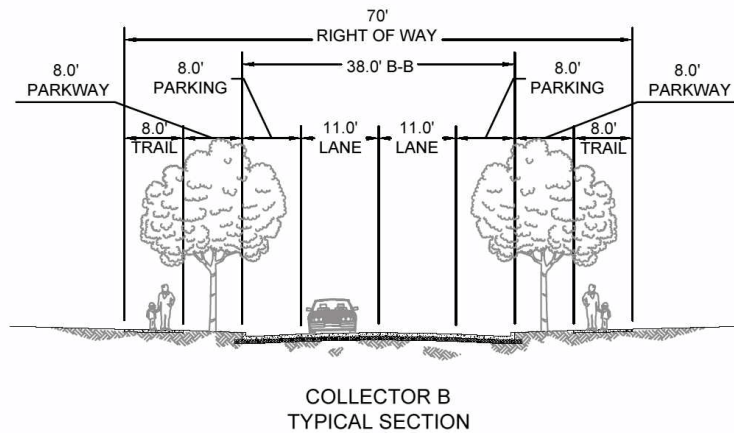
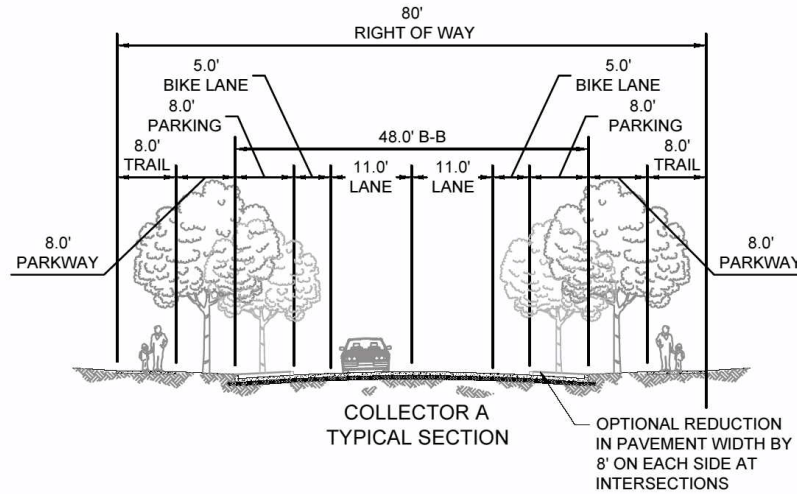


EXHIBIT E-2 ROADWAY IMPROVEMENTS

STREET SECTIONS

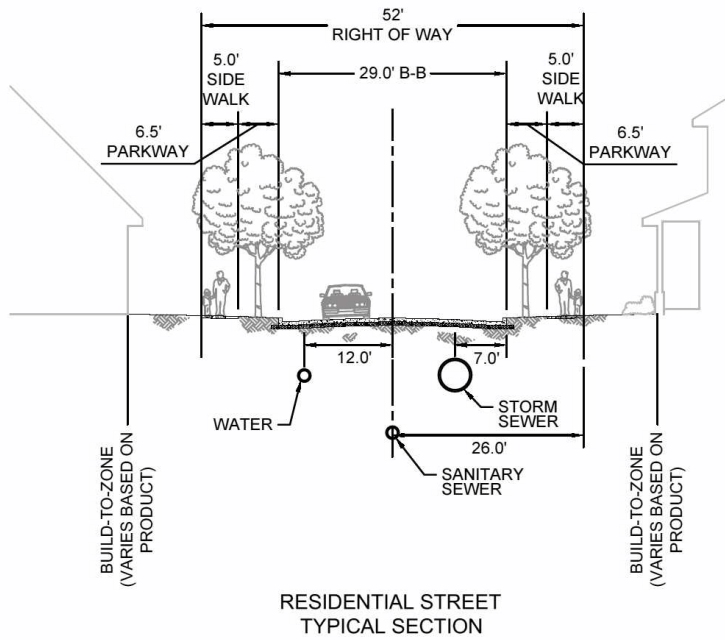


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Celina, Texas
June 2020

Kimley»Horn
 6160 Warren Parkway
 Suite 210
 Frisco, Texas 75034
 972-335-3580
 State of Texas Registration No. F-928
NOTE: THIS PLAN IS CONSIDERED A PRELIMINARY DESIGN AND HAS BEEN PREPARED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, OR OTHER DATA.

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)



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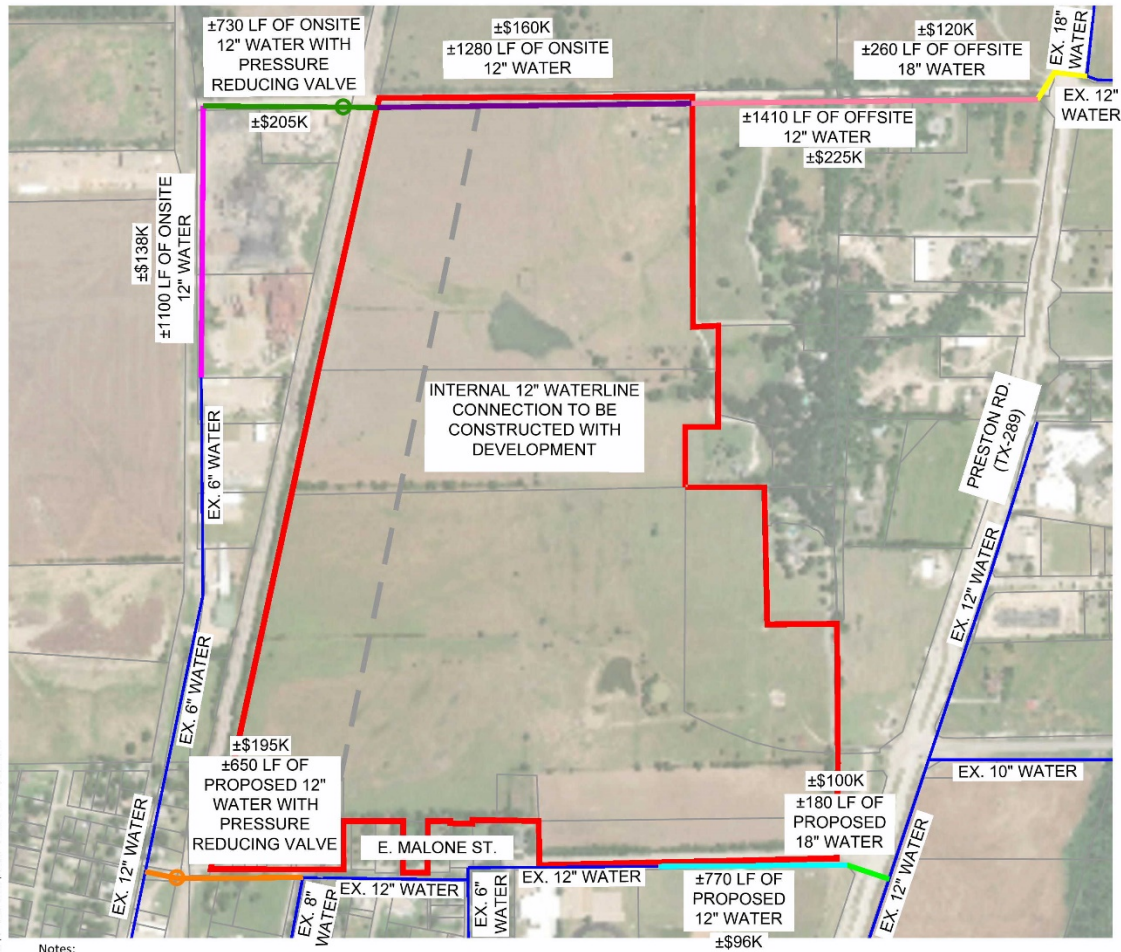
Celina, Texas
 June 2020

Kimley»Horn
 6160 Warren Parkway
 Suite 210
 Frisco, Texas 75034
 972-335-3580
 State of Texas Registration No. F-928
NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PROVIDED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, OR CONTRACT WITH THE CITY, ETC.

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

EXHIBIT F

OFFSITE WATER IMPROVEMENTS



Notes:

1. Cost estimates provided are based on the layout (Concept C) provided by TBG Partners, Inc.
2. Locations of existing and proposed utility lines are approximate and based on City of Celina Masterplans and Record Drawings.
3. No design has been performed. All costs are preliminary, estimated, and subject to change.
4. Other development and construction costs besides those shown will be required.
5. No inflation is accounted for.
6. No retaining wall or screen wall costs are included.
7. No hardscape or landscape costs are included.
8. No wet/dry utility relocation costs are included.
9. No costs for wetland mitigation or 404 permitting are included.
10. No rock excavation or trenching is included.
11. Costs do not include any fees to be paid to BNSF for the permits necessary to cross the existing railroad right-of-way.
12. This OPC assumes that the proposed City of Celina water lines and storage system will provide sufficient pressure and fire flow for the Project.
13. No water capacity/pressure/fire flow design or analysis has been performed.
14. No right-of-way or easement acquisition costs are included.
15. No earthwork import/export costs are included.
16. Costs assume that no improvements to Preston Road (SH 289) will be required for this project.
17. No City of Celina Fees (Plan Review Fees, Inspection Fees, Plat Review Fees, Impact Fees, Connection Fees, etc.) are included.
18. No traffic signal costs are included.
19. No special district creation, operation, or management costs are included.
20. No construction management costs are included.
21. No Engineering costs are included.
22. No contingency is included.

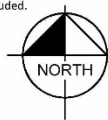
Water Project	Linear Feet (LF)	Cost
12" Along US 95 Onsite	1280	\$ 160,000
18" Along US 95 E Offsite	260	\$ 118,500
12" Along US 95 E Offsite	1410	\$ 176,250
12" Along US 95 W Offsite	730	\$ 206,250
12" Along Louisiana Offsite	1100	\$ 137,500
18" Along Malone Offsite	180	\$ 100,500
12" Along Malone E Offsite	770	\$ 96,250
12" Along Malone W Offsite	650	\$ 196,250
		\$ 1,191,500

BECAUSE KIMLEY-HORN IS PREPARING THIS OPC BASED ON LIMITED INFORMATION, PRELIMINARY DESIGN OR NO DESIGN, AND IN A LIMITED TIMEFRAME, AND BECAUSE KIMLEY-HORN DOES NOT CONTROL THE COST OF LABOR, MATERIALS, EQUIPMENT OR SERVICES FURNISHED BY OTHERS; AND DOES NOT CONTROL THE METHODS OF DETERMINING PRICES, OR COMPETITIVE BIDDING OR MARKET CONDITIONS; ANY OPINIONS RENDERED AS TO COSTS, INCLUDING BUT NOT LIMITED TO OPINIONS AS TO THE COSTS OF CONSTRUCTION AND MATERIALS SHALL BE MADE ON THE BASIS OF ITS EXPERIENCE AND REPRESENT JUDGEMENT AS AN EXPERIENCED AND QUALIFIED PROFESSIONAL FAMILIAR WITH THE INDUSTRY. KIMLEY-HORN CANNOT AND DOES NOT GUARANTEE THAT PROPOSALS, BIDS OR ACTUAL COSTS WILL NOT VARY FROM ITS OPINIONS OF COST, DUE TO VARIANCES IN ITEMS, QUANTITIES, OR PRICE.

Prepared 9/11/19.

Waterline Improvements

Celina, Texas
May 2020

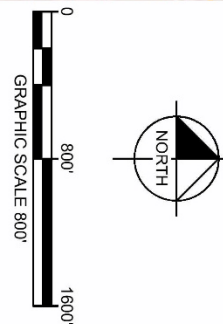


Kimley»Horn

6160 Warren Parkway
Suite 210
Frisco, Texas 75034
972-335-3580
State of Texas Registration No. F-928

NOTES: THIS PLAN IS A CONCEPTUAL DESIGN AND SHOULD NOT BE USED FOR CONSTRUCTION WITHOUT THE REVIEW OF A LICENSED PROFESSIONAL ENGINEER. CONSULT WITH THE CITY OF CELINA FOR ANY REQUIRED PERMITS AND REGULATIONS.

OFFSITE WASTEWATER IMPROVEMENTS



BECAUSE KIMLEY-HORN IS PREPARING THIS REPORT BASED ON LIMITED INFORMATION, AND IN PRELIMINARY DESIGN OR NO DESIGN, AND THE KIMLEY-HORN DOES NOT CONTROL THE COST OF LABOR, MATERIALS, EQUIPMENT, OR SERVICES FURNISHED BY OTHERS; AND DOES NOT CONTROL THE METHODS OF DETERMINING PRICES, OR COMPETITIVE BIDDING, OR CONDITIONS, AND ANY OPINIONS RENDERED AS TO SUCH MATTERS, INCLUDING BUT NOT LIMITED TO OPINIONS AS TO THE COSTS OF CONSTRUCTION AND MATERIALS SHALL BE MADE ON THE BASIS OF ITS EXPERIENCE AND REPRESENT JUDGEMENT AS AN EXPERIENCED AND REPUTABLE ENGINEERING FIRM. THE KIMLEY-HORN INDUSTRY, KIMLEY-HORN CANNOT AND DOES NOT GUARANTEE THAT PROPOSALS, BIDS OR ACTUAL COSTS WILL NOT VARY FROM ITS OPINIONS OF COST. DUE TO VARIANCES IN ITEMS, QUANTITIES, OR PRICE

Prepared 9/17/19.

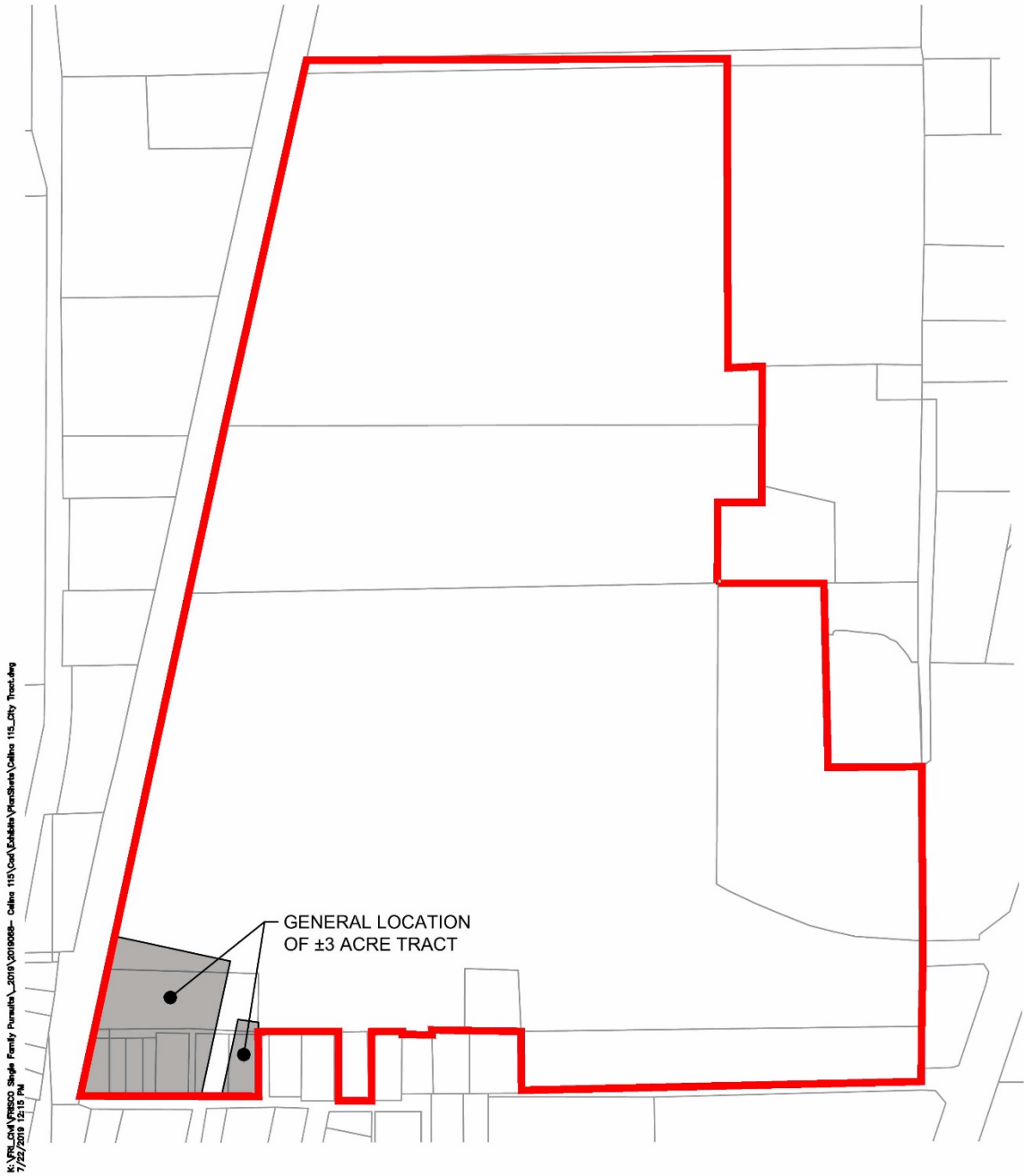
Wastewater Improvements

Cellina, Texas
May 2020

1. Cost estimates provided are based on the layout (Concept C) provided by TBG Partners, Inc.
2. Locations of existing and proposed utility line are approximate and based on City of Celina Masterplans and Record Drawings.
3. No design has been performed. All costs are preliminary, estimated, and subject to change.
4. Other development and construction cost biases those shown will be required.
5. No parking lot or access road is required.
6. No retaining wall or concrete wall costs are included.
7. No landscape or landscape costs are included.
8. No wet/dry utility relocation costs are included.
9. No costs for wetland mitigation or 404 permitting are included.
10. No cost excavation or trenching is included.
11. Costs assume that the existing City of Celina wastewater treatment plant has capacity for the wastewater for the Project.
12. Costs do not include upgrading to the wastewater treatment plant to provide capacity for the Project.
13. Costs do not include any fees to be paid to BNSF for the permits necessary to cross the existing railroad right-of-way.
14. No right-of-way or easement acquisition costs are included.
15. No earthwork, import/export, or costs are included.
16. No utility relocation costs are included.
17. No traffic control costs are included.
18. No traffic signal costs are included.
19. No special district creation, operation, or management costs are included.
20. No construction management costs are included.
21. No engineering costs are included.
22. No contingency is included.

Kimley»Horn
6160 Warren Parkway
Suite 210
Frisco, Texas 75034
972-335-3580
State of Texas Registration No. F-928
NOTE: KIMLEY-HORN IS AN EQUAL OPPORTUNITY EMPLOYER AND DOES NOT DISCRIMINATE ON THE BASIS OF RACE OR ETHNICITY IN ITS EMPLOYMENT PRACTICES. ANYONE WHO VIOLATES THIS POLICY WILL BE SUBJECT TO IMMEDIATE DISCIPLINE UP TO AND INCLUDING TERMINATION.

EXHIBIT H
TRACT TO SELL TO CITY



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7/22/2019 1:11 PM

DWG NAME:
LAST SAVED

Celina, Texas
May 2020

Kimley»Horn
6160 Warren Parkway
Suite 210
Frisco, Texas 75034
972-335-3590
State of Texas Registration No. F-928
NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PREPARED WITHOUT THE BENEFIT OF A SURVEY. CONSULT WITH THE CITY FOR FURTHER INFORMATION.

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)

EXHIBIT I **TRAILS AND OPEN SPACE**



TBG northside at rollertown
trails plan

Attachment: DA Amendment (Northside at Rollertown – DA Amendment)



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Madhuri Mohan AICP, Planning Manager
 CC: Jason Laumer, City Manager
 Date: June 9, 2020
 Re: Reichman Tract Annexation Service Agreement

Action Requested:

Consider and act upon a Service Agreement for C-3 annexed Property between the City of Celina and the owner of an approximately 65 acre tract of land within the Extraterritorial Jurisdiction, generally located south of Glendenning Parkway and west of Huddleston Drive. (Reichman Tract Annexation Service Agreement) (Mohan)

Owner:

Joy H. Reichman Living Trust
 11905 Little Stoney Ct.
 Charlotte, NC 28269

Applicant:

Rob Daake, Coats Rose
 14775 Preston Rd.
 Dallas, TX 75254

Background Information:

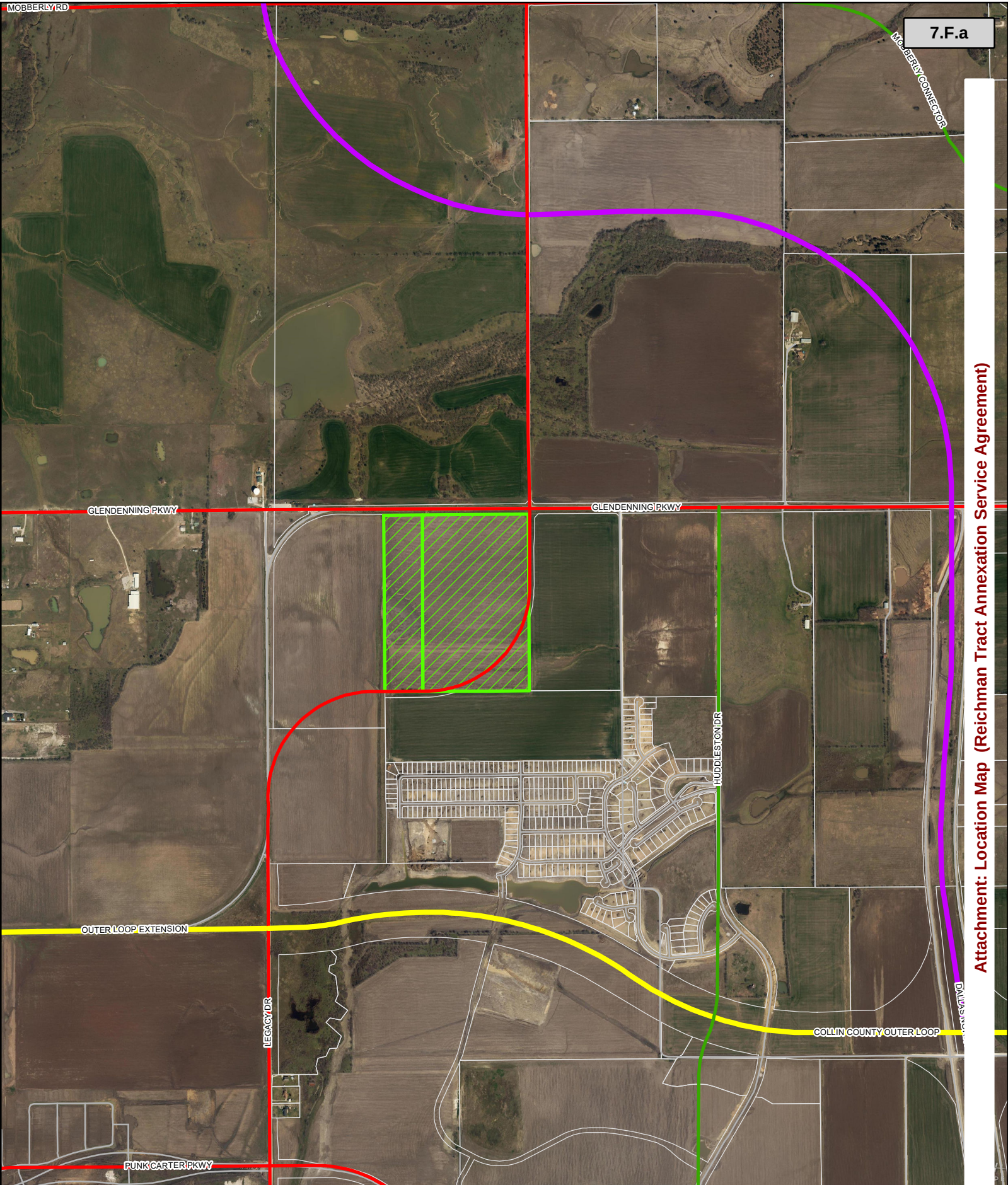
The property is generally located south of Glendenning Parkway and west of Huddleston Drive. The associated Annexation Service Agreement is attached.

Supporting Document:

- Location Map
- Annexation Service Agreement

Staff Recommendation:

Staff recommends approval as presented.



Attachment: Location Map (Reichman Tract Annexation Service Agreement)

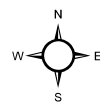


Location Map Reichman Tract

Date: 5/7/2020

Legend

- Roads
- Reichman
- Parcels



0

Packet Pg. 442

Feet

Service Agreement for C-3 Annexed Property

The undersigned parties have negotiated, and now enter into, this written Service Agreement for C-3 Annexed Property ("Agreement") pursuant to the authority provided by Section 43.0672, Texas Local Government Code ("LGC"). Pursuant to Section 43.056(l) of the LGC, this Agreement shall have a term of ten (10) years beginning on the date approved by the City Council of Celina. This Agreement is for the following property:

The Property is described in Exhibit A attached hereto and incorporated herein.

NOW THEREFORE, for and in consideration received and the mutual benefits contained herein, the undersigned parties agree to the following Service Plan:

A) SERVICE PLAN GENERALLY

- 1) This service plan has been prepared in accordance with the Texas Local Government Code, Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).
- 2) For purposes of this service plan, to "provide" services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

- 1) Police Protection
 - a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
 - b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.
 - c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.
- 2) Fire Protection
 - a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life

- Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and
 - vi) Construction Plan Review and required inspections.
- b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.
 - d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.
- 3) Emergency Medical Services
- a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response and transport; and
 - iii) Medical rescue services.
 - b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization, and population density of the areas.
 - d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization, and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.
- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the

City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.

- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by City ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization, and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.
- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

- 1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full

municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

- 2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at <http://www.franklinlegal.net/codes.html>.

M) TERM

- 1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

- 1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

Entered into this ____ day of _____, 2020.

CITY OF CELINA

By: _____
 Name: Jason Laumer
 Title: City Manager
 Date: _____

OWNER: JOY H. REICHMAN FAMILY TRUST

By: _____
 Name: Martha E. Parr
 Title: Owner
 Date: _____

Exhibit A
Legal Description

BEING a 64.09 acre tract of land situated in the F.D. Gary Survey, Abstract No. 360, Collin County, Texas and being all of a tract of land conveyed to Joy H. Reichman as described as Exhibit "A" of a Special Warranty Deed as recorded in Volume 5040, Page 1555 of the Deed Records of Collin County and being more particularly described as follows:

COMMENCING at a 1/2" iron rod found in the centerline intersection of a gravel road being the projected centerline of FM 428 (Celina Road), said point also being the northwest corner of a tract of land conveyed to John Vern Getchell, Jr. as recorded in Collin County File Clerk's No. 20100203000112680;

THENCE North 88°35'57" East along the centerline of said FM 428, a distance of 1228.85' to a P.K. nail and washer stamped "RLG" for the northeast corner of said Getchell tract;

THENCE South 01°14'44" East leaving said centerline and along the east line of said Getchell tract, a distance of 70.01' to a 1/2" iron rod found with a yellow plastic cap stamped "RLG" on the south right-of-way line of said FM 428 for the POINT OF BEGINNING;

THENCE North 88°43'00" East (control bearing line) along the south right-of-way line of said FM 428, a distance of 1511.12' to a 1/2" iron rod found for a corner, said point being the northwest corner of a tract of land conveyed to Old Celina, Ltd in a special warranty deed as recorded in Collin County Files Clerk's No. 20181029001345560;

THENCE South 01°15'02" East leaving said south right-of-way line and along the west line of said Old Celina tract, a distance of 1849.18' to a 1/2" iron rod found for a corner, said point being on the north line of a tract of land conveyed to the Estate of Mattie Ruth Monschke as recorded in Collin County Files Clerk's No. 94-0034942;

THENCE South 88°49'01" West along the north line of said Monschke tract, a distance of 1510.63' to a 1/2" iron rod found with a yellow plastic cap stamped "RLG", said point being on the east line of said Getchell tract;

THENCE North 01°15'56" West a distance of 1846.53' to the POINT OF BEGINNING and containing 64.093 acres or 2,791,875 square feet of land.

Attachment: Annexation Service Agreement (Reichman Tract Annexation Service Agreement)



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Ousley Tract Annexation Service Agreement

Action Requested:

Consider and act upon a Service Agreement for C-3 annexed Property between the City of Celina and the owner of an approximately 35 acre tract of land within the Extraterritorial Jurisdiction, generally located north of FM 455 and east of Preston Road. (Ousley Tract Annexation Service Agreement) (Mohan)

Owner:

Jace Ousley
13116 W. FM 455
Celina, TX 75009

Applicant:

Rob Daake, Coats Rose
14775 Preston Rd.
Dallas, TX 75254

Background Information:

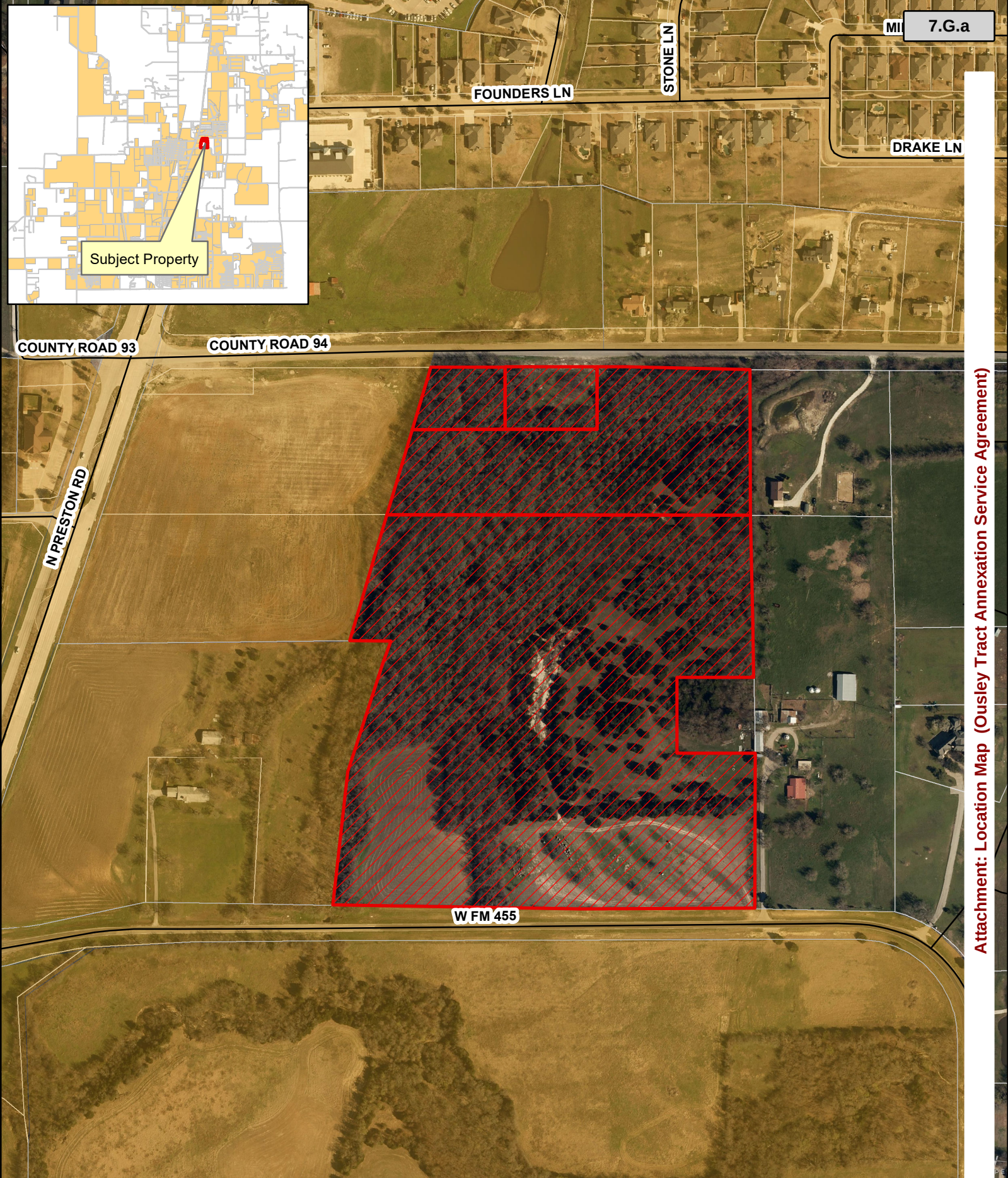
The property is generally located north of FM 455 and east of Preston Road. The associated Annexation Service Agreement is attached.

Supporting Document:

- Location Map
- Annexation Service Agreement

Staff Recommendation:

Staff recommends approval as presented.



Attachment: Location Map (Ousley Tract Annexation Service Agreement)



Location Map Ousley Annexation

Date: 2/3/2020

- Legend**
- Roads
 - Ousley Annexation
 - City Limits
 - Parcels

0 Feet

Packet Pg. 450

Service Agreement for C-3 Annexed Property

The undersigned parties have negotiated, and now enter into, this written Service Agreement for C-3 Annexed Property ("Agreement") pursuant to the authority provided by Section 43.0672, Texas Local Government Code ("LGC"). Pursuant to Section 43.056(l) of the LGC, this Agreement shall have a term of ten (10) years beginning on the date approved by the City Council of Celina. This Agreement is for the following property:

The Property is depicted in attached hereto and incorporated herein.

NOW THEREFORE, for and in consideration received and the mutual benefits contained herein, the undersigned parties agree to the following Service Plan:

A) SERVICE PLAN GENERALLY

- 1) This service plan has been prepared in accordance with the Texas Local Government Code, Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).
- 2) For purposes of this service plan, to "provide" services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

- 1) Police Protection
 - a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
 - b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.
 - c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.
- 2) Fire Protection
 - a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life

- Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and
 - vi) Construction Plan Review and required inspections.
- b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.
 - d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.
- 3) Emergency Medical Services
- a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response and transport; and
 - iii) Medical rescue services.
 - b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization, and population density of the areas.
 - d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization, and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.
- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the

City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.

- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by City ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization, and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.
- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

- 1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full

municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

- 2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at <http://www.franklinlegal.net/codes.html>.

M) TERM

- 1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

- 1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

Entered into this ____ day of _____, 2020.

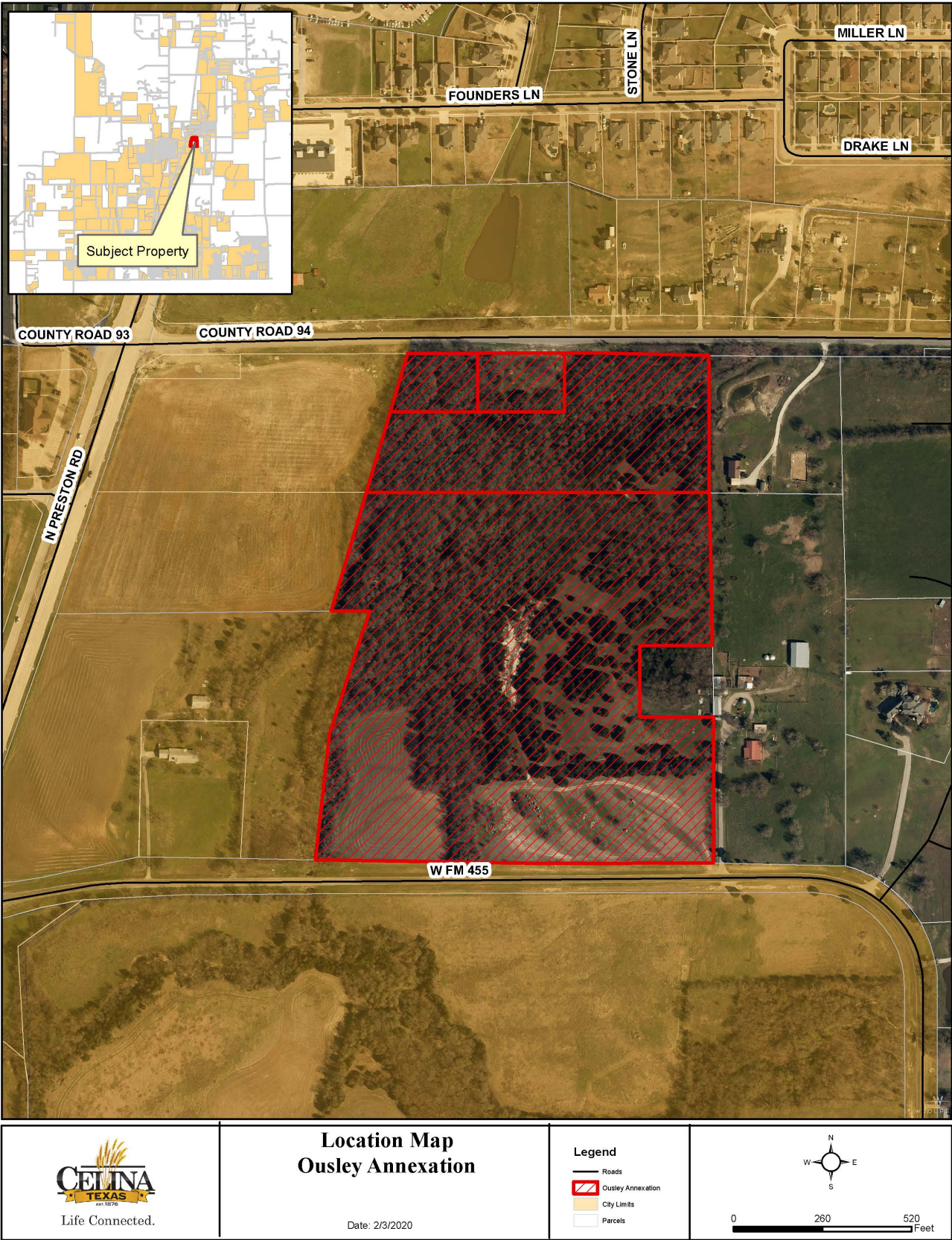
CITY OF CELINA

By: _____
 Name: Jason Laumer
 Title: City Manager
 Date: _____

OWNER: JON S. OUSLEY

By: _____
 Name: Jon S. Ousley
 Title: Owner
 Date: _____

Exhibit A
Property Exhibit



Attachment: Annexation Service Agreement (Ousley Tract Annexation Service Agreement)



Life Connected.

Mainstreet Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Rebecca Barton, Downtown Development Manager
 CC: Jason Laumer, City Manager
 Date: June 9, 2020
 Re: Toasted Walnut Economic Development Agreement Amendment

Action Requested:

Consider and act to authorize the City Manager to execute an agreement amendment by and between the City of Celina and Toasted Walnut Table & Market for economic incentive funding under Chapter 380 of the Texas Local Government Code. (Barton)

Background Information:

This item provides for minor adjustment to the Celina Economic Development Corporation's terms in the executed agreement for economic development incentive for improvements to the storefront facade and patio of Toasted Walnut Table & Market. The agreement was executed in August 2019. The amendment will allow for the Celina Economic Development Corporation to pay out incentives in one sum payment instead of the 50% year one and 50% year two.

Board Review/Citizen Input:

This item is supported by the Celina Economic Development Corporation.

Alternatives:

N/A

Financial Considerations:

This agreement does not change the City's portion of the approved grant amount of \$25,000 after the building and facade have all been updated with at least \$100,000 in improvements.

Legal Review:

This item has been reviewed by the City Attorney.

Supporting Documents:

- Proposed agreement amendment

Staff Recommendation:

Staff recommends approval.

AMENDMENT TO ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT TOASTED WALNUT

This Amendment (this “Amendment”) to the Economic Development Incentive Agreement (“Agreement”) is made by and among the City of Celina, Texas (the “City”), Celina Economic Development Corporation (the “CEDC”), and Toasted Walnut Table & Market (the “Developer”) (each a “Party” and collectively the “Parties”), acting by and through their respective authorized representatives to be effective June 9, 2020 (the “Effective Date”). .

W I T N E S S E T H:

WHEREAS, the recitals contained in this Amendment: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Amendment; and (c) reflect the final intent of the Parties with regard to the subject matter of this Amendment; and

WHEREAS, the Parties acknowledge and agree that, except to the extent amended herein, all provisions and terms contained in the Agreement remain in full force and effect; and

WHEREAS, the City, the CEDC, and the Developer entered into the Agreement effective on August 28, 2019; and

WHEREAS, the City and the Developer desire to amend the Agreement as hereinafter set forth; and

NOW THEREFORE, in consideration of the foregoing, and on the terms and conditions hereinafter set forth, and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The Agreement Remains in Full Force and Effect. The City and Developer acknowledge and agree that, except to the extent amended herein, all provisions and terms contained in the Agreement, remain in full force and effect.

2. Specific provisions contained in the Agreement shall be amended as follows:

Article III, Section 3.2 (a) is hereby amended to read as follows (additions are underlined and deletions are struck through):

3.2 Facility Improvements Project. (a) Cost Participation. The City and the CEDC agrees to contribute to the final verified actual costs of the design and construction of the Facade Facility Improvements through the payment of the Grants. ~~The CEDC agrees to contribute to the final verified actual costs of the design and construction of the Patio Improvements through the payment of the Grants.~~ The City Grant and CEDC Grant shall each be paid not later than thirty (30) days after the date the last of the following events to occur for each grant: (i) City and/or CEDC’s receipt of the Payment Request; (ii) Completion of Construction of the Facility and Facility Improvements, ~~except Patio Improvements, for City Grant, followed by Completion of Construction of the Patio Improvements for CEDC Grant;~~ (iii) the date of issuance of a final

certificate of occupancy by the City for the Facility Improvements, ~~excluding the Patio Improvements~~; and (iv) City verification, on behalf of the City and the CEDC, of the final actual costs incurred and paid by the Developer for the design and construction of the Facility Improvements. ~~Notwithstanding the foregoing, the City Grant shall not be paid prior to October 1, 2019 and the CEDC Grant shall not be paid prior to October 1, 2020.~~

3. Recitals. In the event it becomes necessary to interpret any provision of this Amendment, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Amendment and, but for the intent of the Parties reflected by the recitals, would not have entered into this Amendment.

4. Notices. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing), or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

Attn: City Manager
City of Celina, Texas
142 N. Ohio Street
Celina, Texas 75009

If intended for CEDC, to:

Attn: Executive Director
Celina Economic Development
Corporation
104 N. Colorado Street
Celina, Texas 75009

If intended for Developer, to:

Attn: Ben Hangartner
Toasted Walnut Table & Market
304 W. Walnut St. #839
Celina, Texas 75009

5. **Entire Agreement.** This Amendment together with the Agreement shall constitute the entire agreement between the Parties and supersedes all prior agreements and understandings, whether oral or written, concerning the subject matter of this Amendment and the Agreement. This Amendment shall not be modified or amended except in writing signed by the Parties.

6. **Governing Law.** This Amendment shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Amendment shall be in the State District Court of Collin or Denton County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

7. **Legal Construction.** In the event any one or more of the provisions contained in this Amendment shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Amendment that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Amendment which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

8. **Successors and Assigns.** This Amendment may not be assigned by any Party without the prior written consent of all other Parties.

9. **Counterparts.** This Amendment may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

10. **Survival of Covenants.** Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Amendment shall survive termination.

11. **Consents and Approvals.** Unless stated otherwise in this Amendment, whenever a Party is required to consent to or approve of the action of another Party pursuant to Amendment, such consent or approval shall not be unreasonably withheld, denied, or delayed.

12. **Authority and Enforceability.** The City represents and warrants that this Third Amendment has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and the individual executing this Third Amendment on behalf of the City has been duly authorized to do so. Developer represents and warrants that this Third Amendment has been approved by appropriate action of the Developer, and that each individual executing this Third Amendment on behalf of Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Third Amendment is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

EXECUTED on this _____ day of _____, 2020.

CITY OF CELINA, TEXAS

By: _____
Jason Laumer, City Manager

CELINA ECONOMIC DEVELOPMENT CORP.

By: _____
_____, President

TOASTED WALNUT TABLE & MARKET

By: _____
Ben Hangartner, Co-Owner



Life Connected.

Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Dawn Berry, Purchasing Manager
 CC: Kim Brawner, Director of Engineering
 Date: June 9, 2020
 Re: Water Meters

Action Requested:

Consider and act to authorize the purchase of Sensus water meters from Aquametric Sales as the sole source provider in an amount not to exceed \$229,225.40. (Berry)

Background Information:

On October 8, 2019 Council authorized the purchase of water meters in an amount not to exceed \$450,000. The water meters to be purchased are used on a daily basis by providing new meters for new builds and replacement meters for defective/broke meters. The City is currently utilizing Sensus software for reading meters. Staff has standardized the meter system with Sensus meters. Sensus meters are considered sole source. They are only available through one vendor due to territorial restrictions.

An increase of \$229,225.40 is needed to cover the unforeseen repairs that were not budgeted. These repairs include damage to meters by contractors. Funding for damages is billed back to the contractor through Utility Billing.

The meters division of Public Works which is funded out of the water department budget will have the primary responsibility for purchasing meters. Authorizing the increase will allow staff to order required items as needed resulting in increased productivity and efficiency.

Alternatives:

Council may reject the increase and direct staff.

Financial Considerations:

A budget amendment will be processed by Finance.

Legal Review:

N/A

Staff Recommendation:



Life Connected.

Engineering
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Kim Brawner, Director of Engineering
 CC: Jason Laumer, City Manager
 Date: June 9, 2020
 Re: City of Celina and Chamber of Commerce Agreement

Action Requested:

Consider and act to authorize an Economic Development Agreement by and between the City of Celina and the Celina Chamber of Commerce to memorialize their cooperative efforts in promoting and organizing Celina Special Events (Brawner)

Background Information:

City and Chamber staff have worked together on special events for many years; however, the partnership has never been formalized by agreement. The proposed agreement documents the relationship and the shared arrangements. The following items have been identified in the agreement:

1. Joint Planning - Both staff agree to advise each other of upcoming special events and cooperate in joint planning and give as much advance notice as possible.
2. Facilities
 - a. The City has several facilities that could be utilized by the chamber at minimal cost and the City agrees to allow the Chamber use of these facilities.
 - b. The Chamber will provide the City 60 days' notice to utilize any facility.
 - c. The City may have additional criteria for the use of the building and the Chamber acknowledges that the Chamber will be responsible for any additional costs.
3. Special Provisions
 - a. City will provide Fire and Police services for each event assuming no decrease in service to the remainder of the community.
 - b. The Chamber will designate the City as at minimum a second-tier sponsor for the events where Police and Fire service is provided.
 - c. These provisions currently apply to the "Winecrawl on the Square" and "Octoberfest".
 - d. As partial consideration for the use of City facilities, the Chamber will reimburse the City 50% of the net proceeds from beer and wine sales at the following events:
 - i. Cajun Fest
 - ii. 4th of July celebration
 - iii. Beware on the Square
 - iv. Beer and Wine Festival
 - e. City shall determine all staffing requirements.

4. The agreement is good for three years

Board Review/Citizen Input:

Chamber of Commerce board has approved the agreement.

Alternatives:

Council could chose to not approve this agreement.

Financial Considerations:

None. The revenue generated by the beer and wine sales (after expenses) will be shared by the City and the Chamber. These funds will be used to fund additional special events.

Legal Review:

The City's attorney has reviewed and approved this agreement.

Supporting Documents:

Agreement

Staff Recommendation:

Staff recommends approval.

ECONOMIC DEVELOPMENT AGREEMENT

This Agreement (the “Agreement”) effective as of this ____ day of ____, 2020, (the “Effective Date”) by and between the City of Celina, Collin County, Texas a home-rule municipality (the “City”) and the Celina Chamber of Commerce (the “Chamber”), a Texas non-profit corporation.

RECITALS

WHEREAS, the City is a home rule municipality duly organized and validly existing under the laws of the State of Texas and located within Collin County and Denton County, Texas; and

WHEREAS, Chapter 380 of the Texas Local Government Code authorizes municipalities to offer programs and incentives designed to promote economic development; and

WHEREAS, the Chamber provides valuable services to the Celina community in general and to Celina’s businesses and visitors in particular; and

WHEREAS, the City and the Chamber desire to memorialize their cooperative efforts in promoting and organizing their special events; and

WHEREAS, the City and Chamber agree that special events provide a unique opportunity to attract visitors, highlight and support existing businesses, and attract new businesses and residents; and

WHEREAS, the Chamber has requested and the City has found and determined that it is in the best interest of the City to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Status of Parties

- 1.1 City. The Parties acknowledge and agree that the City is a municipal corporation formed and operating pursuant to its home-rule charter.
- 1.2 Chamber. Chamber represents and warrants that Chamber is a non-profit corporation formed, existing, and is in good standing under the law of the State of Texas.

Section 2. Joint Planning

- 2.1 The City and Chamber through their designated representatives shall advise each other of upcoming events and when possible cooperate in joint planning of events that fulfill the purposes of local economic and business development.
- 2.2 The Chamber shall give the City as much advance notice as possible of its need for building or facility space for the purpose of its special events.

Section 3. Facilities

- 3.1 The City currently owns or has control of the spaces and facilities listed in the attached Exhibit "A" (the "Facilities") which may be available for Chamber use for special events.
- 3.2 The City agrees to grant to the Chamber use of the Facilities which the Chamber may require for its special events provided the use of such Facilities shall not interfere with the use of such Facility.
- 3.3 The Chamber agrees to give the City reasonable advanced notice, in no case less than sixty (60) days, of its need for a Facility. Notice shall be given via a written application or other form deemed acceptable by the City.
- 3.4 The City shall have sole authority to develop criteria for the special events and base their consideration of the Chamber's application upon such criteria. However, the Parties agree that the special events typically sponsored by the Chamber benefit the Parties and will likely be approved so long as the terms of this Agreement are met.
- 3.5 The Chamber shall be responsible for costs associated with the use of the Facility for a special event including, but not limited to, cleaning and takedown fees.

Section 4. Special Provisions

- 4.1 The City intends to provide police and fire protection for each special event subject to the determination of the City that the departments have adequate staffing and that there will be no decrease in available emergency services to the public.
- 4.2 In exchange for fire and police service to an event sponsored by the Chamber and not the City, the Chamber shall designate the City as at minimum a second-tier sponsor for the event. At the time of this Agreement the Parties understand that the two special events subject to this subsection are the Winecrawl on the Square and Oktoberfest.

- 4.3 As partial consideration for the use of City facilities the Chamber will reimburse the City 50% of the net proceeds from beer and wine sales at the following events:

- (a) Cajun Fest
- (b) 4th of July celebration
- (c) Beware on the Square
- (d) Beer and Wine Festival

The City shall have sole authority to select beer and wine vendors for said special events. The Chamber understands that the City may enter into sponsorship agreements with beer and wine distributors and that the Chamber shall be subject to, and adhere to, any of these sponsorship agreements.

- 4.4 The City shall determine the proper staffing level of emergency service personnel for all special events.
- 4.5 This Agreement shall commence upon the date of execution by both Parties and shall end at the expiration of three (3) years from said date unless otherwise terminated. Either party may terminate this Agreement with or without cause by providing sixty (60) days written notice to the other party.
- 4.6 Notice. Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States Mail, Certified, with Return Receipt Requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

City of Celina, Texas
 Jason Laumer, City Manager
 142 N. Ohio Street
 Celina, Texas 75009

with copies to:

Lance Vanzant
 Hayes, Berry, White, & Vanzant, LLP
 512 W. Hickory Street, Ste. #100
 Denton, Texas 76201

Greater Celina Chamber of Commerce
 Melissa Cromwell, President/CEO
 312 Walnut Street
 Celina, Texas 75009

Section 5. Miscellaneous Provisions

- 5.1 **The Chamber shall indemnify and defend the City and its officers and employees from any and all claims arising out of the Chamber's use of the facilities and any other losses, demands, suits, judgments and costs, including reasonable attorney's fees and expenses.**
- 5.2 Nothing in this Agreement is intended to create, nor shall be deemed or construed by the parties or any third party as creating the relationship of principal and agent, partnership or a joint venture.
- 5.3 Prior to using a facility the Chamber will provide proof of general liability insurance in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence and the Chamber will add the City as an additional insured.
- 5.4 This Agreement contains the entire agreement of the Parties and may be modified or terminated only upon mutual written agreement of the City and the Chamber.
- 5.5 This Agreement is performable in Collin County, Texas and exclusive venue shall lie therein. The prevailing party in any litigation required to enforce this Agreement shall additionally recover costs and attorneys' fees.
- 5.6 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

EXECUTED on the date set forth above.

CITY OF CELINA, TEXAS,
A Texas municipal corporation

By: _____
Sean Terry, Mayor

ATTEST:

By: _____
Vicki Tarrant, City Secretary

Greater Celina Chamber of Commerce

By: _____
Melissa Cromwell, President/CEO

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Melissa Cromwell, of the Greater Celina Chamber of Commerce, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledges to me she is the duly authorized representative for the Celina Chamber of Commerce and she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2020.

Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Sean Terry, Mayor of the City of Celina, Texas, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledges to me he is the duly authorized representative for the City of Celina and he executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2020.

Notary Public in and for the State of Texas

EXHIBIT “A”



Life Connected.

Parks and Recreation
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Cody Webb, Director of Parks and Recreation
Date: June 9, 2020
Re:

Action Requested:

Consider and act to authorization the City Manager to execute a contract by and between Old Celina, Ltd. and City of Celina for the utilization of property for the Fireworks show for Splash and Blast 2020. (Webb)

Staff Recommendation:

Staff recommends approval.

LICENSE, INDEMNIFICATION AND HOLD HARMLESS AGREEMENT

This **LICENSE, INDEMNIFICATION AND HOLD HARMLESS AGREEMENT** (this “Agreement”) is entered into this ____ day of June, 2020, by and between the CITY OF CELINA (hereinafter referred to as “CELINA”), and OLD CELINA LTD. (hereinafter referred to as “OLD CELINA”):

P R E M I S E S:

WHEREAS, Old Celina owns a certain property located in the City of Celina, Texas (the “Property”), and containing approximately 210 acres, more or less, out of the Henry Bentley Survey, Abstract No. 124, the George Wiley Survey, Abstract No. 988, the Samuel McCullough Survey, Abstract No. 593, and the B.B.B. & C.R.R. Survey, Abstract No. 132 located in Collin County, Texas, and being the real property depicted on Exhibit A attached hereto and incorporated herein by reference for all purposes.

WHEREAS, Celina desires to temporarily occupy a portion of the Property (the “License Area”), more particularly depicted on Exhibit B attached hereto and incorporated herein by reference for all purposes, in order to set up and launch a city-sponsored fireworks display, and

WHEREAS, Old Celina agrees that Celina’s contractor, Precision Fireworks, LLC and its agent, may occupy the License Area as warranted from June 26, 2020 through June 29, 2020 for the purpose of setting up and launching a fireworks display, and

WHEREAS, Old Celina desires that Celina agree to repair any damages or injury to the License Area and livestock, growing crops, and improvements thereon and to be indemnified and held harmless by Celina from all claims by others in connection with, or arising out of, Celina’s temporary occupancy and use of the License Area.

A G R E E M E N T:

NOW, THEREFORE, for and in consideration of the foregoing premises, the sum of Ten Dollars (\$10.00), and the covenants contained herein, the receipt and sufficiency of which is hereby acknowledged and confessed, Old Celina and Celina agree as follows:

1. **LICENSE**. Old Celina does hereby grant to Precision Fireworks, LLC (the “Fireworks Provider”) a temporary license to use and occupy the License Area (the “License”) for the limited purpose of setting up and launching a fireworks display sponsored by Celina (the “Fireworks Display”); provided, however, that the License shall be limited to the time period beginning June 26, 2020 and ending June 29, 2020 (the “License Period”).

2. **INDEMNIFICATION OF OLD CELINA.** Celina, its successors and assigns (together with any person assuming their obligations, being herein called the “Indemnitor”) shall indemnify, defend and hold harmless Old Celina, its current, future and past partners, employees, affiliated entities, agents, investors, contractors, advisors and controlling persons (Old Celina and each such other person or entity being herein collectively called the “Indemnatee”) from and against any and all losses, claims, damages, and liabilities, joint or several, including all expenses, including fees and disbursements of counsel, reasonably incurred by any Indemnatee in connection with the use or occupancy by Celina or Fireworks Provider of the License Area and/or the preparation for or defense of any claim, action or proceeding, whether or not resulting in any liability, as incurred, to which an Indemnatee may become subject under any applicable federal or state law or otherwise caused by or arising out of any event related to the Fireworks Display on the License Area; or for the intentional torts, gross negligence, recklessness, willful misconduct, criminal acts, bad faith, breach of agreement, and negligence of the Indemnitor in the course of its limited use of the License Area.

Commented [KB1]: Doesn't make sense

3. **NOTICE OF CLAIM.** Promptly after the occurrence of any damage or injury to the License Area or improvements located thereon or receipt by an Indemnatee of notice of any claim or commencement of any action or proceeding in connection with any matter related to Indemnitor’s activities in connection with the rights granted to Indemnitor in this Agreement, such Indemnatee will immediately notify the Indemnitor in writing of such claims or of the commencement of such action or proceeding, as applicable, and if requested by such Indemnatee, the Indemnitor shall assume the defense of such action, including the employment of the Texas Municipal League as counsel for Indemnitor, and the payment of the fees and disbursements of such counsel. In the event such Indemnatee determines, in its reasonable judgment, that there is a conflict of interest by reason of having a common counsel, or if the Indemnitor fails to defend such action, then the Indemnatee may employ separate counsel satisfactory to the Indemnatee, to defend such action, and the Indemnitor shall pay, as incurred, the fees and disbursements of such counsel. The Indemnatee shall also notify the Indemnitor promptly of the assertion against the Indemnatee and/or the Indemnitor, or any of their controlling persons or affiliated entities, of any claim or of the commencement of any action or proceeding in connection with any such matter.

4. **REIMBURSEMENT OF EXPENSES.** The Indemnitor shall reimburse each Indemnatee for any out-of-pocket expenses incurred by such Indemnatee in the event that such Indemnatee's personnel are required or requested by the Indemnitor to appear as witnesses in any action brought against the Indemnitor, whether or not such Indemnatee is named as a defendant.

5. **INSURANCE.** Prior to entering the License Area, Celina and Fireworks Provider will each provide proof of Workman’s Compensation and Employer’s Liability and Business

Automobile Liability and general liability insurance in an amount not less than Five Million Dollars (\$5,000,000.00) per occurrence, issued by an insurance company or companies rated by A.M. Best's Rating Guide as "A-" or better, authorized to do business in the State of Texas, and Celina and the Fireworks Provider will add Old Celina as an additional insured on each policy. The underwriter and policy shall be acceptable to Old Celina in its sole discretion. Celina shall provide Old Celina with proof of said insurance no later than 5:00 p.m., Celina, Texas time, on Monday, June 15, 2020. In the event proof is not provided to Old Celina before such time, this Agreement, and all rights granted herein, shall be null and void and of no further force or effect.

6. **GOVERNING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The terms of this Agreement shall be specifically performable in Collin County, Texas.

7. **COUNTERPART EXECUTION.** This Agreement may be executed in multiple counterparts, each of which shall be fully effective as an original, for which together shall constitute only one (1) instrument.

8. **WAIVER OF GOVERNMENTAL IMMUNITY.** By executing this Agreement, Celina hereby waives sovereign immunity from suit for the limited purpose of enforcing this Agreement. The parties acknowledge and agree that this instrument states the essential terms of their agreement for Old Celina's provision of goods and/or services to Celina, and is, therefore, a contract that is subject to Subchapter I of Chapter 271 of the Texas Local Government Code.

9. **AUTHORITY.** Each of the parties represents and warrants to the other that it has the full power and authority to enter into and fulfill the obligations of this Agreement.

10. **REPAIR.** By its use and occupancy of the License Area, Celina agrees that in the event of any damage to the License Area or Property or livestock, growing crops, and improvements located thereon, or to any surrounding property, resulting from Celina's or the Fireworks Provider's use or occupancy of the License Area, including, without limitation, damages arising from a violation of any state or federal environmental laws, Celina will immediately repair, remediate and take all other actions necessary to cause the License Area or Property, livestock, growing crops, and improvements and surrounding property damaged by such use or occupancy to be returned to the same condition as prior to Celina's use and occupancy of the License Area, including but not limited to compliance with all applicable federal and state environmental laws; and in the event the License Area, Property or livestock, growing crops, and improvements cannot be returned to the same condition, Celina will promptly pay Old Celina for the damage to the License Area, the Property and/or livestock, growing crops, and improvements thereon.

Commented [KB2]: Any issue with this date?

Commented [KB3]: Have we waived sovereign immunity always? It seems very open-ended. Shouldn't there be a date for this "waiver" to end? Attorney question.

11. **APPROVAL BY RESOLUTION.** On or before June 9, 2020, Celina shall ratify this Agreement by resolution whereby (i) the Agreement is approved by Celina, and (ii) the individual executing this Agreement on behalf of Celina is explicitly stated as having been authorized to do so by Celina. Celina shall hand deliver to Licensor at 12400 Preston Road, Suite 100, Frisco, Texas 75033 a fully executed resolution which has been approved by Celina. In the event that such fully executed resolution is not delivered to Licensor by 5:00 p.m. on Monday, June 15, 2020, then this Agreement shall be deemed null and void and of no further force and effect.

Commented [KB4]: Needs to be on council

Commented [KB5]: Who is taking responsibility for "delivery"?

12. **ASSURANCES.** Celina agrees to: (1) ensure adequate fire extinguishing or fire-fighting equipment is available on site in the event of fire on the Property or any surrounding property as a result of the License during the License Period; (2) ensure only a State of Texas Pyrotechnician for outdoor pyrotechnic operations is used to perform the Fireworks Display or any tests prior to the Fireworks Display conducted on the License Area; (3) clean up the License Area and Property immediately following the Fireworks Display, or within eighteen (18) hours after the conclusion of the Fireworks Display, to return the License Area and Property to the same condition as the License Area and Property existed immediately prior to Celina's occupancy and use thereof; and (4) ensure clean-up of the License Area and Property is acceptable to Old Celina.

13. **NO WARRANTY.** THE USE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS, WHERE IS" BASIS, AND CELINA EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENTS OF OLD CELINA HEREIN, OLD CELINA MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN RESPECT OF THE PROPERTY.

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the parties hereunto set their hands and seals as of the date above first stated.

INDEMNITOR:

CITY OF CELINA

By: _____
 Name: _____
 Title: _____

STATE OF TEXAS

COUNTY OF COLLIN

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein state.

Given under my hand and seal of office this _____ day of June, 2020.

 NOTARY PUBLIC, STATE OF TEXAS

Printed Name: _____

My Commission Expires: _____

INDEMNITEE:

OLD CELINA, LTD.

By: REX Management, L.L.C.,
Its General PartnerBy: _____
Rex K. Glendenning, President

STATE OF TEXAS

COUNTY OF COLLIN

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Rex K. Glendenning, President of REX Management, L.L.C., the general partner of OLD CELINA, LTD., on behalf of said limited liability company and limited.

Given under my hand and seal of office this _____ day of June, 2020.

NOTARY PUBLIC, STATE OF TEXAS

Printed Name: _____

My Commission Expires: _____

EXHIBIT A
THE PROPERTY

TRACT 1
72.992 Acres

BEING a tract of land situated in the HENRY BENTLEY SURVEY, ABSTRACT NO. 124, Collin County, Texas and being a portion of a 99.301 acre tract of land as conveyed by Russ W. Myers to 4M Development, Inc. as recorded by County Clerk No. 94-0092806, Land Records, Collin County, Texas, and being more particularly described as follows:

COMMENCING at the most Northwest corner of said 99.301 acre tract, same being at an ell corner of County Road No. 8;

THENCE, along the West line of said 99.301 acre tract, same being the East line of a 36.92 acre tract as conveyed to George Menosky as recorded in Volume 1078, Page 7, Deed Records, Collin County, Texas, and the East line of a 2.589 acre tract as conveyed to Roscoe H. Brower, as recorded in Volume 2139, Page 221, Deed Records, Collin County, Texas, South 01 degrees 09 minutes 50 seconds East a distance of 1,003.22 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for the POINT OF BEGINNING of the following described tract:

THENCE, along the South line of a 5.1038 acre tract conveyed to Darl Lynn Nigh and Frances Nigh, as recorded by County Clerk No. 96-0082006, Deed Records, Collin County, Texas, South 66 degrees 23 minutes 09 seconds East a distance of 470.05 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for corner;

THENCE, continuing along the South line of said 5.1038 acre tract, South 01 degrees 04 minutes 28 seconds East, a distance of 31.35 feet, to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for corner;

THENCE, continuing along said South line, North 88 degrees 55 minutes 32 seconds East a distance of 366.53 feet, to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for corner on the West line of a 99.2888 acre tract of land conveyed to Douglas Barker, as recorded in Volume 1343, Page 599, Deed Records, Collin County, Texas;

THENCE, along said West line of a 99.2888 acre tract, South 00 degrees 46 minutes 58 seconds East a distance of 2,099.44 feet, to a 5/8 inch iron pipe found for the Southeast corner of said 99.301 acre tract and being an ell corner of said 99.2888 acre tract;

THENCE, along the North line of said 99.2888 acre tract, South 87 degrees 44 minutes 58 seconds West a distance of 2,922.24 feet, to a 1/2 inch iron rod found for corner;

THENCE, generally along a fence row, North 00 degrees 55 minutes 08 seconds West a distance of 788.48 feet, to a 1/2 inch iron rod found in the crotch of three large Hackberry trees at the junction of the evidence of an old North-South fence and evidence of an old fence from the East, and being on the South line of a 73.047 acre tract as conveyed to Douglas Barker, as recorded in Volume 1159, Page 423, Deed Records, Collin County, Texas;

THENCE, along the South line of said 73.047 acre tract, North 87 degrees 45 minutes 55 seconds East a distance of 2,144.18 feet, to a 5/8 inch iron rod found for the Southeast corner of said 73.047 acre tract;

THENCE, along the East line of said 73.047 acre tract, North 01 degrees 47 minutes 07 seconds West a distance of 437.83 feet, to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for corner;

THENCE, continuing along the East line of said 73.047 acre tract, North 01 degrees 09 minutes 50 seconds West a distance of 366.97 feet, to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for the Southwest corner of a 5.0227 acre tract as conveyed to Robert Jake Jones and Virginia C. Jones;

THENCE, along the South line of said 5.0227 acre tract, North 88 degrees 55 minutes 32 seconds East a distance of 365.91 feet, to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for the Southeast corner of said 5.0227 acre tract;

THENCE, along the East line of said 5.0227 acre tract, North 01 degrees 04 minutes 28 seconds West a distance of 438.70 feet, to the point of curvature of a curve to the left having a central angle of 65 degrees 18 minutes 41 seconds and a radius of 120.00 feet;

THENCE, continuing along said East line and said curve to the left, for an arc length of 136.79 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "Pitts 4595" set for corner;

THENCE, along the North line of said 5.0227 acre tract, North 66 degrees 23 minutes 09 seconds West a distance of 326.99 feet, to the Northernmost corner of said 5.0227 acre tract;

THENCE, North 01 degrees 09 minutes 50 seconds West a distance of 66.08 feet, to the POINT OF BEGINNING and containing 72.992 acres of land, more or less.

TRACT 2
99.028 Acres

BEING a tract of land situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas, and also being all of a 52.807 acre tract and a 46.4818 acre tract conveyed to Douglas Barker d/b/a Barker Brothers Land Cattle Company as recorded in Volume 1343, Page 599 of the Deed Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1 inch iron pipe found for corner at the northeast corner of said 46.4818 acre tract, said iron rod also being in the south right of way line of FM 455 (a 90' ROW);

THENCE South 01 degrees 04 minutes 43 seconds East a distance of 2150.13 feet to a ½ inch iron rod found for corner;

THENCE South 00 degrees 43 minutes 32 seconds East a distance of 1605.62 feet to a ½ inch iron rod found for corner in the north line of 73.558 acre tract as recorded in Volume 3965, Page 2169, D.R.C.C.T.;

THENCE South 88 degrees 18 minutes 39 seconds West following the north line of said 73.558 acres a distance of 824.02 feet to 2 inch iron pipe found for corner at the northeast corner of said 73.558 acre tract;

THENCE South 88 degrees 30 minutes 52 seconds West a distance of 2900.39 feet to wood fence post in the creek for corner;

THENCE North 00 degrees 59 minutes 11 seconds West a distance of 421.72 feet to ½ inch iron rod found for corner at the southwest corner of a 75.0307 acre tract as recorded in County Clerk No. 94-0092806 of Collin County, Texas;

THENCE North 87 degrees 43 minutes 39 seconds East following the south line of said 75.0307 acre tract a distance of 2922.26 feet to a 1 inch iron pipe found for corner at an ell corner of said 75.0307 acre tract;

THENCE North 00 degrees 48 minutes 41 seconds West following the east line of said 75.0307 acre tract a distance of 3339.14 feet to a 60d nail found for corner in County Road No. 8;

THENCE North 88 degrees 19 minutes 00 seconds East following said County Road No. 8 a distance of 75.37 feet to a 60d nail found for corner in the south ROW line of said FM No. 455, said 60d nail also being in a curve to the left with a chord bearing of South 80 degrees 57 minutes 03 seconds East and a chord distance of 241.64 feet;

THENCE along said curve to the left following the south ROW line of said FM No. 455 through a central angle of 21 degrees 27 minutes 53 seconds a radius distance of 648.80 feet and an arc distance of 243.06 feet to a ½ inch iron rod set for corner;

THENCE North 88 degrees 19 minutes 00 seconds East following the south ROW line of FM No. 455 a distance of 483.09 feet to the POINT OF BEGINNING and containing 99.028 acres, more or less.

TRACT 6
38,545 Acres

BEING a tract of land situated in Collin County, Texas and being in the Henry Bentley Survey, Abstract No. 124 and being a part of that certain tract of land known as Tract One, conveyed to Clifford Gee McKnight, as recorded in Volume 2430, Page 665, of the Deed Records of Collin County, Texas, (D.R.C.C.T.) and being more particularly described by metes and bounds as follows:

BEGINNING at a 2 1/4-inch iron pipe found for corner, said corner being in the south right-of-way line of F.M. Highway No. 455 (a public thoroughfare) and also being the northeast corner of a tract of land conveyed to Rex Glendenning, et ux, as recorded in Volume 4408, Page 1763, D.R.C.C.T.;

THENCE North 88 degrees 23 minutes 45 seconds East along said south right-of-way line, a distance of 885.98 feet to a 3/8-inch iron rod found for corner, said corner being the northwest corner of a tract of land conveyed to Hassan Badii, as recorded in Volume 2031, Page 943, D.R.C.C.T.;

THENCE South 00 degrees 48 minutes 00 seconds East along the west line of said Badii tract, and along the west line of a tract of land conveyed to Stephen Harold Mills, as recorded in Volume 4987, Page 3011, D.R.C.C.T. and the west line of a tract of land conveyed to the City of Celina, as recorded in Volume 4770, Page 2324, D.R.C.C.T., a distance of 2150.90 feet to a 5/8-inch iron rod found for an ell corner of said City of Celina tract;

THENCE South 89 degrees 02 minutes 12 seconds West along the most southerly north line of said City of Celina tract, a distance of 881.92 feet to a 1/2 -inch iron rod with cap stamped "ALLIANCE" found for corner, said corner being on the east line of the aforementioned Glendenning tract;

THENCE North 00 degrees 54 minutes 23 seconds West along the east line of said Glendenning tract, a distance of 2140.98 feet to the POINT OF BEGINNING;

CONTAINING a computed area of 1,896,815 square feet or 43.545 acres of land, more or less.

SAVE & EXCEPT the following 5 acres

BEING all that certain tract or parcel of land situated in the H. BENTLEY SURVEY, Abstract No. 124 in the City of Celina, Collin County, Texas and being out of a 44.50 acre tract of land described in deed to Clifford Gee McKnight, recorded in Volume 2430, Page 665 of the Deed Records of Collin County, Texas (D.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found at the southeast corner of said McKnight tract of land, being an ell corner for a 39.02 acre tract of land described in deed to the City of Celina, recorded in Volume 4770, Page 2324, D.R.C.C.T.;

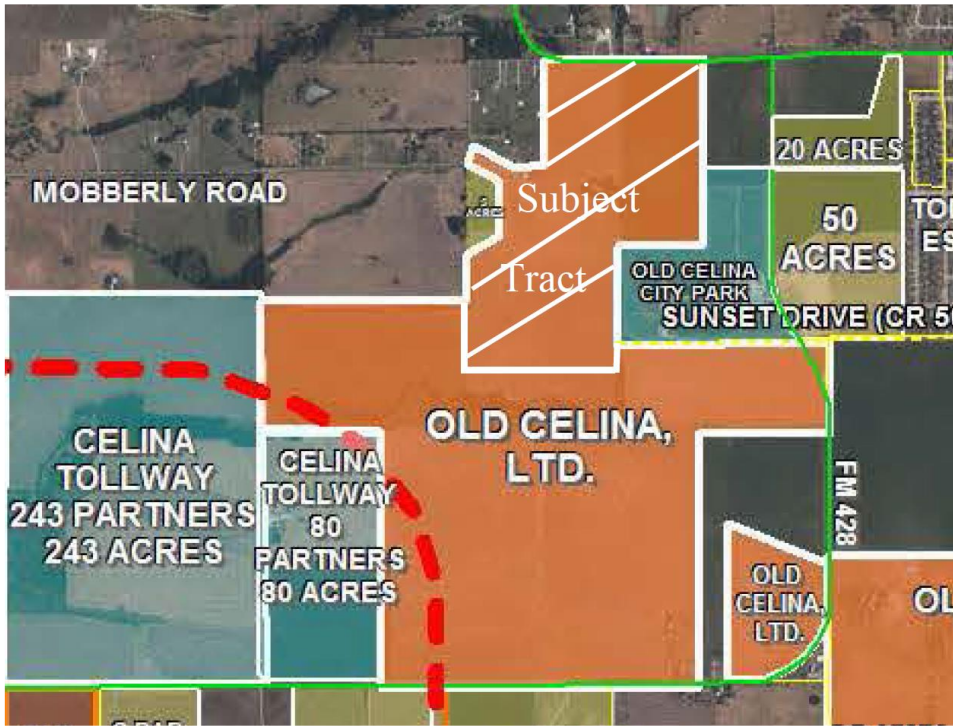
THENCE S 89°03'24" W, along the common line of said McKnight and City of Celina tracts, a distance of 881.83 feet to a 1/2-inch iron rod found for a corner on the easterly line of a 99.028 acre tract of land described in deed to Rex Glendenning, recorded in Volume 4408, Page 1763, D.R.C.C.T.;

THENCE N 01°05'22" W, along the common line of said McKnight and Glendenning tracts, a distance of 246.81 feet to a 1/2-inch capped iron rod (stamped "SRA 3225") set for a corner;

THENCE N 89°03'24" E, departing said common line, a distance of 883.07 feet to a 1/2-inch capped iron rod (stamped "SRA 3225") set for a corner on the westerly line of the aforesaid City of Celina tract of land;

THENCE S 00°48'00" E, along the common line of said McKnight and City of Celina tract, a distance of 246.81 feet to the POINT OF BEGINNING and containing 217,800 square feet or 5.000 acre of land, more or less.

Resulting in 38.545 acres of land, more or less.





Life Connected.

Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Dawn Berry, Purchasing Manager
 CC: Kim Brawner, Director of Engineering
 Date: June 9, 2020
 Re: Impact Fee Study and Ordinance Update

Action Requested:

Consider and act to award RFQ 2020-0025 for the development of roadway impact fees and to update the roadway ordinance to Kimley-Horn and Associates in an amount not to exceed \$200,000.00 . (Berry)

Background Information:

On February 7, 2020 , the City received responses to RFQ 2020-0025 for the development of a roadway impact fee study and to update the roadway ordinance. The RFQ was advertised in the local paper and posted on the City's eProcurement system in which one hundred thirty-three vendors were notified. Three responses and one No-Bid were received.

A team of three conducted the evaluation. The criteria included

- Schedule
- Location
- Approach
- Qualifications
- Experience
- Experience with Ordinance updates
- Experience with understanding current statute and

The evaluation committee recommends Kimley-Horn and Associates.

Supplier	Rank		Score												
				Miscellaneous	Schedule-Time for Comp	Location	Office Location	Approach	Project Methodology / A	Qualifications	Team Experience	Experience	Experience with Similar I	Experience with Ordinam	Experience with Understa
			100	10	5			25		20	20	10	10		
Kimley-Horn and Associates, In	1	97.3		9.67	5			23.3		20	19.3	10	10		
Freese and Nichols, Inc.	2	94.3		10	2.33			24.3		19.3	18.3	10	10		
Teague Nall and Perkins, Inc.	3	74.3		9.33	2.33			17.7		16	13.3	7.33	8.33		
		88.7		9.7	3.2			21.8		18.4	17.0	9.1	9.4		

Alternatives:

Council may reject the award and redirect staff.

Financial Considerations:

Funding is available in the current budget and will be tracked in project R34. Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order.

Legal Review:

Standard contract documents have been used and previously reviewed.

Supporting Documents:

Agreement & Exhibits

Staff Recommendation:

Staff Recommends awarding RFQ 2020-0025



MASTER SERVICE AGREEMENT (MSA) TASK ORDER

Work Authorization No. 2020-0025

Pursuant and subject to the above captioned MSA dated January 15, 2019 between the City of Celina, Texas and Kimley-Horn and Associates, Inc., the City of Celina hereby requests that CONSULTANT performs the work described below upon the terms set forth:

Work Site: Roadway Impact Fee Study

Work to be performed: Refer to Attachment “A”

Date and Time to Commence: Within receipt of execution of contract

Date and Time to Complete: Within 365 calendar days of execution of contract

Invoice Mailing Instructions:

City of Celina
Attn: Kimberly Brawner, P.E.
Director of Engineering
142 N Ohio
Celina, TX 75009
kbrawner@celina-tx.gov

Other Requirements or Variance from MSA (if any):
N/A

CONSULTANT PROVIDED INFORMATION:

Compensation: Lump Sum of \$200,000.

Task 1. Project Initiation, Education and Management	\$35,000
Task 2. Plan Elements	\$50,000
Task 3. Roadway Impact Fee Elements	\$60,000
Task 3.5 (Optional). Financial Analysis	\$20,000 (Optional)
Task 4. Plan Refinement and Adoption Process	\$20,000
Task 5. Administration Tools and Implementation Support	\$15,000

Work Authorization _____
June 06, 2020

ACCEPTANCE:

The foregoing TASK ORDER is accepted on the terms set forth as indicated by the signatures below.

Consultant:

L. Nathan Ante, P.E.
Vice President

Date

City Representative:

Dawn Berry
Purchasing Manager

Date

Attachment: 2020 Task Order XX_RIFv2 06.02.2020 (Roadway Impact Fee Study, Project R34)

ATTACHMENT "A"
SERVICES TO BE PROVIDED BY KIMLEY-HORN
FOR CELINA ROADWAY IMPACT FEE STUDY

This project is anticipated to include the following components:

1. Project Initiation, Education and Management
2. Plan Elements
3. Roadway Impact Fee Elements
4. Plan Refinement and Adoption Process
5. Administration Tools and Implementation Support

1. Project Initiation, Education and Management

- 1.1 Project Kick-Off Meeting and Impact Fee 101. Kimley-Horn will meet with the City for a formal kick-off meeting for the Roadway Impact Fee project. During this meeting, the scope and City contacts will be determined for each task. Kimley-Horn will present Transportation Funding 101 to City staff during this meeting to lay the foundation for the project.
- 1.2 Project Team Status Meetings and Coordination. Kimley-Horn will participate reoccurring meetings with City staff. These meetings will be held on specific days and times as agreed by the City. A maximum of two (2) hours will be anticipated for each meeting. These may be either in-person calls or virtual calls. Kimley-Horn will prepare notes from each meeting. It is anticipated that a maximum of eight (8) coordination meetings will be held with a maximum of five (5) in person.
- 1.3 Project Status Reports and Invoicing. Kimley-Horn will prepare and submit monthly status reports regarding project schedule and critical tasks. Kimley-Horn will prepare monthly invoices.
- 1.4 Service Areas. Kimley-Horn will meet with the City to review and potentially revise the roadway impact fee service area boundaries. Kimley-Horn will develop up to two alternatives to be considered. Kimley-Horn anticipates approximately seven (7) service areas will be required for Roadway Impact Fees.
- 1.5 Project Education. Kimley-Horn will prepare for and attend one (1) City Council meetings and one (1) Capital Improvements Advisory Committee (CIAC) workshop to present fundamentals of Roadway Impact Fees.

2. Plan Elements

- 2.1. Alignment Considerations. Kimley-Horn will analyze alignment alternatives at a conceptual level for the Thoroughfare Plan. Kimley-Horn will work with the City and use available contours, parcel data/right-of-way information, utilities, and flood plain data to aid in the recommendation of alignment. This task anticipates looking at the alignment of up to five Thoroughfare Plan roadways (new and existing). No roadway design or survey services are included in this scope of services.
- 2.2. Intersection Improvements. Kimley-Horn will identify intersection improvements to support the overall mobility of the City and evaluation opportunities to reduce conflicts between travel modes. These improvements include traffic signals, turn lanes, roundabouts, and innovative intersections. These improvements will be identified by a flowchart based on classification of the intersection roadways on the Major Thoroughfare Plan
- 2.3. Master Plan Review. Kimley-Horn will review the currently adopted roadway Master Thoroughfare Plan (MTP) from the proposed 2020 Comprehensive Plan to incorporate element from Task 2.1 and 2.2 and verify if other modifications are needed prior to formulating the Roadway Impact Fee Capital Improvement Plan. Further modifications will be provided with the recommendations from City staff. The adoption of an updated Master Thoroughfare Plan is anticipated to be concurrent with the Roadway Impact Fee Study.
- 2.4. Project List. This task will focus on the development of a list of high priority roadway and intersection mobility improvement projects for the City. This project listing will identify existing needs and projects that are most needed to develop a long-term transportation needs. The intersections will be further evaluated based on model volumes, engineering judgment, or other information provided by the City. Kimley-Horn will use standard measures to develop a project ranking system to evaluate the strategic list of projects based on goals in the Comprehensive Plan. It is envisioned that the ranking system will sort projects based high, medium or low ranking. The ranking will be objective in nature and provide the City with a prioritized list of projects ready to be utilized in developing a CIP program.
- 2.5. Next Steps and Documentation. Kimley-Horn will provide documentation of the Major Thoroughfare Plan Update Process in the form of a memo. Kimley-Horn will also provide a next steps document to outline other transportation elements that should be considered in future Major Thoroughfare Plan updates, primarily relating to policy considerations

3. Roadway Impact Fee Elements

- 3.1. Data Collection. Kimley-Horn will coordinate with the City to obtain the following data:
 - 3.1.1 City contacts – City shall provide the organization structure and contact information for the applicable City staff involved with the completion of the roadway capacity analysis and Roadway Impact Fee Capital Improvement Plans (CIP).
 - 3.1.2 Thoroughfare Plan – Kimley-Horn will utilize the results of Task 1.
 - 3.1.3 Traffic Counts – The City shall provide any available data (current and historical) for all roadway segments on the current Thoroughfare Plan. Kimley-Horn will obtain recently completed traffic counts for state highway facilities from TxDOT. If additional counts are necessary Kimley-Horn will request the count data from City staff or available data from the City.
 - 3.1.4 Historical Project Costing Information – The City shall provide Kimley-Horn with available data on the actual City costs for previously completed arterial roadway improvement projects to assist in the development of planning level project costs for future projects and to include any project costs for previously completed projects with excess capacity available to serve future growth.
 - 3.1.5 Land Use Assumption – The City will provide land use information from the 2020 Comprehensive Plan.
- 3.2. Land Use. Chapter 395 states that impact fees may only be used to pay for items included in the Impact Fee Capital Improvements Plan and attributable to new service units projected over a period not to exceed ten (10) years. Based on guidance from the City regarding projected development patterns, Celina Comprehensive Plan, and the ongoing Water and Wastewater Master Plan, Kimley-Horn will develop the Ten-Year Land Use Assumptions for the 2020 – 2030 planning window by Service Area. Kimley-Horn will complete the demographic table for each service area.
- 3.3. Ten-Year Growth Projections and Capacity Analysis.
 - 3.3.1 Kimley-Horn will identify the service units for new development and the average trip length. Using the 10th Edition of the Institute of Transportation Engineer's (ITE) Trip Generation Manual, the ENGINEER will incorporate trip generation and pass-by trip rates.
 - 3.3.2 Kimley-Horn will perform an analysis of existing conditions. This analysis will include a determination of roadway capacities, volumes, vehicle-miles of supply, vehicle-miles of demand, existing excess capacity, and existing deficiencies.
 - 3.3.3 Kimley-Horn will project traffic conditions for the ten-year planning period, the target year for the impact fee growth projections. This will include growth and new demand for each service area established in Task 1.4. Kimley-Horn will determine the capacity available for new growth.

- 3.4. Roadway Impact Fee Capital Improvements Plan. Kimley-Horn will assist the City to develop a Roadway Impact Fee Capital Improvements Plan which will include cost projections for anticipated projects to be included in the study. The Roadway Impact Fee Capital Improvements Plan will include existing oversized facilities and proposed facilities designed to serve future development. This Roadway Impact Fee Capital Improvement Plan will build on Task 2.4. The Roadway Impact Fee Capital Improvements Plan shall include a general description of the project and a project cost projection. Planning level cost projections for future projects will be prepared based on discussion with local roadway construction contractors, City staff, and previous experience with roadway construction costs. The City shall provide actual City cost information for previously completed projects with excess capacity and any cost contribution to County, State, Federal, or developer constructed projects. Due to the variety of unknowns associated with roadway project costs projections (ROW acquisition, utility relocations, etc.), the planning level project cost projections utilized in the roadway impact fee analysis should not be used for any future capital improvement planning within the City. Kimley-Horn will identify the portion of projected improvements required to serve existing demand and the portion of project improvements required to serve new development within the 10-year planning period.
- 3.5. Maximum Assessable Roadway Impact Fee Calculation. Using the newly developed ten-year growth projections, roadway impact fee capital improvements plan, and capacity available for new growth, Kimley-Horn will determine the cost of roadway improvements by service area, the maximum costs per service unit, and the resulting pre-credit maximum assessable roadway impact fees by service area. A financial analysis for the credit calculation will be performed as an optional service. If the financial analysis is not performed 50% of the pre-credit maximum assessable will be utilized to determine the maximum assessable roadway impact fee.
- 3.6. Documentation. The ENGINEER will provide both a draft and final Roadway Impact Fee Report. The report will include:
- Land Use Assumptions;
 - Roadway service areas;
 - Roadway CIP;
 - Narrative of the impact fee methodology;
 - Impact fee calculations;
 - Land Use Vehicle-Mile Equivalency Table; and
 - Supporting Exhibits.

4. Plan Refinement and Adoption Process

- 4.1. Comparison Data. Kimley-Horn will collect information on actual Impact Fees collected for up to six (6) benchmark cities for up to three (3) different land uses (likely residential, commercial, and industrial land uses). This information will be provided to

the City in electronic (.xls) tabular format for use in the development of comparison tables.

- 4.2. Ordinance Support. Kimley-Horn will review the proposed Impact Fee Ordinance as prepared by the City Attorney. It is anticipated the City Attorney will require exhibits from the Roadway Impact Fee Report to be included in the ordinance.

Kimley-Horn will review the policies for roadway improvements in the City's ETJ.

- 4.3. Meetings. It is anticipated that the ENGINEER will prepare for and attend each of the following meetings (total of six):

- Two (2) CIAC meeting to present the Land Use Assumptions, CIP, and Maximum Assessable Impact Fees;
- One (1) Council Work Session;
- Two (2) City Council public hearings to present the Impact Fee, including the Land Use Assumptions, Impact Fee CIP and Maximum Assessable Impact Fees; and
- One (1) City Council meeting where it adopts the ordinance and establishes the actual Impact Fees.

5. Administration Tools and Implementation Support

- 5.1. Impact Fee Estimator. Kimley-Horn will create an Impact Fee estimator spreadsheet tool to assist in calculating a development's water, wastewater, and roadway impact fees based on the impact fee rates adopted in Task 4.
- 5.2. Implementation Support. Kimley-Horn will provide implementation support to assist City staff as a program is rolled out. This implementation support is based on 18 hours.
- 5.3. Rough Proportionality. Kimley-Horn will review the current Rough Proportionality Policy and provide recommendations for implementation in the ETJ. The recommended calculator for rough proportionality will be incorporated into a spreadsheet tool to calculate, likely building off of Task 5.1.

Deliverables:

- Major Thoroughfare Plan Map (Electronic)
- Priority Project Map
- Plan Elements Technical Memorandum – Process and Next Step
- Electronic (.pdf) copy of the Draft Roadway Impact Fee Report;
- Electronic (.xls) Impact Fee Estimator Tool.

- End of Scope of Services -

Work Authorization _____
June 06, 2020

Attachment: 2020 Task Order XX_RIFv2 06.02.2020 (Roadway Impact Fee Study, Project R34)



Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Dawn Berry, Purchasing Manager
 CC: Kim Brawner, Director of Engineering
 Date: June 9, 2020
 Re: Alley Plaza

Action Requested:

Consider and act to authorize work order 2020-0007 with Kimley-Horn and Associates, Inc., for design services for the Alley Plaza, Project P14 in an amount not to exceed 139,300.00. (Berry)

Background Information:

The City maintains an executed Master Services Agreement with Kimley-Horn to provide on-call engineering services. Staff has requested Kimley-Horn provide services which involves easement identification and the development of landscape architecture plans through construction phase services of the plaza and walkways. The project is divided into 2 design phases. Phase One includes the identification and documentation of easements, utility coordination and the development of a 30% schematic design set for the landscape. Phase Two includes design development through construction plans and construction phase services for the completion of the project..

Alternatives:

Council may reject authorization of the agreement and direct staff.

Financial Considerations:

Funding is available in the current budget and will be tracked in Project P14.

Expenditures will not exceed funds appropriated and funds will be committed at the issuance of a purchase order

Legal Review:

Standard contract documents have been used and previously reviewed.

Supporting Documents:

Work Order 2020-0007

Staff Recommendation:

Staff recommends authorizing the design work order 2020-0007.



MASTER SERVICE AGREEMENT (MSA) TASK ORDER

Work Authorization No. ____

Pursuant and subject to the above captioned MSA dated January 15, 2019 between the City of Celina, Texas and Kimley-Horn and Associates, Inc., the City of Celina hereby requests that CONSULTANT performs the work described below upon the terms set forth:

Work Site: Alley plaza and walkway spaces (approximately 14,300sf) located internal to the block that is bordered by Louisiana Dr. to the East, Pecan St. to the North, Ohio St. to the West, and Walnut St. to the South, in the City of Celina, Texas.

Work to be performed: Refer to Attachment A.

Date and Time to Commence: Within receipt of execution of contract.

Date and Time to Complete: Phase 1 within 180 working days of execution of contract.
Phase 2 as determined by construction phasing.

Invoice Mailing Instructions:

City of Celina
Attn: Kimberly Brawner, P.E.
Director of Engineering
142 N Ohio
Celina, TX 75009
kbrawner@celina-tx.gov

Other Requirements or Variance from MSA (if any):

CONSULTANT PROVIDED INFORMATION:

Compensation:

Phase 1

Task 1	Survey and Ground Penetrating Radar	\$ <u>6,000 LS</u>
Task 2	Survey Document Preparation	\$ <u>4,000 LS</u>
Task 3	Easement Preparation	\$ <u>19,500 LS</u>
Task 4	Utility Relocation DD Drawings	\$ <u>8,000 LS</u>
Task 5	Landscape and Hardscape Schematic	\$ <u>12,500 LS</u>
Task 6	3d model and computer rendering	\$ <u>4,500 LS</u>

Phase 1 Lump Sum Fee **\$ 54,500 LS**

Task 7	Electrical Coordination	\$ <u>2,000 HR</u>
Task 8	Meeting and Coordination	\$ <u>1,000 HR</u>



Engineering Department
City of Celina, Texas

Phase 2

Task 1	Geotech - Plaza and Walkways	\$ <u>7,500 LS</u>
Task 2	Landscape Design Development Drawings	\$ <u>14,500 LS</u>
Task 3	Utility Relocation Construction Drawings	\$ <u>9,500 LS</u>
Task 4	Structural Engineering Construction Documents	\$ <u>6,500 LS</u>
Task 5	Landscape Construction Drawings	\$ <u>17,500 LS</u>
Task 6	Lighting and Electrical Plans	\$ <u>5,500 LS</u>
Task 7	Irrigation Plans	\$ <u>3,000 LS</u>
Task 8	Landscape Bid Documents	\$ <u>1,500 LS</u>
Task 9	TAS Coordination	\$ <u>2,500 LS</u>

Phase 2 Lump Sum Fee \$ **68,000 LS**

Task 10	Bid Support	\$ <u>1,600 HR</u>
Task 11	Submittals and Permitting	\$ <u>1,600 HR</u>
Task 12	Overhead Structure Coordination	\$ <u>2,000 HR</u>
Task 13	Meeting and Coordination	\$ <u>1,600 HR</u>
Task 14	Construction Phase Services	\$ <u>7,000 HR</u>

Total Proposed Lump Sum Fee Phase 1 and Phase 2 \$ 122,500 LS
Total Proposed Hourly Estimate Fee Phase 1 and Phase 2 \$ 16,800 LS

ACCEPTANCE:

The foregoing TASK ORDER is accepted on the terms set forth as indicated by the signatures below.

Consultant:

Via attached contract

Aaron W. Nathan, Senior Vice President

06/02/2020

Date

City Representative:

—

Jason Laumer, City Manager

Date

ATTACHMENT "A"

Scope of Services

CITY OF CELINA ALLEY PLAZA

Two Galleria Office To
Suite 700
13455 Noel Road
Dallas, Texas 75240

The City of Celina (Client) is developing the outdoor Alley plaza and walkway spaces (approximately 14,300sf) located internal to the block that is bordered by Louisiana Dr. to the East, Pecan St. to the North, Ohio St. to the West, and Walnut St. to the South, in the City of Celina, Texas as shown in the Attached Plaza Area Exhibit. Kimley-Horn and Associates, Inc. (KH) has developed this proposal to provide professional landscape architecture design services for the project and our project understanding, scope of services, and fee are below.

The following Scope of Services has been developed based on our experience from previous similar projects and discussions with the Client. The project involves easement identification and the development of landscape architecture plans through construction phase services of the plaza and walkways. The project is divided into 2 design phases. Phase One includes the identification and documentation of easements, utility coordination and the development of a 30% schematic design set for the landscape. Phase Two includes design development through construction plans and construction phase services for the completion of the project.

For this project we assume:

- Preparation of easements connecting to the plaza and within the plaza space will be needed to support the project.
- The proposed pavement for this project will be for pedestrian use only and will not be used to support vehicle traffic. Kimley-Horn will use the City of Celina's sidewalk details (minimum 4" PCC pavement) unless an alternate section is proposed by the City or a geotechnical report with pavement design recommendations is provided by the City.
- It is anticipated that a portion of the existing electrical utilities will be modified and coordination with the utility company for this modification is included in this scope of work. Design drawings for this relocation are not included in this scope.
- There will be no impact or modification to other existing utilities including water, sanitary sewer, storm drain pipe or inlets.
- There will be no impact or modification to adjacent driveways or paving, other than that shown in the attached Plaza Area Exhibit.
- Any additions or modifications to the existing buildings are not included in this scope and will be contracted for separately by the City.
- TAS review and permitting will be coordinated by Kimley-Horn and paid for directly by the City or Contractor on the project.
- Building permitting (if required) will be coordinated and paid for by the City or Contractor on the project.
- Concept design of shade or overhead structures is included in the design for development by a selected vendor of shade structures. Upon selection of a preferred vendor, coordination with vendors for such structures is included in the scope.

Due to the everchanging circumstances surrounding the COVID-19 Virus, situations may arise during the performance of this Agreement that affect availability of resources and staff of Kimley-Horn, the client, other consultants, and public agencies. There could be changes in anticipated delivery times, jurisdictional approvals, and project costs. Kimley-Horn will exercise reasonable efforts to overcome the challenges presented by current circumstances, but Kimley-Horn will not be liable to Client for any delays, expenses, losses, or damages of any kind arising out of the impact of the COVID-19 Virus.

Scope of Services

PHASE ONE:

Task 1 – Survey and Ground Penetrating Radar \$6,000 Lump Sum

KH will utilize a subconsultant to perform boundary work for the entire block, establish control points for the project, scan topo for the project and perform subsurface utility scanning using ground penetrating radar in the project area outlined in the attached exhibit.

This data will be incorporated into the design of the proposed plaza area.

Task 2 – Survey Document preparation \$4,000 Lump Sum

KH will prepare the boundary and topographic survey for the approximately 14,000 square foot site to be used for site planning and landscape architecture design purposes. The topographic survey is to be used in-house and does not include issuing a stand alone survey document. The survey will consist of: Elevations within the immediate perimeter of the site, outlined in the attached exhibit; contour lines representing the surface of the existing ground at one foot intervals based on a survey grid system and tied to existing control points; Observed (only if clearly visible from the surface) locations of existing water, sewer, storm drain and franchised utility appurtenances; Dig Tess markings of sub-surface utilities that are in place at the time our field work is done; and two benchmarks and two control points established with the survey. The limits of the Topographic survey are shown in the attached exhibit.

This data will be incorporated into the design of the proposed plaza area.

Task 3 –Easement Preparation \$19,500 Lump Sum

KH will prepare a metes and bounds description and sketch showing the location and dimensions for each proposed easement. Easement language will either be the unaltered standard language provided by the local jurisdiction, or as agreed to by the Grantor and Grantee and provided complete to KH. The Client will file the document. This task includes the preparation of one easement per property for up to 13 properties as shown in the Attached Exhibit.

Task 4 – Utility Relocation Design Development Drawings \$8,000 Lump Sum

KH will prepare preliminary on-site utility relocation plans. The plans will include up to 300 linear feet of water, sanitary sewer, and/or storm drainage improvements to the existing utilities. This task assumes that the utilities will be adjusted along a similar alignment within the project limits and does not include new utility services or improvements outside the project limits.

Task 5 –Landscape and Hardscape Schematic Design Drawings \$12,500 Lump Sum

Kimley-Horn will provide a single page site analysis of the project to identify areas of conflict and opportunities on the site. Based on the results of the analysis, Kimley-Horn will develop the concept sketch (previously developed by others and provided by the client) into a 30% level of drawing. The schematic design drawing will be a single page computer generated drawing depicting hard and soft elements of the plan and be at enough level of detail to illustrate the general scope, scale, and relationship of design components. The elements to be illustrated in the schematic design are expected to be limited to:

- Defining seating areas
- General paving design concept of the plaza spaces and the walkways indicated with hatches and colors
- General location and design imagery of proposed shade structures
- Elevated planters
- Enhanced planting areas indicated with hatches and color
- Images for site furnishings such as soft seating, benches, lighting elements and trash receptacles

Kimley-Horn will present both the site analysis and the schematic design drawing to the client for review either in person or via conference call. Based on this review and direction from the client, Kimley-Horn will update the schematic plan one time. The final schematic plan will be used as a basis for meeting with other City staff and neighboring property owners and in preparing the Landscape Architecture Design Development Documents. The information will be presented in a pdf format with colored computer graphics and images to support the design.

Kimley Horn will provide one (1) Opinion of Probable Cost for Client review within this Task based on planning level projected costs. Because the Consultant does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to opinions as to the costs of construction and materials, shall be made on the basis of its experience and represent its judgment as an experienced and qualified professional, familiar with the industry. The Consultant cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost.

Subsequent modifications resulting from significant site layout changes or additional review comments directed by the City, the Client, or their representatives shall be considered an additional service.

Kimley-Horn will attend up to two meetings in person or via conference call to review the analysis and the schematic design drawings.

Additional services for this task including meetings beyond those listed in this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 6 – 3d model and Computer rendering \$4,500 Lump Sum

Kimley-horn will develop one (1) 3d model of the proposed plaza area. This scope does not include 3D modeling of the overall development. Kimley-Horn will show a representative form for of the buildings but will not show the full extent of the architecture, or if the developer/builder has the buildings modeled in 3D with Sketchup or Revit, Kimley-Horn will input those building models into the site landscape model. The model will be completed in Sketchup and include basic illustration design intent. The Sketchup model will be enhanced with the use of Lumion to show general landscape, hardscape and architectural materials. Kimley-horn will provide up to two (2) 3D illustrative views to the client for use in discussions with stakeholders. The model will be completed per the design that has been presented in the Final Schematic Design Plan; any changes to the model/3D views after delivery will be considered an additional service.

Task 7 – Electric Utility Coordination \$2,000 Hourly

KH will coordinate with and prepare for and attend up to two (2) meetings or conference calls with the Client and the electric utility company as requested by the Client. This coordination is intended to assist the client in understanding the impact of modification to existing overhead electric lines in the design area.

The extent of our project coordination under this task will be to provide the necessary, but limited exchange of information to the Client and other project consultants sufficient to perform our design responsibilities for this project.

This task does not include time to design or document any existing, new or revised utility layouts. The resulting data will be incorporated into the design of the proposed plaza area in an attempt to avoid conflicts with new or existing utilities, where possible.

The budget provided includes up to 10 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 8 – Meetings and Team Coordination (Phase One) \$1,000 Hourly

KH will prepare for and attend up to two (2) meetings or conference calls with the design team, reviewing staff, neighbors and other stakeholders, beyond what is identified in the Phase One scope and to the extent requested by the client. The budget provided includes up to 5 hours of Kimley-Horn effort.

PHASE TWO:Task 1 – Geotech – Plaza and Walkways \$7,500 Lump Sum

ECS Southwest, LLP (under contract with KH) will perform a geotechnical engineering investigation on the subject site and prepare a geotechnical engineering report summarizing the results of their field investigation and laboratory analysis of the samples. ECS Southwest will perform limited tests to support the design for the project. ECS Southwest will drill a total of two (2) sample borings to depths of up to 15 feet below existing grades.

The client has directed KH to retain the Geotechnical Engineer as an assigned sub-consultant. KH is doing so solely for the administrative convenience of the Client. The Client understands and acknowledges that KH will not be responsible for the work of the Geotechnical Engineer.

Task 2 – Landscape and Hardscape Design Development Drawings \$14,500 Lump Sum

Based on approved schematic design, Kimley-Horn will prepare and process Design Development plans and elevations of the project at an approximate 65% level of completion. The Design Development plans will show layout and details for preliminary pricing, but they will not include enough detail for construction. The Design Development plans are intended to guide the design, planning, and programming of the project and are to be used by the client to develop an approximate construction cost. KH will prepare one set of computer graphic material boards for the specified Hardscape and Landscape Materials for client approval in this task.

KH will attend one meeting or conference call with the Client to review the plans. Based on input received during this meeting, KH will prepare the Construction Drawings.

Kimley Horn will provide one (1) Opinion of Probable Cost for Client review within this Task based on projected costs. Because the Consultant does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to opinions as to the costs of construction and materials, shall be made on the basis of its experience and represent its judgment as an experienced and qualified professional, familiar with the industry. The Consultant cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost.

Additional services for this task including meetings beyond those listed in this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 3 – Utility Relocation Construction Drawings \$9,500 Lump Sum

KH will prepare final on-site utility relocation plans. The plans will include up to 300 linear feet of water, sanitary sewer, and/or storm drainage improvements to the existing utilities. This task assumes that the utilities will be adjusted along a similar alignment within the project limits and does not include new utility services or improvements outside the project limits. The

plans will consist of the following:

- General Notes and Project Specifications: Showing general notes related to proposed construction based on jurisdictional standards.
- Utility Plan: Showing utility line size, fixtures, horizontal layout with dimensional ties to existing surveyed improvements, easements, and boundaries. The size of the water/sanitary sewer line will be determined by the local jurisdiction.
- Utility Profile: Showing utility line vertical alignment for lines 12 inches in diameter and larger.
- Construction Details: Showing details for the utility improvements by reference to applicable jurisdictional standard details.

Task 4 – Structural Engineering Construction Documents \$6,500 Lump Sum

KH will prepare structural Construction Documents for the foundation of the 2 Overhead structures within the Alley Plaza. The structural scope is limited to foundation design only. It is anticipated the following subtasks will be required for preparation of the structural drawings:

- Structural foundation design calculations
- Develop structural foundation details at 1/8" = 1'-0" scale with dimensions
- Develop technical specifications for the project manual to be included in the overall Design.
- Finalize and issue foundation Construction Document drawings and technical specifications.

Any services not specifically provided for in the above scope will be considered additional services. Additional services not included in this agreement are, but are not limited to the following:

- Structural demolition plans
- Modifications to existing structural elements.

Task 5 – Landscape and Hardscape Construction Drawings \$17,500 Lump Sum

Based on the approved Design Development Drawings, KH will prepare 90% Landscape and Hardscape Construction Documents consisting of:

Cover Sheet: Showing sheet index, project location map, contact information, and plan submittal and review log.

General Notes, Project Specifications, and Materials Legend: Showing general notes related to proposed construction based on jurisdictional standards.

Demo Plans: Showing existing site features to be removed, protected in place, relocated, and/or salvaged.

