



**NOTICE OF
CITY COUNCIL PUBLIC HEARING AND SPECIAL MEETING
CELINA COUNCIL CHAMBERS 112 N. COLORADO ST., CELINA, TX 75009
TUESDAY, JANUARY 17, 2017 AT 5:00 PM**

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. WORKSESSION:

- A. WORKSESSION: Creeks of Legacy Public Improvement District - TIRZ Calculation Alteration

III. 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.

IV. PUBLIC HEARING:

- A. The Celina City Council will conduct two public hearings at 5:00 P.M. and 5:05 P.M. regarding a voluntary annexation of an approximately 15.471 acre tract of land situated in the Collin County School Land Survey #14, Abstract A0167. The property is generally located at the northeast corner of Frontier Parkway and Prairie Crossing. (Liebman) (Stelzer Tract Annexation)
- B. The Celina City Council will continue and conduct a public hearing on the proposed assessments to be levied against the assessable property within the Ownsby Farms Public Improvement District (PID) and a final Service and Assessment Plan, pursuant to the provisions of Chapter 372 of the Texas Local Government Code. The PID contains approximately 113.5 acres of land located at the southwest quadrant of Preston Road (SH-289) and future Ownsby Parkway (CR-83) (Ownsby Farms) (Petty)

V. EXECUTIVE SESSION:

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. Proposed resolution in support of special legislation creating and consenting to the creation of Municipal Management District No. 3. (Dynavest) (Petty)
- B. Dynavest Joint Venture v. City of Celina, Texas et al, Cause No. 2010-50356-367, Denton County, Texas, and related development and settlement agreement. (Petty)

Reconvene Into Open Session:

- C. Consider and act upon any items discussed in Executive Session.

VI. ACTION:

- A. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving Part 1 of 2 Annual Service Plan update to the Service and Assessment Plan and Assessment Roll for public improvements for the Creeks of Legacy Public Improvement District in accordance with Chapter 372, Texas Local Government Code. (Toutouchian/Petty)
- B. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, accepting and approving a Service and Assessment Plan and the Phase #1 Assessment Roll for Ownsby Farms Public Improvement District; making a finding of Special Benefit to the property in the District, levying special assessments against property within the District and establishing a lien on such property; providing for payment of the Phase #1 Assessments, in accordance with Chapter 372, Texas Local Government Code, as amended; providing a method of assessment and the payment of the Phase #1 Assessments, and providing penalties and interest on delinquent assessments. (Ownsby Farms) (Petty)
- C. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, accepting and approving a Service and Assessment Plan and the Phase #2 Major Improvement Assessment Roll for Ownsby Farms Public Improvement District; making a finding of Special Benefit to the property in the District, levying special assessments against property within the District and establishing a lien on such property; providing for payment of the Phase #2 Major Improvement Assessments, in accordance with Chapter 372, Texas Local Government Code, as amended; providing a method of assessment and the payment of Phase #2 Major Improvement Assessments, and providing penalties and interest on delinquent assessments. (Ownsby Farms) (Petty)
- D. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project) and approving and authorizing related agreements. (Ownsby Farms) (Petty)
- E. Consider and act upon an ordinance of the City Council of the City of Celina, Texas approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Public Improvement District Phase #2 Major Improvement Project) and approving and authorizing related agreements. (Ownsby Farms) (Petty)
- F. Consider and act on a resolution determining the costs of certain authorized improvements to be financed by assessments levied on property within The Parks at Wilson Creek Public Improvement District, approving a Preliminary Service and Assessment Plan, including a proposed Assessment Roll, directing the filing of the proposed Assessment Roll to be made available for public inspection, noticing a public hearing for February 14, 2017 to consider an ordinance levying assessments on property within The Parks at Wilson Creek Public Improvement District, directing notice of such public hearing as required by law, and resolving other matters incident and related thereto. (Petty)

- G. Consider and act to approve (1) the Celina Economic Development Corporation's acquisition of a line of credit from Independent Bank in the amount of \$1.7 million for use in development of the Gigabit City Project; (2) the CEDC's authorization of the initial draw and uses of the funds provided under the Line of Credit, as reflected in the minutes of the January 9, 2017, meeting of the CEDC Board of Directors; (3) authorizing the City Manager or his designee to review and approve future requests for CEDC's draw and use of funds provided under the Line of Credit as needed by the CEDC for development of the Gigabit City Project. (Howard)

VII. ADJOURNMENT:

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 Faulkner, TRMC
City Secretary, City of Celina, TX

Date Notice Removed



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 Date: January 17, 2017
 Re: Creeks of Legacy Public Improvement District - TIRZ Calculation Alteration

Action Requested:

WORKSESSION: Creeks of Legacy Public Improvement District - TIRZ Calculation Alteration

Background Information:

The Service and Assessment Plan and Assessment Roll for each PID is required to be reviewed and updated annually by the City Council as described in the PID Act, Chapter 372. This review must be done and the Plan must be updated annually. The PID Administrator provided these to the city on 12/8. There are still outstanding items needed to complete this SAP Annual Update, therefore this update is divided into two (2) parts.