Hardscape Plans and Layout Plans: Showing site hardscape materials and specifications, as well as dimensional control and layout for proposed hardscape.

Landscape Grading and Draining Plan: Showing spot elevations within landscape and hardscape areas. Landscape and hardscape areas consist of: sidewalks, courtyards, and planting

beds. Proposed landscape drains will be shown with rim elevations for inlets and flowline elevation of the existing receiving storm drain system if available on the survey. If the flowline elevation of the receiving storm drain system is not available via survey, the Client will provide this information by other means.

Planting Plans: Showing soil amendments, plant species, sizes, and location with associated details for canopy trees, ornamental trees, shrubs, groundcover, and turf. The planting plans are those completed and approved in the design development task above. This task includes the preparation of planting soils plans and other additional design above and beyond the minimum required by city code.

Landscape and Hardscape Details: Showing hardscape elements approved of in the design development task above and consisting of details, sections, and elevation views. Certain submittals, shop drawings, samples, cut sheets and mockups will be listed for approval by Landscape Architect.

KH will prepare an OPC for the 90% Landscape and Hardscape Construction Documents. The deliverable for this task will be one spreadsheet in PDF format. KH has no control over the cost of labor, materials, equipment, or over the Contractor's methods of determining prices or over competitive bidding or market conditions. OPC will be based on the information known to KH at the time and represent only KH's judgment as a design professional familiar with the construction industry. KH cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from the OPC.

Client review comments will be made directly to the final bid documents.

Design of signage, retaining walls, fountains, pools, structures, or other special features is not included in this scope. Additional services for this task including meetings beyond those listed in this task and will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 6 – Lighting and Electrical Plans \$5,500 Lump Sum

KH will prepare 90% lighting and electrical construction drawings for the subject site. KH will coordinate with the Client to finalize the type and location of the lighting and electrical elements. The drawings are expected to include festoon lights, tree up-lighting, landscape accent lights, convenience outlets for TVs and other electrical equipment. Electrical plans will include location of elements, conduit routing, conductors, connection to existing panels and details.

This scope of work does not include design for re-routing existing overhead electric lines or other electric utility services. Design for a new utility service and photometric analysis or renderings will be considered additional services.

The design will assume connection to an existing source with space capacity for the new lights. Life-safety lighting and signage is specifically excluded from our scope of services.

Task 7 – Irrigation Plan \$3,000 Lump Sum

Kimley-Horn will prepare irrigation plans and details for the project in general conformance with the directives of the Client and the current published landscape and irrigation requirements set forth in the City development regulations. The irrigation plans will be prepared upon City approval of the 90% landscape construction documents and will illustrate head layout, pipe sizing, controller/valve locations and standards details. The Client is to specify preferred irrigation equipment brand (Toro, Hunter, Weathermatic, or Rainbird) prior to Kimley-Horn starting the irrigation design. This task includes addressing up to one round of ordinary and reasonable simultaneous comments from the City and Client. Additional rounds of revisions to obtain approvals shall be considered an additional service. Additional services for this task will be billed to the Client on an hourly basis.

Task 8 – Landscape and Hardscape Bid Documents \$1,500 Lump Sum

Based upon Client comments received in the 90% Plans Review meeting, KH will prepare final Construction Documents for Bidding and Permit Submittal.

Task 9 – TAS coordination \$2,500 Lump Sum

Kimley-Horn will coordinate with the TAS inspector for drawing submittals of the project. KH will make one round updates to the drawings based on the TAS inspector review. KH will coordinate with the TAS inspector for site visits during the site review process. This task includes effort for up to 2 site visits to walk the site with the inspector.

The budget provided includes up to 12.5 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 10 – Bid Support \$1,600 Hourly

KH will provide general support and assistance to the Client during the bidding process. Efforts may include preparing the bid form, attending the pre-bid meeting, issuing clarifications, and issuing addenda to the extent requested by the client and budgeted for in this agreement. Because the extent of the bid process may vary and is unknown we have provided a projected budget for these services but actual cost will depend on actual effort required. This effort does not include a formal bid review.

The budget provided includes up to 8 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 11 – Submittals and Permitting \$1,600 Hourly

This task is to capture effort expended by KH for project submittals and responses to jurisdictional review comments beyond the effort otherwise included in our scope of services.

Because the extent of the review comments required by the City for plan approval is unknown we have provided a projected budget for these services, but actual cost will depend on actual effort required.

The budget provided includes up to 8 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 12 – Overhead Structure Coordination \$2,000 Hourly

KH will coordinate with the chosen vendor selected by the City, the layout of the covered area. Kimley-Horn will share the site topographic survey (provided under a previous agreement), ground penetrating radar scanning results, and any design feedback and constraints to the vendor to support their design.

It is assumed the design of the overhead structures will be provided at no cost by the vendor. If any vendor costs are incurred, they will be passed on to the City for payment.

The budget provided includes up to 10 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 13 – Meetings and Team Coordination (Phase Two) \$1,600 Hourly

KH will prepare for and attend meetings or conference calls with the design team, reviewing staff, neighbors and other stakeholders, beyond what is identified in the Phase Two scope and to the extent requested by the client.

The budget provided includes up to 8 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Task 14 – Construction Phase Services \$7,000 Hourly

Throughout the construction of the project, KH will perform the following:

- *Clarifications and Interpretations:* KH will respond to reasonable and appropriate Contractor requests for information and issue clarifications and interpretations of the Contract Documents to Client. Any authorization of variations from the Contract Documents will be made by Client.
- *Site Visits:* KH will visit the site to observe construction of improvements designed by KH. Visits will be periodic and observations will not be exhaustive or extend to every aspect of Contractor's work in progress. This task includes time for two site visits during construction to review hardscape and softscape installation. This task includes one site visit for the pre-punch and one site visit for the final punch walk. KH shall not, during such visits or as a result of such observations supervise, direct, control, influence, or have responsibility over Contractor's work or safety practices. KH neither

- guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents or permits.
- *Review of Pay Applications.* Kimley-Horn will review pay applications if requested by the client. Kimley-Horn will review the pay application to evaluate whether the Pay Application reflects construction progress as it relates to the percent complete of the project. Kimley-horn will provide a cover sheet stating the approval or denial of the pay application to the client as well as Kimley-Horn is not responsible for the percent complete of the project and is only reviewing the project status based on site visits previous site visits or updated site photos provided by the contractor or client. Accordingly, approval of a pay application, neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.
 - *Change Orders.* Kimley-Horn may recommend Change Orders to Client, and will review and make recommendations related to Change Orders submitted or proposed by the Contractor.
 - *Shop Drawings and Samples.* Kimley-Horn will review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs.
 - *Substitutes and "or-equal."* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents, but subject to the provisions of applicable standards of state or local government entities.
 - *Limitation of Responsibilities.* Kimley-Horn shall not be responsible for the acts or omissions of any Contractor, or of any of their subcontractors, suppliers, or of any other individual or entity performing or furnishing the Work. Kimley-Horn shall not have the authority or responsibility to stop the work of any Contractor.
 - *Construction Coordination Meetings.* Attendance for construction coordination meetings once Landscape Architecture services are under construction. Frequency of meetings will be determined once construction begins. The budget for this task includes up to 4 construction coordination meetings.
 - *Request for Information (RFI):* Kimley-Horn will respond to Contractor requests for information and issue clarifications and interpretations of the Contract Documents to Client within this fee. Any authorization of variations from the Contract Documents will be made by Client. Additional RFI requests will be considered additional services. Kimley-Horn will respond to up to twenty (15) requests for information.

Because the extent of the services requested by the City during the Construction Phase of the project is unknown we have provided a projected budget for these services, but actual cost will depend on actual effort required. The budget provided includes up to 35 hours of Kimley-Horn effort. Additional effort for this task will be billed to the Client hourly, according to the current Kimley-Horn rate schedule, as authorized by the Client or their representatives.

Fee and Expenses

Kimley-Horn will perform the services in Phase 1: Tasks 1 - 6 and Phase 2: Tasks 1 - 9 for the total lump sum fees listed below. Individual task amounts are informational only. All permitting, application, and similar project fees will be paid directly by the Client.

Phase 1

Task 1	Survey and Ground Penetrating Radar	\$ <u>6,000 LS</u>
Task 2	Survey Document Preparation	\$ <u>4,000 LS</u>
Task 3	Easement Preparation	\$ <u>19,500 LS</u>
Task 4	Utility Relocation DD Drawings	\$ <u>8,000 LS</u>
Task 5	Landscape and Hardscape Schematic	\$ <u>12,500 LS</u>
Task 6	3d model and computer rendering	\$ <u>4,500 LS</u>

Phase 1 Lump Sum Fee \$ **54,500 LS**

Task 7	Electrical Coordination	\$ <u>2,000 HR</u>
Task 8	Meeting and Coordination	\$ <u>1,000 HR</u>

Phase 2

Task 1	Geotech - Plaza and Walkways	\$ <u>7,500 LS</u>
Task 2	Landscape Design Development Drawings	\$ <u>14,500 LS</u>
Task 3	Utility Relocation Construction Drawings	\$ <u>9,500 LS</u>
Task 4	Structural Engineering Construction Documents	\$ <u>6,500 LS</u>
Task 5	Landscape Construction Drawings	\$ <u>17,500 LS</u>
Task 6	Lighting and Electrical Plans	\$ <u>5,500 LS</u>
Task 7	Irrigation Plans	\$ <u>3,000 LS</u>
Task 8	Landscape Bid Documents	\$ <u>1,500 LS</u>
Task 9	TAS Coordination	\$ <u>2,500 LS</u>

Phase 2 Lump Sum Fee \$ **68,000 LS**

Task 10	Bid Support	\$ <u>1,600 HR</u>
Task 11	Submittals and Permitting	\$ <u>1,600 HR</u>
Task 12	Overhead Structure Coordination	\$ <u>2,000 HR</u>
Task 13	Meeting and Coordination	\$ <u>1,600 HR</u>
Task 14	Construction Phase Services	\$ <u>7,000 HR</u>

Total Proposed Lump Sum Fee Phase 1 and Phase 2 \$ **122,500 LS**

Lump sum fees will be invoiced monthly based upon the overall percentage of services performed. Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Kimley-Horn will perform the Services in Phase 1:Tasks 7 - 8 and Phase 2: Tasks 10 - 14 on a labor fee plus expense basis. Labor fee will be billed on an hourly basis according to our then-current rates.

Direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.15 times cost. A percentage of labor fee will be added to each invoice to cover certain other expenses such as telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Administrative time related to the project will be billed hourly. All permitting, application, and similar project fees will be paid directly by the Client.

Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

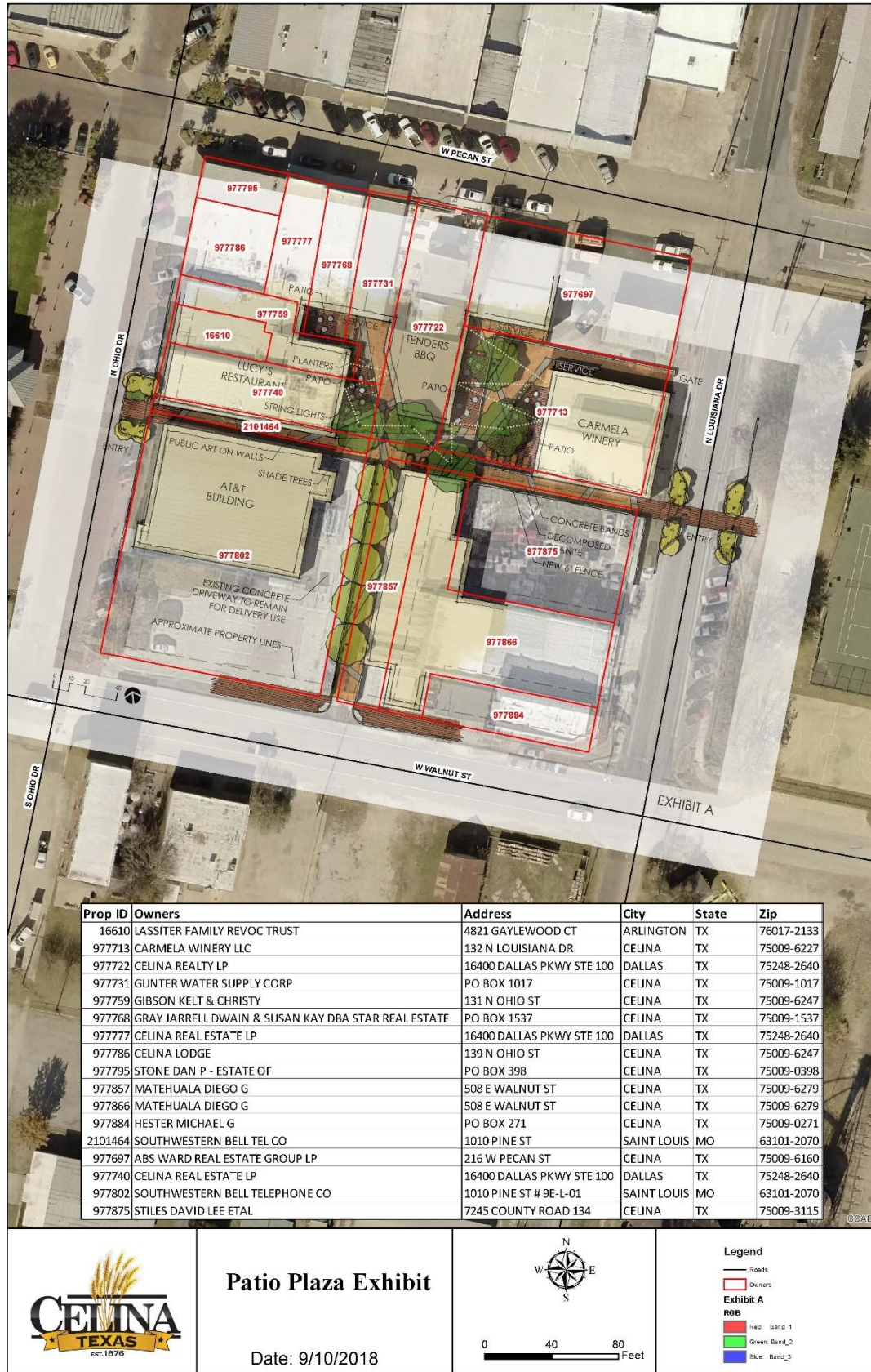
Additional Services

Any services not specifically provided for in the above scope, as well as any changes in the scope the Client requests, will be considered additional services and will be performed at our then current hourly rates.

Schedule

KH will perform the tasks above within a mutually agreed upon schedule, once authorized by the Client to proceed.

PLAZA AREA EXHIBIT





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Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Karla Stovall, Assistant City Manager
 CC: Jason Laumer, City Manager
 Date: June 9, 2020
 Re: Amend 2019-2020 Budget

Action Requested:

Consider and act upon an ordinance of the City of Celina, Texas amending ordinance 2019-39 which adopted and approved the budget for fiscal year beginning October 1, 2019 and ending September 30, 2020, and make appropriations for each department, project and account, by adopting an amended 2019-2020 budget for the City of Celina, Texas, reallocating funds between accounts, attached hereto and incorporated into this ordinance. (Stovall)

Background Information:

A FY2020 budget amendment is requested for the FY2019-2020 General Fund operating budget.

The Police Department has requested to replace a patrol position with an administrative sergeant. The administrative sergeant position is a planned position in future budgeting; however, the on duty injury necessitates the sergeant promotion and formation of the administrative sergeant position. The Finance Department incurred salary and benefit expenses due to the retirement of the finance director. The City incurred additional FY2019 audit costs that were not anticipated during the budget process. Other expenditures were attributable increased expenses due the growth and demand placed on Developmental Services Department and Engineering Department.

Financial Considerations:

The expenses are covered by increased Permit Revenue. The Budget is considered to be in Balance and still provide the 25% fund Balance requirement.

Supporting Documents:

Staff Recommendation:

Approval

BUDGET AMENDMENT

Budget Change # 8

Account #	Account Name	Description	Budget	Change	Adjusted Budget
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Revenue Adjustment

102-112-000-6100	Salaries and Benefits	Administrative Sergeant upgrade	1,983,902.00	23,600.00	2,007,502.00
102-104-000-6150	P/R Tax Expense	Retirement	34,203.00	15,800.00	50,003.00
102-104-000-6156	Retirement TMRS		29,195.00	10,000.00	39,195.00
102-104-000-6231	Audit	Audit	47,000.00	30,300.00	77,300.00
102-107-000-6211	Annex Plan & Agreements	Annex Plan and Agreements	28,000.00	55,000.00	83,000.00
102-107-000-6601	Equipment Rental	Overages	-	7,500.00	7,500.00
102-108-000-6200	Contract Services	Grant Management	50,000.00	50,000.00	100,000.00
102-114-000-6756	Keep Celina Beautiful	Keep Celina Beautiful	5,000.00	17,000.00	22,000.00
102-115-000-6210	Engineering	Engineering	136,000.00	100,000.00	236,000.00
102-400-000-4200	Permit Revenue	Revenue	(4,700,000.00)	(386,500.00)	(5,086,500.00)
		25% expense Fund Balance		77,300.00	
		Budget Variance			
Fund Balance Adjustment					
102-104-000-7500	Transfers Out	Verf Transfer	-	648,805.00	

Description

Budget Amendment Ordinance 06/09/2020

Created By _____ Date _____

Karla Stovall _____ 6/3/2020

Reviewed By _____ Date _____

Entered By _____ Date _____

Council Approval Required

Yes

No

Approved by Council

Date

Attachment: 2020-8 (Budget Amendment)

**CITY OF CELINA, TEXAS
ORDINANCE NO. 2020-**

AN ORDINANCE OF THE CITY OF CELINA, TEXAS AMENDING ORDINANCE 2019-39, WHICH ADOPTED AND APPROVED THE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020, AND MAKE APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT AND ACCOUNT, BY ADOPTING AN AMENDED FISCAL YEAR 2019-2020 BUDGET FOR THE CITY OF CELINA, TEXAS, REALLOCATING FUNDS BETWEEN ACCOUNTS PURSUANT TO EXHIBIT “A”, ATTACHED HERETO AND INCORPORATED INTO THIS ORDINANCE; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR FILING OF THE AMENDED BUDGET AND ORDINANCE; PROVIDING A CUMULATIVE CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is conducting business pursuant to a budget for fiscal year 2019-2020, heretofore previously adopted by Ordinance 2019-39; and

WHEREAS, Section 102.010 of the Texas Local Government Code authorizes the governing body of a municipality to make changes in the budget for municipal purposes; and

WHEREAS, the City Council has reviewed various line items within the budget and has determined that a valid municipal purpose is served by reallocating funds between various budget line items; and

WHEREAS, a proposed amendment to the budget has been placed on file with the City Secretary of the City of Celina, Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

**SECTION 1
INCORPORATION OF PREMISES**

The above and foregoing premises are incorporated into the body of this Ordinance as if copied herein in their entirety.

**SECTION 2
AMENDMENT AND ADOPTION**

The City’s budget for the fiscal year ending September 30, 2020, heretofore previously adopted by Ordinance 2019-39 duly enacted by the City Council of the City of Celina on the 10th day of September, 2019, be and is hereby amended as set out in Exhibit “A” attached hereto and incorporated herein, which amendment is hereby, in all

respects, finally approved and adopted as so changed; the remainder of the budget being unchanged and remaining in full force and effect as originally adopted.

SECTION 3 **REALLOCATIONS**

That the amounts specified in Exhibit "A" be hereby appropriated and reallocated as specified for those purposes designated in Exhibit "A".

SECTION 4 **FILING OF BUDGET AND ORDINANCE REQUIRED**

The City Manager shall file or cause to be filed a true and correct copy of the amended budget, along with this Ordinance, with the City Secretary and in the office of the County Clerk of Collin County, Texas and Denton County, Texas.

SECTION 5 **CUMULATIVE**

This Ordinance shall be cumulative of all provisions of Ordinances of the City of Celina, Texas, 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 6 **SEVERABILITY**

The provisions of this Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole, or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decision or enactment.

SECTION 7 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official newspaper of the City of Celina, the descriptive Caption and Effective Date of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 8 **ENGROSSMENT AND ENROLLMENT**

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 9

EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage in accordance with law.

IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, this the 9th day of June 2020.

Sean Terry, Mayor

City of Celina, Texas

Vicki Tarrant

City Secretary

City Attorney



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Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Dynavest Tolling Agreement

Action Requested:

Consider and act on a Second Amendment to Tolling Agreement between the City of Celina and Dynavest Joint Venture to toll the 120-day deadline to enter into an agreement for services. (Dynavest Tolling Agreement) (McAfee)

Applicant:

Dynavest Joint Venture,
24 Devonstone Place
Dallas, TX 75248-7910

Background Information:

The second amendment to the Tolling Agreement is attached.

Supporting Documents:

- Tolling Agreement

Staff Recommendation:

Staff recommends approval as presented.

SECOND AMENDMENT TO TOLLING AGREEMENT

This Second Amendment to Tolling Agreement (this "Agreement") is entered into as of June 9, 2020 (the "Effective Date"), by and between DYNAVEST JOINT VENTURE, a Texas Joint Venture ("Dynavest") and the CITY OF CELINA, TEXAS, a home-rule municipality located in Collin and Denton Counties, Texas (the "City"). The foregoing parties are sometimes referred to singularly as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, Dynavest petitioned the City for consent to and support of the creation of a municipal utility district by the Texas Commission on Environmental Quality (the "TCEQ") pursuant to that certain PETITION FOR CONSENT TO INCLUDE LAND IN A MUNICIPAL UTILITY DISTRICT (the "Petition") dated August 3, 2018;

WHEREAS, the Parties subsequently entered into that certain "Tolling Agreement", as amended, to extend the 120-day deadline as described in Section 54.016, Texas Water Code, as amended, and Section 42.042, Texas Local Government Code, together with all amendments and additions thereto (the "120-Day Deadline");

WHEREAS, the City, by Resolution No. 2019-18R, in good faith supported the creation of the municipal management district ("MMD") by special act of the 86th Texas Legislature, which was subsequently created in 2019 by House Bill 4706 over property located within the District; and

WHEREAS, the Parties desire to continue tolling the 120-Day Deadline to complete negotiation of a development agreement and because the MMD can provide the infrastructure sought by the Petition; and

WHEREAS, the Parties have edited and exchanged many drafts of the development agreement being negotiated and anticipate approval in the immediate future.

NOW, THEREFORE, in consideration of the mutual promises asserted in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Paragraph 2 of the Tolling Agreement is amended to be replaced in its entirety with the following:

This Agreement shall remain in full force and effect during the Tolling Period, and the Agreement shall terminate on September 30, 2020. Upon termination, the Tolling Period shall expire and the 120-Day Deadline for contracting for utility service under Section 42.042, Texas Local Government Code, shall resume and continue. The execution of this Agreement and the tolling of the 120-Day Deadline shall not be construed to limit the rights of the Parties or constitute an agreement for utility service or consent to the District under Section 42.042, Texas Local Government Code.

2. This Agreement shall be binding upon and inure to the benefit of each of the Parties hereto and their respective successors, assigns, members, agents, and representatives.

3. The covenants, promises, agreements, and representations herein made and provided are lawful and adequate consideration for each other.

4. If any provision in this Agreement should be held to be invalid or unenforceable, such provision shall be made effective to the fullest extent reasonable and practical, and the invalidity or unenforceability of the provision shall not affect the remaining provisions, which shall at all times continue in full force and effect.

5. This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute the same instrument. A signature made on a scanned or faxed copy of the Agreement, or a signature transmitted by facsimile or electronic mail, will have the same effect as an original signature.

6. This Agreement shall be interpreted in accordance with the substantive law of the State of Texas, without application of choice of laws rules.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

[SIGNATURE PAGE FOLLOWS]

AGREED AND EFFECTIVE as of the Effective Date.

DYNAVEST JOINT VENTURE,
a Texas Joint Venture

By: Robert L Swisher Jr
Name: ROBERT L. SWISHER JR.
Title: Manager

CITY OF CELINA, TEXAS

By: _____
Name: _____
Title: _____

ATTEST:

By:

Name:

Title:

Attachment: Executed-Second Amendment to Tolling Agreement (Dynavest Tolling Agreement)



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Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Madhuri Mohan AICP, Planning Manager
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Reichman Tract Annexation

Action Requested:

The Celina City Council will conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of an approximately 65 acre tract of land within the Extraterritorial Jurisdiction, generally located south of Glendenning Parkway and west of Huddleston Drive. (Reichman Tract Annexation) (Mohan)

Owner:

Joy H. Reichman Living Trust
11905 Little Stoney Ct.
Charlotte, NC 28269

Applicant:

Rob Daake, Coats Rose
14775 Preston Rd.
Dallas, TX 75254

Background Information:

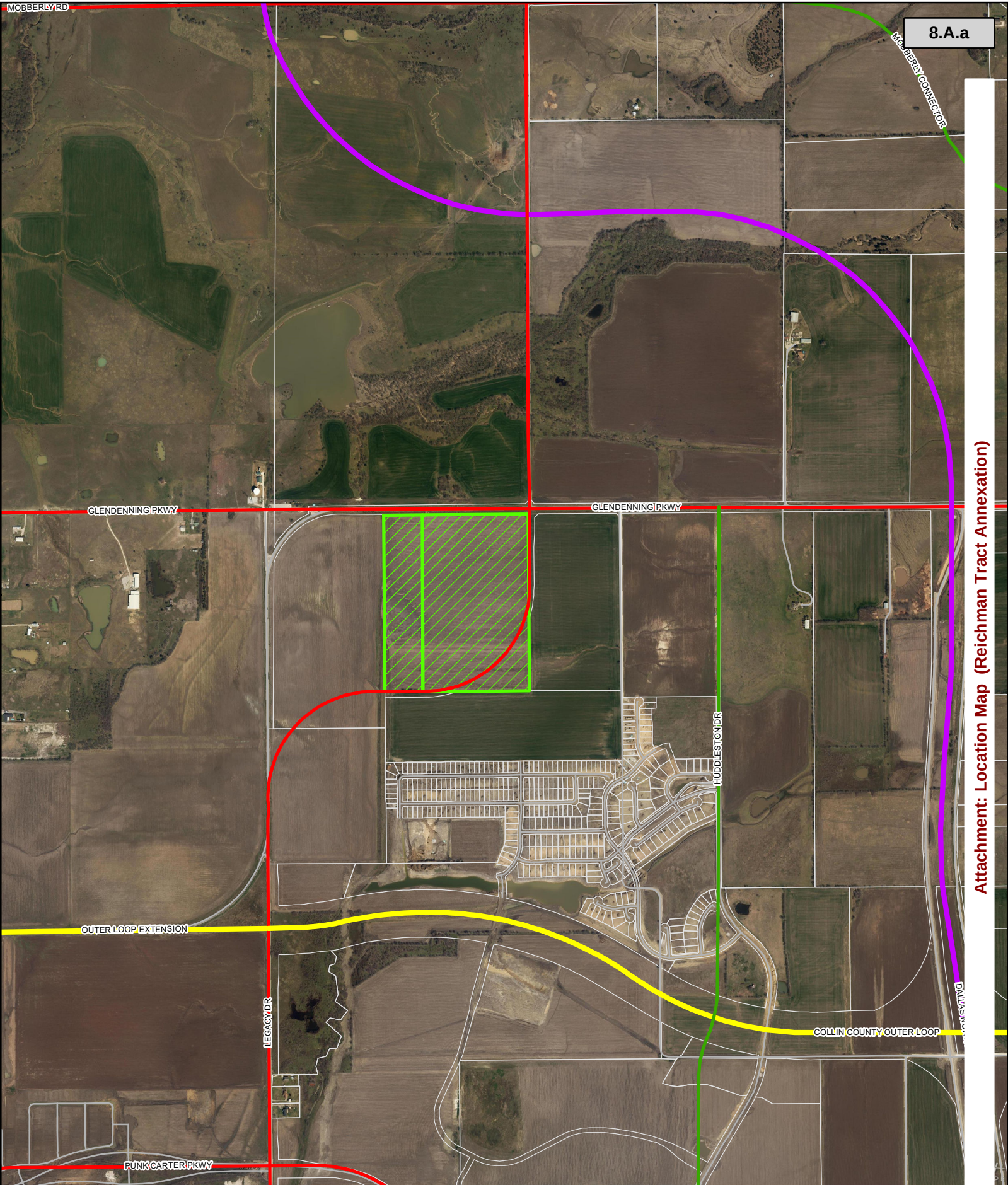
The property is generally located south of Glendenning Parkway and west of Huddleston Drive. The associated annexation ordinance is attached.

Supporting Document:

- Location Map
- Staff Presentation
- Ordinance

Staff Recommendation:

Staff recommends approval as presented.



8.A.a

Attachment: Location Map (Reichman Tract Annexation)

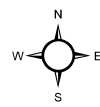


Location Map Reichman Tract

Date: 5/7/2020

Legend

- Roads
- Reichman
- Parcels

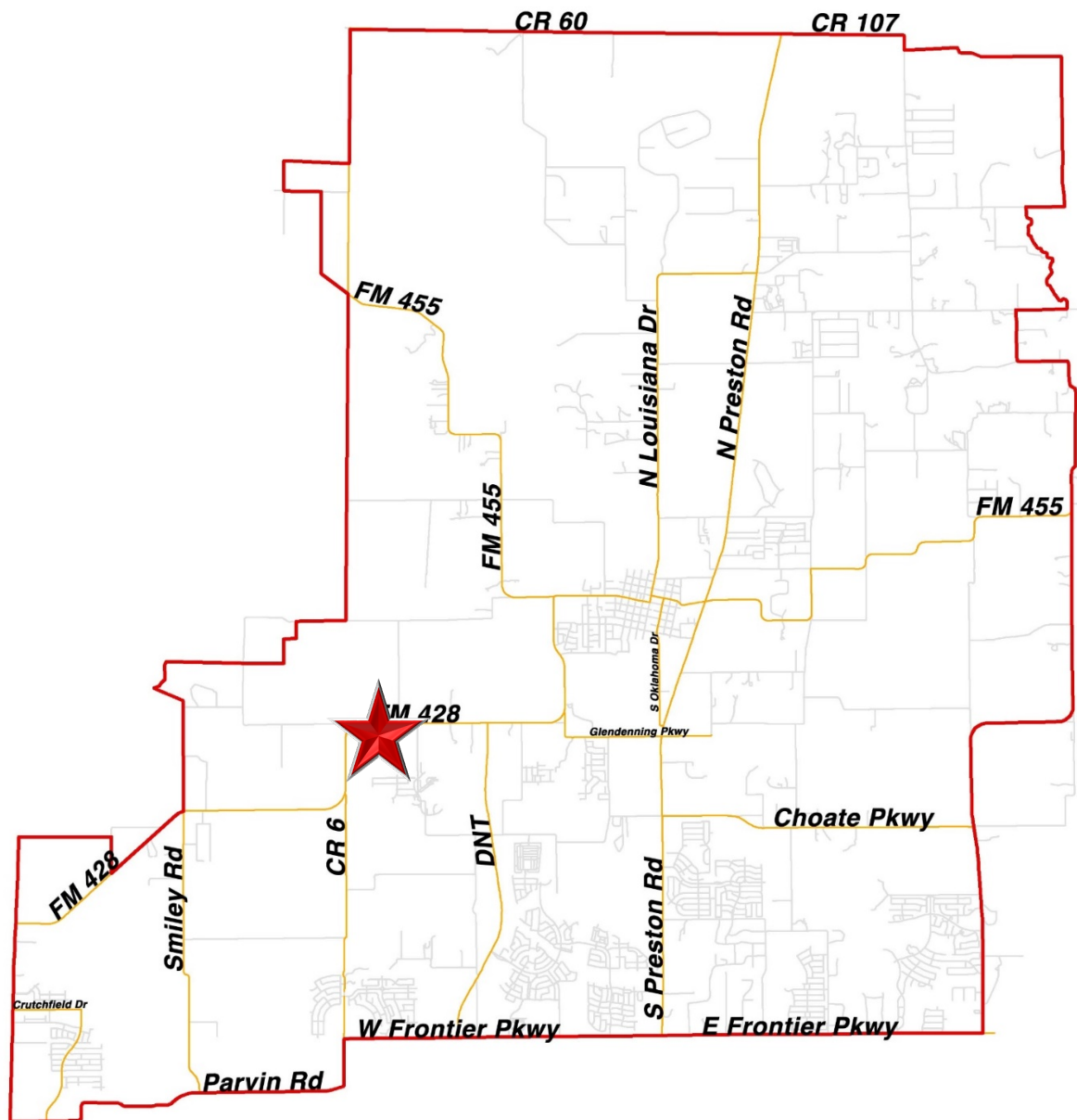


Reichman Tract

Annexation & Zoning

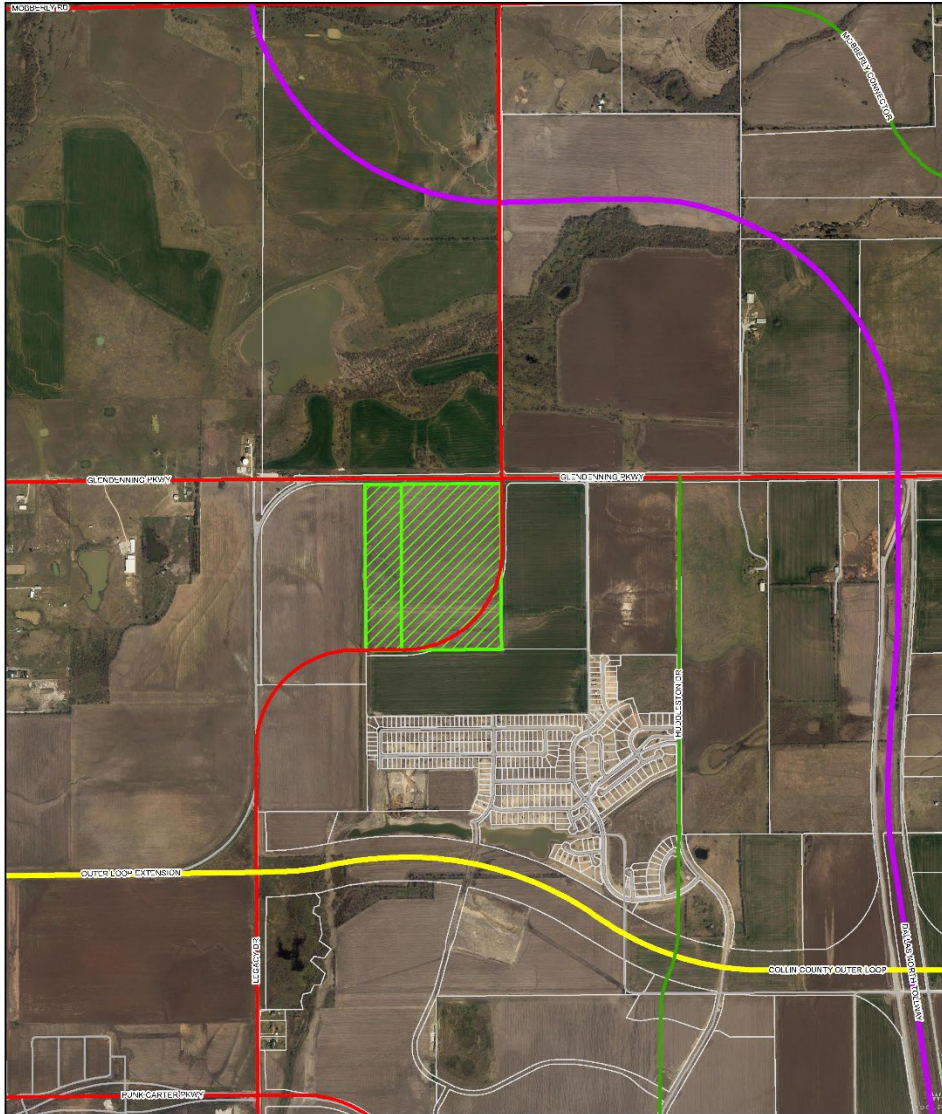
City Council

June 9, 2020



Location Map

The subject property is generally located south of future Glendenning Parkway and west of future Legacy Drive



Background

- The property is approximately 65 acres and is currently in the Extraterritorial Jurisdiction (ETJ)
- The request is to annex and zone the property to MU, Mixed-Use District

Policy Considerations

- MU is an appropriate zoning district at the corner of two future 6-lane thoroughfares (Glendenning Parkway and Legacy Drive)
- The property is surrounded on all sides by the City Limits
- MU zoning will help market the property
- 65 fewer acres in the ETJ at a prominent location that should be high value once developed

P&Z Public Hearing

- One resident asked general questions regarding the land, yet did not express objection to the project.

Recommendation

- The Planning & Zoning Commission unanimously recommended approval of the rezoning request at its May 19th regular meeting
- Staff recommends approval of both the annexation & zoning as presented

**CITY OF CELINA, TEXAS
ORDINANCE NO. 2020-_____
REICHMAN TRACT C-3 ANNEXATION**

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, ADOPTING THE ANNEXATION OF CERTAIN TERRITORY LOCATED IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS, TO WIT: BEING AN APPROXIMATELY 65 ACRE TRACT OF LAND, COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN AND GRAPHICALLY DEPICTED IN EXHIBIT “A”, SUCH TRACT IS GENERALLY LOCATED AT THE SOUTH OF FM 428 AND WEST OF HUDDLESTON DRIVE AND ALL ADJACENT RIGHTS-OF-WAY; PROVIDING FOR INCORPORATION OF PREMISES, AMENDING OF THE OFFICIAL CITY MAP, AND ACKNOWLEDGING A SERVICE PLAN; REQUIRING THE FILING OF THIS ORDINANCE WITH THE COUNTY CLERK; PRESCRIBING FOR EFFECT ON TERRITORY, GRANTING AS APPROPRIATE TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY OF CELINA, TEXAS; PROVIDING CUMULATIVE REPEALER, SEVERABILITY AND SAVINGS CLAUSES; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter (the “City”); and

WHEREAS, following receipt of a request from each owner (the “Owners”) of the Property (defined below) requesting annexation, a public hearing was conducted in accordance with Section 43.0673 of the Texas Local Government Code, on the 9th day of June, 2020, in the Council Chamber located at 112 N. Colorado in the City of Celina, to consider the annexation of the property being more particularly described and depicted in Exhibit “A”, attached hereto and incorporated as if fully set forth herein (the “Property”); and

WHEREAS, any and all required written notices and offers were timely sent to all property owners and others entitled to same; and

WHEREAS, the notices of the public hearings were published in *The Celina Record*, a newspaper of general circulation within the City of Celina, Texas, 29th day of May, 2020, such date being not more than twenty (20) days nor less than ten (10) days prior to each public hearing; and

WHEREAS, all required statutory notices pursuant to Chapter 43 of the Texas Local Government Code have been accomplished, including posting on the City’s internet website; and

WHEREAS, the City Council of the City of Celina, Texas has determined that such territory is located in the extraterritorial jurisdiction of the City of Celina, Texas; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of such territory is within the extraterritorial jurisdiction of any other incorporated city or town; and

WHEREAS, to the extent that this Ordinance would cause an unincorporated area to be entirely surrounded by the City of Celina’s limits, the City Council has found - and incorporates herein its finding - that surrounding the area is in the public interest; and

WHEREAS, the Owners and the City have entered into a written agreement, with a ten (20) year

Attachment: Ordinance (Reichman Tract Annexation)

term, regarding services to be provided for the Property prior to the effective date of annexation of the Property, the substantive body of which is attached hereto as Exhibit "B", attached hereto and incorporated as if fully set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, 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
OFFICIAL CITY MAP AMENDED

1. The official map and boundaries of the City are hereby amended so as to include the Property and any and all adjacent rights-of-way, and that such territory shall be and is hereby annexed into the corporate limits of the City.
2. The Mayor is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to add the territory hereby annexed as required by law.

SECTION 3
ANNEXATION OF AREA

The Property, and any and all adjacent rights-of-way, is hereby annexed into the City, and that the boundary limits of the City be and the same are hereby extended to include the Property and any and all adjacent rights-of-way within the city limits of the City, and the same shall hereafter be included within the territorial limits of the City, and the inhabitants thereof shall hereafter be entitled to all the rights and privileges of other citizens of the City and they shall be bound by the acts, ordinances, resolutions, and regulations of the City.

SECTION 4
FILING OF ORDINANCE REQUIRED

The City Secretary shall file or cause to be filed a certified copy of this Ordinance in the office of the County Clerk of each county in which all or a portion of the Property and any and all adjacent rights-of-way is located, and any other necessary agencies, including the United States Department of Justice.

SECTION 5
EFFECT ON TERRITORY

From and after the passage of this Ordinance, the Property and any and all adjacent rights-of-way shall be a part of the City of Celina, Texas, and subject to the service agreement referenced in the above Premises incorporated by Section 1 of this Ordinance. The inhabitants thereof shall be entitled to all of the rights, privileges and immunities as all other citizens of the City of Celina, Texas, and shall be bound by all of the Ordinances and regulations enacted pursuant to and in conformity with the general laws of the State of Texas.

SECTION 6
CUMULATIVE REPEALER

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take

effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance.

SECTION 7
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect. The City Council hereby declares that if there is an error in any call or description in Exhibit "A" preventing any portion of the Property and any and all adjacent rights-of-way from being annexed, the City Council would have annexed all remaining area having correct calls or descriptions and or would have corrected the call or description to include the entire intended area in this annexation.

SECTION 8
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this Ordinance by copying the Caption in the minutes of the City Council of the City of Celina and by filing this Ordinance in the Ordinance records of the City.

SECTION 9
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of passage.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this 9th day of June, 2020.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

APPROVED AS TO FORM:

Vicki Tarrant, City Secretary
City of Celina, Texas

City Attorney
City of Celina, Texas

Attachment: Ordinance (Reichman Tract Annexation)

Exhibit "A"
Property Legal Description and Depiction
Including and any and all adjacent rights-of-way

Legal Description

BEING a 64.09 acre tract of land situated in the F.D. Gary Survey, Abstract No. 360, Collin County, Texas and being all of a tract of land conveyed to Joy H. Reichman as described as Exhibit "A" of a Special Warranty Deed as recorded in Volume 5040, Page 1555 of the Deed Records of Collin County and being more particularly described as follows:

COMMENCING at a 1/2" iron rod found in the centerline intersection of a gravel road being the projected centerline of FM 428 (Celina Road), said point also being the northwest corner of a tract of land conveyed to John Vern Getchell, Jr. as recorded in Collin County File Clerk's No. 20100203000112680;

THENCE North 88°35'57" East along the centerline of said FM 428, a distance of 1228.85' to a P.K. nail and washer stamped "RLG" for the northeast corner of said Getchell tract;

THENCE South 01°14'44" East leaving said centerline and along the east line of said Getchell tract, a distance of 70.01' to a 1/2" iron rod found with a yellow plastic cap stamped "RLG" on the south right-of-way line of said FM 428 for the POINT OF BEGINNING;

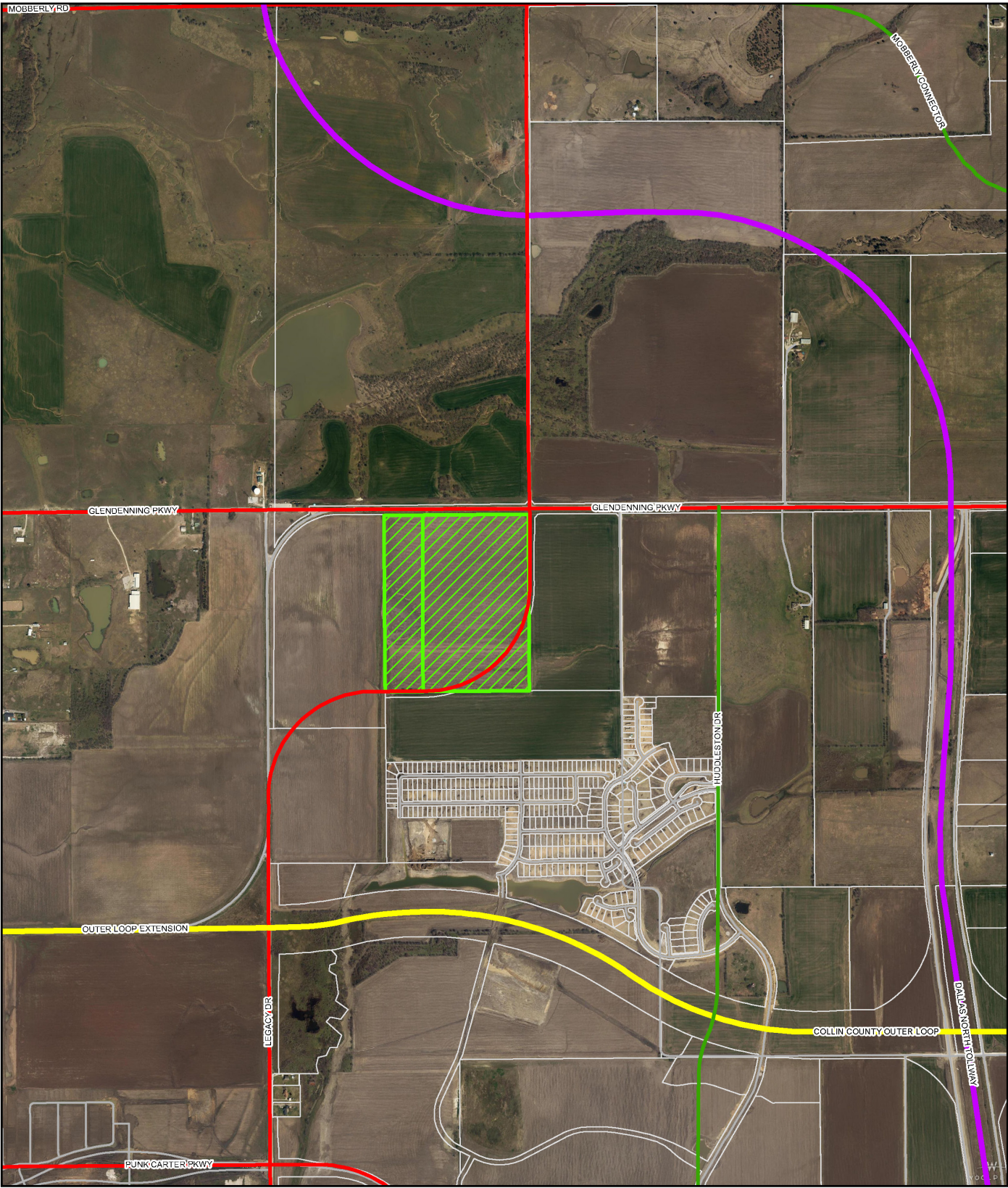
THENCE North 88°43'00" East (control bearing line) along the south right-of-way line of said FM 428, a distance of 1511.12' to a 1/2" iron rod found for a corner, said point being the northwest corner of a tract of land conveyed to Old Celina, Ltd in a special warranty deed as recorded in Collin County Files Clerk's No. 20181029001345560;

THENCE South 01°15'02" East leaving said south right-of-way line and along the west line of said Old Celina tract, a distance of 1849.18' to a 1/2" iron rod found for a corner, said point being on the north line of a tract of land conveyed to the Estate of Mattie Ruth Monschke as recorded in Collin County Files Clerk's No. 94-0034942;

THENCE South 88°49'01" West along the north line of said Monschke tract, a distance of 1510.63' to a 1/2" iron rod found with a yellow plastic cap stamped "RLG", said point being on the east line of said Getchell tract;

THENCE North 01°15'56" West a distance of 1846.53' to the POINT OF BEGINNING and containing 64.093 acres or 2,791,875 square feet of land.

Attachment: Ordinance (Reichman Tract Annexation)



Attachment: Ordinance (Reichman Tract Annexation)

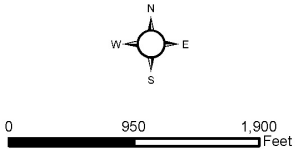
	Location Map Reichman Tract Date: 5/7/2020	Legend — Roads  Reichman  Parcels	 0 950 1,900 Feet
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Exhibit “B”**Substance from body of executed Service Agreement for C-3 Annexed Property****A) SERVICE PLAN GENERALLY**

- 1) This service plan has been prepared in accordance with the Texas Local Government Code, Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).
- 2) For purposes of this service plan, to “provide” services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

- 1) Police Protection
 - a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
 - b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.
 - c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.
- 2) Fire Protection
 - a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and
 - vi) Construction Plan Review and required inspections.
 - b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient fire protection, including personnel and

equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.

- d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.

3) **Emergency Medical Services**

- a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response and transport; and
 - iii) Medical rescue services.
- b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
- c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization, and population density of the areas.
- d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization, and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.
- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.
- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by City ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization, and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.
- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the

inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.

- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

- 1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.
- 2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at <http://www.franklinlegal.net/codes.html>.

M) TERM

- 1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

- 1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Madhuri Mohan AICP, Planning Manager
 CC: Jason Laumer, City Manager
 Date: June 9, 2020
 Re: Reichman Tract Zoning

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning an approximately 65 acre tract of land to Mixed-Use District (MU), generally located south of Glendenning Parkway and west of Huddleston Drive. (Reichman Tract Zoning) (Mohan)

Owner:

Joy H. Reichman Living Trust
 11905 Little Stoney Ct.
 Charlotte, NC 28269

Applicant:

Rob Daake, Coats Rose
 14775 Preston Rd.
 Dallas, TX 75254

Background Information:

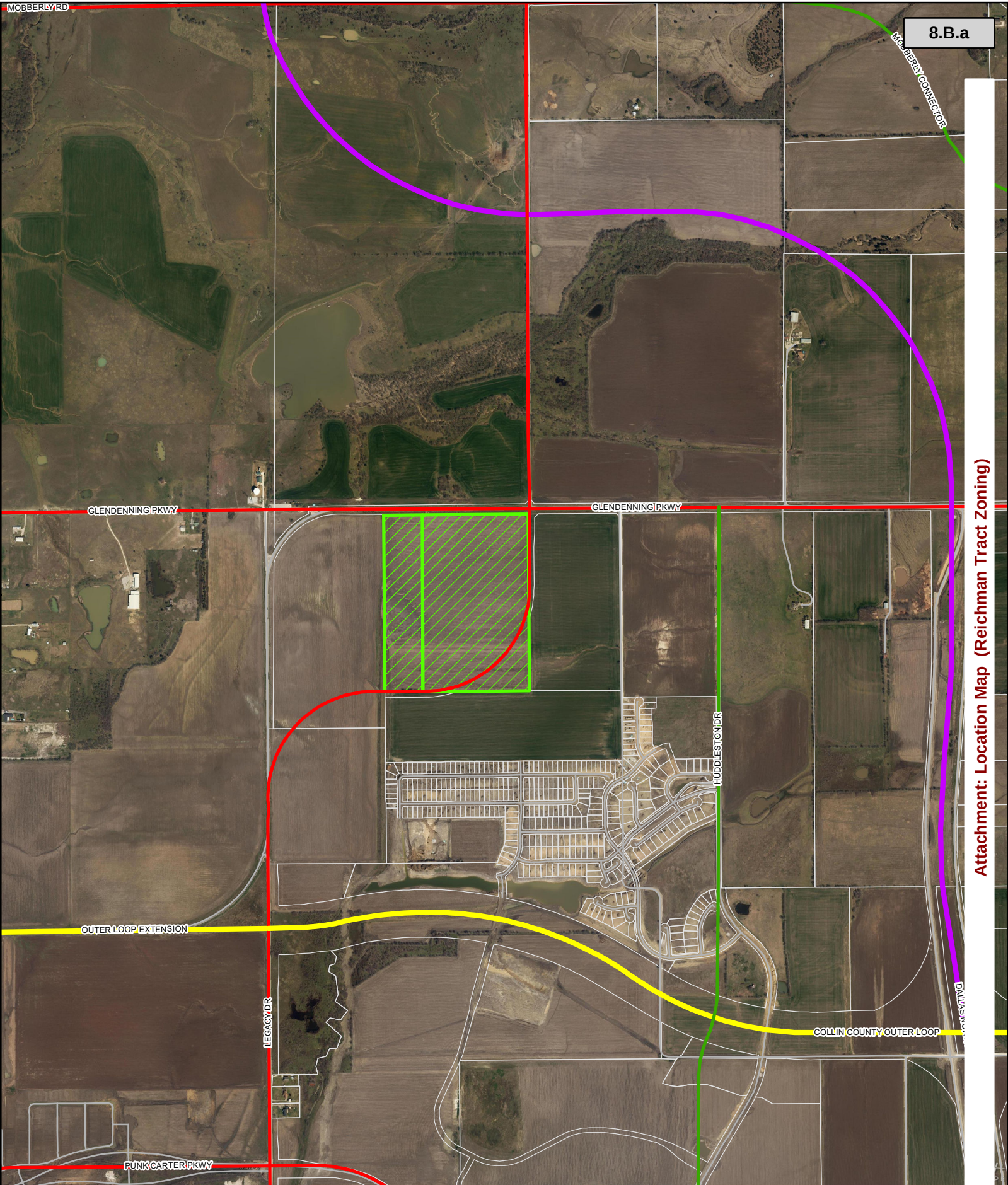
The property is generally located south of Glendenning Parkway and west of Huddleston Drive. The associated zoning ordinance is attached.

Supporting Document:

- Location Map
- Ordinance

Staff Recommendation:

Staff recommends approval as presented.



8.B.a

Attachment: Location Map (Reichman Tract Zoning)

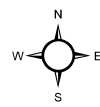


Location Map Reichman Tract

Date: 5/7/2020

Legend

- Roads
- Reichman
- Parcels



CITY OF CELINA, TEXAS

ORDINANCE 2020-_____
REICHMAN TRACT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2006-57, AS HERETOFORE AMENDED, THE SAME BEING THE COMPREHENSIVE ZONING ORDINANCE, AND AMENDING THE OFFICIAL ZONING MAP OF THE CITY BY DESIGNATING THE ZONING OF LAND THAT IS AN APPROXIMATELY 65 ACRE TRACT OF LAND LOCATED IN THE F.D. GARY SURVEY, ABSTRACT NO. 360, COLLIN COUNTY, TEXAS, AND GENERALLY LOCATED SOUTH OF FM 428 AND WEST OF HUDDLESTON DRIVE; AS DESCRIBED IN EXHIBIT “A” AND DEPICTED IN EXHIBIT “B” AND INCORPORATED HEREIN TO BE ZONED MIXED-USE DISTRICT (MU) PROVIDING FOR INCORPORATION OF PREMISES, FINDINGS, AMENDMENT OF ZONING CLASSIFICATION, ZONING DESIGNATION AND DEVELOPMENT REGULATIONS, REVISION OF ZONING MAP, COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00 PER OFFENSE AND OTHER ENFORCEMENT MECHANISMS; PROVIDING CUMULATIVE REPEALER, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, The Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Section 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described in Exhibit “A” and depicted in Exhibit “B” attached hereto and incorporated herein; and

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the 2030 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, 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 deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3
AMENDMENT OF ZONING CLASSIFICATION

That the zoning classification is hereby established as Mixed-Use District (MU) on a certain tract of land described in Exhibit "A" and depicted in Exhibit "B"

SECTION 4
ZONING DESIGNATION

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein as Mixed-Use District (MU).

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property described in Exhibit "A" and depicted in Exhibit "B" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars (\$2,000.00) for each offense.

Attachment: Ordinance (Reichman Tract Zoning)

7.02 If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 9 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning regulation which have secured 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 court.

SECTION 10 **SEVERABILITY**

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 11 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, and Effective Date of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 12 **ENGROSSMENT AND ENROLLMENT**

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 13 **EFFECTIVE DATE**

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 9th day of June, 2020.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Tarrant, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

City Attorney
City of Celina, Texas

Attachment: Ordinance (Reichman Tract Zoning)

Exhibit A Legal Description

BEING a 64.09 acre tract of land situated in the F.D. Gary Survey, Abstract No. 360, Collin County, Texas and being all of a tract of land conveyed to Joy H. Reichman as described as Exhibit "A" of a Special Warranty Deed as recorded in Volume 5040, Page 1555 of the Deed Records of Collin County and being more particularly described as follows:

COMMENCING at a 1/2" iron rod found in the centerline intersection of a gravel road being the projected centerline of FM 428 (Celina Road), said point also being the northwest corner of a tract of land conveyed to John Vern Getchell, Jr. as recorded in Collin County File Clerk's No. 20100203000112680;

THENCE North 88°35'57" East along the centerline of said FM 428, a distance of 1228.85' to a P.K. nail and washer stamped "RLG" for the northeast corner of said Getchell tract;

THENCE South 01°14'44" East leaving said centerline and along the east line of said Getchell tract, a distance of 70.01' to a 1/2" iron rod found with a yellow plastic cap stamped "RLG" on the south right-of-way line of said FM 428 for the POINT OF BEGINNING;

THENCE North 88°43'00" East (control bearing line) along the south right-of-way line of said FM 428, a distance of 1511.12' to a 1/2" iron rod found for a corner, said point being the northwest corner of a tract of land conveyed to Old Celina, Ltd in a special warranty deed as recorded in Collin County Files Clerk's No. 20181029001345560;

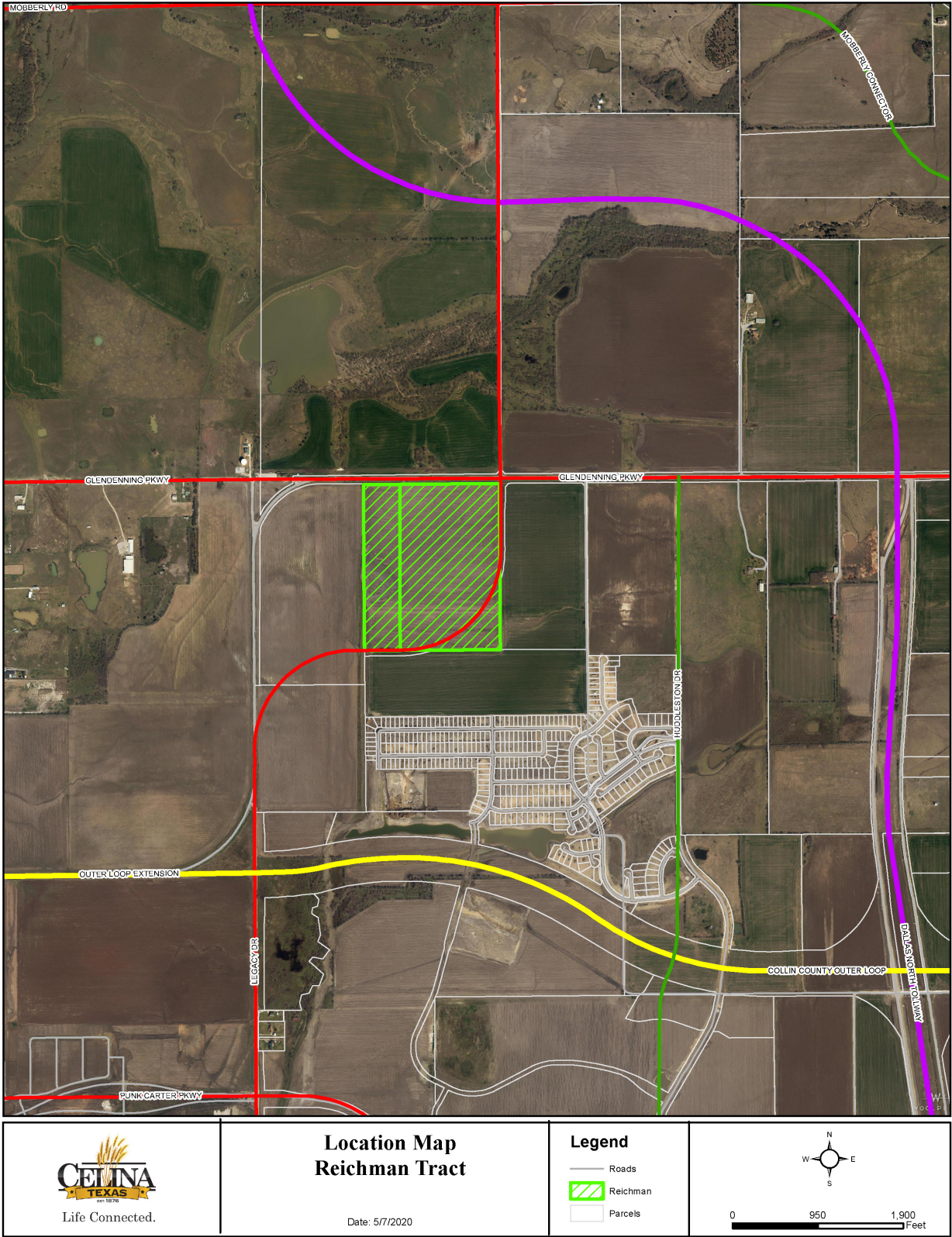
THENCE South 01°15'02" East leaving said south right-of-way line and along the west line of said Old Celina tract, a distance of 1849.18' to a 1/2" iron rod found for a corner, said point being on the north line of a tract of land conveyed to the Estate of Mattie Ruth Monschke as recorded in Collin County Files Clerk's No. 94-0034942;

THENCE South 88°49'01" West along the north line of said Monschke tract, a distance of 1510.63' to a 1/2" iron rod found with a yellow plastic cap stamped "RLG", said point being on the east line of said Getchell tract;

THENCE North 01°15'56" West a distance of 1846.53' to the POINT OF BEGINNING and containing 64.093 acres or 2,791,875 square feet of land.

Attachment: Ordinance (Reichman Tract Zoning)

Exhibit B
Property Exhibit



Attachment: Ordinance (Reichman Tract Zoning)



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Ousley Tract Annexation

Action Requested:

The Celina City Council will conduct a public hearing to consider and act upon an ordinance on the voluntary annexation of an approximately 35 acre tract of land within the Extraterritorial Jurisdiction, generally located north of FM 455 and east of Preston Road. (Ousley Tract Annexation) (McAfee)

Owner:

Jace Ousley
13116 W. FM 455
Celina, TX 75009

Applicant:

Rob Daake, Coats Rose
14775 Preston Rd.
Dallas, TX 75254

Background Information:

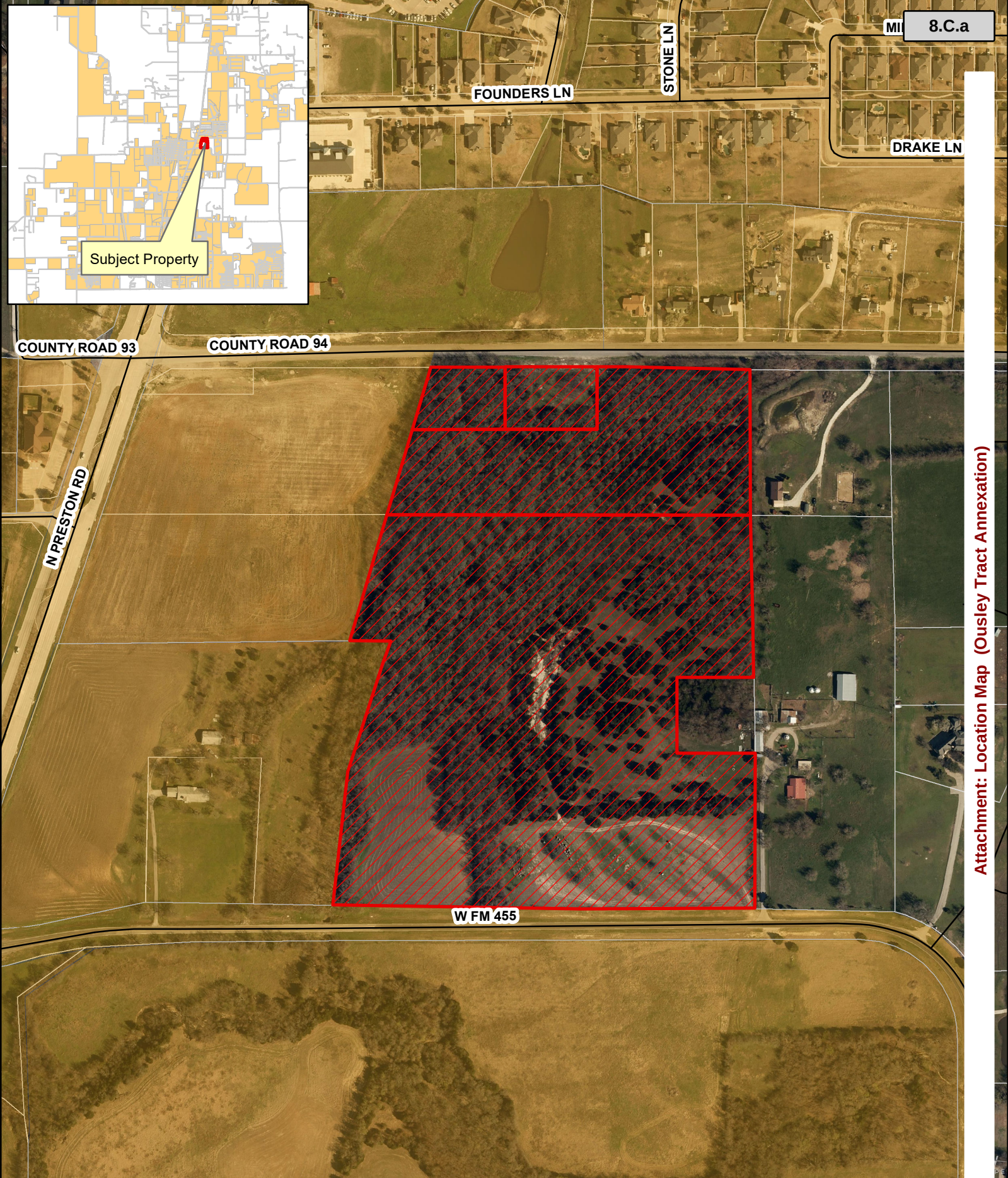
The property is generally located north of FM 455 and east of Preston Road. The associated annexation ordinance is attached.

Supporting Documents:

- Location Map
- Staff Presentation
- Ordinance

Staff Recommendation:

Staff recommends approval as presented.



Attachment: Location Map (Ousley Tract Annexation)



Location Map Ousley Annexation

Date: 2/3/2020

- Legend**
- Roads
 - Ousley Annexation
 - City Limits
 - Parcels

0 1 Feet

Packet Pg. 546

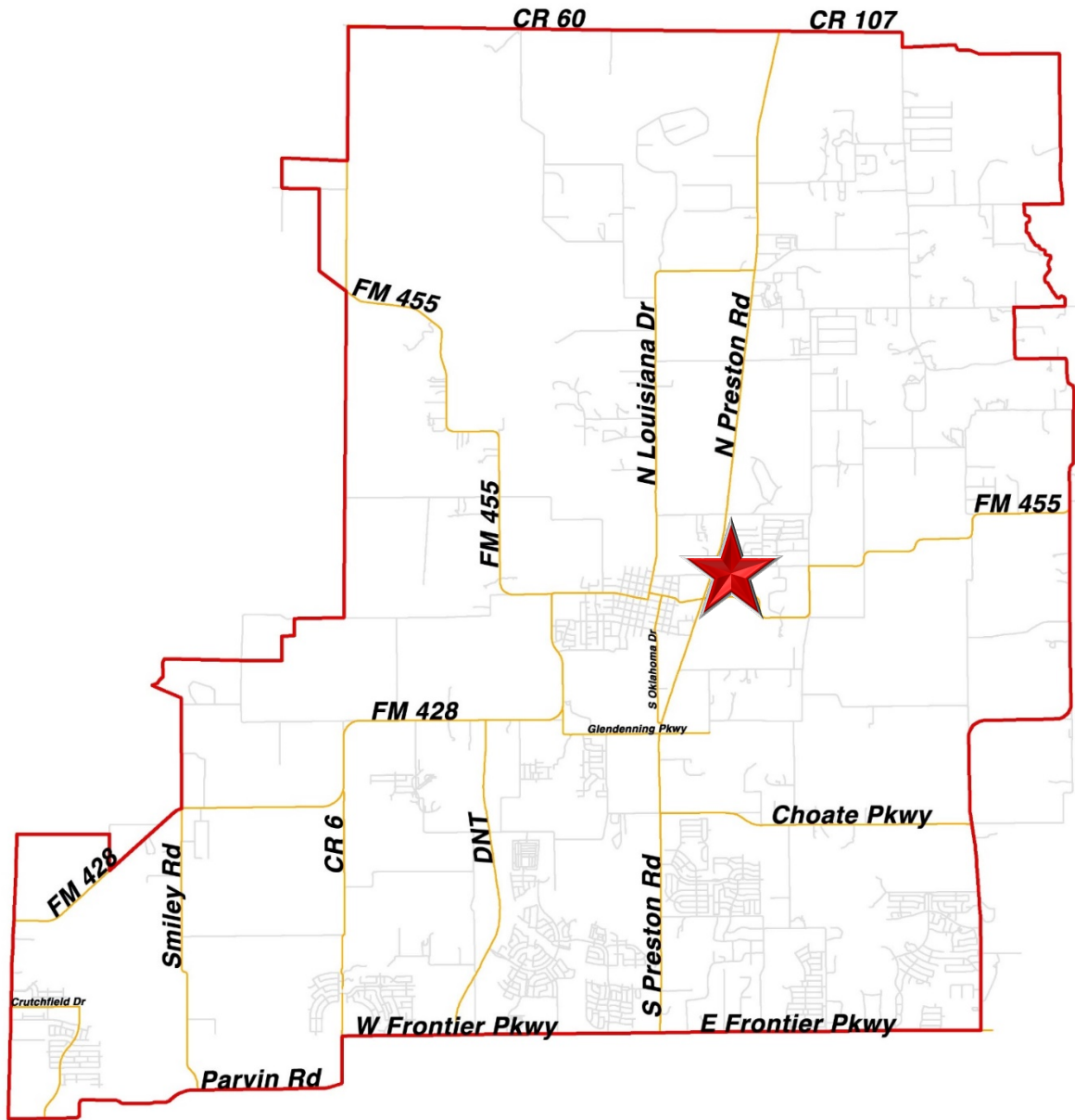
Ousley Tract

Annexation & Planned Development

City Council

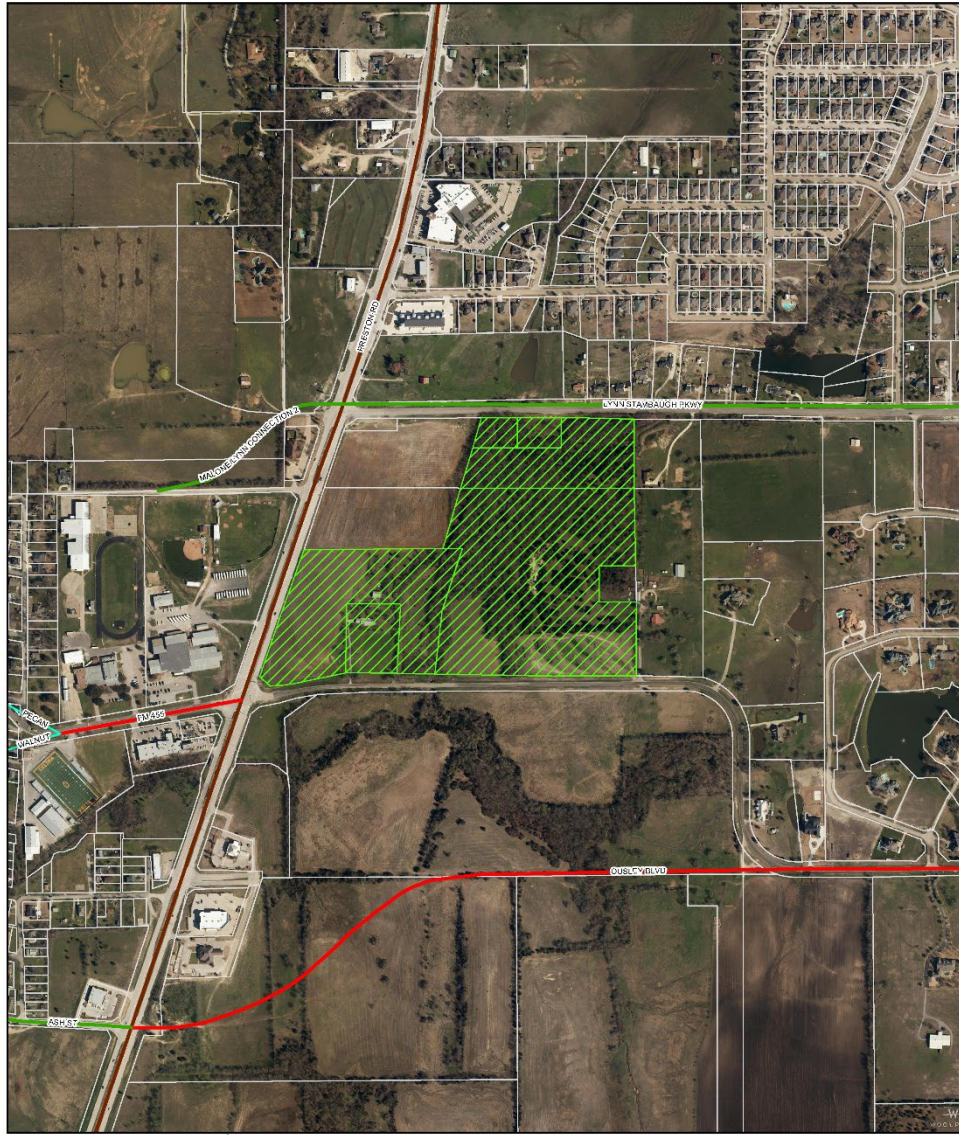
June 9, 2020

Attachment: Staff Presentation (Ousley Tract Annexation)



Location Map

The subject property is generally located south of CR 94 and east of Preston Road, along FM 455

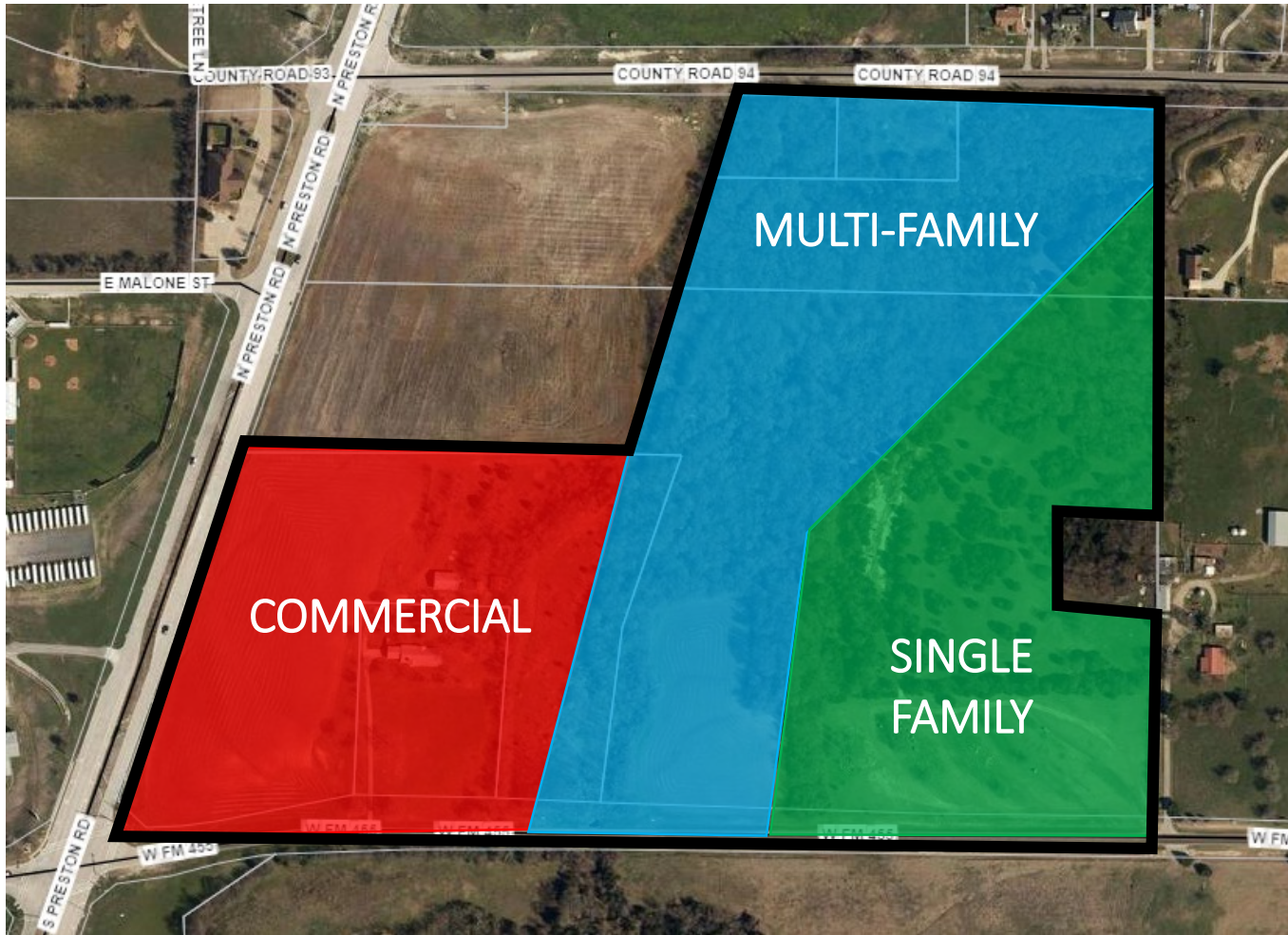


Attachment: Staff Presentation (Ousley Tract Annexation)

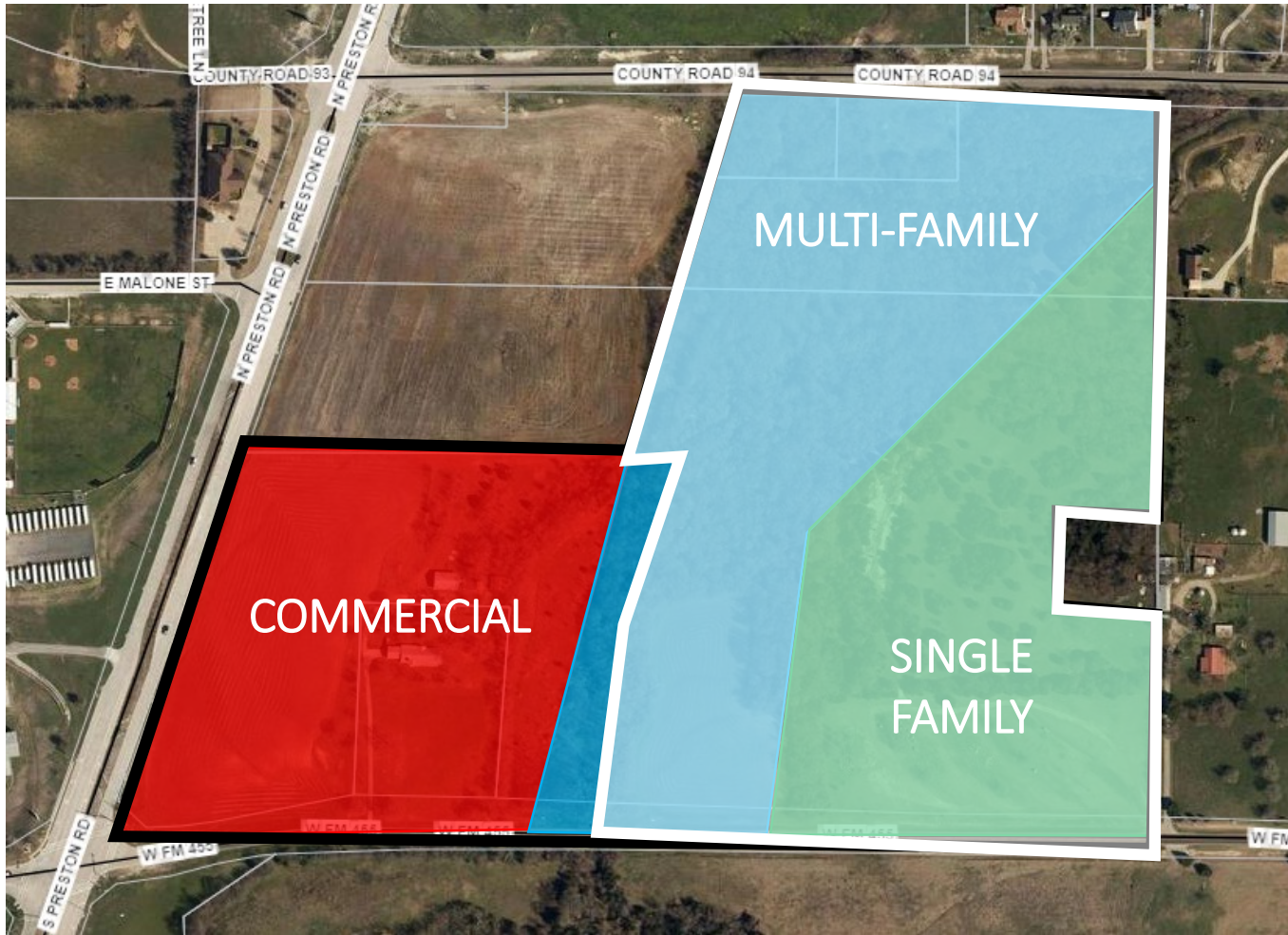
Background

- In March 2020, the City approved a Development Agreement that outlined the property's future annexation and zoning
- The property is approximately 53 acres and is currently located both in the City Limits and the Extraterritorial Jurisdiction (ETJ)
- The request is to annex and zone the property to:
 - C – Commercial, Office, & Retail District
 - MF-2 or MF-3 – Urban Edge or Urban Living MF District
 - SF-R – Single-Family Residential Detached District

Land Plan for Zoning



Portion Being Annexation



Attachment: Staff Presentation (Ousley Tract Annexation)

Policy Considerations

- Additional acreage will be brought into the City Limits that is in close proximity to Preston Road and FM 455
- The proposed land uses are appropriate for the location and provide a transition from east to west in terms of land use

Recommendation

- The Planning & Zoning Commission unanimously recommended approval of the rezoning request at its May 19th regular meeting
- Staff recommends approval of both the Annexation & Planned Development as presented

**CITY OF CELINA, TEXAS
ORDINANCE NO. 2020-_____
OUSLEY TRACT C-3 ANNEXATION**

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, ADOPTING THE ANNEXATION OF CERTAIN TERRITORY LOCATED IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF CELINA, TEXAS, TO WIT: BEING AN APPROXIMATELY 35 ACRE TRACT OF LAND, COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY GRAPHICALLY DEPICTED IN EXHIBIT “A”, SUCH TRACT IS GENERALLY LOCATED NORTH OF FM 455 AND EAST OF PRESTON ROAD AND ALL ADJACENT RIGHTS-OF-WAY; PROVIDING FOR INCORPORATION OF PREMISES, AMENDING OF THE OFFICIAL CITY MAP, AND ACKNOWLEDGING A SERVICE PLAN; REQUIRING THE FILING OF THIS ORDINANCE WITH THE COUNTY CLERK; PRESCRIBING FOR EFFECT ON TERRITORY, GRANTING AS APPROPRIATE TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY OF CELINA, TEXAS; PROVIDING CUMULATIVE REPEALER, SEVERABILITY AND SAVINGS CLAUSES; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter (the “City”); and

WHEREAS, following receipt of a request from each owner (the “Owners”) of the Property (defined below) requesting annexation, a public hearing was conducted in accordance with Section 43.0673 of the Texas Local Government Code, on the 9th day of June, 2020, in the Council Chamber located at 112 N. Colorado in the City of Celina, to consider the annexation of the property being more particularly depicted in Exhibit “A”, attached hereto and incorporated as if fully set forth herein (the “Property”); and

WHEREAS, any and all required written notices and offers were timely sent to all property owners and others entitled to same; and

WHEREAS, the notices of the public hearings were published in *The Celina Record*, a newspaper of general circulation within the City of Celina, Texas, 29th day of May, 2020, such date being not more than twenty (20) days nor less than ten (10) days prior to each public hearing; and

WHEREAS, all required statutory notices pursuant to Chapter 43 of the Texas Local Government Code have been accomplished, including posting on the City’s internet website; and

WHEREAS, the City Council of the City of Celina, Texas has determined that such territory is located in the extraterritorial jurisdiction of the City of Celina, Texas; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of such territory is within the extraterritorial jurisdiction of any other incorporated city or town; and

WHEREAS, to the extent that this Ordinance would cause an unincorporated area to be entirely surrounded by the City of Celina’s limits, the City Council has found - and incorporates herein its finding - that surrounding the area is in the public interest; and

WHEREAS, the Owners and the City have entered into a written agreement, with a ten (20) year term, regarding services to be provided for the Property prior to the effective date of annexation of the

Attachment: Ordinance (Ousley Tract Annexation)

Property, the substantive body of which is attached hereto as Exhibit “B”, attached hereto and incorporated as if fully set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, 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
OFFICIAL CITY MAP AMENDED

1. The official map and boundaries of the City are hereby amended so as to include the Property and any and all adjacent rights-of-way, and that such territory shall be and is hereby annexed into the corporate limits of the City.
2. The Mayor is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to add the territory hereby annexed as required by law.

SECTION 3
ANNEXATION OF AREA

The Property, and any and all adjacent rights-of-way, is hereby annexed into the City, and that the boundary limits of the City be and the same are hereby extended to include the Property and any and all adjacent rights-of-way within the city limits of the City, and the same shall hereafter be included within the territorial limits of the City, and the inhabitants thereof shall hereafter be entitled to all the rights and privileges of other citizens of the City and they shall be bound by the acts, ordinances, resolutions, and regulations of the City.

SECTION 4
FILING OF ORDINANCE REQUIRED

The City Secretary shall file or cause to be filed a certified copy of this Ordinance in the office of the County Clerk of each county in which all or a portion of the Property and any and all adjacent rights-of-way is located, and any other necessary agencies, including the United States Department of Justice.

SECTION 5
EFFECT ON TERRITORY

From and after the passage of this Ordinance, the Property and any and all adjacent rights-of-way shall be a part of the City of Celina, Texas, and subject to the service agreement referenced in the above Premises incorporated by Section 1 of this Ordinance. The inhabitants thereof shall be entitled to all of the rights, privileges and immunities as all other citizens of the City of Celina, Texas, and shall be bound by all of the Ordinances and regulations enacted pursuant to and in conformity with the general laws of the State of Texas.

SECTION 6
CUMULATIVE REPEALER

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are

inconsistent with this Ordinance.

SECTION 7
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect. The City Council hereby declares that if there is an error in any call or description in Exhibit "A" preventing any portion of the Property and any and all adjacent rights-of-way from being annexed, the City Council would have annexed all remaining area having correct calls or descriptions and or would have corrected the call or description to include the entire intended area in this annexation.

SECTION 8
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this Ordinance by copying the Caption in the minutes of the City Council of the City of Celina and by filing this Ordinance in the Ordinance records of the City.

SECTION 9
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of passage.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this 9th day of June, 2020.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

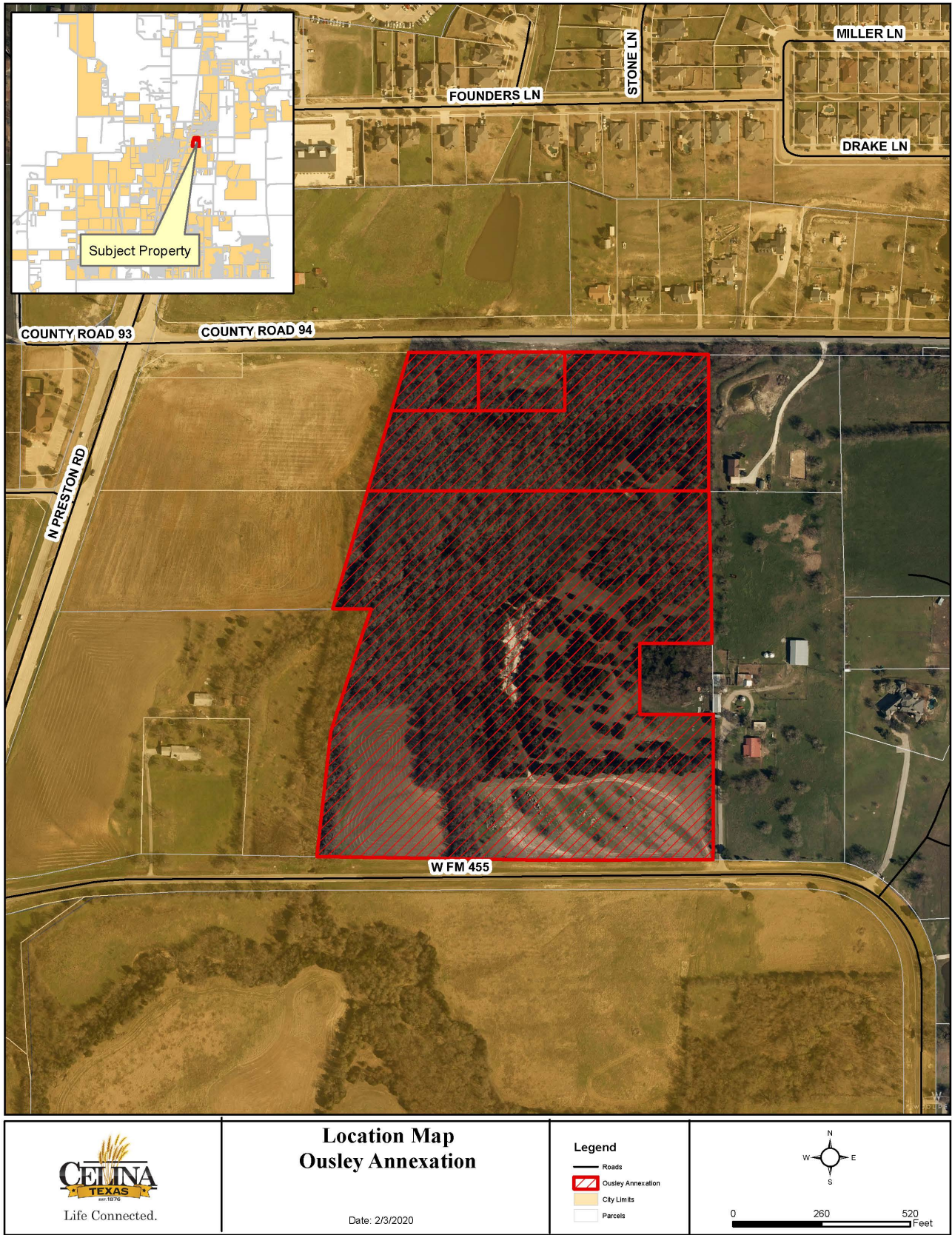
APPROVED AS TO FORM:

Vicki Tarrant, City Secretary
City of Celina, Texas

City Attorney
City of Celina, Texas

Attachment: Ordinance (Ousley Tract Annexation)

Exhibit "A"
Property Depiction
Including and any and all adjacent rights-of-way



Attachment: Ordinance (Ousley Tract Annexation)

Exhibit “B”
Substance from body of executed Service Agreement for C-3 Annexed Property

A) SERVICE PLAN GENERALLY

- 1) This service plan has been prepared in accordance with the Texas Local Government Code, Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).
- 2) For purposes of this service plan, to “provide” services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

- 1) Police Protection
 - a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
 - b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.
 - c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.
- 2) Fire Protection
 - a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and
 - vi) Construction Plan Review and required inspections.
 - b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient fire protection, including personnel and

- equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.
- d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.
- 3) Emergency Medical Services
- a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response and transport; and
 - iii) Medical rescue services.
 - b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization, and population density of the areas.
 - d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization, and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.
- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.
- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by City ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization, and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.
- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the

inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.

- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

- 1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.
- 2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at <http://www.franklinlegal.net/codes.html>.

M) TERM

- 1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

- 1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Dusty McAfee AICP, Director of Development Services
 CC: Jason Laumer, City Manager
 Date: June 9, 2020
 Re: Ousley Tract Planned Development

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the Comprehensive Zoning Ordinance, by zoning approximately 53 acre tract of land to Planned Development (PD) with Commercial, Office, & Retail District (C), Multi-Family Districts (MF-2/MF-3), and Single-Family Residential Detached District (SF-R) base zoning, generally located north of FM 455 and east of Preston Road. (Ousley Tract Planned Development) (McAfee)

Owner:

Jace Ousley
 13116 W. FM 455
 Celina, TX 75009

Applicant:

Rob Daake, Coats Rose
 14775 Preston Rd.
 Dallas, TX 75254

Background Information:

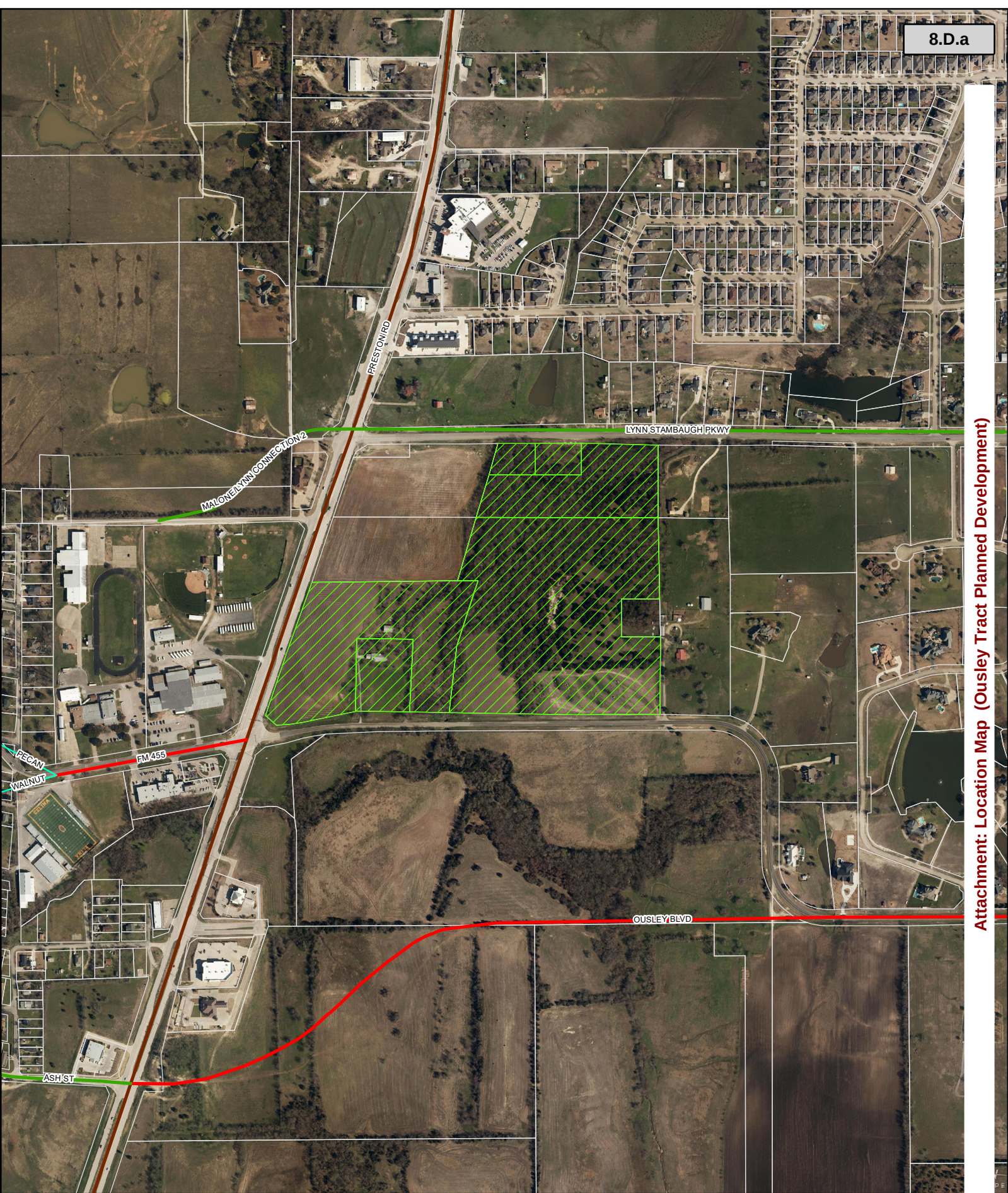
The property is generally located north of FM 455 and east of Preston Road. The associated zoning ordinance is attached.

Supporting Document:

- Location Map
- Ordinance

Staff Recommendation:

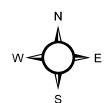
Staff recommends approval as presented.



Attachment: Location Map (Ousley Tract Planned Development)

Legend

- Roads
-  Ousley
-  Parcels



CITY OF CELINA, TEXAS

ORDINANCE 2020-_____
OUSLEY TRACT

PLANNED DEVELOPMENT #110

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2006-57, AS HERETOFORE AMENDED, THE SAME BEING THE COMPREHENSIVE ZONING ORDINANCE, AND AMENDING THE OFFICIAL ZONING MAP OF THE CITY BY DESIGNATING THE ZONING OF LAND THAT IS AN APPROXIMATELY 53 ACRE TRACT OF LAND LOCATED IN THE J K RICE SURVEY, ABSTRACT NO. 767, CITY OF CELINA, COLLIN COUNTY, TEXAS, AND GENERALLY LOCATED NORTH OF FM 455 AND EAST OF PRESTON ROAD; AS DEPICTED IN EXHIBIT "A" AND INCORPORATED HEREIN TO BE ZONED "PD" PLANNED DEVELOPMENT DISTRICT NO. 110; PROVIDING FOR INCORPORATION OF PREMISES, FINDINGS, AMENDMENT OF ZONING CLASSIFICATION, ZONING DESIGNATION AND DEVELOPMENT REGULATIONS, REVISION OF ZONING MAP, COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000.00 PER OFFENSE AND OTHER ENFORCEMENT MECHANISMS; PROVIDING CUMULATIVE REPEALER, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, The Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Section 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically depicted in Exhibit "A" attached hereto and incorporated as though fully set forth herein (the "Property"); and

WHEREAS, the Land Plan set forth in Exhibit "B" and the Development Regulations set forth in Exhibit "C", attached hereto and incorporated herein, define the base zoning districts and provide for certain modifications to such district regulations.

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the 2030 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and

afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, 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 deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3 **AMENDMENT OF ZONING CLASSIFICATION**

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended to establish the zoning classification for the Property as "PD" Planned Development District No. 110 and is subject to the following PD regulations, which exhibit are incorporated as if fully set forth herein:

Exhibit B: Zoning Exhibit
Exhibit C: Development Regulations

SECTION 4 **ZONING DESIGNATION AND DEVELOPMENT REGULATIONS**

That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, depicted in Exhibit "A" attached hereto and incorporated herein as PD No. 110, and incorporates the Zoning Exhibit attached hereto as Exhibit "B" and the Development Regulations attached hereto as Exhibit "C."

SECTION 5 **REVISION OF ZONING MAP**

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6 **COMPLIANCE REQUIRED**

That the property depicted on Exhibit "A" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7 **PENALTY**

7.01 Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars (\$2,000.00) for each offense.

7.02 If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8 **CUMULATIVE REPEALER CLAUSE**

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 9 **SAVINGS CLAUSE**

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning regulation which have secured 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 court.

SECTION 10 **SEVERABILITY**

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in whole or in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 11 **PUBLICATION CLAUSE**

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, and Effective Date of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 12 **ENGROSSMENT AND ENROLLMENT**

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the descriptive Caption in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this 9th day of June, 2020.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Tarrant, City Secretary
City of Celina, Texas

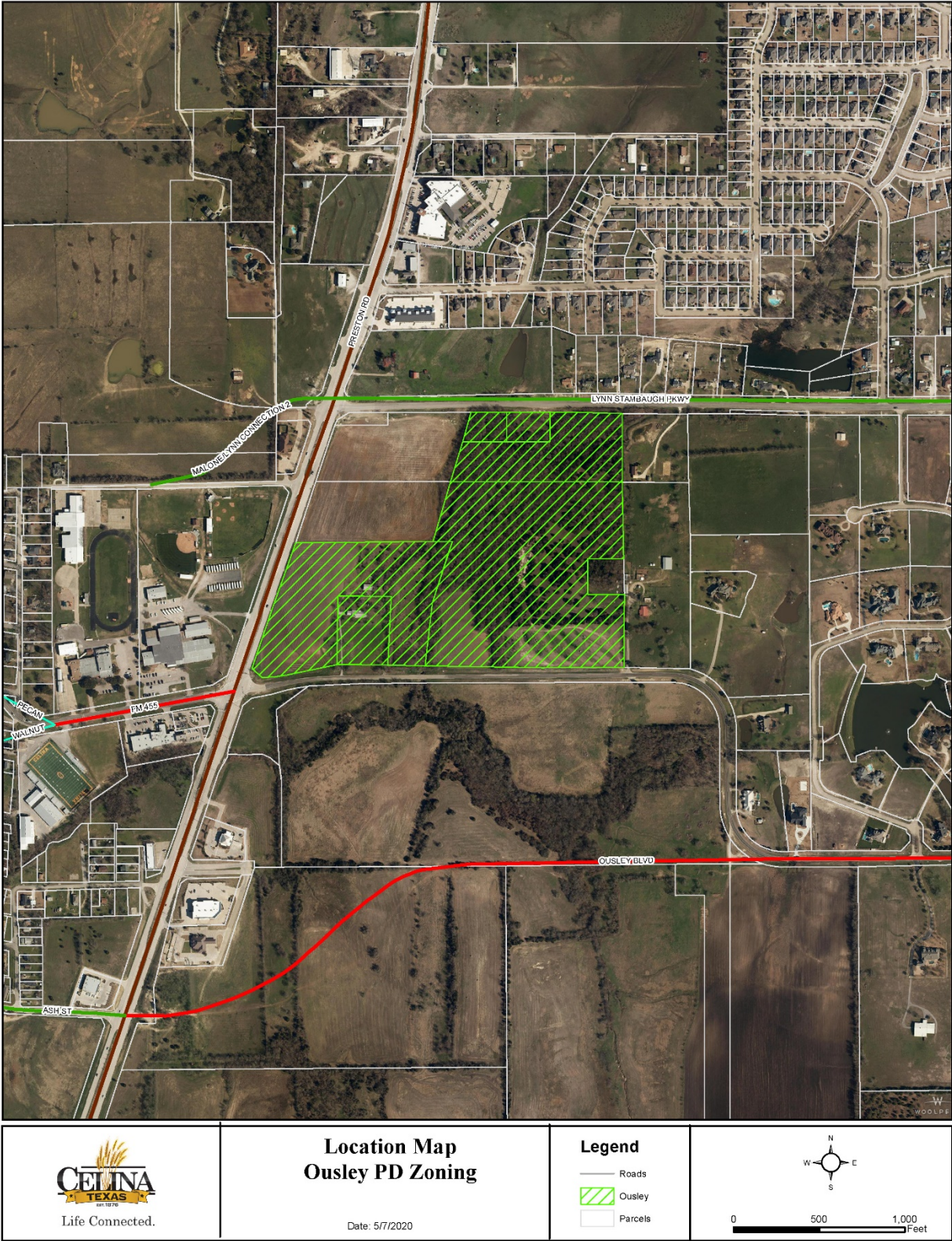
[SEAL]

APPROVED AS TO FORM:

City Attorney
City of Celina, Texas

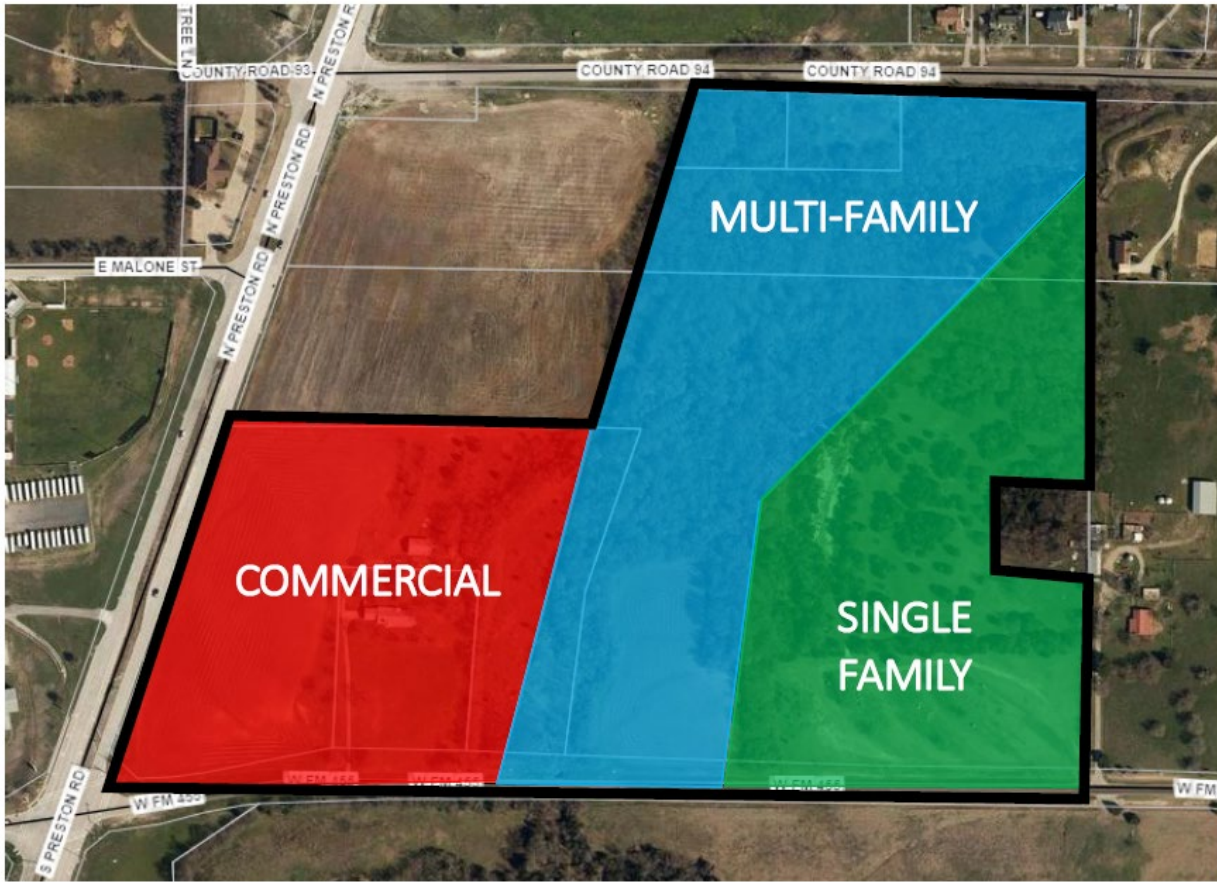
Attachment: Ordinance (Ousley Tract Planned Development)

Exhibit A
Property Exhibit



Attachment: Ordinance (Ousley Tract Planned Development)

**Exhibit B
Zoning Exhibit**



Attachment: Ordinance (Ousley Tract Planned Development)

Exhibit C Development Regulations

The property shall be zoned Planned Development “PD”, with the base zoning for the subject property to be per the attached Zoning Exhibit, depicted in Exhibit B. The property shall generally develop per the attached Zoning Exhibit, in addition to the following special ordinance provisions:

1. A minimum of 13-acres shall be developed consistent with the “C” (Commercial, Office, & Retail) zoning district.
2. A maximum of 22-acres shall be developed consistent with the “MF-2” or “MF-3” (Multi-Family) zoning districts.
3. A maximum of 18-acres shall be developed consistent with the “SF-R” (Single Family Residential Detached) district.
4. The boundaries of each of the zoning districts shown on the Land Plan shall be flexible and can vary up to 15%.