Key in this Annual SAP Update is a change in the application of the TIRZ Credit among the parcels.

Originally, the SAP was written so that the collective amount generated from the property would be applied uniformly to all parcels. This method was abandoned in subsequent PID/TIRZ projects in Celina, to opt for a more appropriate method of allocation the TIRZ Credit to each parcel based on what each parcel generates.

Bond Counsel, the City's Finance Advisors, P&A and the PID Admin have discussed this change in the TIRZ credit calculation, and all are in agreement that it is a better calculation given that it applies the TIRZ credit actually paid by the parcels, rather than diluting/expanding the credit for the entire area.

For example under the current calculation, when a home valued at \$350,000 pays the city taxes, a portion of those taxes are credit back to all the parcels' PID assessments in the Phase, including any vacant lots that are not paying the same value since there is no vertical construction. Under the new calculation, that TIRZ credit paid by the \$350,000 homeowner would only be credit back to their PID assessment, not the Assessment of all the parcels in the PID.

Since this has not been presented to council and you have not had the opportunity to consider this change in the TIRZ calculation, Bond Counsel, FA and P&A want to make sure that Council has ample time to consider this change. If Council needs an

additional week to consider these changes, we can table this item to the January 17th meeting. In the future, changes such as these will be presented at worksession prior to requesting Council approval of the change.

Further, this methodology of dividing the Annual SAP Update into parts is NOT anticipated to continue, however, the Developer has subdivided land and it is our understanding that the PID Admin delayed reallocating the assessment at the Developer's request. Now that the Developer is actively selling lots, this places a greater burden on the City to approve a reallocation of assessments since the reallocation was not done in the previous year. The PID Admin is also desiring to change the application of the TIRZ Credit.

Again, delaying the Annual SAP Update and allocation of assessments will not be done in the future, Council will still need to approve the Part 2 to this SAP Update later. Part 2 is related to changes in the estimated costs of the Authorized Improvements and are under review.

The annual review process, and thus approval of Annual SAP Updates for all PIDs will be moving to July/August to better manage the review and updating process and to allow the assessment invoices to be sent out during September by the respective County agencies along with other tax assessments.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

N/A

Staff Recommendation:

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
CELINA, TEXAS
ANNUAL SERVICE PLAN UPDATE

January 10, 2017

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
CELINA, TEXAS

ANNUAL SERVICE PLAN UPDATE

A. Introduction

The Creeks of Legacy Public Improvement District (the “PID”) was created pursuant to the PID Act and a resolution of the City Council on April 29, 2014 to finance certain public improvement projects for the benefit of the property in the PID. The City of Celina, Texas Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Public Improvement District Phase #1 Project) (the “Phase #1 Bonds”) in the aggregate principal amount of \$8,750,000, The City of Celina, Texas Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Public Improvement District Phases #2-3 Major Improvement Project) (the “Phases #2-3 Bonds”) in the aggregate principal amount of \$6,575,000, were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. In addition, reimbursement obligations for the Phase #1 Reimbursement Agreement in the aggregate principal amount of \$3,750,000 are secured by special assessments.

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the City identifying the public improvements (the “Authorized Improvements”) to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to Chapter 372, Texas Local Government Code, the Service and Assessment Plan must be reviewed and updated annually. This document is the annual update of the Service and Assessment Plan for 2016 (the “Annual Service Plan Update”).

The City also adopted assessment rolls (the “Assessment Rolls”) identifying the assessments on each parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Roll for 2016.

B. Update of the Service Plan

Annual Budget for the Public Improvements

The original total estimated costs of the Major Improvements is equal to \$13,300,000 and the total estimated cost of the Phase #1 Improvements Costs (including the proportional share of the Major Improvement Costs) is equal to \$14,265,000 as shown in the Service and Assessment Plan. The Developer has since submitted proposed changes to these original cost estimates, which are currently under review by the City. The proposed changes related to the estimated costs of the Authorized Improvements will be presented in a separate annual service plan update after the City review is completed.