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Sangani Properties Development Agreement

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon a request for a Development Agreement on approximately 352 acres of land, located in various parts of the City as shown in the attached location map, within the Extraterritorial Jurisdiction (ETJ). (Sangani Properties Development Agreement) (McAfee)

Owner:

Barry Sangani
4541 Lancelot Drive.
Plano, TX 75024

Applicant:

Rob Daake, Coats Rose
14775 Preston Rd.
Dallas, TX 75254

Background Information:

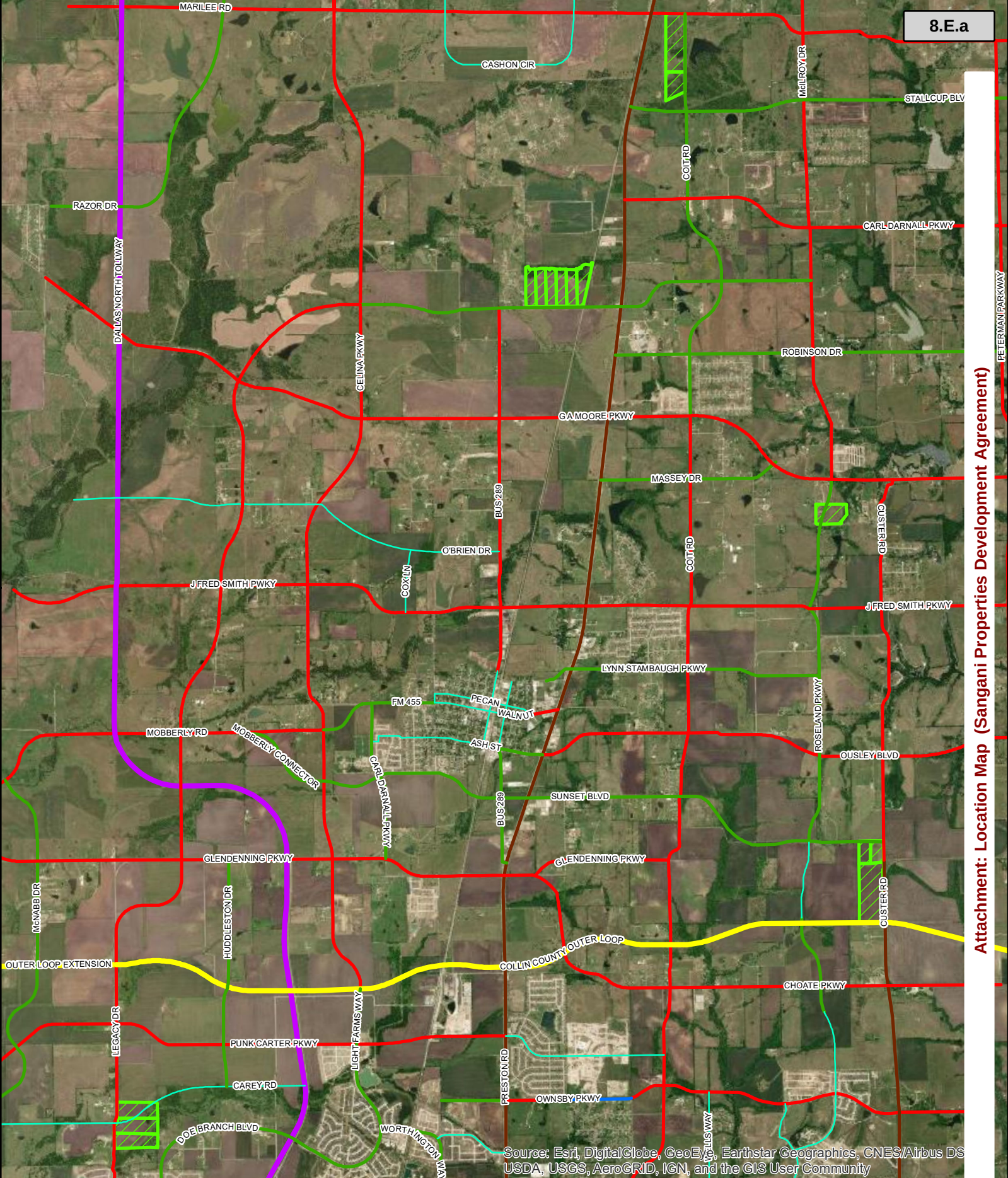
The property is located in various areas within the City's Extraterritorial Jurisdiction (ETJ). The Development Agreement is attached.

Supporting Documents:

- Location Map
- Staff Presentation
- Development Agreement

Staff Recommendation:

Staff recommends approval as presented.



Attachment: Location Map (Sangani Properties Development Agreement)

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

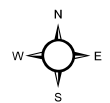


Location Map Sangani

Date: 5/7/2020

Legend

- Roads
- Sangani Properties



Packet Pg. 574

0 Feet

DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement") is entered into by and between Sangani Properties, LTD; Gsr Collin County, LP; Maruthi Investments, LLC; NSH Collin County Investments, LLC; Feizy Land Investments, LLC; FSA & S Collin County, LLC; Custer Ranch, LP (each a "Developer" and, collectively, the "Developers"), and the City of Celina (the "City"), to be effective on the date upon which the last of all of the Parties has approved and duly executed this Agreement ("Effective Date").

RECITALS

WHEREAS, certain terms used herein are defined in Article I; and

WHEREAS, the City is a home-rule municipality of the State of Texas located within Denton County and Collin County; and

WHEREAS, the Developer and the City (which are sometimes individually referred to as a "Party" and collectively as the "Parties") desire to enter into this Agreement; and

WHEREAS, the Developers consolidated 16 separate tracts of land into five (5) noncontiguous parcels, Consolidated Parcel 1 being 23.874± acres of land, Consolidated Parcel 2 being 96.23± acres of land, Consolidated Parcel 3 being 76.8214± acres of land, Consolidated Parcel 4 being 74.937± acres of land, and Consolidated Parcel 5 being 79.963± acres of land, totaling approximately 351.8254± acres of land, as described in **Exhibit A** and as depicted in **Exhibit B** (collectively, the "Properties"); and

WHEREAS, the Developer intends to develop the Properties as a master planned residential and commercial development, consisting of commercial, mixed use, multifamily, and residential districts as indicated in **Exhibit B**; and

WHEREAS, the Parties intend for this Agreement to establish certain restrictions and impose certain commitments in connection with the development of the Properties; and

WHEREAS, the Parties intend for the Properties to be developed in a manner consistent with the City's zoning requirements, building material requirements and building code requirements except as otherwise provided herein; and

WHEREAS, the Parties intend that the Properties will be developed in accordance with the development standards set forth in those certain proposed development standards (the "Development Standards"), attached hereto as **Exhibit C**; and

WHEREAS, the Developer and the City acknowledge that this Agreement is binding upon the City and the Developer and their respective successors and assigns for the Term (defined below) of this Agreement; and

WHEREAS, this Development Agreement is to be recorded in the Real Property Records of the county in which the Properties are located; and

WHEREAS, the Developer agrees to develop the Properties as envisioned by the Parties, including dedication of easements and dedication of right-of-way, generally as depicted in Master Thoroughfare Plan; and

WHEREAS, the City supports the Development and will consider plats of all or a portion of the Properties in general accordance with the Concept Plan, applicable City Regulations and this Agreement; and

WHEREAS, the City holds the certificates of convenience and necessity (the “CCNs”) to provide retail water and wastewater service to the Properties and the Parties intend for the City to provide water and wastewater service to the Properties; and

WHEREAS, the City and the Developer agree that the Development can best proceed pursuant to a development agreement such as this Agreement; and

WHEREAS, the Properties are within the City’s extraterritorial jurisdiction (the “ETJ”), the Parties have the authority to enter into this Agreement pursuant to Section 212.171 *et seq* of the Texas Local Government Code and other applicable law.

WHEREAS, the Parties intend that this Agreement is a development agreement as provided for by state law in Section 212.171 *et seq* of the Texas Local Government Code; and

WHEREAS, this Agreement shall constitute a “permit” under Chapter 245 of the Texas Local Government Code and as allowed pursuant to Section 212.172(g) of the Texas Local Government Code; and

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

ARTICLE I **GENERAL TERMS AND DEFINITIONS**

1.1 **Recitals**. The recitals to this Agreement are incorporated herein for all purposes.

1.2 **Definitions**. Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

Assignee is defined in Section 9.1.

CCNs mean certificates of convenience and necessity.

City Council means the city council of the City.

City Regulation(s) means any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, as amended and adopted by the City for uniform application throughout the corporate limits, and as are applicable to the Development.

C means the commercial, office, and retail zoning district as described in Section 14.202.403 of the City's zoning ordinance, as it may be amended.

Consolidated Parcel(s) are defined in the recitals and further described on **Exhibit A** and depicted on **Exhibit B**.

Development is defined in the Recitals.

Development Standards means the development standards for the Properties, which are set forth on **Exhibit C**.

Effective Date is defined in the introductory paragraph.

End-Buyer is defined in Section 8.1.

ETJ is defined in the Recitals.

Developer is defined in the introductory paragraph.

MF-2 means the Urban Edge multi-family district as described in Section 14.202.303 of the City's zoning ordinance, as it may be amended.

MU means the Mixed Use district as described in Section 14.202.406 of the City's zoning ordinance, as it may be amended.

Parties means the Developer and the City.

Party means the Developer or the City.

Petition Property is defined in Section 6.1.

Properties means the real property described on **Exhibit A** and depicted on **Exhibit B**.

Public Infrastructure means water, wastewater, drainage, roadway, and other public infrastructure necessary to serve the full development of the Properties.

SF-E means the Single-Family Estate district as described in Section 14.202.202, as amended by this Agreement, of the City's zoning ordinance, as it may be amended.

ARTICLE II

DEVELOPMENT REGULATIONS

2.1 Full Compliance with City Standards.

(a) Development of the Properties shall be subject to the City Regulations and uniform engineering design standards, as amended, except to the extent that the Concept Plan and the Development Standards, may vary from those terms, then the Concept Plan and the Development Standards shall control.

(b) Building permits and certificates of occupancy shall be required for improvements on the Properties using the procedures and standards contained in the City Regulations. Permits will not be used for permit applications that do not comply with the terms of this agreement. The City shall issue permits in a manner consistent with that used elsewhere within the corporate limits.

(c) The Parties agree the Concept Plan was created by the Developer for illustrating the boundary, lot mix, and general layout of the project. Any amendment to the Concept Plan shall be considered an amendment to this Agreement and shall replace the attached Concept Plan and become a part of this Agreement.

(d) All building elevations shall conform to the provisions set forth in the City's approved Architectural Standards, as they exist or as may be amended in the future.

2.2 Approval of Plats/Plans/Replat. Approval of plats, permits, plans designs or specifications by the City shall be in accordance with the City Regulations. Approval by the City, the City's engineer or other City employee or representative, of any plats, permits, plans, designs or specifications submitted by the Developer pursuant to this Agreement or pursuant to the City Regulations shall not constitute or be deemed to be a release of the responsibility and liability of the Developer, his engineer, employees, officers or agents for the accuracy and competency of their design and specifications. Further, any such approvals shall not be deemed to be an assumption of such responsibility and liability by the City for any defect in the design and specifications prepared by the Developer or the Developer's engineer, or engineer's officers, agents, servants or employees, it being the intent of the parties that approval by the City's engineer signifies the City's approval on only the general design concept of the improvements to be constructed. All plats and plans of the Developer related to the Properties shall meet the requirements of the City Regulations. The Developer may submit a replat for all or any portion of the Properties. Any replat shall be in general conformance with the Concept Plan, including any amendments.

2.3 Vested Rights. This Agreement shall constitute a "permit" under Chapter 245 of the Texas Local Government Code that is deemed filed with the City on the Effective Date. The Developer does not, by entering into this Agreement, waive any rights or obligations arising under Chapter 245 of the Texas Local Government Code.

2.4 Building Codes, Fire Codes and Building Materials. *Developer has requested and the Parties agree that **Exhibit C**, as applicable, the City-adopted building codes and local amendments as subsequently amended, the City-adopted fire codes and local amendments as*

subsequently amended, and the City's building material regulations in the zoning ordinance (as it existed on August 1, 2019) and other city ordinances, as subsequently amended, to apply to the Properties for forty-five (45) years, and voluntarily agrees to burden the Properties with their applicability, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended.

2.5 Conflicts. In the event of any conflict between this Agreement and any City Regulation, this Agreement, including any exhibit or attachment, shall control unless otherwise stated herein.

ARTICLE III **DEVELOPMENT PROCESS AND CHARGES**

3.1 Development, Review and Inspection Fees. Development of any portion of the Properties shall be subject to payment to the City of the applicable fees according to the City Regulations, including without limitation fees relating to platting and any other charges and fees not expressly exempted or altered by the terms of this Agreement.

3.2 Development Agreement Fees. The Parties agree the Developer shall pay at the time of request for each development agreement application related to the Properties a \$2,500.00 fee, plus the cost of fees for professional review, including but not limited to reasonable legal, engineering, land planning, and financial analysis, development analysis, and engineering consultant review.

3.3 ROW Dedication. The Developer shall, either by plat or by deed as requested by the City, dedicate the right-of-way area for roads, as reflected on the Master Thoroughfare Plan generally being approximately one-half of the total right-of-way.

3.4 **INDEMNIFICATION AND HOLD HARMLESS. THE DEVELOPER AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE PUBLIC INFRASTRUCTURE ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUB-CONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE PUBLIC INFRASTRUCTURE; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PUBLIC INFRASTRUCTURE; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE PUBLIC INFRASTRUCTURE OR ANY**

AGREEMENT OR RESPONSIBILITY REGARDING THE PUBLIC INFRASTRUCTURE, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY. DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 3.4 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

3.5 DEVELOPER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/ DEVELOPERS' WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.

(A) THE DEVELOPER ACKNOWLEDGES AND AGREES THAT:

(I) THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY

PURSUANT TO THIS AGREEMENT, REGARDING THE PROPERTIES, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

- (a) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;
- (b) VIOLATION OF THE TEXAS LOCAL GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED; AND/OR
- (c) NUISANCE.

(II) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE AMOUNT OF THE DEVELOPER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC INFRASTRUCTURE AS CONTEMPLATED BY THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE DEVELOPER'S ANTICIPATED IMPROVEMENTS AND DEVELOPER'S DEVELOPMENT PLACES ON THE CITY'S INFRASTRUCTURE.

(III) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER HEREBY AGREES AND ACKNOWLEDGES, WITHOUT WAIVING CLAIMS RELATED SOLELY TO EXACTIONS NOT CONTEMPLATED BY THIS AGREEMENT, THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE DEVELOPER FOR SUCH LAND, AND THE DEVELOPER HEREBY WAIVES ANY CLAIM THEREFOR THAT IT MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTIES ON THE CITY'S INFRASTRUCTURE. ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

(B) THIS SECTION 3.5 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE IV **TERM**

The term of this Agreement shall be for a period of twenty-five (25) years after the Effective Date. The Parties may extend the term of this Agreement if they execute an agreement in writing.

ARTICLE V

ANNEXATION AND POST-ANNEXATION MATTERS

5.1 **Annexation.** Within ten (10) days of being requested to do so by the City, Developer agrees to (a) submit a voluntary annexation petition for the Properties, or portion thereof, or for each Consolidated Parcel if developed in stages, or (b) if requested by the City, sign a petition for annexation presented to Developer by the City that may contain additional acres (collectively, the "**Petition Property**"). Developer agrees to execute and supply any and all instruments and/or other documentation necessary for the City to annex the Properties into the City's corporate limits. This Agreement constitutes the service plan agreement for providing City services to the Properties. If the City is unable to complete the annexation of the Petition Property for any reason, including but not limited to procedural error or legal challenge, Developer shall execute another voluntary annexation petition for the Petition Property and/or Properties, within ten (10) days of being requested to do so. Prior to annexation of the Properties, the City shall have considered this Agreement, shall have submitted to Developer, and Developer shall review and approve, and this annexation service plan shall be considered a binding, and mutually agreed upon, contractual obligation between the City and Developer. Developer acknowledges and agrees that this Section 5.1 was a material inducement for the City to enter into this Agreement with Developer.

5.2 **Zoning of Property.** While the Parties expressly acknowledge that the Properties will be voluntarily annexed in accordance with Section 5.1 of this Agreement, the Parties agree that the zoning identification in **Exhibit B**, the Concept Plan, the Development Standards, as applicable, and the applicable provisions of this Agreement memorialize the plan for development of the Properties as provided for in Section 212.172 of the Texas Local Government Code and other applicable law. The City shall consider zoning the Properties consistent with the Development Standards, Concept Plan and applicable provisions of this Agreement contemporaneously with the annexation of the Properties. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Properties consistent with and as contemplated by this section. In the event of a conflict between this Agreement and the zoning of the Properties, the Parties agree that this Agreement shall control. The Developer agrees that nothing in this Agreement shall prevent **Exhibit C**, Section 3.4 of this Agreement, and the City Regulations, including but not limited to zoning, from being enforced against an End-Buyer.

ARTICLE VI

EVENTS OF DEFAULT; REMEDIES

6.1 **Events of Default.** No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than 30 days after written notice of the alleged failure has been given). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured and within such 30-day period gives written notice to the non-defaulting Party of the details of why the cure will take longer than 30 days with a statement of how many days are needed to cure.

6.2 Remedies. If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief.

ARTICLE VII

ASSIGNMENT AND ENCUMBRANCE

7.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto. The obligations, requirements, or covenants to develop the Properties in this Agreement shall be able to be assigned to any affiliate or related entity of the Developer, or any lien holder on the Properties, without the prior written consent of the City. An assignee shall be considered a “Party” for the purposes of this Agreement. Each assignment shall be in writing executed by Developer and the assignee and shall obligate the assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned, and shall contain a representation by the assignee acknowledged by a notary public that the assignee has the financial ability to timely perform the assigned obligations. A copy of each fully executed assignment to an assignee shall be provided to all Parties within 15 days after execution. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. Developer shall maintain written records of all assignments made by Developer to assignees, including a copy of each executed assignment and, upon written request from any Party or assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party’s sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Properties.

7.2 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement, except for the fees and charges to be collected under Article III, without the Developer’s prior written consent, which consent shall not be unreasonably withheld.

7.3 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a “Party” for the purposes of this Agreement. With the exception of the End-Buyer (as defined in Section 8.1 below) of a lot within the Properties, any person or entity upon becoming a Developer of land or upon obtaining an Ownership interest in any part of the Properties shall be deemed to be a “Developer” and have all of the obligations of the Developer as set forth in this Agreement and all related documents to the extent of said Ownership or Ownership interest.

7.4 No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

7.5 Notice of Assignment. In addition to the other requirements in this Agreement, the following requirements shall apply in the event that the Developer sells, assigns, transfers, or

otherwise conveys the Properties or any part thereof and/or any of its rights or benefits under this Agreement:

- (a) within 30 days after the effective date of any such sale, assignment, transfer, or other conveyance, the Developer must provide written notice of same to the City;
- (b) the notice must describe the extent to which any rights or benefits under this Agreement have been sold, assigned, transferred, or otherwise conveyed;
- (c) the notice must state the name, mailing address, and telephone contact information of the person(s) acquiring any rights or benefits as a result of any such sale, assignment, transfer, or other conveyance; and
- (d) the notice must be signed by a duly authorized person representing the Developer.

ARTICLE VIII

RECORDATION AND ESTOPPEL CERTIFICATES

8.1 Binding Obligations. This Agreement and all amendments hereto (including amendments to the Concept Plan as allowed in this Agreement) and assignments hereof shall be recorded in the deed records of Collin County. This Agreement binds and constitutes a covenant running with the Properties. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the Properties. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Properties; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-buyer/homebuyer of a fully developed and improved lot (“an End-Buyer”) and shall not negate the End-Buyer’s obligation to comply with the City’s Regulations, including but not limited to zoning ordinances, as they currently exist or may be amended.

8.2 Estoppel Certificates. From time to time upon written request of the Developer, if needed to facilitate a sale of all or a portion of the Properties or a loan secured by all or a portion of the Properties, the City will execute to its reasonable knowledge and belief, a written estoppel certificate in a form and substance satisfactory to the City identifying any obligations of the Developer under this Agreement that are in default. The Developer shall pay the City \$1,000 at the time of the Developer’s requests for an estoppel certificate for each request in excess of one per calendar year.

ARTICLE IX

ADDITIONAL PROVISIONS

9.1 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

9.2 Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:	Attn: City Manager City of Celina 142 North Ohio Celina, TX 75009 Email: jlaumer@celina-tx.gov
With a copy to:	Attn: Julie Fort Messer, Fort & McDonald PLLC 6371 Preston Road, Suite 200 Frisco, Texas 75034 Email: julie@txmunicipallaw.com
With a copy to:	Attn: Lance Vanzant Hayes, Berry, White & Vanzant, LLP Email: lvanzant@hbwvlaw.com
To the Developer:	Attn: Barry Sangani Sangani Properties, Ltd. 4541 Lancelot Drive Plano, Texas 75024 Email: barrysangani@verizon.net With a copy to: <u>Feizy Land Investment, LLC</u> <u>Attn: John Feizy / Anthony Veader</u> <u>13800 Diplomat Drive</u> <u>Dallas, Texas 75234</u> <u>jfeizy@feizy.com / aveader@feizy.com</u> With a copy to: <u>Coats Rose, P.C.</u> <u>Attn: Robert Daake</u> <u>14755 Preston Road, Ste 600</u> <u>Dallas, Texas 75254</u> <u>rdaake@coatsrose.com</u>

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

9.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

9.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

9.5 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

9.6 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

9.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

9.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Collin County District Court.

9.9 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or

construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

9.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

9.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

9.12 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Legal Description of the Property
Exhibit B	Depiction of the Property
Exhibit C	Development Standards

9.13 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

9.14 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term “force majeure” shall include events or circumstances that are not within the reasonable control of Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

9.15 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Developer expressly amending the terms of this Agreement.

9.16 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

[signatures on following pages]

EXECUTED by the City and Developer on the respective dates stated below.

Date: _____

CITY OF CELINA

By: _____
Sean Terry, Mayor

ATTEST:

Vicki Tarrant, City Secretary

STATE OF TEXAS §

§

COUNTY OF COLLIN §

This instrument was acknowledged before me on the ___ day of _____, 2020 by Sean Terry, the Mayor of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

Attachment: Development Agreement (Sangani Properties Development Agreement)

OWNER: GSR COLLIN COUNTY LP

By: _____

Name: Barry Sangani

Title: General Partner

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by Barry Sangani, General Partner of said Limited Partnership.

Notary Public in and for the State of TEXAS

Attachment: Development Agreement (Sangani Properties Development Agreement)

OWNER: FEIZY LAND INVESTMENT, LLC

By: _____

Name: John Feizy

Title: Managing Member

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by John Feizy, Managing Member of said limited liability company.

Notary Public in and for the State of TEXAS

Attachment: Development Agreement (Sangani Properties Development Agreement)

OWNER: MARUTHI INVESTMENTS, LLC

By: _____

Name: Barry Sangani

Title: Manager

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by Barry Sangani, Manager of said limited liability company.

Notary Public in and for the State of TEXAS

Attachment: Development Agreement (Sangani Properties Development Agreement)

OWNER: NSH COLLIN COUNTY INVESTMENT, LLC

By: _____

Name: Barry Sangani

Title: Member

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by Barry Sangani, Member of said limited liability company.

Notary Public in and for the State of TEXAS

Attachment: Development Agreement (Sangani Properties Development Agreement)

OWNER: FSA & S COLLIN COUNTY, LLC

By: _____

Name: Barry Sangani

Title: Member

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by Barry Sangani, Member of said limited liability company.

Notary Public in and for the State of TEXAS

Attachment: Development Agreement (Sangani Properties Development Agreement)

OWNER: CUSTER RANCH LP

By: _____

Name: Barry Sangani

Title: General Partner

Date: _____

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2020, by Barry Sangani, General Partner of said limited partnership.

Notary Public in and for the State of TEXAS

Attachment: Development Agreement (Sangani Properties Development Agreement)

EXHIBIT A**DESCRIPTION OF THE PROPERTIES**

Consolidated Parcel 1 - 23.874 Total Acres		
Collin CAD ID No.	Legal Description	Acreage
2120501	Abstract No. A0130 in the B.B.B. & C.R.R. Survey, Tract 18	23.874± acres

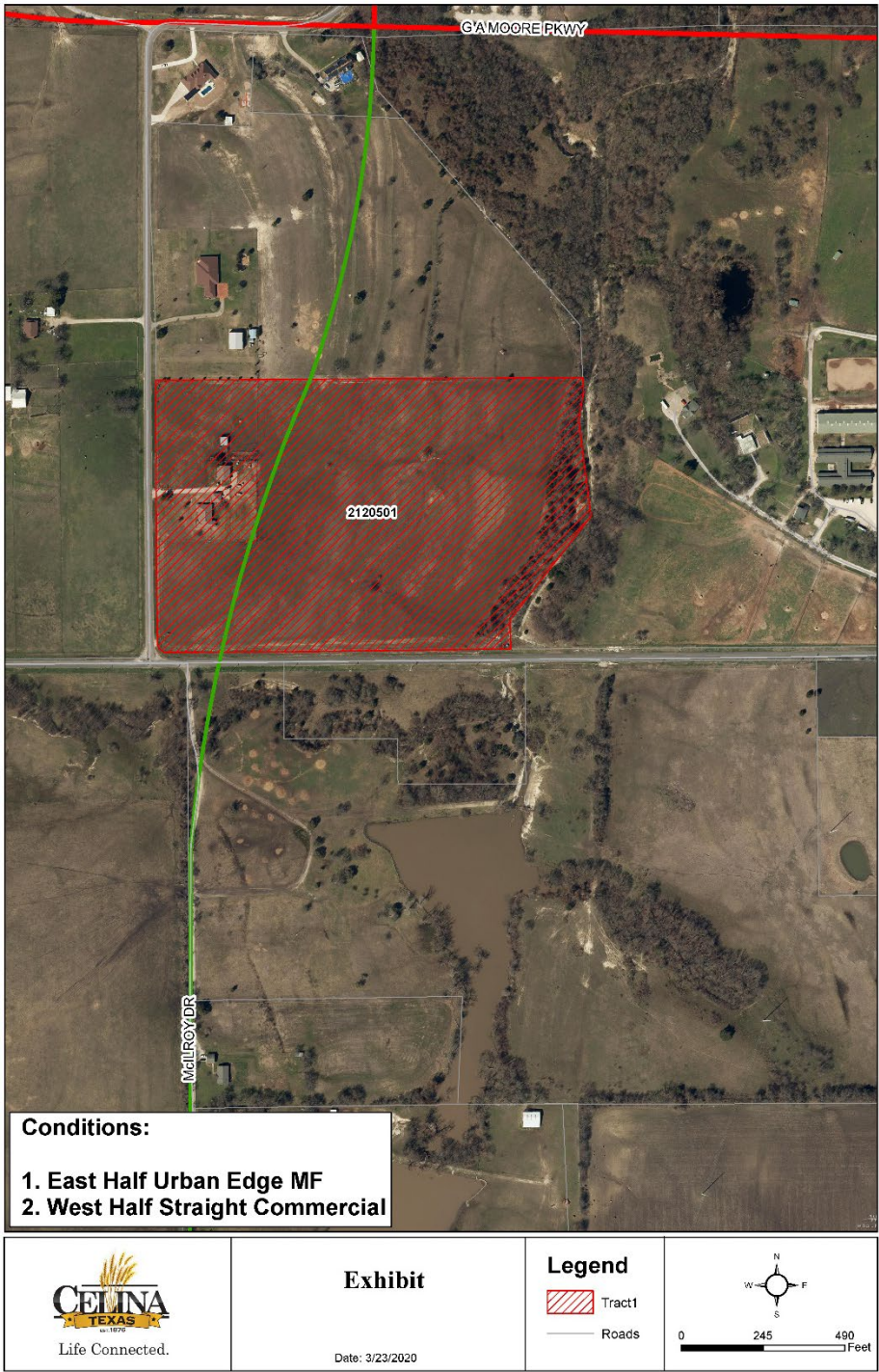
Consolidated Parcel 2 - 96.23 Total Acres		
Collin CAD ID No.	Legal Description	Acreage
2663798	Lot 1 in Preston 450 Addition	15.80± acres
1497749	Lot 2 in Preston 450 Addition	15.80± acres
1497758	Lot 3 in Preston 450 Addition	15.799± acres
1497767	Lot 4 in Preston 450 Addition	15.7990± acres
2758470	Lot 5 in Preston 450 Addition	15.80± acres
1497785	Lot 6 in Preston 450 Addition	17.232± acres

Consolidated Parcel 3 - 76.8214 Total Acres		
Collin CAD ID No.	Legal Description	Acreage
963443	Abstract A0262, William Deavenport Survey, Tract 2	25.5414± acres
2120832	Abstract A0262, William Deavenport Survey, Tract 1	25.74± acres
963452	Abstract A0262, William Deavenport Survey, Tract 3	25.54± acres

Consolidated Parcel 4 – 74.937 Total Acres		
Collin CAD ID No.	Legal Description	Acreage
2718652	Abstract A0931 T & P Ry Co Survey, Tract 4	11.8772± acres
2718653	Abstract A0533 W C Lewis Survey, Tract 6	18.7841± acres
2718698	Abstract A0247 John Davis Survey, Tract 3	44.2757± acres

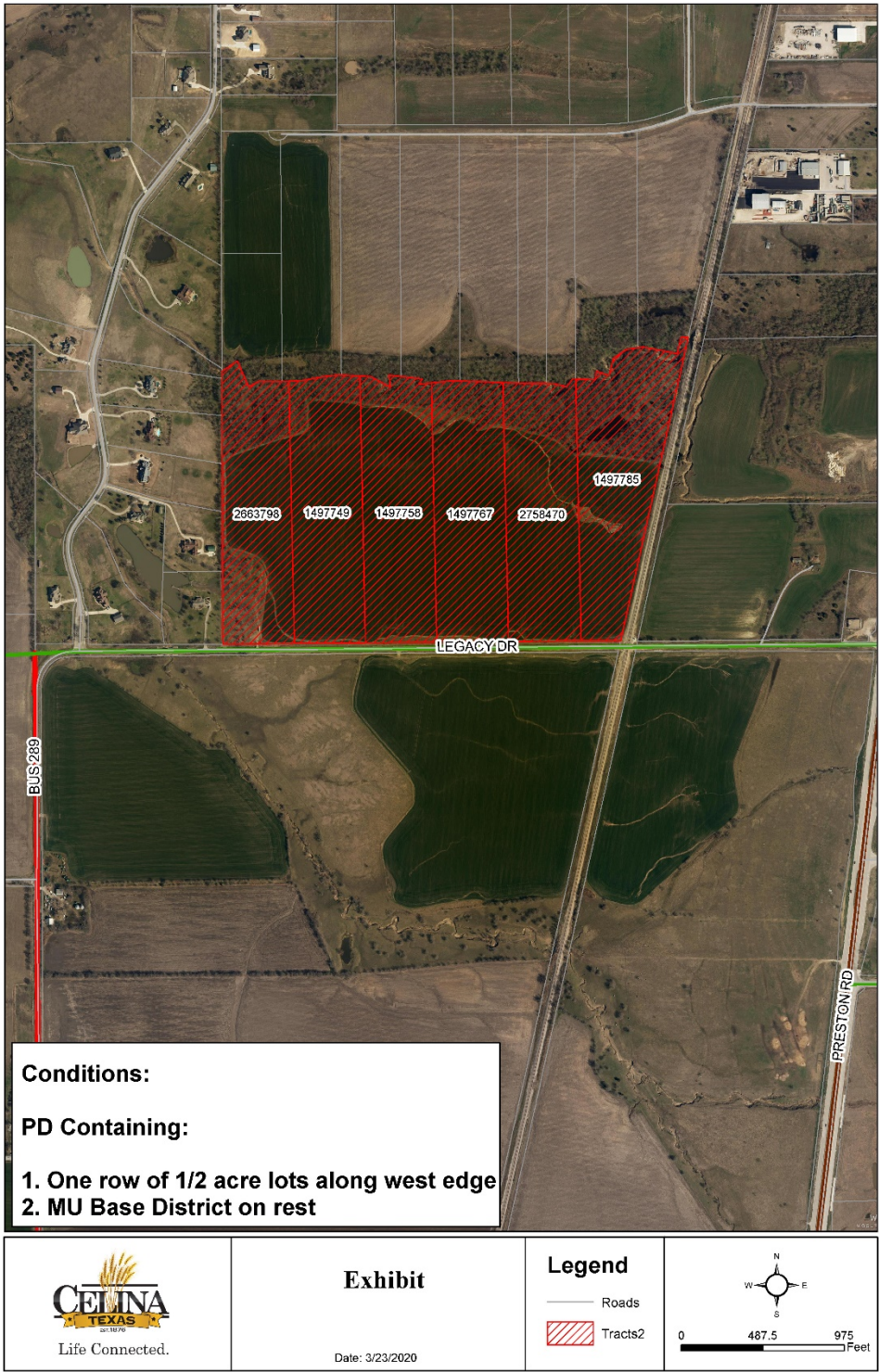
Consolidated Parcel 5 - 79.963 Total Acres		
Collin CAD ID No.	Legal Description	Acreage
998727	Abstract No. A0983 in the JB Wilmeth Survey, Tract 1	63.463± acres
1013575	Abstract No. A0985 in the JB Wilmeth Survey, Tract 1	4.5± acres
1014280	Abstract No. A1032 in the JB Wilmeth Survey, Tract 1	12.0± acres

EXHIBIT B
DEPICTION OF THE PROPERTIES
Consolidated Parcel 1 - 23.874 Total Acres



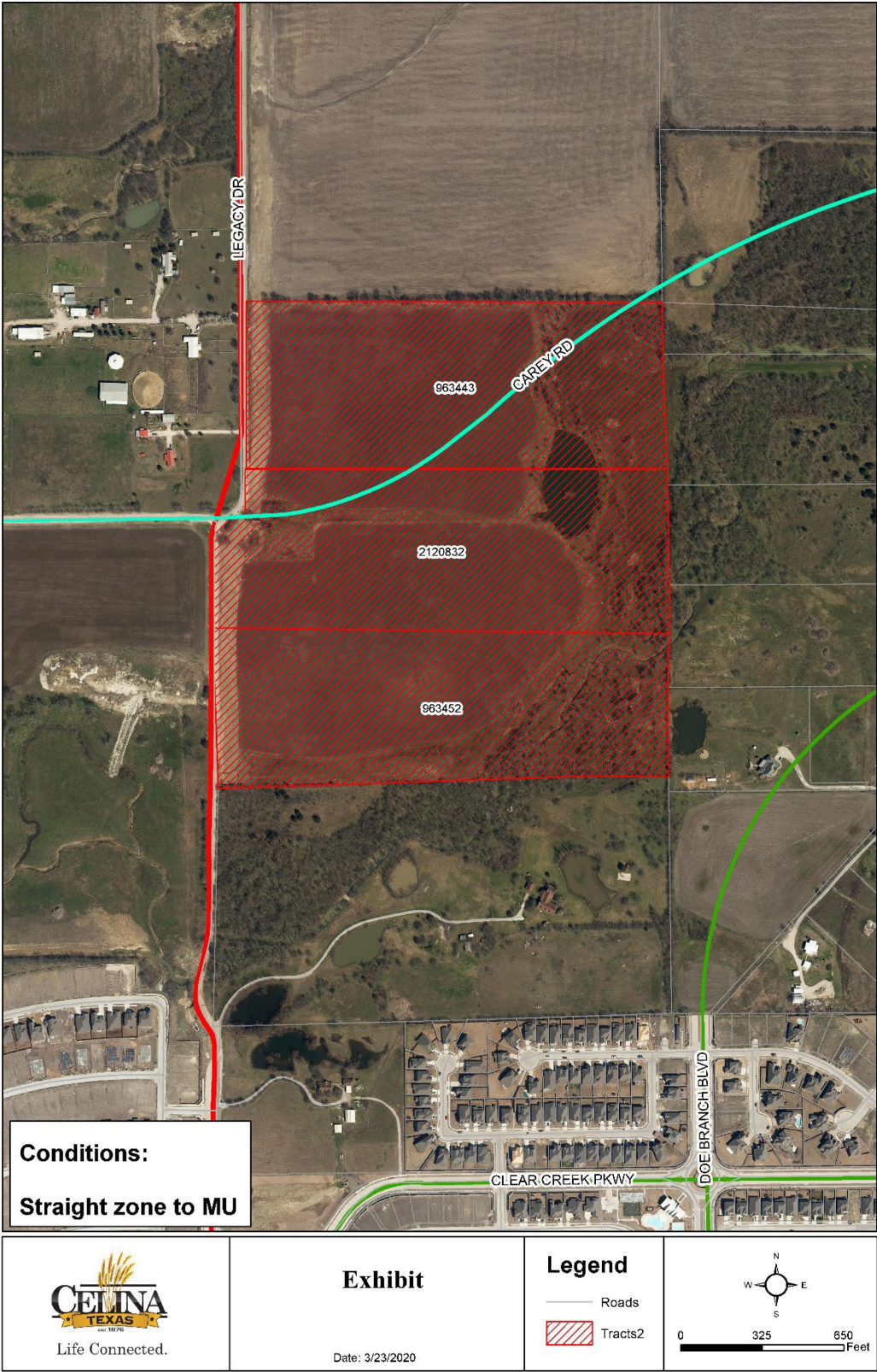
Attachment: Development Agreement (Sangani Properties Development Agreement)

Consolidated Parcel 2 - 96.23 Total Acres



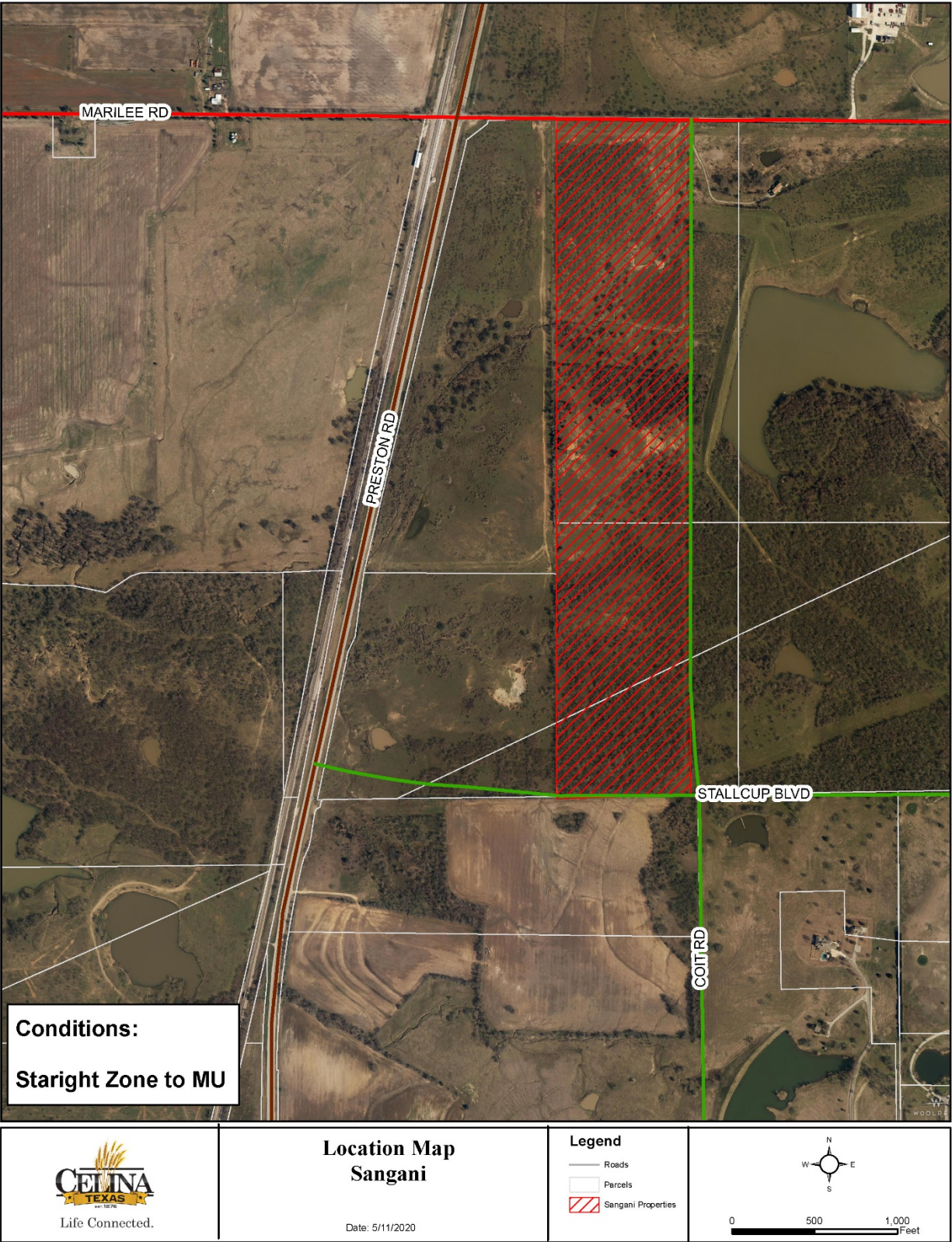
Attachment: Development Agreement (Sangani Properties Development Agreement)

Consolidated Parcel 3 - 76.8214 Total Acres



Attachment: Development Agreement (Sangani Properties Development Agreement)

Consolidated Parcel 4 - 74.937 Total Acres



Attachment: Development Agreement (Sangani Properties Development Agreement)

Consolidated Parcel 5 - 79.963 Total Acres



Attachment: Development Agreement (Sangani Properties Development Agreement)

EXHIBIT C
DEVELOPMENT STANDARDS

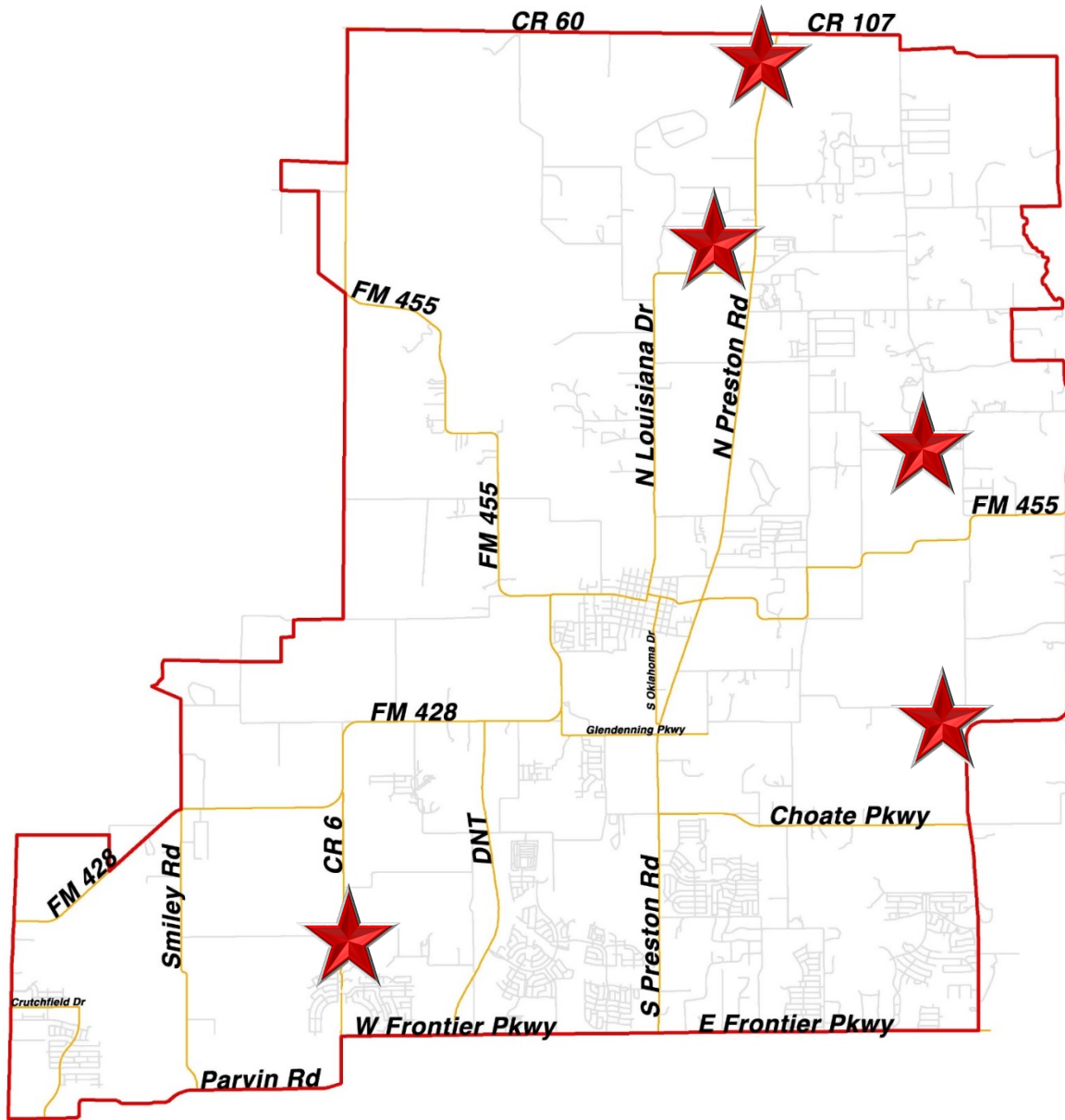
Consolidated Parcel 2.

Zoning, at the time of annexation, shall have a base of “SF-E” (Single Family Estate) with the exception that the minimum lot size shall be ½-acre in area.