Debt Service and Collection Costs

Phase #1 - Annual Installments

The Assessment imposed on any parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Bonds and/or execution of the Phase #1 Reimbursement Agreement.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Bonds commencing with the issuance of the Bonds. The effective interest rate on the Phase #1A Bonds is 6.74 percent and the interest rate applicable to the Phase #1 Reimbursement Agreement is 7.79 percent per annum. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phase #1A Bonds (6.74%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the "Annual Installments" of the Assessments, shall be billed by the City in 2016 and will be delinquent on February 1, 2017.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2016 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Bond Ordinance, such as the Tax Increment Reinvestment Zone No. 2. (the "TIRZ") incremental taxes available to the PID (the "TIRZ Credit"), capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #1A Bonds and Phase #1 Reimbursement Agreement from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Phase #1 Annual Installments to be collected for 2016

The budget for Phase #1 of the PID will be paid from the collection of Annual Installments collected for 2016 as shown by Table C.

Table C
Budget for the Phase #1 Annual Installments
To be collected for 2016

	<u>Phase #1A</u>	<u>Phase #1</u>	
	<u>Bonds</u>	<u>Reimbursement</u>	<u>Total</u>
		<u>Agreement</u>	
Interest payment on March 1, 2017	\$311,188	\$146,063	\$457,250
Interest payment on September 1, 2017	\$311,188	\$146,063	\$457,250
Principal payment on September 1, 2017	\$150,000	\$0	\$150,000
Subtotal debt service on bonds	\$772,375	\$292,125	\$1,064,500
Administrative Expenses	\$25,111	\$10,950	\$36,061
Subtotal Expenses	\$797,486	\$303,075	\$1,100,561
Available TIRZ Credit	\$5,447	\$0	\$5,447
Available reserve fund income	\$0	\$0	\$0
Available capitalized interest account	\$0	\$0	\$0
Available Administrative Expense account	\$0	\$0	\$0
Subtotal funds available	\$5,447	\$0	\$5,447
Annual Installments	\$792,039	\$303,075	\$1,095,113

As shown in Table C above, the total Annual Installment for 2016 is equal to \$1,095,113. The total debt service payments on the Phase #1A Bonds and the Phase #1 Reimbursement Agreement and the Administrative Expenses for 2016 are shown as \$1,059,053 (\$1,064,500 - \$5,447) and \$36,061, respectively.

According to the Service and Assessment Plan, 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.

According to the City, there have been TIRZ increments generated in 2015 in the total amount of \$5,447 that are available to be used as TIRZ Credit in 2016 for the respective Parcels within Phase #1. As a result, there were TIRZ Revenues collected for 2015 that can be used as TIRZ Credit in 2016 in the total amount of \$5,447. This TIRZ Credit amount is equally allocated to each of the 212 Parcels subdivided from the parent Parcels within Phase #1 that generated the TIRZ Revenues in 2015 as shown in Appendix A-2.

According to the Service and Assessment Plan, 427 units representing 374.80 total Equivalent Units are estimated to be built within Phase #1 of the PID. Accordingly, the principal and interest portion of Annual Installment to be collected from each Equivalent Unit will be \$2,840.18 (i.e. $\$1,064,500 \div 374.80 = \$2,840.18$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$96.21 (i.e. $\$36,061 \div 374.80 = \96.21). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phase #1 will be \$2,936.39 (i.e. $\$2,840.18 + \$96.21 = \$2,936.39$) less any TIRZ Credit shown in Appendix A-2 for each Parcel within Phase #1. The Annual Installment to be collected from each Parcel within Phase #1 is calculated by multiplying

the Annual Installment for each Equivalent Unit of \$2,936.39 by the total estimated Equivalent Units for each Parcel in Phase #1.

The list of parcels within Phase #1 of the PID, the estimated number of units to be developed on the current residential parcels, the corresponding total Equivalent Units, the total Assessment, the Annual Assessment, the Administrative Expenses and the Annual Installment to be collected for 2016 are shown in the assessment roll summary attached hereto as Appendix A-2.

Phases #2-3 - Annual Installments

The Assessment imposed on any parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Bonds.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Bonds commencing with the issuance of the Bonds. The effective interest rate on the Phases #2-3 Major Improvement Bonds is 7.37 percent. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phases #2-3 Bonds (7.87%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the City in 2016 and will be delinquent on February 1, 2017.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2016 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Trust Indenture, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phases #2-3 Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Phases #2-3 Annual Installments to be collected for 2016

The budget for Phases #2-3 of the PID will be paid from the collection of Annual Installments collected for 2016 as shown by Table D.

Table D
Budget for the Phases #2-3 Annual Installments
To be collected for 2016

	Total
Interest payment on March 1, 2017	\$258,719
Interest payment on September 1, 2017	\$258,719
Principal payment on September 1, 2017	\$0
Subtotal debt service on bonds	\$517,438
Administrative Expenses	\$13,955
Subtotal Expenses	\$531,392
Available TIRZ Credit	\$10,393
Available reserve fund income	\$0
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
Subtotal funds available	\$10,393
Annual Installments	\$520,999

As shown in Table D above, the total Annual Installment for 2016 is equal to \$520,999. The total debt service payments on the Phases #2-3 Bonds and the Administrative Expenses for 2016 are shown as \$507,044 (\$517,438 - \$10,393) and \$13,955, respectively.

According to the City, there have been TIRZ increments generated in 2015 in the total amount of \$10,393 that are available to be used as TIRZ Credit in 2016 for the respective Parcels within Phases #2-3. As a result, there were TIRZ Revenues collected for 2015 that can be used as TIRZ Credit in 2016 in the total amount of \$10,393. The TIRZ Credit amount is applied to each of the two Parcels within Phases #2-3 that generated the TIRZ Revenues in 2015 as shown in Appendix A-3.

According to the Service and Assessment Plan, 594 units representing 494.19 total Equivalent Units are estimated to be built within Phases #2-3 of the PID. Accordingly, the principal and interest portion of Annual Installment to be collected from each Equivalent Unit will be \$1,047.04 (i.e. $\$517,438 \div 494.19 = \$1,047.04$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$28.24 (i.e. $\$13,955 \div 494.19 = \28.24). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phases #2-3 will be \$1,074.73 (i.e. $\$1,047.04 + \$28.24 = \$1,075.28$) less any TIRZ Credit shown in Appendix A-3 for each Parcel within Phases #2-3. The Annual Installment to be collected from each Parcel within Phases #2-3 is calculated by multiplying the Annual Installment for each Equivalent Unit of \$1,074.73 by the total estimated Equivalent Units for each Parcel in Phases #2-3 less the applicable TIRZ Credit, if any, as shown in Appendix A-3.

The list of parcels within Phases #2-3 of the PID, the estimated number of units to be developed on the current residential parcels, the total Assessment, the Annual Assessment, the Administrative Expenses and the Annual Installment to be collected for 2014 are shown in the assessment roll summary attached hereto as Appendix A-3.

C. Update of the Assessment Plan

The Service and Assessment Plan adopted by the City Council describes that the Authorized Improvement Costs shall be allocated to the Assessed Property equally based on the equivalent number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement Costs to Parcels similarly benefited.

According to the original Service and Assessment Plan, 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:

$$A = B \times (C \div D)$$

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 2014 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2015). 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 Phase #2-3 Assessed Property will be divided by the total Equivalent Units in Phase #2-3 Assessed Property to determine the TIRZ credit applicable to each Phase #2-3 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 TRIZ Credit calculation methodology described in the Service and Assessment Plan is updated herein as follows:

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 2016 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2017). The TIRZ Credit shall be calculated for those Parcels that are subject to Assessments in the PID and have generated TIRZ Revenues. Any Equivalent Units to be used for the calculation of the TIRZ Annual, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

This method of assessing property has not been changed except otherwise as described herein and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

D. Update of the Assessment Roll

Pursuant to the original Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

- (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.H of this Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendix A-2 and A-3. Each parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each parcel. Assessments are to be reallocated for the subdivision of any parcels.

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision 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 newly 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.

According to the Developer and the Collin Central Appraisal District records, there have been parcel subdivisions within Phase #1 of the PID applicable for the Annual Installments to be collected in 2016. The Phase #1 Assessments originally allocated to each of the Parcels within Phase #1 has been reallocated to each of the newly subdivided Parcel and the remainder of parent Parcel 2697055 using the above formula is summarized in Table E below.

Table E
Parcel Subdivisions – Phase #1

Prior to Subdivision				After Subdivision						
Parcel	Units	Total EU	Total Assessments	Parcel	Units	Lot Type	EU	Total EU	Assessment per Unit	Total Assessments
2696827	3	2.64	\$86,990	Various	150	1	1.00	150.00	\$32,951	\$4,942,636
2697056	138	123.54	\$1,876,225	Various	144	2	0.88	126.72	\$28,997	\$4,175,539
2719497	115	104.92	\$4,070,755	Various	124	3	0.73	90.52	\$24,054	\$2,982,716
2718259	93	86.76	\$3,457,209	2697055	9	Various		7.56		\$249,109
2697055	78	56.94	\$2,858,821							
Total	427	374.80	\$12,350,000		427			374.80		\$12,350,000

The full list of all Parcels within Phase #1 after the Parcel subdivisions, the Phase #1 Assessments reallocated to each Parcel

There have been no Assessment prepayments as of November 30, 2016.

The complete Assessment Roll is available for review at the City hall, located at 142 N Ohio, Celina, Texas 75009.