Sangani Properties

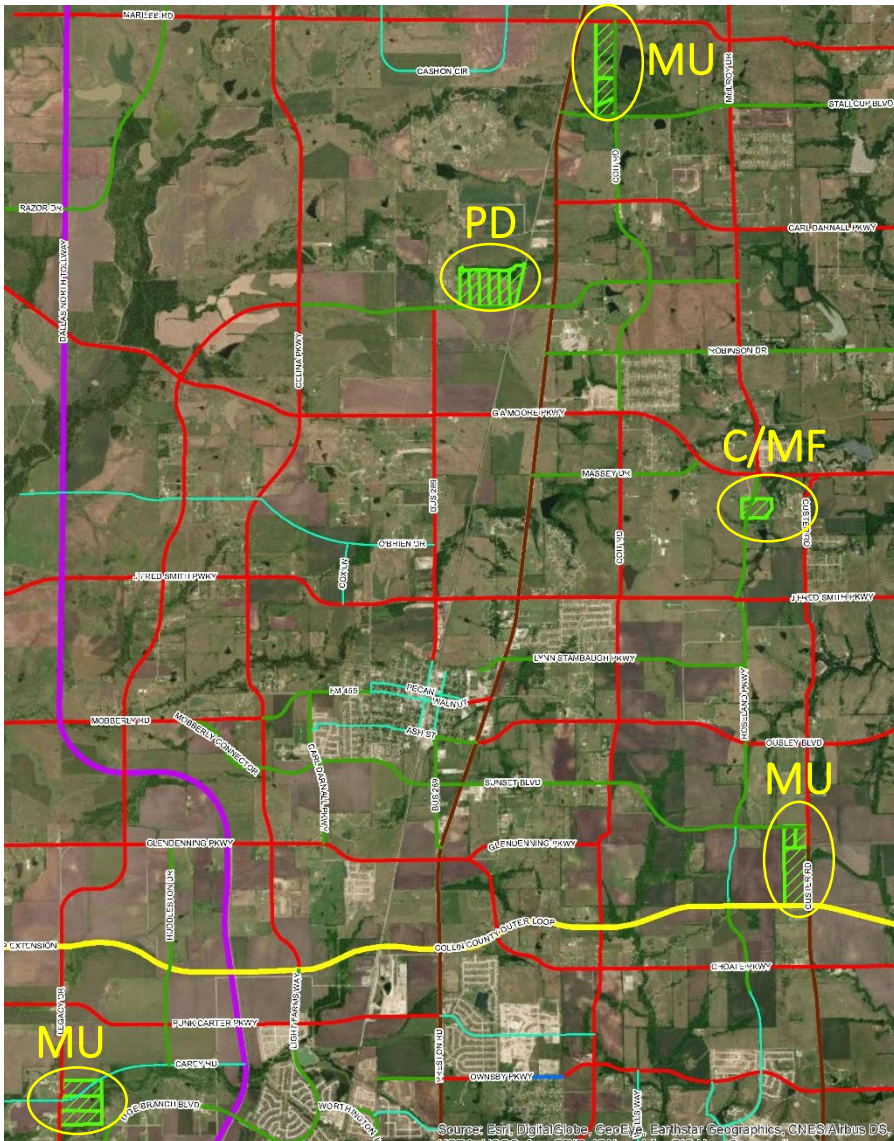
Development Agreement

City Council
June 9, 2020



Location Map

The subject properties are located in various parts of the City, mostly at fairly prominent intersections



Background

- The subject properties are approximately 352 acres, located in the Extraterritorial Jurisdiction (ETJ)
- The property owner desires to outline the future annexation and zoning that will apply to the tracts through a Development Agreement with the City

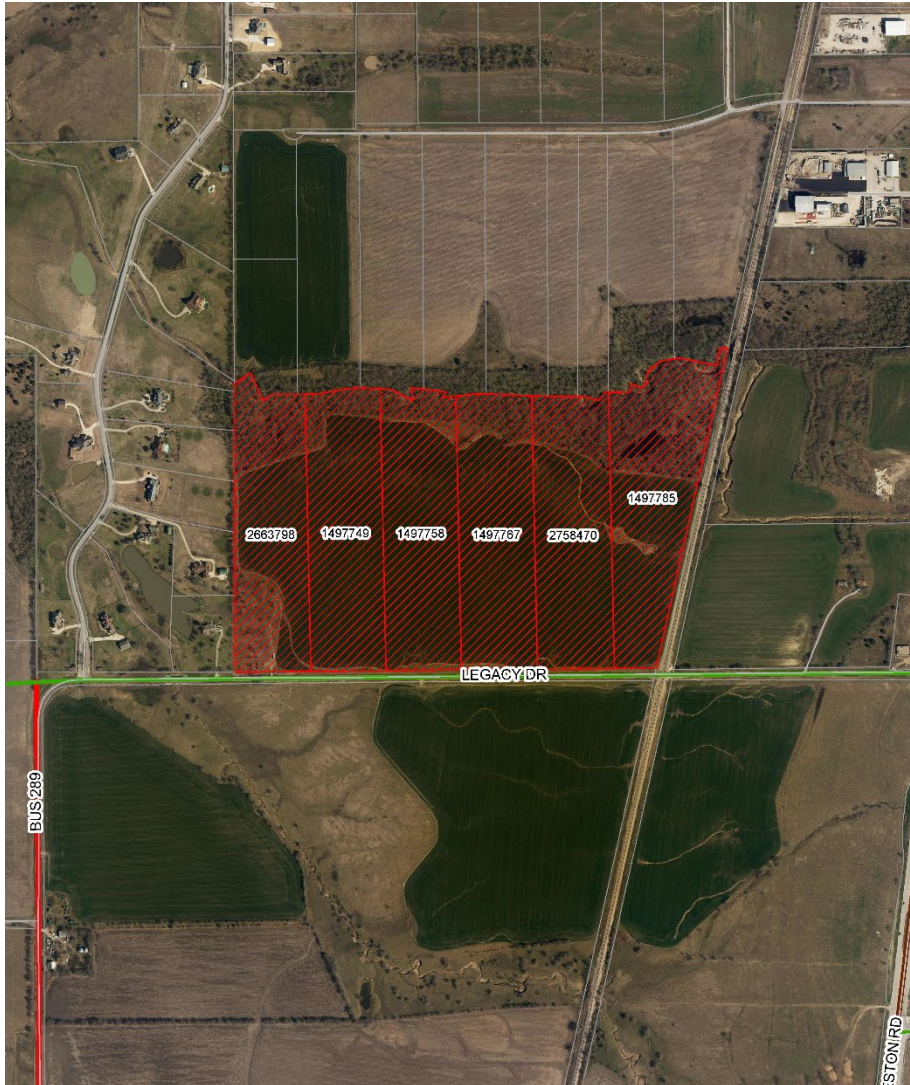
Overview

- The Development Agreement proposes immediate annexation and zoning for the 352 acres, which is currently undeveloped land
- The development agreement also requires right-of-way dedication from the property owner either at time of development, or when the City requests for the ROW



Zoning Overview

- Northwest corner of Coit Road & Stallcup Boulevard
- 75 Acres
- Mixed-Use (MU)



Zoning Overview

- Northwest corner of BNSF Railroad & Legacy Drive
- 97 acres
- PD with Mixed-Use (MU) base zoning
- Large lot buffer along western property line

Attachment: Staff Presentation (Sangani Properties Development Agreement)



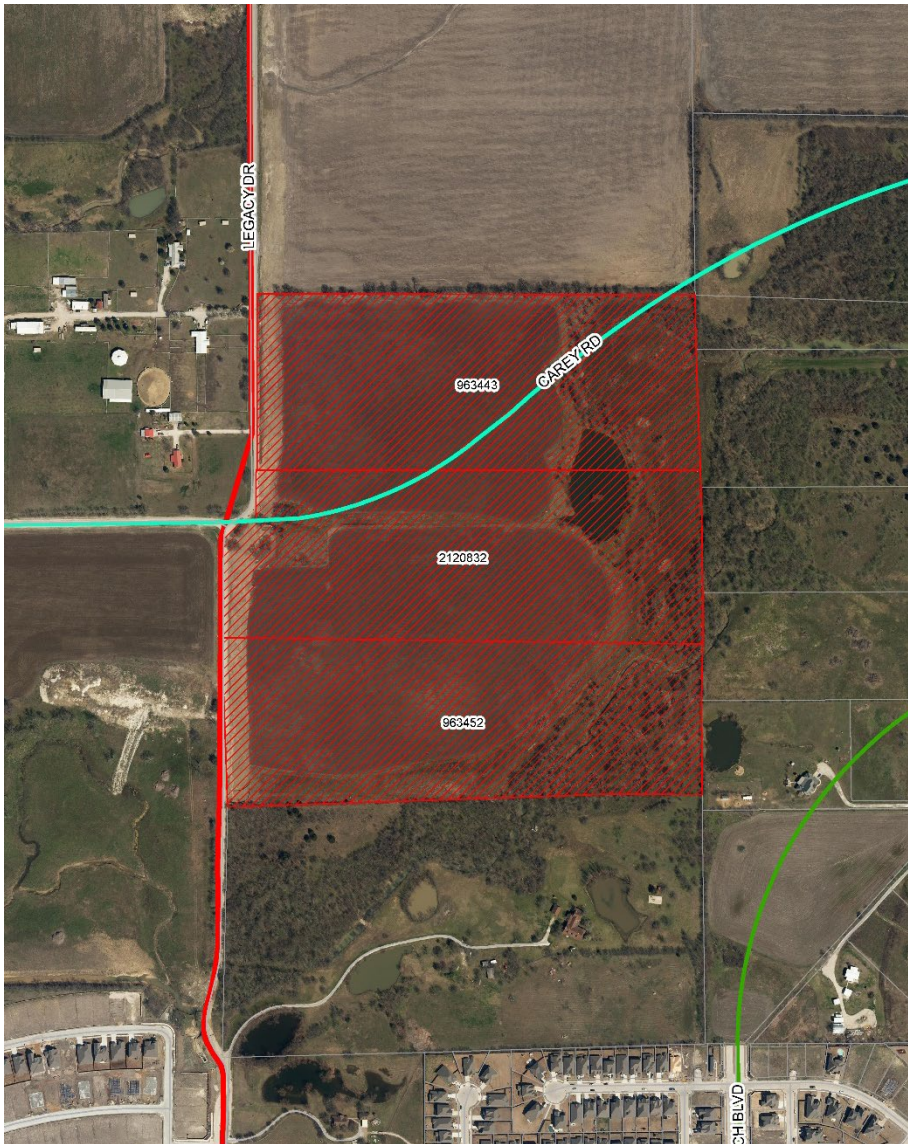
Zoning Overview

- Northeast corner of CR 132 & CR 130; east & west side of future McIlroy Drive
- 24 acres
- Commercial (C) and Urban Edge (MF-2)



Zoning Overview

- Northwest corner of Custer Road & Collin County Outer Loop
- 80 acres
- Mixed-Use (MU)



Zoning Overview

- Northeast & southeast corner of Legacy Drive and Carey Road
- 77 acres
- Mixed-Use (MU)

Policy Considerations

- The DA brings an additional 352 acres into the City Limits with base zoning
- The proposed land uses are appropriate for the respective locations
- ROW clauses are favorable to the City's transportation plan
- The property owner agrees to use the 352 acres for a C4 petition later this calendar year

P&Z Public Hearing

- Five neighboring residents expressed their opposition for this item and a preference for the land to be reserved for estate residential land uses.
- The applicant volunteered to down-zone the western buffer from half acre lots to one acre lots, but was unwilling to convert the corner of Preston & Legacy to estate residential.

Recommendation

- At the May 19, 2020 Planning & Zoning Commission regular meeting, the Commission voted unanimously to recommend approval of the item with one acre lots as a residential estate lot buffer on the western perimeter adjacent to North Preston Lakes.
- Staff recommends approval as presented



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: Creeks of Legacy PID Phase #3 Levy

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final Amended and Restated Creeks of Legacy Public Improvement District Service and Assessment Plan – Updated for Phase #3, including the Phase #3 assessment roll; making a finding of special benefit to property within Phase #3 of the Creeks of Legacy Public Improvement District; levying special assessments against such property and establishing a lien on such property; providing for the method of assessment and the payment of the assessments levied against Phase #3 assessed property in accordance with Chapter 372 Texas Local Government Code, as amended. (Creeks of Legacy PID Phase #3 Levy) (McAfee)

Background Information:

The ordinance is attached.

Legal Review:

This item has been reviewed by the City Attorney.

Supporting Documents:

- Staff Presentation
- Ordinance

Staff Recommendation:

Staff recommends approval as presented.

Creeks of Legacy PH3

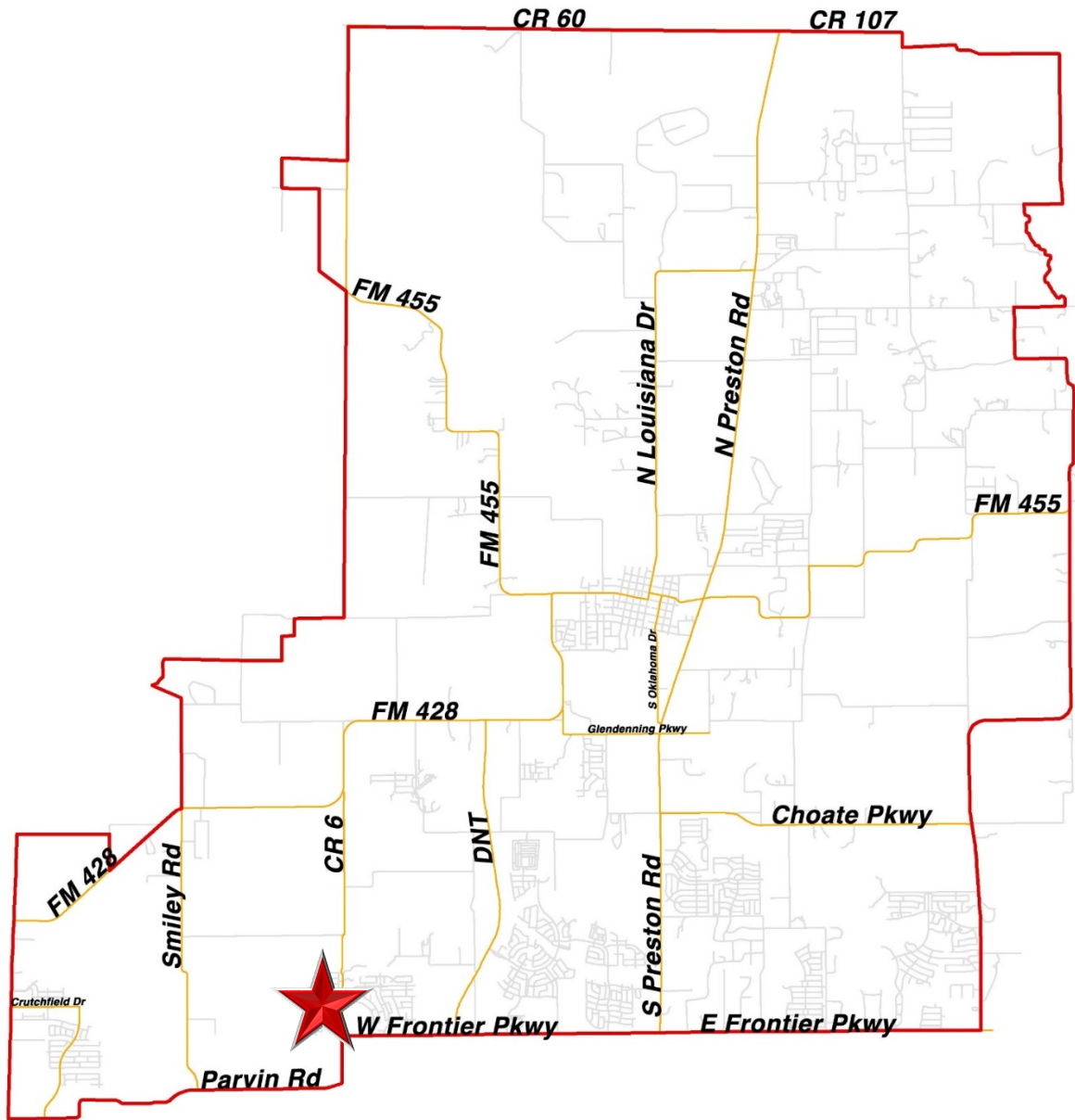
PID Assessment Levy

City Council

June 9, 2020

Attachment: Staff Presentation (Creeks of Legacy PID Phase #3 Levy)

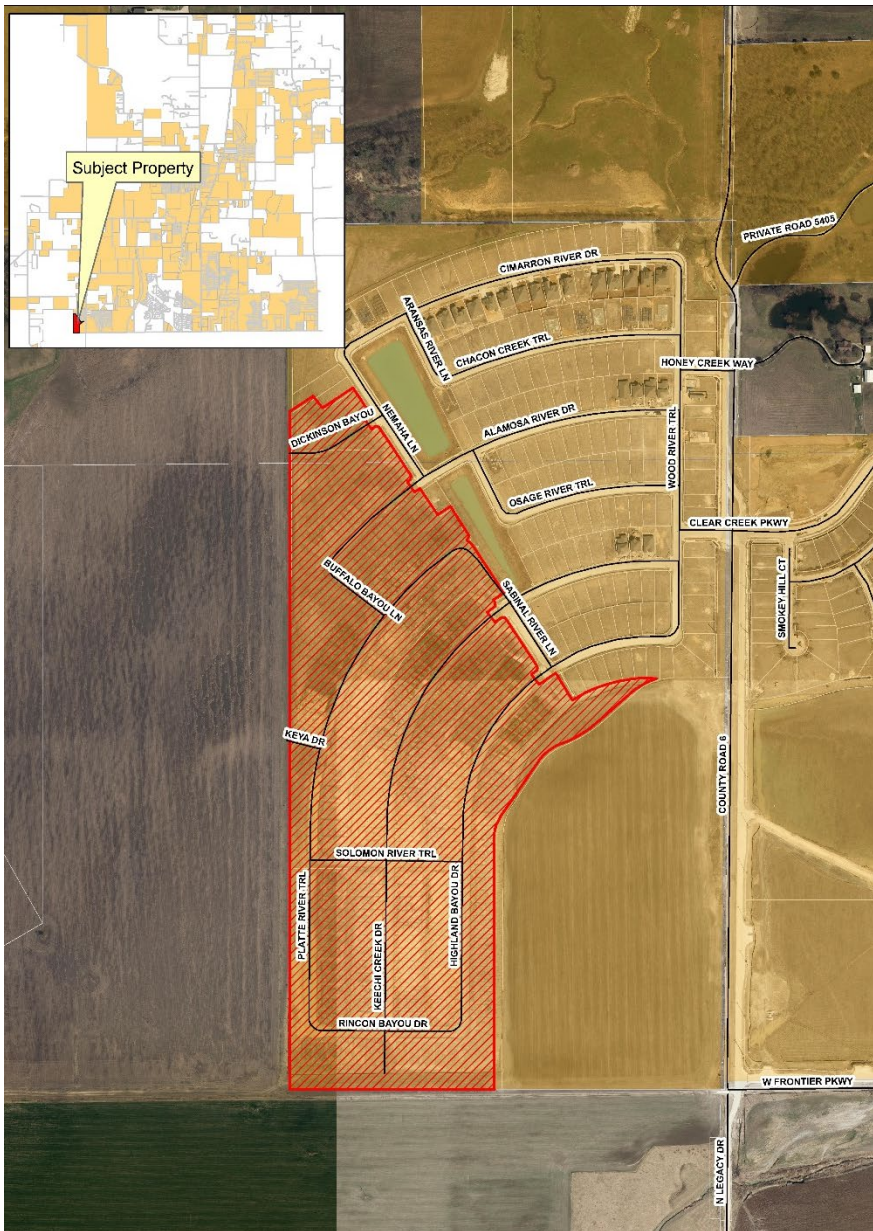




Location Map

The subject properties is located north of Frontier Parkway and approximately 900 feet west of Legacy Drive.

Attachment: Staff Presentation (Creeks of Legacy PID Phase #3 Levy)



PID Overview

- This property is known as Creeks of Legacy West Phase 2
- PID Phase 3
- 211 lots
- Estimated Improvement cost: \$4.4M
 - Estimated PID assessment amount: \$3.6M

PID Assessment

Assessment per Unit

60' Lot	\$19,343
50' Lot	\$16,045

PID Timeline

- ~~April 8, 2014 – PID Petition Resolution~~
- ~~April 29, 2014 – PID Creation Resolution~~
- ~~May 12, 2020 – Pre-SAP Resolution~~
- June 9, 2020 – SAP/Levy Ordinance

Recommendation

- Staff recommends approval as presented

CITY OF CELINA, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING AN AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN AND PHASE #3 ASSESSMENT ROLL FOR THE CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN PHASE #3 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN PHASE #3 OF THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on April 8, 2014, a petition was submitted and filed with the City Secretary (the “City Secretary”) of the City of Celina, Texas (the “City”) pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “PID Act”), requesting the creation of a public improvement district in the City to be known as the Creeks of Legacy Public Improvement District (the “District”); and

WHEREAS, the petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Denton Central Appraisal District and Collin Central Appraisal District, and the signature of the property owners who owned taxable real property that constituted more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, on April 29, 2014, after due notice, the City Council of the City (the “City Council”) held a public hearing in the manner required by law on the advisability of the public improvements and services described in the petition as required by Sec. 372.009 of the PID Act and made the findings required by Sec. 372.009(b) of the PID Act and, by Resolution No. 2014-17R (the “Authorization Resolution”) adopted by a majority of the members of the City Council, authorized and created the District in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, on May 2, 2014, the City published the Authorization Resolution in *The Celina Record* a newspaper of general circulation in the City; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after May 2, 2014; and

WHEREAS, on May 12, 2020, the City Council adopted a resolution approving a preliminary service and assessment plan update, determining the total costs of the Phase #3 Improvements (as defined in the Service and Assessment Plan, defined below), calling for a public hearing to consider the levying of the assessments against the property within Phase #3 of the District (the "Phase #3 Assessments"), authorizing and directing the filing of a proposed assessment roll for Phase #3 of the District (the "Phase #3 Assessment Roll"), authorizing and directing the publication of notice of a public hearing to consider the levying of the Phase #3 Assessments against the property within Phase #3 of the District (the "Levy and Assessment Hearing") in a newspaper of general circulation in the City, and directing related action; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on May 22, 2020 in the *Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, the City Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known address of the owners of the property liable for the Phase #3 Assessments; and

WHEREAS, the City Council opened the Levy and Assessment Hearing on *June 9, 2020*, 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 Phase #3 Assessment Roll, and the proposed Phase #3 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #3 Assessments, the allocation of costs of the Phase #3 Improvements, the purposes of the Phase #3 Assessments, the special benefits of the Phase #3 Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #3 Assessments; and

WHEREAS, the City Council finds and determines that the Phase #3 Assessment Roll and the Amended and Restated Creeks of Legacy Public Improvement District Service and Assessment Plan, dated June 9, 2020 (the "Service and Assessment Plan"), attached as *Exhibit A* hereto and which is incorporated herein for all purposes, should be approved and that the Phase #3 Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Phase #3 Assessment Roll attached thereto as Appendix I; and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of costs of the Phase #3 Improvements, the Phase #3 Assessment Roll, or the levy of the Phase #3 Assessments; and

WHEREAS, the City Council closed the Levy and Assessment Hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

Section 1. Terms.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The City Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the costs of the Phase #3 Improvements (as reflected in the Service and Assessment Plan) and the Administrative Expenses (as reflected in the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed Parcel will receive from the construction of the Phase #3 Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Phase #3 Improvements and has been reviewed and updated annually, including by the Service and Assessment plan attached hereto;

(c) The Service and Assessment Plan apportions the cost of a Phase #3 Improvements to be assessed against the property in Phase #3 of the District and such apportionment is made on the basis of special benefits accruing to the property because of the Phase #3 Improvements;

(d) All of the real property in Phase #3 of the District which is being assessed in the amounts shown in the Phase #3 Assessment Roll will be benefited by the Phase #3 Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel will receive special benefits in each year equal to or greater than each annual Phase #3 Assessments and will receive special benefits during the term of the Phase #3 Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the costs of the Phase #3 Improvements and the Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the costs of the Phase #3

Improvements and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the costs;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Phase #3 Assessment Roll in the form attached as Appendix I to the Service and Assessment Plan should be approved as the Phase #3 Assessment Roll for Phase #3 of the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Phase #3 Assessments, interest on Annual Installments, interest and penalties on delinquent Phase #3 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Phase #3 Assessments should be approved and will expedite collection of the Phase #3 Assessments in a timely manner in order to provide the services and improvements needed and required for the area within the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District.

Section 4. Phase #3 Assessment Roll.

The Phase #3 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Phase #3 Assessment Roll of Phase #3 of the District.

Section 5. Levy and Payment of Special Assessments for Costs of Phase #3 Improvements.

(a) The City Council hereby levies an assessment on each tract of property (excluding Non-Benefitted Property) located within Phase #3 of the District, as shown and described in the Service and Assessment Plan and the Phase #3 Assessment Roll, in the respective amounts shown on the Phase #3 Assessment Roll as a special assessment on the properties set forth in the Phase #3 Assessment Roll.

(b) The levy of the Phase #3 Assessments shall be effective on the date of execution of this Ordinance levying Phase #3 Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Phase #3 Assessments shall be as described in the Service and Assessment Plan. The collection of the first Annual Installment of the Assessments hereby levied against each Parcel of Phase #3 Assessed Property shall commence upon the earlier of (i) the issuance of Phase #3 Bonds secured by the Phase #3 Assessment Revenues, or (ii) the two year anniversary of the levy of Assessments on the Phase #3 Assessed Property. Such first Annual Installment for a Phase #3 Lot or Phase #3 Parcel shall be due by January 31st of the following calendar year.

(d) Each Phase #3 Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Phase #3 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Administrative Expenses for the Phase #3 Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

The method of apportioning the costs of the Phase #3 Improvements and the Administrative Expenses is as set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Assessments.

Delinquent Phase #3 Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan. The Phase #3 Assessments shall have lien priority as specified in the PID Act, the Service and Assessment Plan, and as otherwise allowed by law.

Section 8. Prepayments of Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Phase #3 Assessed Property may prepay the Phase #3 Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the owners of property in Phase #3 of the District intend for the obligations, covenants and burdens on the landowners of the Phase #3 Assessed Property, including without limitation the property owners' obligations related to payment

of the Phase #3 Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Phase #3 Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of the Phase #3 Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. The Phase #3 Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Initial Administrator and Collector of Assessments.

(a) Appointment of Administrator.

MuniCap, Inc. is hereby appointed and designated to initially serve, or until otherwise determined by the City Council, as the Administrator of the Service and Assessment Plan and of the Phase #3 Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan, in this Ordinance and in any contract between the City and the Administrator. The Administrator's fees, charges and expenses for providing such service shall constitute an Administrative Expense.

(b) Appointment of Temporary Collector.

The City's Director of Finance is hereby appointed and designated as the temporary collector of the Phase #3 Assessments (the "Collector"). The Collector shall serve in such capacity until such time as the City shall arrange for the Collector's duties to be performed by the Denton County Tax Assessor or another qualified collection agent is selected by the City.

Section 11. Applicability of Tax Code.

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Phase #3 Assessments by the City.

Section 12. Filing in Land Records.

The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and the Phase #3 Assessment Roll, to be recorded in the real property records of Denton County. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

Section 13. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to

be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 14. Effective Date.

This Ordinance shall take effect, and the levy of the Phase #3 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

ADOPTED, PASSED, AND APPROVED on this the 9th day of June, 2020.

ATTEST:

CITY OF CELINA

Vicki Tarrant, City Secretary

Chad Anderson, Mayor Pro-Tem

APPROVED AS TO FORM

_____, Attorney for the City

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on the 9 day of June, 2020 by Chad Anderson and Vicki Tarrant, the Mayor Pro-Tem and City Secretary of the City of Celina, Texas, respectively, on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed
Commission Expires:_____

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

Exhibit A

Service and Assessment Plan

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT

CITY OF CELINA, TEXAS

AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN

November 17, 2015

As Amended and Restated for Phase #2 on March 13, 2018
and August 14, 2018 and updated for Phase #3 on June 9,
2020

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

CREEKS OF LEGACY

PUBLIC IMPROVEMENT DISTRICT

AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN

TABLE OF CONTENTS

I.	PLAN DESCRIPTION AND DEFINED TERMS	1
A.	INTRODUCTION	1
II.	PROPERTY INCLUDED IN THE PID	12
A.	PROPERTY INCLUDED IN THE PID	12
	TABLE II-A	12
	PROPOSED DEVELOPMENT	12
B.	PROPERTY INCLUDED IN PHASE #1, PHASE #2, PHASE #3 AND PHASES #2-3	12
III.	DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS	14
A.	AUTHORIZED IMPROVEMENT OVERVIEW	14
B.	DESCRIPTIONS OF COSTS OF MAJOR IMPROVEMENTS	14
C.	DESCRIPTIONS OF COSTS OF PHASE #1 IMPROVEMENTS	19
D.	DESCRIPTIONS OF COSTS OF PHASE #2 IMPROVEMENTS	21
E.	DESCRIPTIONS OF COSTS PHASE #3 IMPROVEMENTS	23
IV.	SERVICE PLAN	25
A.	SOURCES AND USES OF FUNDS	25
V.	ASSESSMENT PLAN	35
A.	INTRODUCTION	35
B.	SPECIAL BENEFIT	37
C.	ALLOCATION OF COSTS TO ASSESSED PROPERTY	39
D.	ASSESSMENT METHODOLOGY	41
E.	ASSESSMENTS	46
F.	ADMINISTRATIVE EXPENSES	46
G.	PREPAYMENT RESERVE	46
H.	DELINQUENCY RESERVE	47
I.	RESERVE FOR PREPAYMENT AND DELINQUENCY –PHASE #3	47
J.	TIRZ CREDIT	47
VI.	TERMS OF THE ASSESSMENTS	49
A.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASES #2-3	49
B.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1	49
C.	AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #2	50

D. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #3	51
E. REALLOCATION OF ASSESSMENTS	52
F. MANDATORY PREPAYMENT OF ASSESSMENTS	53
G. REDUCTION OF ASSESSMENTS	53
H. PAYMENT OF ASSESSMENTS	54
I. COLLECTION OF ANNUAL INSTALLMENTS	56
VII. THE ASSESSMENT ROLL	56
A. PHASES #2-3 MAJOR IMPROVEMENT ASSESSMENT ROLL	56
B. PHASE #1 ASSESSMENT ROLL	57
C. PHASE #2 ASSESSMENT ROLL	57
D. PHASE #3 ASSESSMENT ROLL	58
E. ANNUAL ASSESSMENT ROLL UPDATES	58
VIII. MISCELLANEOUS PROVISIONS	60
A. ADMINISTRATIVE REVIEW	60
B. TERMINATION OF ASSESSMENTS	60
C. AMENDMENTS	61
D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS	61
E. SEVERABILITY	61
<u>APPENDIX A - THE PID MAP</u>	
<u>APPENDIX B - ESTIMATED COSTS OF THE AUTHORIZED IMPROVEMENTS</u>	
<u>APPENDIX C - DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS</u>	
<u>APPENDIX D - LOT TYPES AND EQUIVALENT UNITS</u>	
<u>APPENDIX E - ALLOCATION OF ASSESSMENTS</u>	
<u>APPENDIX F - PHASES #2-3 MAJOR IMPROVEMENT ASSESSMENT ROLL</u>	
<u>APPENDIX G - PHASE #1 ASSESSMENT ROLL</u>	
<u>APPENDIX H - PHASE #2 ASSESSMENT ROLL</u>	
<u>APPENDIX I - PHASE #3 ASSESSMENT ROLL</u>	

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On April 29, 2014 (the “Creation Date”) the City Council of the City of Celina, Texas (the "City") passed and approved Resolution No. 2014-17R approving and authorizing the creation of the Creeks of Legacy Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in the PID (the “Authorized Improvements”), all of which is located within the City of Celina.

The property in the PID is proposed to be developed in approximately three phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on the all property in the PID for the public improvements that benefit the entire PID and on the property in each phase for the public improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the "Public Improvement District Assessment Act" (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. The Creeks of Legacy Public Improvement District Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the Authorized Improvement Costs and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the

governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Rolls for the PID are included as Appendix F, G and H of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. Definitions

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“Actual Cost(s)” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and property taxes (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

“Administrator” means the employee or designee of the City, identified in any indenture of trust relating to the Bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual

Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee's reasonable fees and expenses relating to the Bonds, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments (including applicable interest) , as shown on the Assessment Rolls attached hereto as Appendix F, Appendix G, Appendix H, and Appendix I, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) Administrative Expenses, (iii) the prepayment reserve described in Section V of this Service and Assessment Plan for Phase #1 Bonds and Phases #2-3 Major Improvement Bonds, (iv) the delinquency reserve described in Section V of this Service and Assessment Plan for Phase #1 Bonds and Phases #2-3 Major Improvement Bonds, and (v) the Additional Interest Reserve described in Section V of this Service and Assessment Plan for Phase #2 Bonds and Phase #3 Bonds.

“Annual Service Plan Update” has the meaning set forth in the second paragraph of Section IV of this Service and Assessment Plan.

“Assessed Property” means any property that benefits from the Authorized Improvements within the PID on which Assessments have been imposed as shown in the Assessment Rolls, as each Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years and includes the Assessments including those collected to pay Administrative Expenses and interest on all Assessments.

“Assessment Ordinance” means an ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments on the applicable Assessed Property.

“Assessment Revenues” means the revenues actually received by or on behalf of the City from the collection of Assessments.

“Assessment Roll(s)” means, as applicable, the Phases #2-3 Major Improvement Assessment Roll, the Phase #1 Assessment Roll, the Phase #2 Assessment Roll, the Phase #3 Assessment Roll or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

“Authorized Improvements” means those public improvements described in Appendix B of this Service and Assessment Plan and Section 372.003 of the PID Act, acquired, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“Authorized Improvement Costs” means the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements, as shown in Appendix B.

“Bonds” means any bonds issued by the City in one or more series and secured in whole or in part by the Assessment Revenues.

“Certification for Payment” means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements. “

“City” means the City of Celina, Texas.

“City Council” means the duly elected governing body of the City.

“County” means Collin County, Texas or Denton County, Texas, as applicable.

“Delinquent Collection Costs” means interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means, as applicable, CTMGT Frontier 80, LLC, a Texas limited liability company, CADG Creeks of Legacy West, L.L.C, a Texas limited liability company, and/or CADG Creeks of Legacy Stonegate, L.L.C, a Texas limited liability company.

“Equivalent Units” mean, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix D attached hereto.

“Homeowner Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a homeowners’ association.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Collin County, Texas or Denton County, Texas.

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated final average home value for each lot as of the date of the recorded subdivision plat, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Lot type 1” means lots identified as such on the Assessment Roll, being lots with approximately 7,700 square feet size and a lot width of 70 feet, which may be referred to as such in PD #46.

“Lot type 2” means lots identified as such on the Assessment Roll, being lots with approximately 6,600 square feet size and a lot width of 60 feet, which may be referred to as such in PD #46.

“Lot type 3” means lots identified as such on the Assessment Roll, being lots with approximately 5,500 square feet size and a lot width of 50 feet, which may be referred to as such in PD #46.

“Major Improvements” or “MI” mean the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, which may include Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider to the extent they accrue no special benefits from the Authorized Improvements. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI. F. 1.

“Parcel” or “Parcels” means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Collin Central Appraisal District or Denton Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of Collin County.

“Phase” means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased PID Bonds and/or a Reimbursement Agreement for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

“Phase #1” means the initial Phase to be developed, identified as “Phase #1” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Improvements is levied.

“Phase #1 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Improvements.

“Phase #1 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #1 Bonds” mean collectively the Phase #1A Bonds and the Phase #1B Bonds issued or to be issued by the City to finance the Phase #1 Improvements.

“Phase #1 Improvements” mean (i) the pro rata portion of the Major Improvements allocable to Phase #1, and (ii) the Authorized Improvements which only benefit Phase #1 Assessed Property and are described in Section III.C.

“Phase #1A Bonds” mean those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Improvement District Phase #1 Project)" that are secured primarily by Phase #1 Assessment Revenues.

“Phase #1B Bonds” mean those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Creeks of Legacy Public Improvement District Phase #1B Project)" that are issued to finance the remaining costs of the Phase #1B Improvements and that will be secured primarily by Phase #1 Assessment Revenues.

“Phase #2” means the second Phase to be developed, identified as Phases #2A, #2B, #2C and #2D and generally shown in Appendix A, as specifically described as the sum of all Parcels shown in Appendix H.

“Phase #2 Assessed Property” means all Parcels within Phase #2 other than Non-Benefited Property and shown in the Phase #2 Assessment Roll in Appendix H against which an Assessment relating to the Phase #2 Improvements is levied.

“Phases #2 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #2 Assessed Property, or the Annual Installments thereof, for the Phase #2 Improvements.

“Phase #2 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix H, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #2 Bonds” mean those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018 (Creeks of Legacy Public Improvement District Phase #2 Project)" that are secured primarily by Phase #2 Assessment Revenues.

“Phase #2 Improvements” mean the Authorized Improvements which only benefit Phase #2 Assessed Property and are described in Section III.D.

“Phase #3” means the third Phase to be developed, identified as Phases #3 generally shown in Appendix A, as specifically described as the sum of all Parcels shown in Appendix I.

“Phase #3 Assessed Property” means all Parcels within Phase #3 other than Non-Benefited Property and shown in the Phase #3 Assessment Roll in Appendix I against which an Assessment relating to the Phase #3 Improvements is levied.

“Phases #3 Assessment Revenues” means the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #3 Assessed Property, or the Annual Installments thereof, for the Phase #3 Improvements.

“Phase #3 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix I, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #3 Bonds” means those certain "City of Aubrey, Texas, Special Assessment Revenue Bonds, Series 20__ (Creeks of Legacy Public Improvement District Phase #3 Project)" that may be secured primarily by Phase #3 Assessment Revenues and may be issued by the City to finance the Phase #3 Improvements.

“Phase #3 Improvements” means the Authorized Improvements which only benefit Phase #3 Assessed Property and are described in Section III.E.

“Phase #3 Reimbursement Agreement” means that Creeks of Legacy Phase #3 Improvements Reimbursement Agreement among the City, CADG Creeks of Legacy Stonegate, LLC and CADG Creeks of Legacy West, LLC dated as of June 9, 2020.

“Phased PID Bonds” mean Bonds issued to fund Authorized Improvements (or a portion thereof) that benefit a specific Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels located within the Phase in question.

“Phases #2-3 Major Improvement Area” mean the property within the PID excluding Phase #1 which is to be developed subsequent to Phase #1 and generally depicted in Appendix A of this Service and Assessment Plan or any Annual Service Plan Update.

“Phases #2-3 Major Improvement Assessed Property” means, for any year, all Parcels within the PID other than (a) Non-Benefited Property, and (b) Parcels within Phase #1.

“Phases #2-3 Major Improvements” mean the pro rata portion of the Major Improvements allocable to Phases #2-3as described in Section III.C.

“Phases #2-3 Major Improvement Assessment Revenues” mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Phases #2-3 Major Improvement Assessed Property, or the Annual Installments thereof, for the Major Improvements.

“Phases #2-3 Major Improvement Assessment Roll” means the document included in this Service and Assessment Plan as Appendix F, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phases #2-3 Major Improvement Bonds” mean those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Improvement District Phases #2-3 Major Improvement Project)" that are secured primarily by Phases #2-3 Major Improvement Assessment Revenues.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“PD #46” means Planned Development District, #46 passed and approved by the City pursuant to Ordinance No 2014-06 dated as of February 11, 2014.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Collin County, Denton County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Reimbursement Agreement” means each reimbursement agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Authorized Improvements and the City agrees to reimburse the Developer for the Actual Costs of those Authorized Improvements funded by the Developer with interest as permitted by the Act.

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“TIRZ No. 2” means the Tax Increment Reinvestment Zone No. 2, City of Celina, Texas.

“TIRZ Credit” means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to Section VI (B) of this Service and Assessment Plan.

“TIRZ Ordinance” means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 2 Project Plan and Financing Plan (including amendments or supplements thereto).

“TIRZ Revenues” mean, for each year, the amounts paid by the City from the TIRZ No. 2 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section VI.B of this Service and Assessment Plan.

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

“Trustee” means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 322 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 1,021 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (1,021) and the classification of each lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development - Updated

Proposed Development Type	Quantity	Measurement
Single Family Residential – 70 Feet	185	units
Single Family Residential – 60 Feet	452	units
Single Family Residential – 50 Feet	404	units
Total	1,041	units

B. PROPERTY INCLUDED IN PHASE #1, PHASE #2, PHASE #3 AND PHASES #2-3

Phase #1 consists of approximately 120 acres and consists of 427 single family residential units, to be developed as Phase #1, as further described in Section III. Phase #2 consists of approximately 106 acres and is projected to consist of 403 single family residential units, to be developed as Phase #2. Phase #3 consists of approximately 50.5 acres and is projected to consist of 211 single family residential units, to be developed as Phase #3. Phases # 2 - 3 Major Improvement Area consist of approximately 202 acres (including the 106 acres in Phase #2 and 50.5 acres in Phase #3) and are projected to consist of approximately 614 residential units (including the 403 residential units planned in Phase #2 and the 211 residential units planned for Phase #3). A map of the property within Phase #1, Phase #2 and Phases #2-3 Major Improvement Area and depicting the boundaries of each proposed Phase is shown in Appendix A.

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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

Section 372.003 of the PID Act identifies the authorized improvements that a City may choose to undertake with the establishment of a PID. The Authorized Improvements identified in the PID Act include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian mall;
- (v) acquisition and installment of pieces of art;
- (vi) acquisition, construction or improvement of libraries;
- (vii) acquisition, construction or improvement of off-street parking facilities;
- (viii) acquisition, construction or improvement of rerouting of mass transportation facilities;
- (ix) acquisition, construction or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x)
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development recreation and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) development, rehabilitation, or expansion of affordable housing.

The City has determined that of the improvements authorized under the PID Act, it will undertake at this time only those Authorized Improvements more particularly described in Section III.B, Section III.C, Section III.D and Section III.E. Any change to the list of Authorized Improvements, including any Future Phase Improvements as described in Section III.E, will require the approval of the City.

B. DESCRIPTIONS OF COSTS OF MAJOR IMPROVEMENTS

The Major Improvements benefit the entire PID. The costs of the Major Improvements are allocated proportionally throughout the entire PID, excluding Non-Benefited Property, in a manner that anticipates

planned development of the PID based on the Equivalent Units as calculated and shown in Appendix D using the planned lot types and anticipated number of lots.

The Major Improvements descriptions are presented below as provided by the project engineer. The costs of the Major Improvements are shown in Table III-A.1 and Table III-A.2. The costs shown in Table III-A.1 and Table III-A.2 are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

Frontier Parkway was constructed as a 2-lane paved road (120' right-of-way) of approximately 5,425 linear feet. Legacy Drive was constructed a 4-lane paved road (120' right-of-way road approximately 2,975 linear feet.

Water Distribution System Improvements:

A twelve (12") inch water line was constructed to serve the development. The line starts at an existing stub near the entrance of Light Farms to the northeast. The line will continue along the east side of the Dallas North Tollway (DNT). The line will cross underneath the DNT and along the north side of Frontier Parkway. The total length along the DNT is 5,685 linear feet. An additional 12 inch water line extension extends along Frontier Parkway to the west side of the Creeks of Legacy boundary and along Legacy Dr for approximately 16,594 linear feet.

Sanitary Sewer Improvements:

An existing thirty six (36") inch Doe Branch sanitary sewer line is located north of the development. An eighteen (18") inch gravity sanitary sewer line connects into Doe Branch and then reduces to a fifteen (15") inch gravity flow sewer line that runs along Frontier Parkway until it reaches the DNT. The line is designed to carry the flow of the development along with the future commercial tracts that will be located between the development and the DNT. The sanitary sewer line has also factored approximately 500 acres of commercial tracts located east of the DNT. This line benefits the entire development along with the surrounding future areas.

Storm Drainage Improvements

The site drains in two directions. Approximately half of the property drains north towards the

Doe Branch Creek, while the remaining half drains to the existing creek located on the south side of the development. Enclosed storm drainage in the northern portion (East of Legacy Drive) drains into Doe Branch Creek, while the southern portion drains into the stream south of the property. The west portion of the PID (Stonegate/Wu) drains into the Doe Branch Creek using enclosed storm drains and open channels. Drainage improvements of each builder shall consist of underground reinforced concrete storm sewer pipes, inlets, and rock riprap protection at outfalls.

Table III-A.1**Budgeted and Actual Original Major Improvement Costs**

Authorized Improvements	Budgeted Total Original Major Improvement Costs	Actual Total Original Major Improvement Costs
Road improvements including right-of-way	\$6,665,000	\$5,446,172
Water distribution system improvements	\$1,305,000	\$1,066,355
Sanitary sewer collection system improvements	\$1,415,000	\$1,156,239
Storm sewer collection system improvements	\$2,665,000	\$2,177,652
Other soft and miscellaneous costs	\$1,250,000	\$1,021,413
Total – Estimated Major Improvement Costs	\$13,300,000	\$10,867,831

See Table III-A.2 for additional Major Improvements.

According to the Developer, additional Major Improvements (the “Additional Major Improvements”) are being constructed within the PID. The Additional Major Improvements descriptions are presented below as provided by the project engineer. The costs of the Additional Major Improvements are shown in Table III-A.2. The costs shown in Table III-A-2 are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

The northern two lanes of Frontier Parkway (25’ wide paving section) will be extended from Doe Creek Branch (Collector Road) to Legacy Drive, a distance of approximately 2,200 linear feet. This section will include a bridge over a drainage area. The Creeks of Legacy development will extend the eastern two lanes of Legacy Drive (25’ wide paving section) from Frontier Parkway north to Clear Creek Parkway (Collector Road), with a full intersection at Clear Creek Parkway. Legacy Drive’s western two lanes will be constructed from the intersection with Clear Creek Parkway north for approximately 700 linear feet. Clear Creek Parkway (45’ wide paving section) will be extended from its intersection with Legacy Drive eastward approximately 700 linear feet, connecting with the existing roadway.

Water Distribution System Improvements:

Approximately 5,500 linear feet of twelve inch water line will be constructed adjacent to Frontier Parkway from Doe Creek Branch to Legacy Drive, and then north along Legacy Drive to a point north of Clear Creek Parkway.

Sanitary Sewer Improvements:

An eight inch sanitary sewer line will be extended from the intersection of Legacy Drive and Clear Creek Parkway west for approximately 160’.

Storm Drainage Improvements

Drainage improvements along the right-of-ways and paving sections shall consist of underground reinforced concrete storm sewer pipes, storm inlets, storm outlets, gabion structures, deepening of an existing detention pond, and rock riprap protection at outfalls.

Table III-A.2

Estimated Additional Major Improvement Costs

Authorized Improvements	Budgeted Total Major Improvement Costs
Road improvements including right-of-way	\$1,330,604

Water distribution system improvements	\$434,916
Sanitary sewer collection system improvements	\$19,932
Storm sewer collection system improvements	\$1,660,560
Other soft and miscellaneous costs	\$861,022
Total – Estimated Major Improvement Costs	\$4,307,034

The costs shown in Table III-A.2 are current estimates and may be revised in Annual Service Plan Updates.

C. DESCRIPTIONS OF THE PHASE #1 IMPROVEMENTS

The Phase #1 Improvements descriptions are presented below as provided by the project engineer. The costs of the Phase #1 Improvements are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

All on-site areas are served by 31-foot wide, concrete streets within 50' right-of-ways. On-site roads will include 4' sidewalks within 9.5' parkways.

Water Distribution System Improvements:

A network of eight inch water lines have been installed within the road right-of-way to serve the development. The on-site water lines have been connected to water mains along Collector A and Collector B.

Sanitary Sewer Improvements:

A network of eight (8) inch sanitary sewer line has been installed within the road right-of-way to serve the development. The on-site sanitary lines will connect to sanitary sewer main lines along Collector A, Collector B, Frontier Parkway and Legacy Drive. The sanitary sewer main lines connect to an existing regional sewer line along Doe Branch located northwest of the Phase #1 area.

Storm Drainage Improvements

The site drains in two directions. Approximately half of the property drains north towards the Doe Branch Creek, while the remaining half drains to the existing creek located on the south side of the development. Enclosed storm drainage in the northern portion (East of Legacy Drive) drains into Doe Branch Creek, while the southern portion drains into the stream south of the property. Drainage improvements of each builder shall consist of underground reinforced concrete storm sewer pipes, inlets, detention ponds and rock riprap protection at outfalls.

Table III-B

Phase #1 Improvement Costs

Authorized Improvements	Total Budgeted Phase #1 Improvement Costs
Road improvements	\$2,665,000
Water distribution system improvements	\$790,000
Sanitary sewer collection system improvements	\$1,090,000
Storm sewer collection system improvements	\$1,475,000
Other soft and miscellaneous costs	\$2,508,639
<i>Subtotal – Estimated Phase #1 Improvement Costs</i>	<i>\$8,528,639</i>
Proportional share of estimated Major Improvement Costs ¹	\$5,679,564
Proportional share of Additional Major Improvement Costs ¹	\$1,839,254

Total	\$16,047,457
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1 - See Section V(C) for initial allocation of Major Improvement costs to Phase #1.

The costs shown in Table III-B are current estimates and may be revised in Annual Service Plan Updates once the construction of the Additional Major Improvements is completed.

Additional details of the Phase #1 Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V(C).

D. DESCRIPTIONS OF THE PHASE #2 IMPROVEMENTS

The Phase #2 Improvements that benefit only Phase #2 are described below. The costs of the Phase #2 Improvements are shown in Table III-C. The costs shown in Table III-C are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

All on-site areas will be served by 31-foot wide, concrete streets within 50' right-of-ways. On-site roads will include 4' sidewalks within 9.5' parkways.

Water Distribution System Improvements:

A network of eight inch (8) water lines will be installed within the road right-of-way to serve the development. The on-site water lines will be connected to water mains along Collector A and Collector B.

Sanitary Sewer Improvements:

A network of eight inch sanitary sewer line will be installed within the road right-of-way to serve the development. The on-site sanitary lines will connect to sanitary sewer main lines along Collector A, Collector B, Frontier Parkway and Legacy Drive. The sanitary sewer main lines connect to an existing regional sewer line along Doe Branch located northwest of the Phase #1 area.

Storm Drainage Improvements

The site drains in two directions. Approximately half of the property drains north towards the Doe Branch Creek, while the remaining half drains to the existing creek located on the south side of the development. Enclosed storm drainage in the northern portion (East of Legacy Drive) drains into Doe Branch Creek, while the southern portion drains into the stream south of the property. Drainage improvements of each builder shall consist of underground reinforced concrete storm sewer pipes, inlets, and rock riprap protection at outfalls.

Table III-C

Phase #2 Improvement Costs

Authorized Improvements	Total Budgeted Phase #2 Improvement Costs
Road improvements	\$3,101,987
Water distribution system improvements	\$1,109,646
Sanitary sewer collection system improvements	\$809,669
Storm sewer collection system improvements	\$630,512
Other soft and miscellaneous costs	\$1,363,027
<i>Subtotal – Estimated Phase #1 Improvement Costs</i>	<i>\$7,014,841</i>
Proportional share of Additional Major Improvement Costs ¹	\$1,664,063
Total	\$8,678,904

1 - See Section V(C) for initial allocation of Major Improvement costs to Phase #1.

The costs shown in Table III-C are current estimates and may be revised in Annual Service Plan Updates.

E. DESCRIPTIONS OF THE PHASE #3 IMPROVEMENTS

The Phase #3 Improvements that benefit only Phase #3 are described below. The costs of the Phase #3 Improvements are shown in Table III-D. The costs shown in Table III-D are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

Road Improvements:

All on-site areas will be served by 31-foot wide, concrete streets within 50' right-of-ways. On-site roads will include 4' sidewalks within 9.5' parkways.

Water Distribution System Improvements:

A network of eight inch (8) water lines will be installed within the road right-of-way to serve the development. The on-site water lines will be connected to water mains along Collector A and Collector B.

Sanitary Sewer Improvements:

A network of eight inch sanitary sewer line will be installed within the road right-of-way to serve the development. The on-site sanitary lines will connect to sanitary sewer main lines along Collector A, Collector B, Frontier Parkway and Legacy Drive. The sanitary sewer main lines connect to an existing regional sewer line along Doe Branch located northwest of the Phase #1 area.

Storm Drainage Improvements

The site drains in two directions. Approximately half of the property drains north towards the Doe Branch Creek, while the remaining half drains to the existing creek located on the south side of the development. Enclosed storm drainage in the northern portion drains into Doe Branch Creek, while the southern portion drains into the stream south of the property. Drainage improvements of each builder shall consist of underground reinforced concrete storm sewer pipes, inlets, and rock riprap protection at outfalls.

Table III-D

Estimated Phase #3 Improvement Costs

Authorized Improvements	Total Budgeted Phase #3 Improvement Costs
Road improvements	\$1,779,000
Utility (water, sanitary sewer, and storm drainage) improvements	\$1,111,000
Other soft and miscellaneous costs	\$710,000
<i>Subtotal – Estimated Phase #3 Improvement Costs</i>	<i>\$3,600,000</i>
Proportional share of Additional Major Improvement Costs ¹	\$803,717
Total	\$4,403,717

1 - See Section V(C) for initial allocation of Major Improvement costs to Phase #1.

The costs shown in Table III-D are current estimates and may be revised in Annual Service Plan Updates.

IV. SERVICE PLAN

A. SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period.

The Actual Costs for Major Improvements and Phase #1 Improvements plus costs related to the issuance of the Bonds, in one or more series, for the Major Improvements and Phase #1 Improvements and payment of expenses incurred in the establishment, administration and operation of the PID is \$24,413,055 as shown in Table IV-A.1. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

Table IV-A.1 summarizes the original sources and uses of funds required to construct the Major Improvements to be financed with the Phases #2-3 Major Improvement Bonds and Phase #1 Improvements, establish the PID, and issue the Phase #1 Bonds and Phases #2-3 Major Improvement Bonds. Table IV-A.2 summarizes the updated sources and uses of funds following the issuance of the Phase #1B Bonds and the Phases #2-3 Major Improvement Bonds. The sources and uses of funds shown in these tables shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table IV-B summarizes the sources and uses of funds required to construct the Phase #2 Improvements to be financed with the Phase #2 Bonds. The sources and uses of funds shown in Table IV-B shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table IV-C summarizes the estimated sources and uses of funds required to construct the Phase #3 Improvements and issue the Phase #3 Bonds. The sources and uses of funds shown in Table IV-C shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Bonds to finance the Major Improvements and Phase #1 Improvements were issued starting in 2014. Table IV-A.1 and Table IV-A.2 show the original and updated sources and uses of the Bonds, respectively.

Table IV-A.1
Original Estimated Sources and Uses

Sources of Funds	Phase #1A Bonds	Phase #1 Reimbursement Agreement	Phases #2-3 Major Improvement Bonds	Total
Estimated Bond par amount	\$8,750,000	\$3,750,000	\$6,575,000	\$19,075,000
Other funding sources	\$542,012	\$4,280,000	\$516,043	\$5,338,055
<i>Total Sources</i>	<i>\$9,292,012</i>	<i>\$8,030,000</i>	<i>\$7,091,043</i>	<i>\$24,413,055</i>
Uses of Funds				
<u>Major Improvements</u>				
Road improvements	\$1,673,669	\$1,200,981	\$2,571,523	\$5,446,172
Water distribution system improvements	\$327,703	\$235,151	\$503,501	\$1,066,355
Sanitary sewer improvements	\$355,325	\$254,972	\$545,942	\$1,156,239
Storm drainage improvements	\$669,216	\$480,212	\$1,028,223	\$2,177,652
Other soft and miscellaneous costs	\$313,891	\$225,240	\$482,281	\$1,021,413

<i>Subtotal</i>	<i>\$3,339,804</i>	<i>\$2,396,556</i>	<i>\$5,131,470</i>	<i>\$10,867,831</i>
<u>Phase 1 Improvements</u>				
Road improvements	\$1,161,501	\$1,503,499	\$0	\$2,665,000
Water distribution system improvements	\$344,310	\$445,690	\$0	\$790,000
Sanitary sewer improvements	\$475,061	\$614,939	\$0	\$1,090,000
Storm drainage improvements	\$642,857	\$832,143	\$0	\$1,475,000
Other soft and miscellaneous costs	\$1,093,354	\$1,415,285	\$0	\$2,508,639
<i>Subtotal</i>	<i>\$3,717,083</i>	<i>\$4,811,556</i>	<i>\$0</i>	<i>\$8,528,639</i>
Estimated Bond issue costs	\$2,235,125	\$821,887	\$1,959,573	\$5,016,585
Total Uses	\$9,292,012	\$8,030,000	\$7,091,043	\$24,413,055

Notes: The information provided is based on the final bond cash flows. Phase #1 Improvements include the Authorized Improvements listed under this heading plus the estimated \$5.736 million pro rata share of the Major Improvements allocated to Phase #1. The Phase #1 Reimbursement Agreement will finance the remaining Phase #1 Improvements after a portion of such improvements are financed through the Bonds issued in 2014.