Appendix A-1
PID Map

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)



Appendix A-2
Phase #1 Assessment Roll Summary – 2016

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733232	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733234	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733235	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733236	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733237	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733238	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733239	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733240	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733241	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733242	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733244	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733245	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733246	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733247	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733248	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733249	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733250	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733251	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733252	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733253	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733254	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733255	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733256	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733257	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733258	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733259	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733260	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733261	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733262	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733263	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733264	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733265	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733266	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733267	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733268	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733269	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733270	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733271	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733272	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733273	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733274	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733275	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733276	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733277	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733278	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733279	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733280	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733281	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733282	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733283	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733284	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733285	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733286	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733287	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733288	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733289	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733290	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733291	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733292	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733293	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733294	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733295	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733296	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733297	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733298	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733299	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733300	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733301	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733302	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733303	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733304	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733305	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733306	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733307	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733308	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733309	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733310	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733311	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733312	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733313	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733314	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733315	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733316	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733317	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733318	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733319	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733320	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733321	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733322	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733323	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733324	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733325	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733326	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733327	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733328	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733329	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733330	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733331	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733332	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733333	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733334	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733335	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733336	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733337	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733338	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733339	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733340	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733341	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733342	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733343	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733344	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733345	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733346	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733347	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733348	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733349	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733350	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733351	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733352	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733353	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733354	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733355	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733356	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733357	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733358	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733359	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733360	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733361	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733362	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733363	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733364	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733365	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733366	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733367	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733368	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733369	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733370	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733371	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733372	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733373	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733374	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733375	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733376	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733377	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733378	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733379	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733380	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733381	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733382	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733383	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733384	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733385	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733386	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733387	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733388	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733389	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733390	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733391	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733392	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733393	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733394	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733395	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733396	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733397	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733398	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733399	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733400	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733401	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733402	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733403	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733404	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733405	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733406	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733407	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733408	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733409	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733410	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733411	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733412	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733413	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733414	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733415	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733416	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733417	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733418	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733419	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733420	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733421	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733422	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733423	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733424	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733425	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733426	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733427	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733428	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733429	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733430	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733431	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733432	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733433	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733434	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733435	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733436	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733437	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733438	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733439	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733440	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733441	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733442	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733443	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733444	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733445	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733446	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733447	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733448	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733449	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733450	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733451	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733452	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733453	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733454	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2726865	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726866	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726867	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726868	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726869	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726870	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726871	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726872	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726873	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726874	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726875	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726876	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726877	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726878	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726879	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726880	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726881	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726882	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726883	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726884	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726885	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726886	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726887	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726888	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726889	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726890	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726891	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726892	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726893	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726894	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726895	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2726896	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726897	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726898	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726899	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726900	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726901	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726902	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726903	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726904	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726905	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726906	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726907	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726908	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726909	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726910	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726911	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726912	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726913	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726914	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726915	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726916	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726917	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726918	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726919	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726920	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726921	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726922	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726923	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726924	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726925	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726926	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726927	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726928	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726929	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726930	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726931	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726932	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726933	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726934	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726935	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726936	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726937	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2726938	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726939	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726940	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726941	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726942	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726943	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726944	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726945	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726946	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726947	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726948	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726949	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726950	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726951	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726952	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726953	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726954	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726955	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726956	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726957	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726958	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726959	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726960	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726961	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726962	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726963	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726964	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726965	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726966	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726967	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726968	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726969	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726970	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726971	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726972	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726973	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726974	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726975	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726976	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726977	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726978	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726979	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2726980	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726981	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726982	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726983	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726984	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732817	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732818	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732819	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732820	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732821	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2732931	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732932	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732933	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732934	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732935	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732936	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732937	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732938	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732939	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732940	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732941	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732942	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732943	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732944	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732945	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732946	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732947	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732948	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732949	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732950	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732951	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732952	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732953	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732954	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732955	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732956	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732957	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732958	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732959	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732960	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732961	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732962	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2732963	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732964	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732965	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732966	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732967	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732968	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732969	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732970	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732971	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732972	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732973	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732974	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732975	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732976	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732977	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732978	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732979	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732980	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732981	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732982	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732983	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732984	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732985	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732986	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732987	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732988	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732989	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732990	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732991	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732992	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732993	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732994	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732995	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732996	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732997	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732998	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732999	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733000	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733001	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733002	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733003	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733004	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733005	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733006	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733007	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733008	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733009	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733010	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733011	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733012	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733013	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733014	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733017	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733018	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733019	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2697055	9		7.56	\$249,108.86	\$21,471.77	\$727.37	\$0.00	\$22,199.14
Total	427		374.80	\$12,350,000	\$1,064,500.00	\$36,060.53	(\$5,447.33)	\$1,095,113.20

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Appendix A-3
Phases #2-3 Assessment Roll Summary – 2016

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)