The Phase #1 Bonds shown in Table IV-A.1 were issued in two series. The first series of Phase #1 Bonds ("Phase #1A Bonds") were issued in 2014 and to pay and/or reimburse the Developer for a portion of the costs of Phase #1 Improvements. The remaining costs of Phase #1 Improvements were initially financed through a Reimbursement Agreement dated as of June 18, 2014 (the "Phase #1 Reimbursement Agreement"), which was replaced by the second Phase #1B Bonds. The Phase #1B Bonds were issued after some or all of the Phase #1 Improvements were constructed and used to replace the Phase #1 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #1 Improvements.

Table IV-A.2 summarizes the updated sources and uses of funds required to construct the Major Improvements to be financed with the Phases #2-3 Major Improvement Bonds and Phase #1 Improvements, establish the PID, issue the Phase #1 Bonds and Phases #2-3 Major Improvement Bonds and construct the Additional Major Improvements. The updated sources and uses of funds shown in Table IV-A.2 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table IV-A.2

Updated Sources and Uses

Sources of Funds	Phase #1A Bonds	Phase #1B Bonds	Phases #2-3 Major	Total
			Improvement Bonds	
Estimated Bond par amount	\$8,750,000	\$3,750,000	\$6,575,000	\$19,075,000
Other funding sources	\$1,177,903	\$6,212,028	\$5,472,789	\$12,862,720
Total Sources	\$9,927,903	\$9,962,028	\$12,047,789	\$31,937,720

Uses of Funds

Major Improvements

Road improvements	\$1,992,331	\$853,856	\$3,818,812	\$6,665,000
Water distribution system improvements	\$390,096	\$167,184	\$747,719	\$1,305,000
Sanitary sewer improvements	\$422,978	\$181,276	\$810,746	\$1,415,000
Storm drainage improvements	\$796,634	\$341,414	\$1,526,952	\$2,665,000
Other soft and miscellaneous costs	\$373,656	\$160,138	\$716,206	\$1,250,000
<i>Subtotal</i>	<i>\$3,975,695</i>	<i>\$1,703,869</i>	<i>\$7,620,436</i>	<i>\$13,300,000</i>

Additional Major Improvements

Road improvements	\$0	\$568,214	\$762,390	\$1,330,604
Water distribution system improvements	\$0	\$185,724	\$249,192	\$434,916
Sanitary sewer improvements	\$0	\$8,512	\$11,420	\$19,932
Storm drainage improvements	\$0	\$709,117	\$951,443	\$1,660,560
Other soft and miscellaneous costs	\$0	\$367,686	\$493,336	\$861,022
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,839,254</i>	<i>\$2,467,780</i>	<i>\$4,307,034</i>

Phase 1 Improvements

Road improvements	\$1,161,501	\$1,503,499	\$0	\$2,665,000
Water distribution system improvements	\$344,310	\$445,690	\$0	\$790,000
Sanitary sewer improvements	\$475,061	\$614,939	\$0	\$1,090,000
Storm drainage improvements	\$642,857	\$832,143	\$0	\$1,475,000
Other soft and miscellaneous costs	\$1,093,354	\$1,415,285	\$0	\$2,508,639
<i>Subtotal</i>	<i>\$3,717,083</i>	<i>\$4,811,556</i>	<i>\$0</i>	<i>\$8,528,639</i>
Bond issuance costs	\$2,235,125	\$1,607,349	\$1,959,573	\$5,802,047
Total Uses	\$9,927,903	\$9,962,028	\$12,047,789	\$31,937,720

Notes: The information provided is based on the final bond cash flows. Phase #1 Improvements include the Authorized Improvements listed under this heading plus the estimated \$5.736 million pro rata share of the Major Improvements allocated to Phase #1. The Phase 1B Bonds are replacing the Phase #1 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #1 Improvements after a portion of such improvements are financed through the Bonds issued in 2014. The Additional Major Improvements shown herein represent the amounts allocated to Phase #1 and Phases #2 – 3. The portion of the Additional Major Improvements allocable to Phase #2 is shown separately in Table IV-B below.

The costs of Phases #2 Improvements were initially financed through a Reimbursement Agreement (the “Phase #2 Reimbursement Agreement”) dated as of March 13, 2018. The Phase #2 Bonds were issued after some or all of the Phase #2 Improvements and the proportional allocable Additional Major Improvements were constructed and was used to replace the Phase #2 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #2 Improvements.

Table IV-B shows the sources and uses of the Phase #2 Bonds.

Table IV-B
Estimated Sources and Uses – Phase #2 Improvements

Sources of Funds	Phase #2 Bonds
Phase #2 Assessments	\$6,875,000
Other funding sources	\$3,411,253
Total Sources	\$10,286,253

Uses of Funds*Additional Major Improvements*

Road improvements	\$514,091
Water distribution system improvements	\$168,034
Sanitary sewer improvements	\$7,701
Storm drainage improvements	\$641,573
Other soft and miscellaneous costs	\$332,664
<i>Subtotal</i>	<i>\$1,664,063</i>

Phase#2 Improvements

Road improvements	\$3,101,987
Water distribution system improvements	\$1,109,646
Sanitary sewer improvements	\$809,669
Storm drainage improvements	\$630,512
Other soft and miscellaneous costs	\$1,363,027
<i>Subtotal</i>	<i>\$7,014,841</i>
Bond issuance costs	\$1,607,349

Total Uses	\$10,286,253
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Notes: The information provided is based on the final bond cash flows. Phase #2 Improvements include the Authorized Improvements listed under this heading plus the estimated \$1,664,063 million pro rata share of the Additional Major Improvements allocated to Phase #2. The Phase #2 Bonds replaced the Phase #2 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #2 Improvements.

The costs of Phases #3 Improvements are financed through a Reimbursement Agreement (the “Phase #3 Reimbursement Agreement”) dated as of June 9, 2020. It is anticipated that Phase #3 Bonds will be issued after some or all of the Phase #3 Improvements are constructed and will be used to replace the Phase #3 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #3 Improvements.

Table IV-C on the following page shows the sources and uses of the Phase #3 Reimbursement Agreement.

Table IV-C
Estimated Sources and Uses – Phase #3 Improvements

Sources of Funds	Phase #3 Reimbursement Agreement
Phase #3 Assessments	\$3,600,000
Other funding sources	\$803,717
Total Sources	\$4,403,717
Uses of Funds	
<u>Additional Major Improvements</u>	
Road improvements	\$248,298
Water distribution system improvements	\$81,158
Sanitary sewer improvements	\$3,719
Storm drainage improvements	\$309,870
Other soft and miscellaneous costs	\$160,672
<i>Subtotal</i>	<i>\$803,717</i>
<u>Phase#3 Improvements</u>	
Road improvements	\$1,779,000
Utility (water, sanitary sewer and storm drainage) improvements	\$1,111,000
Other soft and miscellaneous costs	\$710,000

<i>Subtotal</i>	<i>\$3,600,000</i>
Total Uses	\$4,403,717

Notes: The information provided is based on the final bond cash flows. Phase #3 Improvements include the Authorized Improvements listed under this heading plus the estimated \$803,717 pro rata share of the Additional Major Improvements allocated to Phase #3. The Phase #3 Bonds will replace the Phase #3 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #3 Improvements.

The Phases #2-3 Major Improvement Bonds shown in Table IV-A.2 were issued in 2014. The Phases #2-3 Major Improvement Bonds issued in 2014 were used to pay and/or reimburse the Developer for a portion of the costs of Phases #2-3 Major Improvements.

The projected chronology of the Bonds is presented below:

Series 2014 - Phase #1A Bonds to finance (i) the pro-rata costs of the Major Improvements allocable to Phase #1 and, (ii) a portion of the Authorized Improvements that benefit only Phase #1. It is likely that this and the subsequent 'A' financings for each phase will only be able to fund a part of the internal public infrastructure (to maintain a prudent VtL) and the balance will be funded by a subsequent 'B' financing for each phase once the development within each phase is substantially complete as is contemplated with the issuance of the Phase #1B Bonds.

Phases #2-3 Major Improvement Bonds to finance the pro-rata costs of the Major Improvements allocable to Phases #2-3 Major Improvement Area that benefit only Phases #2-3 Major Improvement Area.

Series 2018 Phase #1B Bonds to refinance the Phase #1 Reimbursement Agreement and/or to reimburse the Developer for the remaining costs of the Phase #1 Improvements, if any.

Series 2018 Phase #2 Bonds to finance a part of the internal subdivision Authorized Improvements within Phase #2.

Series 2021-22 Phase #3 Bonds to finance a part of the internal subdivision Authorized Improvements within Phase #3. It is possible that Phase #3 Bonds will only be able to fund a part of the Phase #3 Improvements (to maintain a prudent VtL) and the balance of the applicable

Authorized Improvements for the Phase may be funded by a subsequent 'B' financing once the development within Phase #3 is completed.

The annual projected costs and annual projected indebtedness is shown by Table IV-D on the following page. The annual projected costs and indebtedness is subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-D

Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Costs	Annual Projected Indebtedness	Sources other than PID Bonds
2014	\$31,937,720	\$19,075,000	\$12,862,720
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$0	\$0	\$0
2018	\$10,286,253	\$6,875,000	\$3,411,253
2019	\$0	\$0	\$0
2020	\$4,403,717	\$3,600,000	\$803,717
2021	\$0	\$0	\$0
2022	\$0	\$0	\$0
2023	\$0	\$0	\$0
2024	\$0	\$0	\$0
2025	\$0	\$0	\$0
2026	\$0	\$0	\$0
Total	\$46,627,690	\$29,550,000	\$17,077,690

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

The total costs shown include the estimated costs of the Additional Major Improvements, Phase #2 Improvements and Phase #2 Bond issuance related costs.

The annual projected costs shown in Table IV-D are the annual expenditures relating to the Major Improvements shown in Table III-A.1 and Table III-A.2, the Phase #1 Improvements shown in Table III-B, the Phase #2 Improvements shown in Table III-C, the Phase #3 Improvements shown in Table III-D, the costs associated with setting up the PID and costs of issuance including reserves shown in Table IV-A and the estimated bonds to be issued for Phase #3. The difference between the total projected cost and the total projected indebtedness, if any, is the amount funded by the Developer, which may be reimbursed with future bond proceeds.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements.

The purpose of this gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of debt will maintain a prudent value to lien ("VtL") ratio within the financing program. In order to maintain a prudent VtL, the initial issuance of bonds for a specific set of Authorized Improvements may not fund the entire desired level of public infrastructure because the property value is not high enough to support the entire debt load at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements can be reimbursed by a subsequent parity lien bond financing, secured by the same special assessments, once the assessed property is partially or fully developed and the value has increased sufficiently to permit the issuance of the additional bonds in a prudent fashion. For example, the Phase #1A Bonds issued to finance a portion of the Phase #1 Improvements, including the pro-rata costs of the Major Improvements allocable to Phase

#1 Assessed Property, followed by a second parity lien issuance of bonds (the Phase #1B Bonds) demonstrates this analysis.

For purposes of this Service and Assessment Plan, the City Council has determined that the Actual Costs of Phases #2-3 Major Improvements, Phase #1 Improvements, Phase #2 Improvements, and Phase #3 Improvements shall be allocated as described below:

1. The Actual Costs of the Phases #2-3 Major Improvements, Phase #1 Improvements, Phase #2 Improvements, and Phase #3 Improvements shall be allocated on the basis of the relative value of Parcels once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.
2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home process provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.
3. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.
5. The Major Improvement costs are proportionally allocated to the Phases #2-3 Assessed Property and the Phase #1 Assessed Property based on the ratio of total Equivalent Units estimated for the Phases #2-3 Assessed Property and the Phase #1 Assessed Property.
6. The Phases #2-3 Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Phases #2-3 Assessed Property based on the total Equivalent Units estimated for each Parcel.
7. The Actual Costs of the Phase #1 Improvements, the Phase #2 Improvements, and the Phase #3 Improvements are allocated to each Parcel within the Phase #1 Assessed Property, Phase #2 Assessed Property, and Phase #3 Assessed Property, respectively, based on the total Equivalent Units estimated for each Parcel.

Table V-A provides the updated allocation of costs of the Authorized Improvements constituting Major Improvements and Phase #1 Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Phases #2-3 Major Improvements, the Phase #1 Improvements, the Phase #2 Improvements, and the Phase #3 Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Phase #1 Assessed Property, the Phase #2 Assessed Property, the Phase #3 Assessed Property, and Phases #2-3 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Phases #2-3 Major Improvements, the Phase #1 Improvements, the Phase #2 Improvements, and the Phase #3 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the Act. These improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The public improvements provide a special benefit to the Assessed Property as a result of the close proximity of these improvements to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed

Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as “the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.” (*Dictionary of Real Estate Appraisal, Third Edition.*) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

The special assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the public improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax- exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer’s option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve; (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

In summary, the Assessments result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, and , therefore, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The Authorized Improvements are required for the highest and best use of the property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ALLOCATION OF COSTS TO ASSESSED PROPERTY

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the estimated Major Improvement costs must be allocated throughout all Assessed Property in the District. Table V-A summarizes the allocation of estimated costs for each Major Improvement. The costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 is projected to contain 427 residential units. As shown in Appendix D, the total Equivalent Units for Phase #1 is calculated as 374.80. The Phases #2-3 Major Improvement Area is projected to contain 614 residential units resulting in a total of 502.88 Equivalent Units as shown in Appendix D. The Total

projected Equivalent Units in the PID is, therefore, calculated to be 877.68 (i.e., $374.80 + 502.88 = 877.68$). As a result, 42.70 percent of the estimated costs of Major Improvements (i.e. $374.80 \div 877.68 = 42.70\%$) are allocated to the Phase #1 Assessed Property and 57.30 percent of the estimated costs Major Improvements (i.e., $502.88 \div 877.68 = 57.30\%$) are allocated to the Phases #2-3 Major Improvement Assessed Property. The Additional Major Improvements are allocated to the Phase #1 Assessed Property using the same 42.70% calculated herein. The Phases #2-3 Major Improvement Bonds will fund the proportionate share of the estimated costs of the Major Improvement allocated to the Phases #2-3 Major Improvement Area; and, Phase #1 Bonds will fund Phase #1's proportionate share of the estimated costs of the Major Improvements.

Phase #2 is projected to contain 403 residential units. As shown in Appendix D, the total Equivalent Units for Phase #2 is calculated as 339.10. The Total projected Equivalent Units in the PID is shown above to be 877.68. As a result, 38.64 percent of Additional Major Improvements (i.e. $339.10 \div 877.68 = 38.64\%$) are allocated to the Phase #2 Assessed Property.

Phase #3 is projected to contain 211 residential units. As shown in Appendix D, the total Equivalent Units for Phase #3 is calculated as 163.78. The Total projected Equivalent Units in the PID is shown above to be 877.68. As a result, 18.66 percent of Additional Major Improvements (i.e. $163.78 \div 877.68 = 18.66\%$) are allocated to the Phase #3 Assessed Property.

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Table V-A
Allocation of Major Improvement Costs

Authorized Improvement	Estimated Costs
Road Improvements	\$6,665,000
Water Improvements	\$1,305,000
Sanitary Sewer Improvements	\$1,415,000
Storm Drainage Improvements	\$2,665,000
Other soft and miscellaneous costs	\$1,250,000
<i>Total Major Improvements</i>	<i>\$13,300,000</i>
Phase #1	
Projected total Equivalent units	374.80
% of Total Equivalent Units	42.70%
Proportionate Share of Costs	\$5,679,564
Phases #2-3	
Projected total Equivalent units	502.88
% of Total Equivalent Units	57.30%
Proportionate Share of Costs	\$7,620,436

Note 1: See Appendix D for the detailed calculation of Equivalent Units.

Note 2: Any Additional Major Improvements shall be allocated to Phase #1 using the same percentage calculated above (i.e.\$1,839,254 (42.70%) of the \$4,307,034 total cost of Additional Major Improvements shown in Table III-A.2 are allocable to Phase #1).

Note 3: Any Additional Major Improvements shall be allocated to Phase #2 using the percentage calculated above (i.e.\$1,664,063 (38.64%) of the \$4,307,034 total cost of Additional Major Improvements shown in Table III-A.2 are allocable to Phase #2).

Note 4: Any Additional Major Improvements shall be allocated to Phase #3 using the percentage calculated above (i.e.\$803,717 (18.66%) of the \$4,307,034 total cost of Additional Major Improvements shown in Table III-A.2 are allocable to Phase #3).

The Actual Costs of the Phase #1 Improvements, the Phase #2 Improvements, and the Phase #3 Improvements are allocated fully (100% each) to the Phase #1 Assessed Property, the Phase #2 Assessed Property, and the Phase #3 Assessed Property, respectively.

D. ASSESSMENT METHODOLOGY

The Actual Costs may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

1. *Assessment Methodology for Phases #2-3 Major Improvements*

For purpose of this Service and Assessment Plan, the City Council determined that the portion of Actual Costs of the Major Improvement costs to be allocated to Phases #2-3 Major Improvement Area shall be allocated to the Phases #2-3 Major Improvement Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types, number and average home value of Lots anticipated to be developed on each Parcel. Having taken into consideration the matters described under Sections V (A) and (B) above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the Lot Types. These classifications (from Lot Type 1 (70 Ft Lots) representing the highest residential value to Lot Type 3 (50 Ft Lot) representing the lowest value. Assessments are allocated to each land use class on the basis of the average value for each Lot Type. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each Lot Type, setting the Equivalent Unit factor for Lot Type 1 (70 Ft Lots) to 1.0.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within the Phases #2-3 Major Improvement Area is shown on the Phases #2-3 Major Improvement Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. *Assessment Methodology for Phase #1*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements, including and the portion of the Major Improvements to be financed with the Phase #1 Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #1. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the estimates of the costs of the Phase #1 Improvements and the portion of the Major

Improvements that benefit Phase #1 provided by Peloton Land Solutions, as set forth in Table III-B, the City Council has determined that the benefit of the Phase #1 Improvements to Phase #1 Assessed Property is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

Appendix E shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

3. *Assessment Methodology for Phase #2*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #2 Improvements shall be allocated to the Phase #2 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #2. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the estimates of the costs of the Phase #2 Improvements and the portion of the Phase #2

Improvements that benefit Phase #2 provided by the project engineer, as set forth in Table III-C, the City Council has determined that the benefit of the Phase #2 Improvements to Phase #2 Assessed Property is at least equal to the Assessments levied on the Phase #2 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix E shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

3. *Assessment Methodology for Phase #3*

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #3 Improvements shall be allocated to the Phase #3 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #3. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the estimates of the costs of the Phase #3 Improvements and the portion of the Phase #3

Improvements that benefit Phase #3 provided by the project engineer, as set forth in Table III-D, the City Council has determined that the benefit of the Phase #3 Improvements to Phase #3 Assessed Property is at least equal to the Assessments levied on the Phase #3 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #3 is shown on the Phase #3 Assessment Roll, attached as Appendix I, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix E shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

E. ASSESSMENTS

The Assessments for the Phases #2-3 Major Improvement Bonds, the Phase #1 Bonds and the Phase #2 Bonds were levied on each Parcel according to the Phases #2-3 Major Improvement Assessment Roll, the Phase #1 Assessment Roll and the Phase #2 Assessment Roll attached hereto as Appendix F, Appendix G and Appendix H, respectively. The Annual Installments for the Phases #2-3 Major Improvement Bonds, the Phase #1 Bonds and the Phase #2 Bonds are being collected at the time and in the amounts shown on the Phases #2-3 Major Improvement Assessment Roll, the Phase #1 Assessment Roll and the Phase #2 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

The Assessments for the Phase #3 Reimbursement Agreement will be levied on each Parcel according to the Phase #3 Assessment Roll attached hereto as Appendix I. The Annual Installments for the Phase #3 Reimbursement Agreement will be collected at the time and in the amounts shown on the Phase #3 Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

F. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

G. PREPAYMENT RESERVE

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to

determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with up to 0.20% allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and up to 0.30% allocated to fund a delinquency reserve account as described below. The prepayment reserve shall be funded until it reaches 1.50% of the outstanding Bonds as stipulated in the Bond documents. Once the prepayment reserve is funded in full, any additional interest collected shall be allocated to fund delinquent payments as described in H below.

H. DELINQUENCY RESERVE

The City has allocated up to 0.30% of the interest rate component of the Annual Installments to offset any possible delinquent payments. The additional reserve shall be funded up to 4% of the outstanding Bonds, but in no event will the annual collection, together with the Prepayment reserve, be more than 0.50% of the outstanding Bonds. The City may allocate up to 0.50% of the interest rate component of the Annual Installments to pay for Administrative Expenses, improvement costs, any other use that benefits the Assessed Property or reduce the Assessments, as determined by the City Council.

I. RESERVE FOR PREPAYMENT AND DELINQUENCY –PHASE #2

Funds generated by the Additional Interest Rate related to the Phase #2 Bonds are held in reserves held under the Trust Indenture for the Phase #2 Bonds (the “Additional Interest Reserve”), which may be used to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Phase #2 Bonds are prepaid, to offset any possible delinquent payments and pay Administrative Expenses of provided for in the applicable Trust Indenture.

J. TIRZ CREDIT

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues (the 47.63% of the property tax increment collected and deposited into the TIRZ No. 2 tax increment fund) generated from each Parcel to offset a portion of such Parcel’s PID assessments (the "TIRZ Credit"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit applicable to each Parcel shall be calculated as described under Section VI (B) of this Service and Assessment Plan.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASES #2-3 MAJOR IMPROVEMENT AREA

The Assessment and Annual Installments for each Assessed Property located within Phases #2-3 Major Improvement Area are shown on the Phases #2-3 Major Improvement Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phases #2-3 Major Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, to cover Administrative Expenses of Phases #2-3 Major Improvement Area.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Assessed Property located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #1 Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, and to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel shall be calculated using the following formula:

$$A = B \times (C \div D) \text{ Where}$$

the terms have the following meanings:

A = the TIRZ Credit amount for a Parcel

B = the total TIRZ Revenues collected for the preceding year

C = the total Equivalent Unit of the Parcel

D = the total Equivalent Units of all Parcels

The TIRZ Revenues collected in any given year shall be used to calculate the TIRZ Credit in the following year (i.e., TIRZ Revenues collected in 2015 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2016). TIRZ Credits shall be calculated for those Parcels that are subject to Assessments by the PID. The total TIRZ Revenues collected from all Parcels in each Phase shall be used to calculate the TIRZ Credit applicable to each Parcel within the Phase based on the above formula. The total TIRZ increment amount generated by all Phase #1 Assessed Property will be divided by the total Equivalent Units in Phase #1 to determine the TIRZ credit applicable to each Phase #1 Assessed Property. The total TIRZ increment amount generated by all Phases #2-3 Major Improvement Assessed Property will be divided by the total Equivalent Units in Phases #2-3 Major Improvement Assessed Property to determine the TIRZ credit applicable to each Phases #2-3 Major Improvement Assessed Property. The Equivalent Units to be used for the calculation of the TIRZ Credit shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

This method of allocating the TIRZ Revenues to all Parcels in a Phase would result in equal amount of TIRZ Credits applied to similar Parcels, However, it may result in lower amounts applied as TIRZ Credit for Parcels that generate higher than average TIRZ Revenues. The TIRZ Revenues can be applied proportionally to calculate the TIRZ Credits for each Parcel generating the TIRZ Revenues if the TIRZ Credit is calculated separately for each Parcel and such TIRZ Credit is directly applied on a Parcel-by-Parcel basis.

Accordingly, the TIRZ Credit calculation methodology described in the Service and Assessment Plan was updated as follows as previously approved by the City Council.

The TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate the Parcel's TIRZ Credit for such Parcel (and/or new Parcels subdivided from such Parcel) in the following year (i.e., TIRZ Revenues collected in 2020 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2021). The TIRZ Credit shall be calculated for those Parcels that are subject to Assessments in the PID and have generated TIRZ Revenues.

C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #2

The Assessment and Annual Installments for each Assessed Property located within Phase #2 is shown on the Phase #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #2 Bonds, to fund the Additional Interest Reserve described in Section V, and to cover Administrative Expenses of Phase #2.

D. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #3

The Assessment and Annual Installments for each Assessed Property located within Phase #3 is shown on the Phase #3 Assessment Roll, attached as Appendix I, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #3 Reimbursement Agreement and to cover Administrative Expenses of Phase #3.

E. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

F. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

G. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.
2. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the Bonds, including interest on the Bonds and Collection Costs, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Collection Costs. The Principal Portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the

resulting reduced Principal Portion of the Bonds is equal to the outstanding principal amount of the Bonds.

H. PAYMENT OF ASSESSMENTS

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of

redemption of Bonds and reserve funds applied to the redemption under the applicable Trust Indenture, net of any other costs applicable to the redemption of Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the applicable Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses,

and payments required for the Prepayment Reserve and Delinquency Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the initial issuance of Bonds.

Each Assessment on the Phase #1 Assessed Property and Phases #2-3 Major Improvement Assessed Property shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) 9.79 percent per annum. The Phases #2-3 Major Improvement Assessment Roll sets forth for each year the Annual Installment for each Parcel based on Bond interest rates of 6.75%, 7.25% and 7.625% for the Phases #2-3 Bonds due in 2024, 2032 and 2040, respectively, and additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve.

The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on Bond interest rates of 6.375%, 6.625% and 7.00% for the Phases #1A Bonds due in 2028, 2032 and 2040, respectively, Phase #1B Bonds interest rate of 5.25%, and additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve.

The Phase #2 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on Bond interest rate of 5.25% and 5.625% for the Phases #2 Bonds due in 2028 and 2048, respectively, and additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve.

The Phase #3 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an interest rate of 4.90% and Administrative Expenses.

The principal and interest component of the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Rolls, updated with the actual interest rates on the Phase #1A Bonds, Phases #2-3 Major Improvement Bonds, the Phase #1B Bonds, and the Phase #2 Bonds, are shown as Appendix F, Appendix G and Appendix H. The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. The Assessment Roll, to be updated with the applicable interest rate on the Phase #3 Reimbursement Agreement are shown as Appendix I.

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

I. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits for a prepayment reserve. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of a Special Assessment, shall be calculated as of September 1 and updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments relating to the Phase #3 Reimbursement Agreement will be due when billed and will be delinquent if not paid prior to February 1, 2021.

Calculation of Annual Installments shall be as of September 1 of each year. Collection of the initial Annual Installments relating to the Phase #3 Improvements that benefit the Phase #3 Assessed Property will be due when billed, and will be delinquent if not paid prior to the first February 1 following the earlier of (i) upon issuance of the Phase #3 Bonds, or (ii) September 1, 2021.

VII. THE ASSESSMENT ROLL

A. PHASES #2-3 MAJOR IMPROVEMENT ASSESSMENT ROLL

Each Parcel within Phases #2-3 Major Improvement Area has been evaluated by the City Council (based on the concept plan, developable area, proposed Homeowner Association Property and Public Property, the Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the Assessed Property within each Parcel.

Phases #2-3 Major Improvement Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Major Improvements. Table IV-A.1 summarizes the \$12,047,789 in special benefit received by Phases #2-3 Major Improvement Area from a portion of the Major Improvements, the pro rata costs of the PID formation, and issuance costs for the proposed Phases #2-3 Major Improvement Bonds. The total amount of Phases #2-3 Major Improvement Bonds was \$6,575,000, which was less than the benefit received by Phases #2-3 Major Improvement Assessed Property, and as such the total Assessment for all Assessed Property within Phases #2-3 Major Improvement Area was \$6,575,000 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Phases #2-3 Major Improvement Area was calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phases #2-3 Major Improvement Assessment Roll is attached hereto as Appendix F.

B. PHASE #1 ASSESSMENT ROLL

Phase #1 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #1 Improvements that benefit Phase #1, which include a proportionate share of the Major Improvements allocable to Phase #1. Table IV-A.2 summarizes the \$19,889,931 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements that benefit Phase #1, including the proportionate share of the Major Improvements allocable to Phase #1, the pro rata costs of the PID formation, and Bond issuance costs. The total amount of Phase #1A Bonds and the Phase #1 Bonds was \$12,500,000, which was less than the benefit received by Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #1 was \$12,500,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 was calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix G.

C. PHASE #2 ASSESSMENT ROLL

Phase #2 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #2 Improvements that benefit Phase #2. Table IV-B summarizes the \$10,286,253 in special benefit received by Phase #2 Assessed Property from the Phase #2 Improvements, the proportional share of the Additional Major Improvements that benefit Phase #2, and miscellaneous PID related costs. The amount of Phase #2 Bonds is \$6,875,000, which is less than the benefit received by

Phase #2 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #2 is \$6,875,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #2 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #2 Assessment Roll is attached hereto as Appendix H.

D. PHASE #3 ASSESSMENT ROLL

Phase #3 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phase #3 Improvements that benefit Phase #3. Table IV-C summarizes the \$4,403,717 in special benefit received by Phase #3 Assessed Property from the Phase #3 Improvements, the proportional share of the Additional Major Improvements that benefit Phase #3, and miscellaneous PID related costs. The amount of Phase #3 Reimbursement Agreement is \$3,600,000, which is less than the benefit received by Phase #3 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #3 is \$3,600,000 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #3 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #3 Assessment Roll is attached hereto as Appendix I.

E. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phases #2-3 Major Improvement Assessment Roll, the Phase #1 Assessment Roll, the Phase #2 Assessment Roll, and the Phase #3 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.I of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Rolls shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination".

C. AMENDMENTS

Amendments to the Service and Assessment Plan may be made as permitted or required by the PID Act and Texas law.

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels: (i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Delinquent Collection Costs, and other charges imposed by the Service and Assessment Plan.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the applicable Trust Indenture, such determination shall be conclusive.

E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

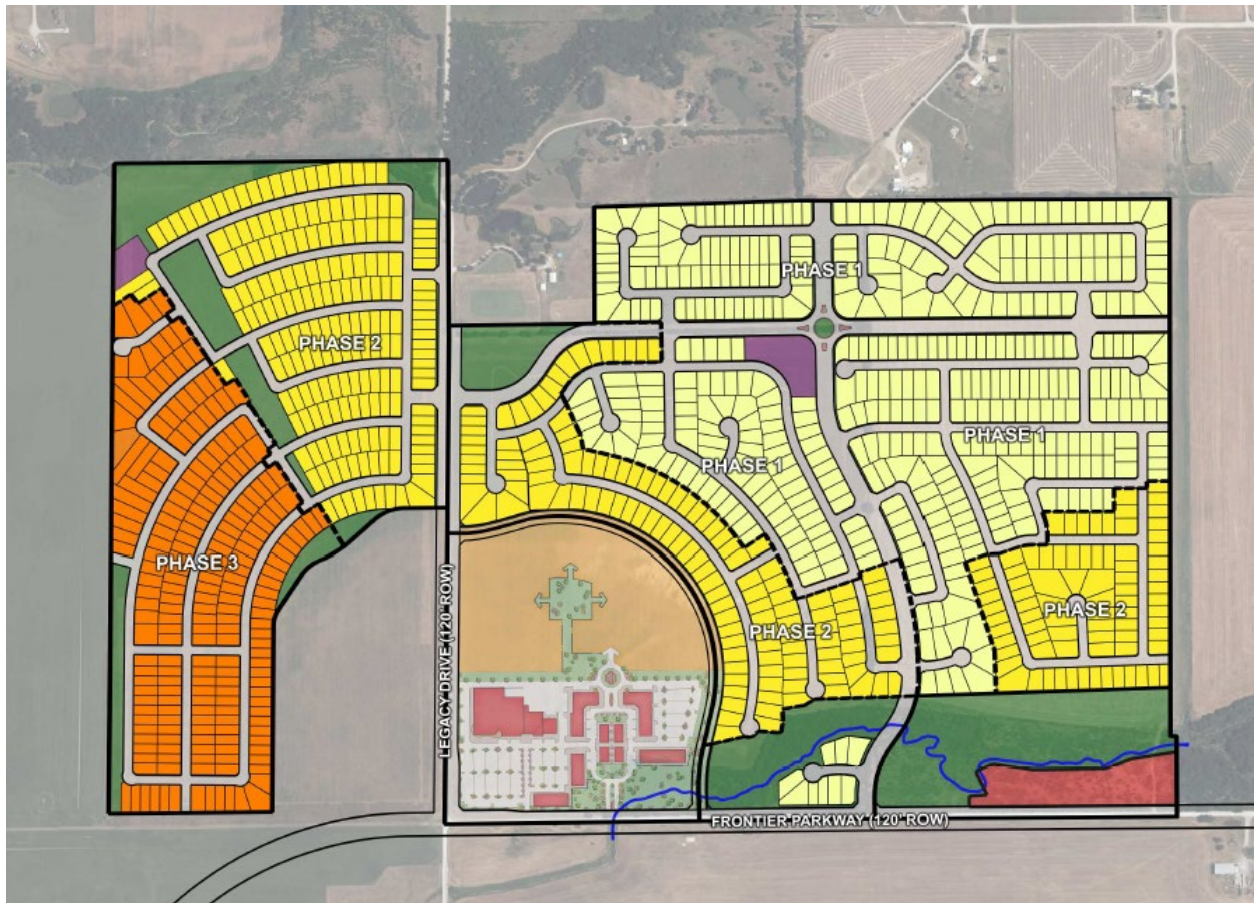
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

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APPENDIX A
PID MAP

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

APPENDIX A



APPENDIX B
ESTIMATED COSTS OF THE AUTHORIZED IMPROVEMENTS

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

APPENDIX D
LOT TYPES AND EQUIVALENT UNITS

APPENDIX D
LOT TYPES AND EQUIVALENT UNITS

For purposes of allocating the Assessments, the Assessed Property has been classified in one of three Lot Types. The following table shows the proposed residential Lot Types within the PID.

Table D-1
Proposed Development within the PID

Type	Description	Proposed Development	
<i><u>Residential</u></i>			
Lot Type 1	70 Ft Lots	183	units
Lot Type 2	60 Ft Lots	495	units
Lot Type 3	50 Ft Lots	343	units
<i>Total</i>		1,021	units

Table D-2 below shows the proposed residential Lot Types within Phase #1.

Table D-2
Proposed Development – Phase #1

Type	Description	Proposed Development	
<i>Residential</i>			
Lot Type 1	70 Ft Lots	152	units
Lot Type 2	60 Ft Lots	147	units
Lot Type 3	50 Ft Lots	128	units
<i>Total</i>		427	units

Table D-3.1 below shows the proposed residential Lot Types within Phases #2-3 Major Improvement Area.

Table D-3.1

Proposed Development - Phases #2-3 Major Improvement Area

Type	Description	Proposed Development	
<i>Residential</i>			
Lot Type 1	70 Ft Lots	31	units
Lot Type 2	60 Ft Lots	348	units
Lot Type 3	50 Ft Lots	215	units
<i>Total</i>		594	units

Table D-3.2 below shows the proposed residential Lot Types within Phase #2.

Table D-3.2

Proposed Development - Phase #2

Type	Description	Proposed Development	
<i>Residential</i>			
Lot Type 1	70 Ft Lots	33	units
Lot Type 2	60 Ft Lots	240	units
Lot Type 3	50 Ft Lots	130	units
<i>Total</i>		403	units

Table D-3.3 below shows the proposed residential Lot Types within Phase #3.

Table D-3.3
Proposed Development - Phase #3

Type	Description	Proposed Development	
<i>Residential</i>			
Lot Type 1	70 Ft Lots	-	units
Lot Type 2	60 Ft Lots	65	units
Lot Type 3	50 Ft Lots	146	units
<i>Total</i>		211	units

As explained under Section IV-D, For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the portion of the Major Improvements to be financed with the Phases #2-3 Major Improvement Bonds shall be allocated to the Phases #2-3 Major Improvement Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #2-3 Major Improvement Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 70 Ft, 60 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the "Lot Types" defined above. These classifications (from Lot Type 1 (70 Ft Lots) representing the highest value to Lot Type 3 (50 Ft Lot)

representing the lowest value for residential lots are set forth in Table D-4 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (70 Ft Lots) to 1.0.

Table D-4
Equivalent Unit Factors

Lot Type	Estimated Average	
	Unit Value	Equivalent Unit Factor
Lot Type 1 (70' Lot)	\$405,000	1.00 per dwelling unit
Lot Type 2 (60' Lot)	\$355,000	0.88 per dwelling unit
Lot Type 3 (50' Lot)	\$295,000	0.73 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table D-5 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase 1.

Table D-5
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total
			Equivalent Units
Lot Type 1 (70' Lot)	152	1.00	152.00
Lot Type 2 (60' Lot)	147	0.88	129.36
Lot Type 3 (50' Lot)	128	0.73	93.44

Total Equivalent Units	427	374.80
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The total estimated Equivalent Units for Phases #2-3 Major Improvement Area are shown in Table D-6 below as calculated based on the Equivalent Unit factors shown in Table D-4, estimated Lot Types and number of units estimated to be built within Phases #2-3 Major Improvement Area.

Table D-6

Estimated Equivalent Units - Phases #2 -3 Major Improvement Area

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70' Lot)	31	1.00	31.00
Lot Type 2 (60' Lot)	348	0.88	306.24
Lot Type 3 (50' Lot)	217	0.73	156.95
Total Equivalent Units	594		494.19

The total estimated Equivalent Units for Phase #2 are shown in Table D-7 below as calculated based on the Equivalent Unit factors shown in Table D-4, estimated Lot Types and number of units estimated to be built within Phase #2.

Table D-7

Estimated Equivalent Units - Phases #2

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70' Lot)	33	1.00	33.00

Lot Type 2 (60' Lot)	240	0.88	211.20
Lot Type 3 (50' Lot)	130	0.73	94.90
Total Equivalent Units	403		339.10

The total estimated Equivalent Units for Phase #3 are shown in Table D-8 below as calculated based on the Equivalent Unit factors shown in Table D-4, estimated Lot Types and number of units estimated to be built within Phase #3.

Table D-8

Estimated Equivalent Units - Phases #3

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70' Lot)	-	1.00	0.00
Lot Type 2 (60' Lot)	65	0.88	57.20
Lot Type 3 (50' Lot)	146	0.73	106.58
Total Equivalent Units	211		163.78

APPENDIX E
ALLOCATION OF ASSESSMENTS

APPENDIX E**ALLOCATION OF ASSESSMENTS****A) Allocation of Assessments to Lot Types in Phases #2-3 Major Improvement Area**

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phases #2-3 Major Improvement Bonds, which represents the total Assessment to be allocated to all Parcels in the Phases #2-3 Major Improvement Assessed Property, is \$6,575,000. As shown in Appendix D, there are a total of 494.19 estimated Equivalent Units in Phases #2-3, resulting in an Assessment per Equivalent Unit of \$13,304.60.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$13,304.60 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$13,304.60 (i.e. $\$13,304.60 \times 1.00$). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$11,708.05 (i.e. $\$13,304.60 \times 0.88$). Table E-1 sets forth the Assessment per dwelling unit for each of the three Lot Types in Phases #2-3 Major Improvement Area.

Table E-1
Assessment per Unit - Phases #2-3 Major Improvement Area

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Residential					
Lot Type 1	31	\$13,304.60	1.00	\$13,304.60 per dwelling unit	\$412,443
Lot Type 2	348	\$13,304.60	0.88	\$11,708.05 per dwelling unit	\$4,074,401
Lot Type 3	215	\$13,304.60	0.73	\$9,712.36 per dwelling unit	\$2,088,157
Total	594				\$6,575,000

B) Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$12,500,000. As shown in Appendix D, there are a total of 374.80 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$33,351.12.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$33,351.12 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$33,351.12 (i.e. $\$33,351.12 \times 1.00$). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$29,348.99 (i.e. $\$33,351.12 \times 0.88$). Table E-2 on the following page sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table E-2
Assessment per Unit - Phases #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Residential					
Lot Type 1	152	\$33,351.12	1.00	\$33,351.12 per dwelling unit	\$5,069,370
Lot Type 2	147	\$33,351.12	0.88	\$29,348.99 per dwelling unit	\$4,314,301
Lot Type 3	128	\$33,351.12	0.73	\$24,346.32 per dwelling unit	\$3,116,329
Total	427				\$12,500,000

C) Allocation of Assessments to Lot Types in Phase #2

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #2 Reimbursement Agreement, which represents the total Assessment to be allocated on all Parcels within Phase #2, is \$6,875,000. As shown in Appendix D, there are a total of 339.10 estimated Equivalent Units in Phase #2, resulting in an Assessment per Equivalent Unit of \$20,274.26.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$20,274.26 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (70 Ft Lot) dwelling unit is \$20,274.26 (i.e. $\$20,274.26 \times 1.00$). The Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$17,841.34 (i.e. $\$20,274.26 \times 0.88$). Table E-3 below sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #2.

Table E-3
Assessment per Unit - Phases #2

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Residential					
Lot Type 1	33	\$20,274.26	1.00	\$20,274.26 per dwelling unit	\$669,050
Lot Type 2	240	\$20,274.26	0.88	\$17,841.34 per dwelling unit	\$4,281,923
Lot Type 3	130	\$20,274.26	0.73	\$14,800.21 per dwelling unit	\$1,924,027
Total	403				\$6,875,000

D) Allocation of Assessments to Lot Types in Phase #3

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #3 Reimbursement Agreement, which represents the total Assessment to be allocated on all Parcels within Phase #3, is \$3,600,000. As shown in Appendix D, there are a total of 163.78 estimated Equivalent Units in Phase #3, resulting in an Assessment per Equivalent Unit of \$21,980.71.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$21,980.71 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 2 (60 Ft Lot) dwelling unit is \$19,343.02 (i.e. $\$21,980.71 \times 0.88$). The Assessment for a Lot Type 3 (50 Ft Lot) dwelling unit is \$16,045.92 (i.e. $\$21,980.71 \times 0.73$). Table E-3 below sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #3.

Table E-3
Assessment per Unit - Phases #3

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Residential					
Lot Type 1	0	\$21,980.71	1.00	\$21,980.71 per dwelling unit	\$0
Lot Type 2	65	\$21,980.71	0.88	\$19,343.02 per dwelling unit	\$1,257,296
Lot Type 3	146	\$21,980.71	0.73	\$16,045.92 per dwelling unit	\$2,342,704

Total	211	\$3,600,000
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APPENDIX F
PHASES #2-3 ASSESSMENT ROLL

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

Appendix F**Phases #2-3 Assessment Roll**

Parcel	All Parcels
Assessment	\$6,575,000
Equivalent Units	494.19

Year¹	Principal and Interest	Administrative Expenses²	Total Annual Installment³
1	\$80,760	\$13,150	\$93,910
2	\$484,563	\$46,288	\$530,851
3	\$484,563	\$46,556	\$531,119
4	\$484,563	\$46,830	\$531,392
5	\$609,563	\$47,109	\$656,671
6	\$601,125	\$46,769	\$647,894
7	\$617,688	\$46,434	\$664,122
8	\$607,563	\$45,980	\$653,543
9	\$597,438	\$45,532	\$642,970
10	\$612,313	\$45,090	\$657,403
11	\$600,500	\$44,530	\$645,030
12	\$613,688	\$43,975	\$657,663
13	\$599,188	\$43,302	\$642,490
14	\$609,688	\$42,636	\$652,323
15	\$618,375	\$41,851	\$660,226
16	\$600,250	\$40,948	\$641,198
17	\$607,125	\$40,052	\$647,177

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

18	\$612,188	\$39,038	\$651,226
19	\$615,438	\$37,906	\$653,344
20	\$591,875	\$36,657	\$628,532
21	\$592,094	\$35,415	\$627,509
22	\$615,406	\$34,056	\$649,462
23	\$609,906	\$32,455	\$642,361
24	\$602,500	\$30,736	\$633,236
25	\$593,188	\$28,901	\$622,088
26	\$606,969	\$26,949	\$633,918
27	\$591,938	\$24,755	\$616,693
28	\$0	\$0	\$0
29	\$0	\$0	\$0
30	\$0	\$0	\$0
31	\$0	\$0	\$0
Total	\$15,460,448	\$1,053,903	\$16,514,351

1 - The principal and interest amounts are based on the Series 2014 Phases #2-3 MI Bonds final numbers

3 - The administrative expenses shown include the estimated district administration and assessment collection costs and the additional 0.5% interest to be collected for prepayment reserve and delinquency reserves.

APPENDIX G
PHASE #1 ASSESSMENT ROLL

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

Appendix G

Phase #1 Assessment Roll

Parcel	All Parcels
Assessment	\$12,500,000
Equivalent Units	374.80

Year ¹	Principal ¹	Interest ¹	Principal ²	Interest ²	Administrative Expenses ³	Total Annual Installment ⁴
1	\$0	\$98,156	\$0	\$34,740	\$35,000	\$167,896
2	\$0	\$588,938	\$0	\$292,125	\$79,100	\$960,163
3	\$150,000	\$588,938	\$0	\$292,125	\$79,454	\$1,110,516
4	\$150,000	\$579,375	\$0	\$292,125	\$81,456	\$1,102,956
5	\$175,000	\$569,813	\$0	\$292,125	\$91,000	\$1,127,938
6	\$175,000	\$558,656	\$0	\$194,141	\$90,425	\$1,018,222
7	\$200,000	\$547,500	\$0	\$196,875	\$89,853	\$1,034,228
8	\$200,000	\$534,750	\$0	\$196,875	\$89,159	\$1,020,784
9	\$225,000	\$522,000	\$0	\$196,875	\$88,468	\$1,032,343
10	\$225,000	\$507,656	\$0	\$196,875	\$87,655	\$1,017,187
11	\$250,000	\$493,313	\$0	\$196,875	\$86,846	\$1,027,033
12	\$250,000	\$477,375	\$0	\$196,875	\$85,914	\$1,010,164
13	\$275,000	\$461,438	\$0	\$196,875	\$84,986	\$1,018,298
14	\$300,000	\$443,906	\$0	\$196,875	\$83,936	\$1,024,717
15	\$325,000	\$424,781	\$0	\$196,875	\$82,764	\$1,029,420
16	\$325,000	\$404,063	\$15,000	\$196,875	\$81,470	\$1,022,408

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

17	\$350,000	\$382,531	\$15,000	\$196,088	\$80,105	\$1,023,724
18	\$375,000	\$359,344	\$15,000	\$195,300	\$78,618	\$1,023,262
19	\$400,000	\$334,500	\$15,000	\$194,513	\$77,009	\$1,021,022
20	\$425,000	\$308,000	\$20,000	\$193,725	\$75,279	\$1,022,004
21	\$450,000	\$278,250	\$30,000	\$192,675	\$73,402	\$1,024,327
22	\$500,000	\$246,750	\$15,000	\$191,100	\$71,354	\$1,024,204
23	\$525,000	\$211,750	\$30,000	\$190,313	\$69,134	\$1,026,197
24	\$550,000	\$175,000	\$45,000	\$188,738	\$66,718	\$1,025,456
25	\$600,000	\$136,500	\$35,000	\$186,375	\$64,106	\$1,021,981
26	\$650,000	\$94,500	\$35,000	\$184,538	\$61,297	\$1,025,334
27	\$700,000	\$49,000	\$35,000	\$182,700	\$58,241	\$1,024,941
28	\$0	\$0	\$790,000	\$180,863	\$54,940	\$1,025,802
29	\$0	\$0	\$835,000	\$139,388	\$51,367	\$1,025,755
30	\$0	\$0	\$885,000	\$95,550	\$47,573	\$1,028,123
31	\$0	\$0	\$935,000	\$49,088	\$43,533	\$1,027,620
Total	\$8,750,000	\$10,376,781	\$3,750,000	\$5,927,081	\$2,290,161	\$31,094,023

1 - The principal and interest amounts are based on the Series 2014 Phase #1A Bonds final numbers.

2 - The principal and interest amounts are based on the Series 2018 Phase #1B Bonds final numbers.

3 - The Administrative Expenses shown include the estimated district administration and assessment collection costs

and the additional 0.5% interest to be collected for prepayment reserve and delinquency reserves.

APPENDIX H

PHASE #2 ASSESSMENT ROLL

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

Appendix H

Phase #2 Assessment Roll

Parcel	All Parcels
Assessment	\$6,875,000
Equivalent Units	339.10

Year¹	Principal	Interest	Administrative Expenses²	Total Annual Installment³
2019	\$0	\$379,351	\$25,000	\$404,351
2020	\$30,000	\$419,069	\$25,250	\$474,319
2021	\$40,000	\$417,381	\$25,503	\$482,884
2022	\$45,000	\$415,131	\$25,758	\$485,889
2023	\$40,000	\$412,600	\$26,015	\$478,615
2024	\$50,000	\$410,350	\$26,275	\$486,625
2025	\$45,000	\$407,538	\$26,538	\$479,076
2026	\$55,000	\$405,006	\$26,803	\$486,810
2027	\$50,000	\$401,913	\$27,071	\$478,984
2028	\$50,000	\$399,100	\$27,342	\$476,442
2029	\$65,000	\$396,288	\$27,616	\$488,903
2030	\$65,000	\$392,306	\$27,892	\$485,198
2031	\$65,000	\$388,325	\$28,171	\$481,496
2032	\$65,000	\$384,344	\$28,452	\$477,796
2033	\$85,000	\$380,363	\$28,737	\$494,099
2034	\$90,000	\$375,156	\$29,024	\$494,180
2035	\$80,000	\$369,644	\$29,314	\$478,958

2036	\$90,000	\$364,744	\$29,608	\$484,351
2037	\$100,000	\$359,231	\$29,904	\$489,135
2038	\$115,000	\$353,106	\$30,203	\$498,309
2039	\$115,000	\$346,063	\$30,505	\$491,567
2040	\$130,000	\$339,019	\$30,810	\$499,829
2041	\$545,000	\$331,056	\$31,118	\$907,174
2042	\$580,000	\$297,675	\$31,429	\$909,104
2043	\$615,000	\$262,150	\$31,743	\$908,893
2044	\$650,000	\$224,481	\$32,061	\$906,542
2045	\$690,000	\$184,669	\$32,381	\$907,050
2046	\$730,000	\$142,406	\$32,705	\$905,111
2047	\$775,000	\$97,694	\$33,032	\$905,726
2048	\$820,000	\$50,225	\$33,363	\$903,588
Total	\$6,875,000	\$10,106,382	\$869,622	\$17,851,004

1 – The 9/30/XX dates represent the fiscal year end for the Bonds

2 - The principal and interest amounts are estimated using 6.45% interest rate and will be updated with final bond pricing numbers.

3 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

APPENDIX I
PHASE #3 ASSESSMENT ROLL

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

Appendix I

Phases #3 Assessment Roll

Parcel	All Parcels
Assessment	\$3,600,000
Total Equivalent Units	163.78

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment
2020	\$0	\$176,400	\$25,000	\$201,400
2021	\$25,000	\$176,400	\$25,250	\$226,650
2022	\$26,000	\$175,175	\$25,503	\$226,678
2023	\$28,000	\$173,901	\$25,758	\$227,659
2024	\$29,000	\$172,529	\$26,015	\$227,544
2025	\$30,000	\$171,108	\$26,275	\$227,383
2026	\$31,000	\$169,638	\$26,538	\$227,176
2027	\$33,000	\$168,119	\$26,803	\$227,922
2028	\$34,000	\$166,502	\$27,071	\$227,573
2029	\$36,000	\$164,836	\$27,342	\$228,178
2030	\$38,000	\$163,072	\$27,616	\$228,688
2031	\$39,000	\$161,210	\$27,892	\$228,102
2032	\$41,000	\$159,299	\$28,171	\$228,470
2033	\$43,000	\$157,290	\$28,452	\$228,742
2034	\$45,000	\$155,183	\$28,737	\$228,920
2035	\$47,000	\$152,978	\$29,024	\$229,002
2036	\$49,000	\$150,675	\$29,314	\$228,989

Attachment: Ordinance (Creeks of Legacy PID Phase #3 Levy)

2037	\$51,000	\$148,274	\$29,608	\$228,882
2038	\$53,000	\$145,775	\$29,904	\$228,679
2039	\$56,000	\$143,178	\$30,203	\$229,381
2040	\$58,000	\$140,434	\$30,505	\$228,939
2041	\$260,000	\$137,592	\$30,810	\$428,402
2042	\$272,000	\$124,852	\$31,118	\$427,970
2043	\$284,000	\$111,524	\$31,429	\$426,953
2044	\$297,000	\$97,608	\$31,743	\$426,351
2045	\$310,000	\$83,055	\$32,061	\$425,116
2046	\$324,000	\$67,865	\$32,381	\$424,246
2047	\$339,000	\$51,989	\$32,705	\$423,694
2048	\$354,000	\$35,378	\$33,032	\$422,410
2049	\$368,000	\$18,032	\$33,363	\$419,395
Total	\$3,600,000	\$4,119,871	\$869,622	\$8,589,493

1 - The principal and interest amounts are estimated at 4.90% and will be updated upon levy.