Apepndix A-3
Assessment Roll Summary - Phases #2-3
2016

Parcel	Estimated No. of units	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2696827	14	12.32	\$163,913	\$12,899.55	\$347.89	\$0.00	\$13,247.44
2696792	0	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2697055	34	26.92	\$358,160	\$28,186.36	\$760.16	(\$2,423.54)	\$26,522.98
2697056	0	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
52660	71	56.03	\$745,457	\$58,665.74	\$1,582.17	\$0.00	\$60,247.91
52644	24	19.92	\$265,028	\$20,857.07	\$562.50	\$0.00	\$21,419.57
75817	47	37.16	\$494,399	\$38,908.07	\$1,049.32	\$0.00	\$39,957.39
149097	10	7.30	\$97,124	\$7,643.40	\$206.14	\$0.00	\$7,849.54
149098	3	2.19	\$29,137	\$2,293.02	\$61.84	\$0.00	\$2,354.86
530240	244	199.27	\$2,651,208	\$208,643.98	\$5,626.97	\$0.00	\$214,270.95
2719497	83	73.04	\$971,768	\$76,475.92	\$2,062.50	\$0.00	\$78,538.42
2718259	64	60.04	\$798,808	\$62,864.38	\$1,695.40	(\$7,969.93)	\$56,589.85
Total	594	494.19	\$6,575,000	\$517,437.50	\$13,954.89	(\$10,393.47)	\$520,998.91

Attachment: 1-17-2017 Creeks of Legacy PID - Annual Service Plan Update - 2016 (1915 : Creeks of Legacy PID - TIRZ Calculation Alteration)



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Senior Planner
 CC: Rick Chaffin, Interim City Manager
 Date: January 17, 2017
 Re: Stelzer Tract Public Hearings

Action Requested:

The Celina City Council will conduct two public hearings at 5:00 P.M. and 5:05 P.M. regarding a voluntary annexation of an approximately 15.471 acre tract of land situated in the Collin County School Land Survey #14, Abstract A0167. The property is generally located at the northeast corner of Frontier Parkway and Prairie Crossing. (Liebman) (Stelzer Tract Annexation)

Background Information:

A petition for annexation was received from Ryan Griffin of BG-GPT Celina 15. The property is contiguous to the current City Limits.

- ~~January 10, 2017~~ ~~Council to accept petition.~~
- January 17, 2017 Council to hold two public hearings & 5:00 p.m. and 5:05 p.m.
- February 14, 2017 Council to consider annexation ordinance.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

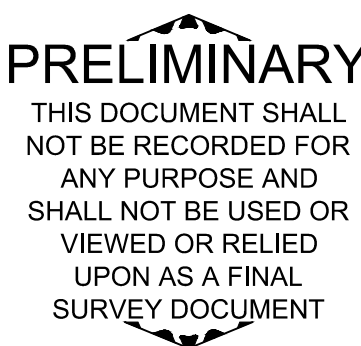
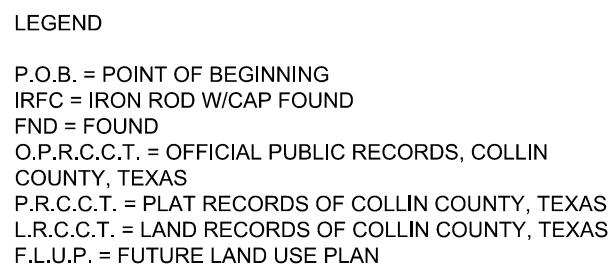
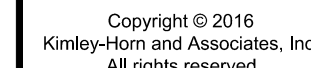
N/A

Supporting Documents:

- Property Exhibit

Staff Recommendation:

Staff Recommends Approval



MICHAEL B. MARX
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5181
5750 GENESIS COURT, SUITE 200
FRISCO, TEXAS 75034
PH. 972-335-3580
michael.marx@kimley-horn.com

Stelzer Tract

ENGINEER / SURVEYOR:	OWNER / APPLICANT:
Kimley-Horn and Associates	GB-GBT Celina 15 LP
State of Texas Registration No. F-928	9550 John W. Elliott Drive, Suite 100
5750 Genesis Court, Suite 200	Frisco, Texas 75033
Frisco, TX 75034	Contact:
P (972) 335-3580	Ph:
F (972) 335-3779	
Contact: David Kochalka, P.E.	

Kimley»»Horn



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: January 17, 2017
Re: Public Hearing - Ownsby Farms Public Improvement District Proposed Assessments

Action Requested:

The Celina City Council will continue and conduct a public hearing on the proposed assessments to be levied against the assessable property within the Ownsby Farms Public Improvement District (PID) and a final Service and Assessment Plan, pursuant to the provisions of Chapter 372 of the Texas Local Government Code. The PID contains approximately 113.5 acres of land located at the southwest quadrant of Preston Road (SH-289) and future Ownsby Parkway (CR-83) (Ownsby Farms) (Petty)

Background Information:

This is the continuation of the Public Hearing opened on January 10, 2017, to levy the assessments to support the bonds being priced on January 17, 2017.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: January 17, 2017
Re: Dynavest Proposed Resolution Supporting Special Legislation Creating Municipal Management District No. 3.

Action Requested:

Proposed resolution in support of special legislation creating and consenting to the creation of Municipal Management District No. 3. (Dynavest) (Petty)

Background Information:

N/A

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: January 17, 2017
Re: Dynavest Joint Venture v. City of Celina, Related Development and Settlement Agreement.

Action Requested:

Dynavest Joint Venture v. City of Celina, Texas et al, Cause No. 2010-50356-367, Denton County, Texas, and related development and settlement agreement. (Petty)

Background Information:

N/A

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Supporting Documents:

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 CC: Rick Chaffin, Interim City Manager
 Date: January 17, 2017
 Re: Annual Service Plan Update Part 1 or 2-Creeks of Legacy Public Improvement District

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving Part 1 of 2 Annual Service Plan update to the Service and Assessment Plan and Assessment Roll for public improvements for the Creeks of Legacy Public Improvement District in accordance with Chapter 372, Texas Local Government Code. (Toutouchian/Petty)

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving Part 1 of 2 Annual Service Plan updates to the Service and Assessment Plan and Assessment Roll for public improvements for the Creeks of Legacy Public Improvement District in accordance with Chapter 372, Texas Local Government Code.

Background Information:

The Service and Assessment Plan and Assessment Roll for each PID is required to be reviewed and updated annually by the City Council as described in the PID Act, Chapter 372. This review must be done and the Plan must be updated annually. The PID Administrator provided these to the city on 12/8. There are still outstanding items needed to complete this SAP Annual Update, therefore this update is divided into two (2) parts.

Key in this Annual SAP Update is a change in the application of the TRIZ Credit among the parcels.

Originally, the SAP was written so that the collective amount generated from the property would be applied uniformly to all parcels. This method was abandoned in subsequent PID/TIRZ projects in Celina, to opt for a more appropriate method of allocation the TIRZ Credit to each parcel based on what each parcel generates.

Bond Counsel, the City's Finance Advisors, P&A and the PID Admin have discussed this change in the TIRZ credit calculation, and all are in agreement that it is a better calculation given that it applies the TIRZ credit

actually paid by the parcels, rather than diluting/expanding the credit for the entire area.

For example under the current calculation, when a home valued at \$350,000 pays the city taxes, a portion of those taxes are credit back to all the parcels' PID assessments in the Phase, including any vacant lots that are not paying the same value since there is no vertical construction. Under the new calculation, that TIRZ credit paid by the \$350,000 homeowner would only be credit back to their PID assessment, not the Assessment of all the parcels in the PID.

Since this has not been presented to council and you have not had the opportunity to consider this change in the TIRZ calculation, Bond Counsel, FA and P&A want to make sure that Council has ample time to consider this change. If Council needs an additional week to consider these changes, we can table this item to the January 17th meeting. In the future, changes such as these will be presented at worksession prior to requesting Council approval of the change.

Further, this methodology of dividing the Annual SAP Update into parts is NOT anticipated to continue, however, the Developer has subdivided land and it is our understanding that the PID Admin delayed reallocating the assessment at the Developer's request. Now that the Developer is actively selling lots, this places a greater burden on the City to approve a reallocation of assessments since the reallocation was not done in the previous year. The PID Admin is also desiring to change the application of the TIRZ Credit.

Again, delaying the Annual SAP Update and allocation of assessments will not be done in the future, Council will still need to approve the Part 2 to this SAP Update later. Part 2 is related to changes in the estimated costs of the Authorized Improvements and are under review.

The annual review process, and thus approval of Annual SAP Updates for all PIDs will be moving to July/August to better manage the review and updating process and to allow the assessment invoices to be sent out during September by the respective County agencies along with other tax assessments.

Legal Review:

Ordinance reviewed by City Attorney

Supporting Documents:

Annual SAP Update

Staff Recommendation:

Bond Counsel, FA, and P&A recommends approval

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Staff Recommendation:

Recommend approval

CITY OF CELINA

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, APPROVING THE ANNUAL SERVICE PLAN UPDATE TO THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR PUBLIC IMPROVEMENTS FOR THE CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, by Resolution 2014-17R adopted on April 19, 2014, 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 Creeks of Legacy Public Improvement District (the “District”) of the City of Celina; and

WHEREAS, the City Council, pursuant to Section 372. 016(b) of the PID Act, published notice of the Levy and Assessment Hearing on May 30, 2014 in The Celina Record, a newspaper of general circulation in the City; and