2 - The amounts shown include estimated district administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.



Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Dusty McAfee AICP, Director of Development Services
CC: Jason Laumer, City Manager
Date: June 9, 2020
Re: La Terra PID Creation

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon a resolution of the City of Celina, Texas authorizing and creating the La Terra Public Improvement District in accordance with Chapter 372 of the Texas Local Government Code; providing for related matters; and providing an effective date. (La Terra PID Creation) (McAfee)

Background Information:

The resolution is attached.

Legal Review:

This item has been reviewed by the City Attorney.

Supporting Documents:

- Staff Presentation
- Resolution

Staff Recommendation:

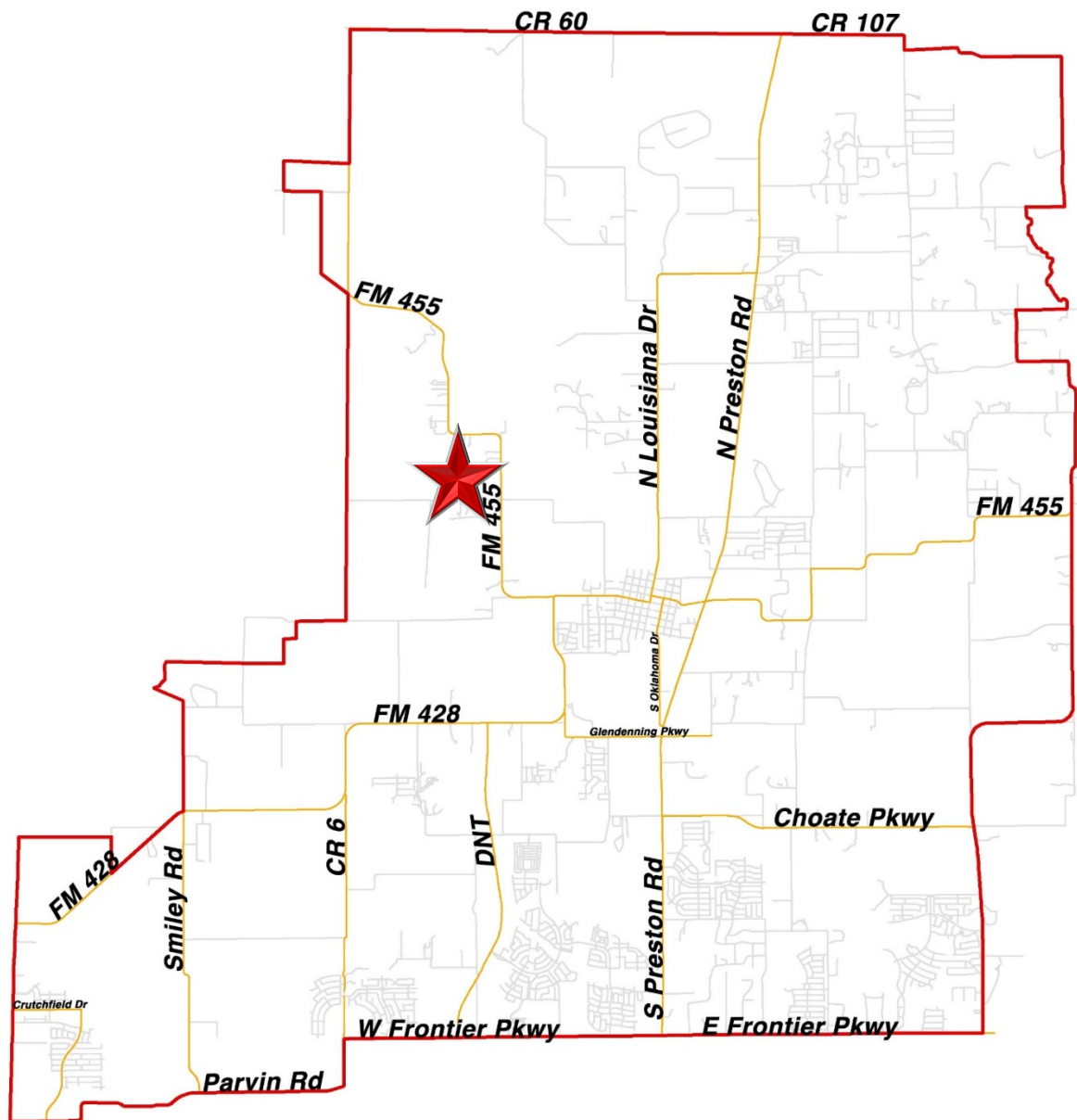
Staff recommends approval as presented.

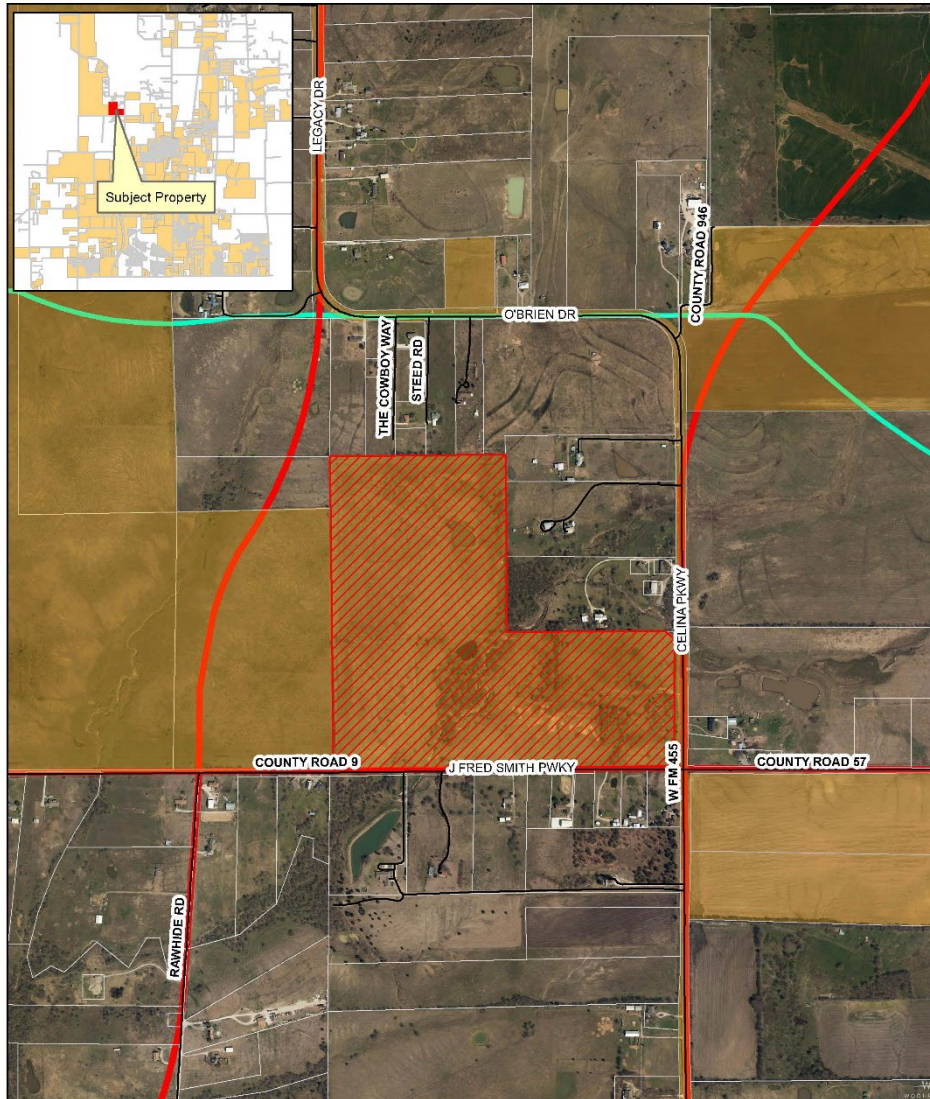
La Terra

PID Creation

City Council
June 9, 2020

Attachment: Staff Presentation (La Terra PID Creation)





Location Map

The subject property is located on the northwest corner of CR 9 (future J Fred Smith Parkway) and FM 455 (future Celina Parkway)

Attachment: Staff Presentation (La Terra PID Creation)

Background

- The Development Agreement (DA) for the subject property was approved by Council in 2019
- The DA allowed for a PID due to the “pioneering” infrastructure associated with the project
- The associated Planned Development was approved in May, 2020

Attachment: Staff Presentation (La Terra PID Creation)

PID Overview

- The PID will consist of approximately 98 acres with extensive infrastructure needed to serve the project
- Proposed Residential Lots: ±396 lots
- Total Estimated Cost of Improvements: \$23.5M

Attachment: Staff Presentation (La Terra PID Creation)

PID Timeline

- ~~May 12, 2020 – PID Petition Resolution~~
- June 9, 2020 – PID Creation Resolution
- Later Date – Pre-SAP Resolution
- Later Date – SAP/Levy Ordinance

Attachment: Staff Presentation (La Terra PID Creation)

Recommendation

- Staff recommends approval as presented

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF CELINA, TEXAS, AUTHORIZING AND CREATING THE LA TERRA PUBLIC IMPROVEMENT DISTRICT IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Celina, Texas (the "City"), is authorized under Chapter 372 of the Texas Local Government Code (the "Act"), to create a public improvement district within its corporate limits or extraterritorial jurisdiction; and

WHEREAS, on May 6, 2020, Horizon Celina Partners, LLC, a Texas limited liability company (the "Owner") submitted and filed with the City Secretary of Celina a petition (the "Petition") requesting the establishment of a public improvement district for property within the corporate limits of the City; and

WHEREAS, the Petition requested the creation of La Terra Public Improvement District (the "District"), which District is located within the corporate limits of the City and more particularly described by metes and bounds in Exhibit "A" (the "Property"), attached hereto and incorporated herein for all purposes; and

WHEREAS, the City Council of the City (the "City Council") has investigated and determined that the facts contained in the Petition are true and correct; and

WHEREAS, after publishing notice in the *Celina Record*, a newspaper of general circulation in the City, and mailing notice of the hearing, all as required by and in conformity with the Act, the City Council conducted a public hearing on the advisability of the improvements and services on June 9, 2020; and

WHEREAS, the City Council adjourned and closed the public hearing.

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

Section 1. The findings set forth in the recitals of this Resolution are hereby found to be true and correct.

Section 2. The Petition submitted to the City by the Owner was filed with the City Secretary and complies with Section 372.005 of the Act.

Section 3. Pursuant to the requirements of the Act, including, without limitation, Sections 372.006 and 372.009, the City Council, after considering the Petition and the evidence and testimony presented at the public hearing on June 9, 2020, hereby finds and declares:

Attachment: PID Creation Resolution (La Terra PID Creation)

(a) Advisability of the Proposed Improvements. It is advisable to create the District to provide the Authorized Improvements (hereinafter defined). The Authorized Improvements are feasible and desirable and will promote the interests of the City and will confer a special benefit on the Property.

(b) General Nature of the Authorized Improvements. The purposes of the District include the design, acquisition, and construction of public improvement projects authorized by the Act that are necessary for development of the Property, which public improvements will include, but not be limited to: (i) landscaping; (ii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way; (iii) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements; (iv) projects similar to those listed in (i)-(iii); (v) special supplemental services for the improvement and promotion of the District; (vi) payment of expenses associated with operating and maintaining the improvements listed above; and (vii) payment of expenses incurred in the establishment, administration, and operation of the District (collectively, the "Authorized Improvements"). These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

(c) Estimated Cost of the Authorized Improvements. The estimated cost of the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in establishment, administration and operation of the District is \$23,400,000.00, which costs shall be paid by assessment of the property owners within the proposed District.

(d) Boundaries of Proposed District. The District is proposed to include approximately 97.754 acres of land, as described by metes and bounds in Exhibit "A" attached hereto.

(e) Proposed Method of Assessments. The City shall levy assessments on each parcel of the Property within the District in a manner that will result in each parcel paying its fair share of the costs of the Authorized Improvements provided with the assessments based on the special benefits received by the property from the Authorized Improvements and property equally situated paying equal shares of the costs of the Authorized Improvements.

(f) Management of the District. The management of the District will be by the City, with the assistance of one or more consultants selected by the City, who shall, from time to time, advise the City regarding certain operations of the District.

(g) Advisory Board. The District shall be managed without the creation of an advisory body.

Section 4. The La Terra Public Improvement District is hereby authorized and created as a public improvement district under the Act and in accordance with the findings of the City Council as to the advisability of the Authorized Improvements contained in this Resolution, the nature and the estimated costs of the Authorized Improvements, the boundaries of the District, the method of assessment, and the apportionment of costs as described herein; and the conclusion that the District is needed to fund such Authorized Improvements.

Section 5. Notice of this Resolution authorizing the District shall be given by publishing

such notice in the *Celina Record*, a newspaper of general circulation in the City. Effective upon the publication of such notice, such authorization shall take effect and the District shall be established.

Section 6. This Resolution shall take effect immediately from and after its passage and publication as required by law.

[Remainder of page left blank intentionally.]

Exhibit "A"
LEGAL DESCRIPTION
97.754 ACRES

BEING a tract of land in the J. HEATH SURVEY, ABSTRACT NO. 387, Collin County, Texas, and being part of that tract of land conveyed in Deed to JASC Investments Inc., according to the document of record filed in Document Number 20160610000730460, Official Public Records, Collin County, Texas, and being more particularly described as follows;

BEGINNING at a 1/2" iron rod found for the common northwest corner of said JASC Investments Inc. tract and the southwest corner of that tract of land conveyed in Deed to Charles Ray Huddleston and Sherry Lynn Huddleston, according to the document filed of record in Volume 1368, Page 368, Deed Records, Collin County, Texas;

THENCE N 89° 56' 49" E, with the common north line said JASC Investments Inc. tract and the south line of said Huddleston tract, a distance of 269.47 feet to a 3/8" iron rod found for the common southeast corner of said Huddleston tract and the southwest corner of that tract of land described as Tract 1 as conveyed in Deed to Rodney L. Steed and wife, Tommie S. Steed, according to the document of record filed in Book 4393. Page 0942, Official Public Records, Collin County, Texas;

THENCE N 89° 06' 37" E, with the common north line said JASC Investments Inc. tract and the south line of said Tract 1, a distance of 220.24 feet to a 1/2" iron rod found for the common southeast corner of said Tract 1 and the southwest corner of that tract of land described as Tract 1 as conveyed in Deed to Tommie S. Steed and Rodney L. Steed, according to the document of record filed in Document Number 20071011001400330, Official Public Records, Collin County, Texas;

THENCE N 89° 35' 00" E, with the common north line said JASC Investments Inc. tract and the south line of said Tract 1, a distance of 220.01 feet to a 1/2" iron rod found for the common southeast corner of said Tract 1 and the southwest corner of that tract of land described as Tract 1 as conveyed in Deed to Rodney Lynn Steed, Linda Steed Evans, Kathy Steed Hill, Sally Ann Steed and Peggy Steed Jordan, according to the document of record filed in Document Number 20160323000342410, Official Public Records, Collin County, Texas;

THENCE N 89° 29' 11" E, with the common north line said JASC Investments Inc. tract and the south line of said Tract 1, a distance of 220.84 feet to a 1/2" iron rod found for the common southeast corner of said Tract 1 and the southwest corner of that tract of land conveyed in Deed to Jacki Cantrell, Co-Trustee of the Cantrell Family Trust; Kenny Cantrell, Co-Trustee of the Cantrell Family Trust; and Debbie Cantrell, Co-Trustee of the Cantrell Family Trust, according to the document of record filed in Document Number 20071205001624610, Official Public Records, Collin County, Texas;

THENCE N 89° 45' 20" E, with the common north line said JASC Investments Inc. tract and the south line of said Cantrell Family Trust tract, distance of 220.24 feet to a 1/2" iron rod found for the common southeast corner of said Cantrell Family Trust tract and the southwest corner of that tract of land conveyed in Deed to Celina Parkway 28 Partners, LTD, according to the document of

record filed in Document Number 20170616000786060, Official Public Records, Collin County, Texas;

THENCE N 89° 28' 39" E, with the common north line said JASC Investments Inc. tract and the south line of said Celina Parkway 28 Partners, LTD, a distance of 160.17 feet to a 1/2" iron rod set in the west line of that tract of land conveyed in Deed to Leslie C. Hall and Spouse, Barbara P. Hall, according to the document of record filed in Document Number 19920408000221690, Official Public Records, Collin County, Texas, for the common northeast corner of said JASC Investments Inc. tract and the most southerly southeast corner of said Celina Parkway 28 Partners, LTD;

THENCE S 00° 34' 21" E, with the common east line of said JASC Investments Inc. tract and the west line of said Hall tract, a distance of 199.37 feet to a 1/2" iron rod found for the common southwest corner of said Hall tract and the northwest corner of that tract of land conveyed in Deed to Jenny Kay Tolleson, according to the document of record filed in Document Number 20190927001202340, Official Public Records, Collin County, Texas;

THENCE S 00° 39' 11" E, with the common east line of said JASC Investments Inc. tract and the west line of said Jenny Kay Tolleson tract, a distance of 551.88 feet to a 1/2" iron rod found for the common southwest corner of said Jenny Kay Tolleson tract and the northwest corner of that tract of land conveyed in Deed to Laddie Garner and wife, Joan Garner, according to the document of record filed in Book 3969, Page 3021, Official Public Records, Collin County, Texas;

THENCE S 00° 30' 47" E, with the common east line of said JASC Investments Inc. tract and the west line of said Garner tract, a distance of 573.65 feet to a 1/2" iron rod set for a common interior ell corner of said JASC Investments Inc. tract and the southwest corner of said Garner tract;

THENCE N 88° 47' 55" E, with the common north line of said JASC Investments Inc. tract and the south line of said Garner tract a distance of 756.71 feet to a 1/2" iron rod found;

THENCE S 89° 25' 38" E, continuing with said common line, a distance of 447.04 feet to a 1/2" iron rod set;

THENCE S 51° 55' 44" E, a distance of 65.81 feet to a 1/2" iron rod set in the west line of Farm-to-Market Road 455 (FM 455), a 90' right-of-way, for the most easterly northeast corner of said JASC Investments Inc. tract;

THENCE S 00° 17' 07" E, with the common east line of said JASC Investments Inc. tract and the west line of said FM 455, a distance of 945.84 feet to a 1/2" iron rod set at the intersection of the west line of said FM 455 and the north line of CR 9, for the southeast corner of said JASC Investments Inc. tract;

THENCE S 89° 16' 10" W, with the common south line of said JASC Investments Inc. tract and the north line of said CR 9, a distance of 2,532.41 feet to a 1/2" iron rod set in the east line of that tract of land conveyed in Deed to Dynavest Joint Venture, according to the document of record filed in Book 2288, Page 114, Deed Records, Collin County, Texas, for the southwest corner of

said JASC Investments Inc. tract;

THENCE N 01° 29' 13" W, with the common west line of said JASC Investments Inc. tract and the east line of said Dynavest Joint Venture tract, a distance of 1,940.30 feet to a 1/2" iron rod with a red plastic cap stamped "PEISER-MANKIN" found for the most easterly northeast corner of said Dynavest Joint Venture tract;

THENCE N 00° 16' 43" W, over and across said JASC Investments Inc. tract, a distance of 382.83 to the **POINT OF BEGINNING**, and containing 97.754 acres of land, more or less.

PASSED, APPROVED AND ADOPTED on this 9 day of June, 2020.

Sean Terry, Mayor
City of Celina, Texas

ATTEST:

Vicki Tarrant, City Secretary
City of Celina, Texas

Attachment: PID Creation Resolution (La Terra PID Creation)



Life Connected.

Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Dusty McAfee AICP, Director of Development Services
 CC: Jay Pierce, Board Member
 Date: June 9, 2020
 Re: 20-04 Annexation Resolution

Action Requested:

Consider and act upon a resolution of intent to annex approximately 963 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (20-04 Annexation Resolution) (Mohan)

Consider and act upon a resolution of intent to annex approximately 963 acres, describing the municipal services to be provided to the area and the time in which municipal services will be provided, calling a public hearing, directing notices to be provided, directing that a petition for annexation of the area be prepared and opportunity to sign provided, providing for matters related thereto for the following areas: (20-04 Annexation Resolution) (Mohan)

- 1) Collin CAD Property ID 986614, being an approximate 48.95 acre tract of land in Collin County, Texas, legally described as Abstract No. 843 in the William B Smith Survey, Tract 2; generally located at the northeast corner of County Road 127 and FM 2478,
- 2) Collin CAD Property ID 990379, being an approximate 24.58 acre tract of land in Collin County, Texas, legally described as Abstract No. 124 in the Henry Bentley Survey, Tract 16; at the northwest corner of County Road 8 and W. FM 455,
- 3) Collin CAD Property ID 2709581, being an approximate 78.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 843 in the William B Smith Survey, Tract 3; generally located north of FM 2478 and approximately 1,200 feet east of County Road 127,
- 4) Collin CAD Property ID 989755, being an approximate 12.60 acre tract of land in Collin County, Texas, legally described as Abstract No. 55 in the W A Brown Survey, Tract 4; generally located approximately 600 north of FM 2478 and approximately 2,700 feet east of County Road 127,
- 5) Collin CAD Property ID 1931823 being an approximate 6.50 acre tract of land in Collin County, Texas, legally described as Abstract No. 55 in the W A Brown Survey, Tract 5; generally located approximately 600 north of FM 2478 and approximately 2,800 feet east of County Road 127,
- 6) Collin CAD Property ID 1005245, being an approximate 35.84 acre tract of land in Collin County, Texas, legally described as Abstract No. 394 in the Daniel Howell Survey, Tract 17; generally located east of County Road 127 and approximately 1,300 feet south of W. FM 455,
- 7) Collin CAD Property ID 2736080, being an approximate 26.49 acre tract of land in Collin County, Texas, legally described as Abstract No. 167 in the Collin County School Land #14 Survey,

Sheet 1, Tract 17; generally located approximately 1,900 feet west of County Road 89 and north of County Road 90,

8) Collin CAD Property ID 996426, being an approximate 9.33 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 4; generally located approximately 800 feet east of County Road 127 and approximately 3,000 feet south of W. FM 455,

9) Collin CAD Property ID 985731, being an approximate 53.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 730 in the W C Quigley Survey, Tract 3; generally located approximately 500 feet north of County Road 129 and approximately 1,300 feet west of FM 2478,

10) Collin CAD Property ID 985777, being an approximate 81.63 acre tract of land in Collin County, Texas, legally described as Abstract No. 730 in the W C Quigley Survey, Tract 7; generally located east of County Road 127 and approximately 1,700 feet north of County Road 129,

11) Collin CAD Property ID 995123, being an approximate 3.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 443 in the A Huffstetler Survey, Tract 2; generally located approximately 3,000 feet north of County Road 129 and approximately 1,000 feet west of FM 2478,

12) Collin CAD Property ID 2658576, being an approximate 83.28 acre tract of land in Collin County, Texas, legally described as Abstract No. 443 in the A Huffstetler Survey, Tract 13; generally located approximately 1,300 feet east of County Road 127 and south of W. FM 455,

13) Collin CAD Property ID 2658578, being an approximate 22.59 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 1; generally located approximately 2,300 feet north of County Road 129 and approximately 800 feet west of FM 2478,

14) Collin CAD Property ID 2658579, being an approximate 10.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 9; generally located approximately 1,400 feet east of County Road 127 and approximately 2,600 feet south of W. FM 455,

15) Collin CAD Property ID 2028655, being an approximate 14.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 749 in the T M Rowland Survey, Tract 9; generally located approximately 1,900 feet north of Choate Parkway and east of Hackberry Circle,

16) Collin CAD Property ID 2545645, being an approximate 47.38 acre tract of land in Collin County, Texas, legally described as Abstract No. 749 in the T M Rowland Survey, Tract 11; generally located east of Preston road and approximately 2,700 feet north of Choate Parkway,

17) Collin CAD Property ID 2706744, being an approximate 1.63 acre tract of land in Collin County, Texas, legally described Abstract No. 1030 in the Jonathan Westover Survey, Sheet 3, Tract 9; generally located approximately 1,400 feet east of County Road 86 and south of Choate Parkway,

18) Collin CAD Property ID 997942, being an approximate 155.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 932 in the T & P Ry Co Survey, Tract 1; generally located west of County Road 57 and approximately 950 feet north of W. FM 455, and

19) Being a 246.54 acre tract of land situated in Denton County, Texas, being a portion of that certain called 586.196 acre tract of land conveyed to Kenneth B. Moore and wife, Ruth Wilcher Moore, by deed recorded in Volume 868, Page 721, of the Deed Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch iron rod found at the northwest corner of said called 586.196 acre tract, and being the southwest corner of a called 273.782 acre tract of land, as recorded in Volume 871, Page 856, of the Deed Records of Denton County, Texas, said point also being in the east right-of-way line of Farm Road No. 1385;

THENCE South 89°26'04" East, along the common line of said called 586.196 acre tract, and said called 273.782 acre tract, a distance of 2259.44 feet to a point for the northwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE South 89°26'04" East, along the common line of said called 586.196 acre tract, and said called 273.782 acre tract, a distance of 2487.05 feet to a point for the northeast corner of the herein described tract;

THENCE South 01 °07'32" West, a distance of 1802.61 feet to a 3/4 inch iron rod found for corner, said point being in the northerly right-of-way line of Farm Road No. 428;

THENCE southwesterly along the common line of said called 586.196 acre tract, and the northerly right-of-way line of said Farm Road No. 428 as follows:

South 48°31'00" West, a distance of 2328.57 feet to a 1/2 inch iron rod set for corner;

South 45°39'00" West, a distance of 100.10 feet to a 1/2 inch iron rod set for corner;

South 48°31'00" West, a distance of 898.87 feet to a 1/2 inch iron rod set for corner;

South 50°40'00" West, a distance of 133.30 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the right having a radius of 1096.28 feet, and a delta angle of 37°20'03";

continuing along the curve to the right, an arc distance of 714.34 feet, and a chord bearing and distance of South 67°12'22" West, 701.77 feet to a 1/2 inch iron rod found for corner;

North 88°48'08" West, a distance of 102.83 feet to a 1/2 inch iron rod set for corner;

North 88°42'19" West, a distance of 604.95 feet to point for the southwest corner of the herein described tract;

THENCE through the interior of said called 586.196 acre tract as follows:

North 00 deg. 00 min. 00 sec. West, a distance of 1952.52 feet to a point;

North 45 deg. 07 min. 02 sec. East, a distance of 654.96 feet to a point;

North 68 deg. 55 min. 27 sec. East, a distance of 657.88 feet to a point;

North 19 deg. 19 min. 19 sec. East, a distance of 440.29 feet to a point;

North 31 deg. 54 min. 37 sec. East, a distance of 299.66 feet to a point;

North 46 deg. 27 min. 12 sec. East, a distance of 267.60 feet to a point;

North 68 deg. 29 min. 35 sec. East, a distance of 278.25 feet to a point;

North 01 deg. 30 min. 07 sec. East, a distance of 152.18 feet to a point;

North 22 deg. 06 min. 41 sec. West, a distance of 128.29 feet to a point;

North 30 deg. 42 min. 24 sec. West, a distance of 577.70 feet to the POINT OF BEGINNING and containing 246.54 acres of computed land, more or less.

Background Information:

In alignment with the City's growth strategies and per the direction from Celina's City Council, the purpose of this resolution is relating to the intent to annex certain properties.

Below is the anticipated annexation schedule for the properties:

June 9, 2020 - City Council acts on a resolution to set the public hearing dates.

July 14, 2020 - First Public Hearing to be held.

December 2020 - Petition Verification

January 12, 2021 - Second Public Hearing to be held.

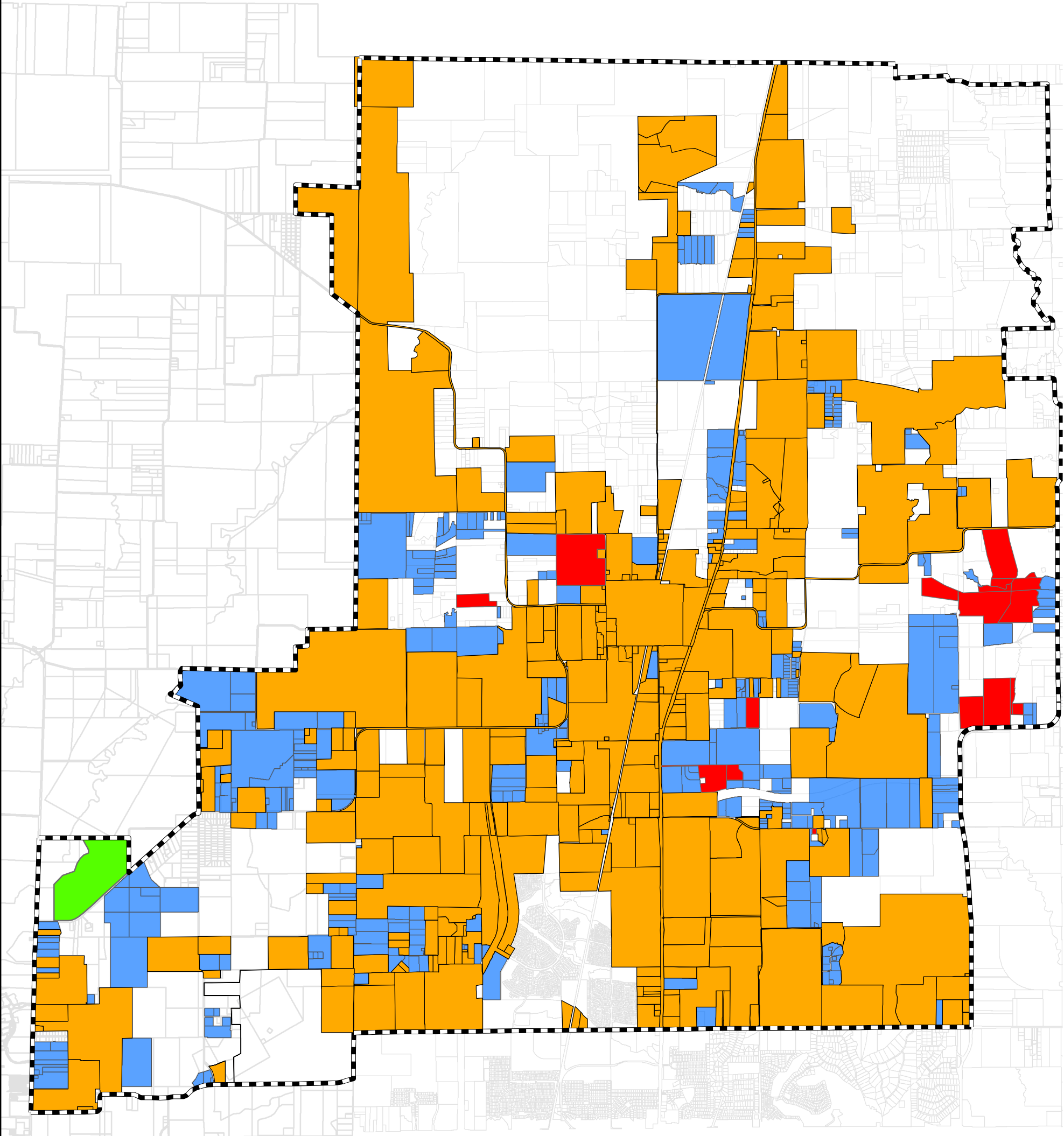
February 9, 2021 - Third Public Hearing and annexation ordinance adoption.

Supporting Documents:

- Location Map
- Staff Presentation
- Resolution

Staff Recommendation:

Staff recommends approval of the Resolution.



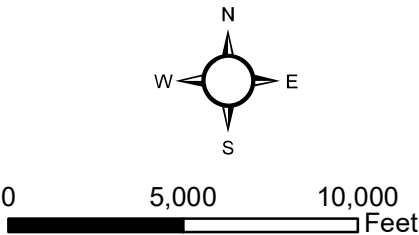
Attachment: Location Map (20-04 Annexation Resolution)



Potential Annexations City of Celina

Date: 5/21/2020

- Legend**
- Ultimate Boundary
 - Potential Properties
 - DA



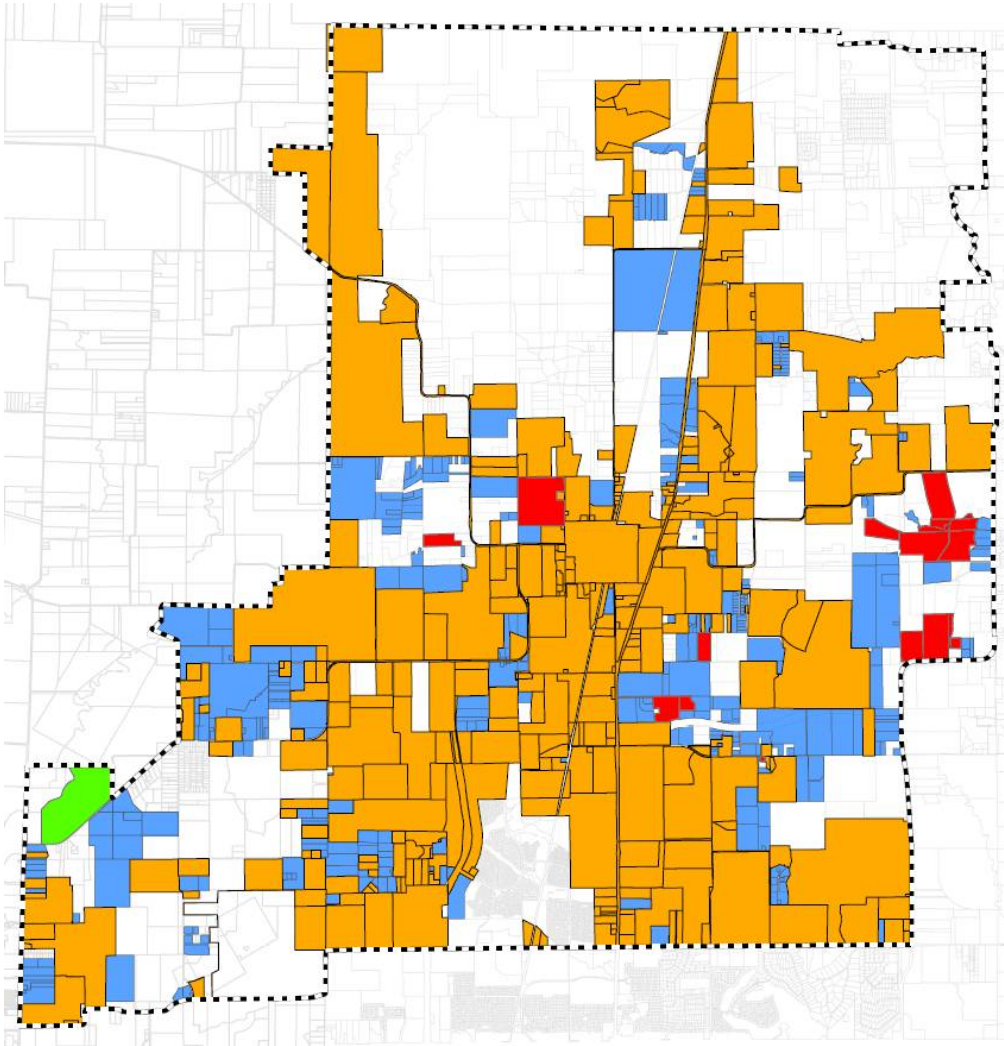
Annexation 20-04

City Council

June 9, 2020

Attachment: Staff Presentation (20-04 Annexation Resolution)

Annexation Map



Legend

-  Ultimate Boundary
-  Potential Properties
-  Petition

Attachment: Staff Presentation (20-04 Annexation Resolution)

Annexation Timeline

- June 9, 2020– Annexation Resolution
- July 14, 2020– 1st Public Hearing
- December 2020– Petition Verification
- January 12, 2021– 2nd Public Hearing
- February 9, 2021– 3rd Public Hearing and Annexation Ordinance adoption

Recommendation

- Staff recommends approval as presented.

RESOLUTION NO. R-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS RELATING TO THE INTENTION TO ANNEX CERTAIN PROPERTY PURSUANT TO THE REQUIREMENTS OF SUBCHAPTER C-4, TEXAS LOCAL GOVERNMENT CODE, INTO THE CORPORATE LIMITS OF THE CITY OF CELINA; PROVIDING FOR ALL MATTERS REQUIRED BY SUBCHAPTER C-4; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Celina, Texas (“City Council”) has the authority to annex property into the corporate limits of the City of Celina, Texas, a home-rule municipality (“City”) in accordance with applicable state law and the City Charter; and

WHEREAS, Section 43.0682 of the Texas Local Government Code provides that a city proposing to annex property under Subchapter C-4 must prepare and adopt a resolution of intent containing certain specified information; and

WHEREAS, the City Council desires to adopt a resolution in compliance with the requirements of Section 43.0682.

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

Section 1. Findings Incorporated. The facts, findings and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct, and are incorporated by reference herein and expressly made a part hereof, as if copied herein verbatim.

Section 2. Intent to Annex and Service Plan. In accordance with Section 43.0682 of the Texas Local Government Code, the City Council hereby resolves the following:

1. The City intends to annex the area, approximately 963 acres, generally located in the description below:
 Collin CAD Property ID 986614, being an approximate 48.95 acre tract of land in Collin County, Texas, legally described as Abstract No. 843 in the William B Smith Survey, Tract 2; generally located at the northeast corner of County Road 127 and FM 2478,
 Collin CAD Property ID 990379, being an approximate 24.58 acre tract of land in Collin County, Texas, legally described as Abstract No. 124 in the Henry Bentley Survey, Tract 16; at the northwest corner of County Road 8 and W. FM 455,
 Collin CAD Property ID 2709581, being an approximate 78.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 843 in the William B Smith Survey, Tract 3; generally located north of FM 2478 and approximately 1,200 feet east of County Road 127,
 Collin CAD Property ID 989755, being an approximate 12.60 acre tract of land in Collin County, Texas, legally described as Abstract No. 55 in the W A Brown Survey, Tract 4; generally located approximately 600 north of FM 2478 and approximately 2,700 feet east of County Road 127,

Collin CAD Property ID 1931823 being an approximate 6.50 acre tract of land in Collin County, Texas, legally described as Abstract No. 55 in the W A Brown Survey, Tract 5; generally located approximately 600 north of FM 2478 and approximately 2,800 feet east of County Road 127,

Collin CAD Property ID 1005245, being an approximate 35.84 acre tract of land in Collin County, Texas, legally described as Abstract No. 394 in the Daniel Howell Survey, Tract 17; generally located east of County Road 127 and approximately 1,300 feet south of W. FM 455,

Collin CAD Property ID 2736080, being an approximate 26.49 acre tract of land in Collin County, Texas, legally described as Abstract No. 167 in the Collin County School Land #14 Survey, Sheet 1, Tract 17; generally located approximately 1,900 feet west of County Road 89 and north of County Road 90,

Collin CAD Property ID 996426, being an approximate 9.33 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 4; generally located approximately 800 feet east of County Road 127 and approximately 3,000 feet south of W. FM 455,

Collin CAD Property ID 985731, being an approximate 53.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 730 in the W C Quigley Survey, Tract 3; generally located approximately 500 feet north of County Road 129 and approximately 1,300 feet west of FM 2478,

Collin CAD Property ID 985777, being an approximate 81.63 acre tract of land in Collin County, Texas, legally described as Abstract No. 730 in the W C Quigley Survey, Tract 7; generally located east of County Road 127 and approximately 1,700 feet north of County Road 129,

Collin CAD Property ID 995123, being an approximate 3.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 443 in the A Huffstetler Survey, Tract 2; generally located approximately 3,000 feet north of County Road 129 and approximately 1,000 feet west of FM 2478,

Collin CAD Property ID 2658576, being an approximate 83.28 acre tract of land in Collin County, Texas, legally described as Abstract No. 443 in the A Huffstetler Survey, Tract 13; generally located approximately 1,300 feet east of County Road 127 and south of W. FM 455,

Collin CAD Property ID 2658578, being an approximate 22.59 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 1; generally located approximately 2,300 feet north of County Road 129 and approximately 800 feet west of FM 2478,

Collin CAD Property ID 2658579, being an approximate 10.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 599 in the Levi Melvin Survey, Tract 9; generally located approximately 1,400 feet east of County Road 127 and approximately 2,600 feet south of W. FM 455,

Collin CAD Property ID 2028655, being an approximate 14.81 acre tract of land in Collin County, Texas, legally described as Abstract No. 749 in the T M Rowland Survey, Tract 9; generally located approximately 1,900 feet north of Choate Parkway and east of Hackberry Circle,

Collin CAD Property ID 2545645, being an approximate 47.38 acre tract of land in Collin County, Texas, legally described as Abstract No. 749 in the T M Rowland Survey, Tract 11; generally located east of Preston road and approximately 2,700 feet north of Choate Parkway,

Collin CAD Property ID 2706744, being an approximate 1.63 acre tract of land in Collin County, Texas, legally described Abstract No. 1030 in the Jonathan Westover Survey, Sheet 3, Tract 9; generally located approximately 1,400 feet east of County Road 86 and south of Choate Parkway,

Collin CAD Property ID 997942, being an approximate 155.00 acre tract of land in Collin County, Texas, legally described as Abstract No. 932 in the T & P Ry Co Survey, Tract 1; generally located west of County Road 57 and approximately 950 feet north of W. FM 455, and

Being a 246.54 acre tract of land situated in Denton County, Texas, being a portion of that certain called 586.196 acre tract of land conveyed to Kenneth B. Moore and wife, Ruth Wilcher Moore, by deed recorded in Volume 868, Page 721, of the Deed Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch iron rod found at the northwest corner of said called 586.196 acre tract, and being the southwest corner of a called 273.782 acre tract of land, as recorded in Volume 871, Page 856, of the Deed Records of Denton County, Texas, said point also being in the east right-of-way line of Farm Road No. 1385; THENCE South 89°26'04" East, along the common line of said called 586.196 acre tract, and said called 273.782 acre tract, a distance of 2259.44 feet to a point for the northwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE South 89°26'04" East, along the common line of said called 586.196 acre tract, and said called 273.782 acre tract, a distance of 2487.05 feet to a point for the northeast corner of the herein described tract;

THENCE South 01°07'32" West, a distance of 1802.61 feet to a 3/4 inch iron rod found for corner, said point being in the northerly right-of-way line of Farm Road No. 428;

THENCE southwesterly along the common line of said called 586.196 acre tract, and the northerly right-of-way line of said Farm Road No. 428 as follows:

South 48°31'00" West, a distance of 2328.57 feet to a 1/2 inch iron rod set for corner;

South 45°39'00" West, a distance of 100.10 feet to a 1/2 inch iron rod set for corner;

South 48°31'00" West, a distance of 898.87 feet to a 1/2 inch iron rod set for corner;

South 50°40'00" West, a distance of 133.30 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the right having a radius of 1096.28 feet, and a delta angle of 37°20'03";

continuing along the curve to the right, an arc distance of 714.34 feet, and a chord bearing and distance of South 67°12'22" West, 701.77 feet to a 1/2 inch iron rod found for corner;

North 88°48'08" West, a distance of 102.83 feet to a 1/2 inch iron rod set for corner;

North 88°42'19" West, a distance of 604.95 feet to point for the southwest corner of the herein described tract;

THENCE through the interior of said called 586.196 acre tract as follows:

North 00 deg. 00 min. 00 sec. West, a distance of 1952.52 feet to a point;

North 45 deg. 07 min. 02 sec. East, a distance of 654.96 feet to a point;

North 68 deg. 55 min. 27 sec. East, a distance of 657.88 feet to a point;

North 19 deg. 19 min. 19 sec. East, a distance of 440.29 feet to a point;

North 31 deg. 54 min. 37 sec. East, a distance of 299.66 feet to a point;

North 46 deg. 27 min. 12 sec. East, a distance of 267.60 feet to a point;

North 68 deg. 29 min. 35 sec. East, a distance of 278.25 feet to a point;
 North 01 deg. 30 min. 07 sec. East, a distance of 152. 18 feet to a point;
 North 22 deg. 06 min. 41 sec. West, a distance of 128 .29 feet to a point;
 North 30 deg. 42 min. 24 sec. West, a distance of 577.70 feet to the POINT OF BEGINNING and containing 246.54 acres of computed land, more or less, and described more fully in Exhibit A;

2. Exhibit A contains a detailed description and map of the area the City intends to annex;
3. Exhibit B contains a description of each service to be provided by the City in the area on or after the effective date of the annexation, including, as applicable:
 - a. police protection;
 - b. fire protection;
 - c. emergency medical services;
 - d. solid waste collection;
 - e. operation and maintenance of water and wastewater facilities in the annexed area;
 - f. operation and maintenance of roads and streets, including road and street lighting;
 - g. operation and maintenance of parks, playgrounds, and swimming pools; and
 - h. operation and maintenance of any other publicly owned facility, building, or service;
4. Exhibit B contains a list of each service the City will provide on the effective date of the annexation; and
5. Exhibit C contains a schedule that includes the period within which the City will provide each service that is not provided on the effective date of the annexation.

Section 3. Notice of Public Hearing. Not later than the 7th day after the adoption of this Resolution, the City Secretary of the City of Celina, Texas, is hereby authorized and directed to cause notice of a public hearing to be held not earlier than the 21st day and not later than the 30th day after the date of adoption of this Resolution, which notice shall contain the information required by Local Government Code Section 43.0683, to be posted on the City's website, published once in a newspaper having general circulation in the city and in the above-described territory, and mailed to residents and property owners in the area proposed to be annexed in accordance with the Municipal Annexation Act.

Section 4. Petition for Annexation. The Development Services Director shall prepare a petition for annexation that conforms to the requirements of Local Government Code Section 43.0685. Unless directed otherwise after the public hearing, signatures on the petition for annexation may be collected on the petition following the public hearing held pursuant to Section 3 above and after the 31st day but before the 180th day after the adoption of this Resolution.

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 Resolution are severable, and if any phrase, clause, sentence, paragraph or section of this Resolution shall be declared unconstitutional by a valid judgement 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 Resolution, since the same would have been enacted by the City Council without the incorporation of this Resolution of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED and ADOPTED on this the 9th day of June, 2020.

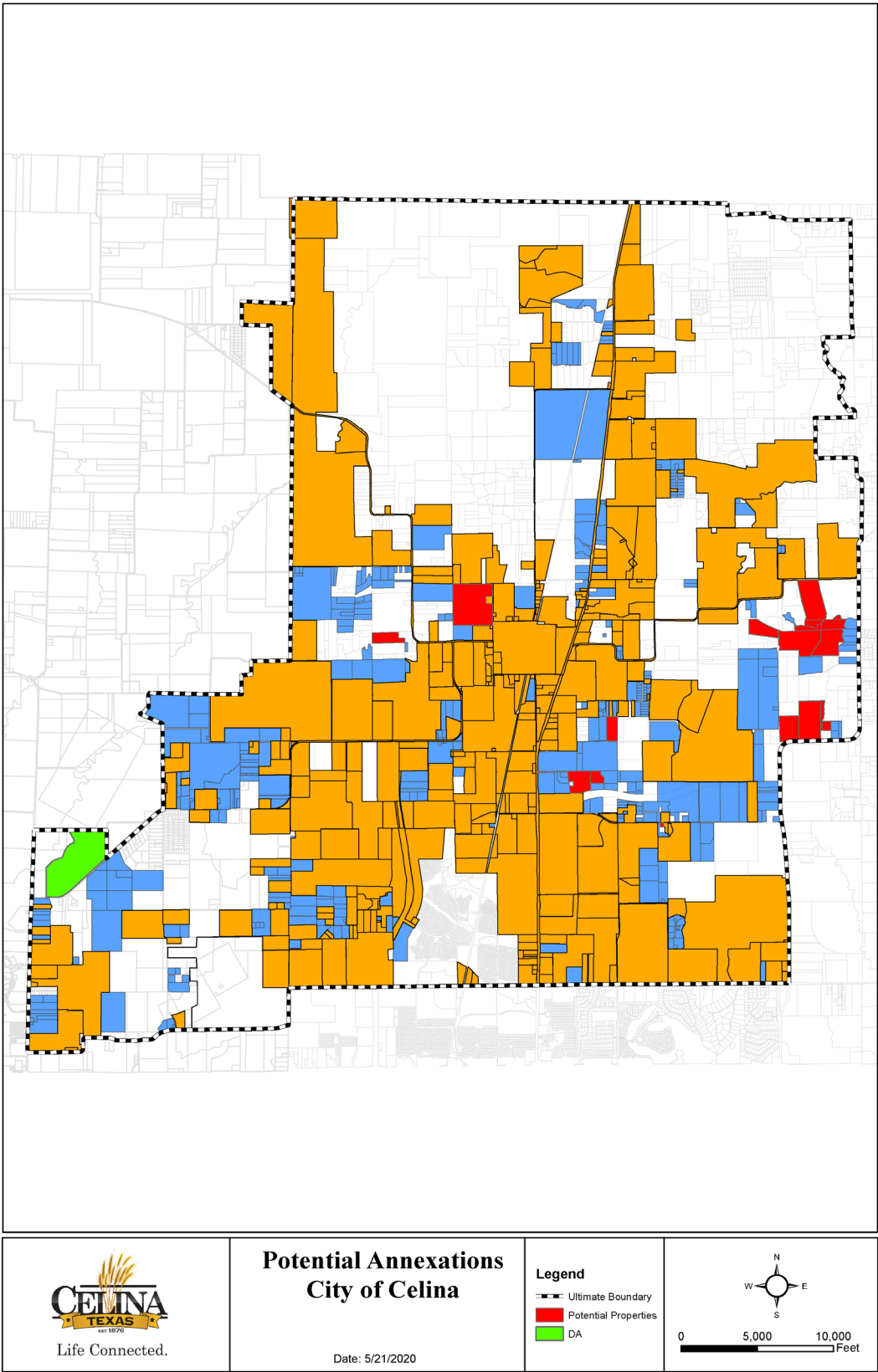
Mayor

ATTEST:

City Secretary

Attachment: Resolution (20-04 Annexation Resolution)

EXHIBIT A



Attachment: Resolution (20-04 Annexation Resolution)

EXHIBIT B

Municipal Service Plan

A) SERVICE PLAN GENERALLY

- 1) This service plan has been prepared in accordance with the Texas Local Government Code (“LGC”), Section 43.0672. Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina on the date of annexation in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density.
- 2) For purposes of this service plan, to “provide” services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

- 1) Police Protection
 - a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:
 - i) Normal patrol and responses;
 - ii) Handling of complaints and incident reports;
 - iii) Special units, such as traffic enforcement and investigations; and
 - iv) Coordination with other public safety support agencies.
 - b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.
 - c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.
- 2) Fire Protection
 - a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. These services include:
 - i) Fire suppression and rescue;
 - ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;
 - iii) Hazardous materials response and mitigation;
 - iv) Emergency prevention and public education efforts;
 - v) Technical rescue response; and

- vi) Constriction Plan Review and required inspections.
 - b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient, fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.
 - d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.
- 3) Emergency Medical Services
- a) The Celina Fire Department will provide emergency and safety services to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. These services include:
 - i) Emergency medical dispatch and pre-arrival First Aid instructions;
 - ii) Pre-hospital emergency Advanced Life Support (ALS) response; and transport; and
 - iii) Medical rescue services.
 - b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.
 - c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas.
 - d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

- 1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years pursuant to Section 43.0661 of the Texas Local Government Code.

D) WASTEWATER FACILITIES

- 1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. Property owners are eligible to extend/expand facilities immediately upon annexation. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.

- 2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.
- 3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

- 1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by city ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.
- 2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. Property owners are eligible to extend/expand facilities immediately upon annexation. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization and population density of the area.
- 3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

- 1) Emergency roadway/street maintenance shall be provided within the annexed area immediately upon annexation as set forth herein. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council. Private roads/streets and drives shall remain private and not be improved, reconstructed, maintained or serviced by the City.
- 2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of roads/streets to City standards commences within the annexed area, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.
- 3) Roadway/street signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.
- 4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled

within the yearly budgetary allotments by the City Council.

- 5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

- 1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
- 2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will be continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
- 3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
- 4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
- 5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

- 1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

- 1) Residents within the annexed area may utilize all existing park and recreation facilities immediately upon annexation. Fees for such usage shall be in accordance with current fees established by ordinance.
- 2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

- 1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

- 1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina

shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

EXHIBIT C

All services identified in Exhibit B will be provided immediately upon the effective date of annexation of the area.