WHEREAS, on June 18, 2014, after notice and a public hearing conducted in the manner required by law, the City Council adopted Ordinance No. 2014-26 and 2014-27 approving the Creeks of Legacy Public Improvement District Service and Assessment Plan and Assessment Roll and the levy of assessments on property in the District; and

WHEREAS, on June 18, 2014, the City Council convened the Levy and Assessment Hearing and adopted Ordinance no. 2014-29 and 2014-30, authorizing the issuance of bonds secured by the assessments levied pursuant to the Assessment Ordinance; and

WHEREAS, the Service and Assessment Plan and Assessment Roll is required to be reviewed and updated annually as described in Sections 372.013 and 372.014 of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the “PID Act”) PID Act; and

WHEREAS, the Annual Service Plan Update and updated Assessment Roll summary attached as Exhibit A hereto conform the original Assessment Roll to the principal and interest payment schedule required for the bonds, and update the Assessment Roll to reflect prepayments, property divisions and changes to the budget allocation for District public improvements that occur during the year, if any; and

WHEREAS, the City Council now desires to proceed with the adoption of this Ordinance which approves and adopts the Annual Service Plan Update and the updated Assessment Roll summary attached thereto, in conformity with the requirements of the PID Act; and

WHEREAS, the City Council finds the passage of this Ordinance to be in the best interest for the citizens of Celina.

Attachment: Creeks of Legacy PID_FINAL (1873 : Creeks of Legacy 1 of 2 SAP update)

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1: That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2: That the Creeks of Legacy Annual Service Plan Update and updated Assessment Roll summary attached hereto as Exhibit A are hereby accepted and approved.

SECTION 3: If any portion of this Ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Ordinance without the invalid provision

SECTION 4: That this Ordinance shall be cumulative of all other City Ordinances and all other provisions of other Ordinances adopted by the City which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

SECTION 5: That any person, firm or corporation violating any of the provisions or terms of this ordinance 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 punishable by a fine not to exceed the sum of the amount authorized by applicable law for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 6: It is hereby declared to be the intention of the City Council of the City of Celina, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the City Council of the City of Celina without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 7: This ordinance shall take effect immediately from and after its passage as the law in such case provides.

PASSED AND APPROVED ON THIS ____ DAY OF _____ 20____.

Chad Anderson, Mayor Pro Tem

ATTEST:

Vicki Faulkner, City Secretary

Rick Chaffin, Interim City Manager

APPROVED AS TO FORM:

Lance Vanzant, City Attorney

Attachment: Creeks of Legacy PID_FINAL (1873 : Creeks of Legacy 1 of 2 SAP update)

Exhibit A

Attachment: Creeks of Legacy PID_FINAL (1873 : Creeks of Legacy 1 of 2 SAP update)

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
CELINA, TEXAS
ANNUAL SERVICE PLAN UPDATE

December 8, 2016

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT

CELINA, TEXAS

ANNUAL SERVICE PLAN UPDATE

A. Introduction

The Creeks of Legacy Public Improvement District (the “PID”) was created pursuant to the PID Act and a resolution of the City Council on April 29, 2014 to finance certain public improvement projects for the benefit of the property in the PID. The City of Celina, Texas Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Public Improvement District Phase #1 Project) (the “Phase #1 Bonds”) in the aggregate principal amount of \$8,750,000, The City of Celina, Texas Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Public Improvement District Phases #2-3 Major Improvement Project) (the “Phases #2-3 Bonds”) in the aggregate principal amount of \$6,575,000, were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. In addition, reimbursement obligations for the Phase #1 Reimbursement Agreement in the aggregate principal amount of \$3,750,000 are secured by special assessments.

A service and assessment plan (the “Service and Assessment Plan”) was prepared at the direction of the City identifying the public improvements (the “Authorized Improvements”) to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to Chapter 372, Texas Local Government Code, the Service and Assessment Plan must be reviewed and updated annually. This document is the annual update of the Service and Assessment Plan for 2016 (the “Annual Service Plan Update”).

The City also adopted assessment rolls (the “Assessment Rolls”) identifying the assessments on each parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Roll for 2016.

B. Update of the Service Plan

Annual Budget for the Public Improvements

The original total estimated costs of the Major Improvements is equal to \$13,300,000 and the total estimated cost of the Phase #1 Improvements Costs (including the proportional share of the Major Improvement Costs) is equal to \$14,265,000 as shown in the Service and Assessment Plan. The Developer has since submitted proposed changes to these original cost estimates, which are currently under review by the City. The proposed changes related to the estimated costs of the Authorized Improvements will be presented in a separate annual service plan update after the City review is completed.

Debt Service and Collection Costs

Phase #1 - Annual Installments

The Assessment imposed on any parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Bonds and/or execution of the Phase #1 Reimbursement Agreement.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Bonds commencing with the issuance of the Bonds. The effective interest rate on the Phase #1A Bonds is 6.74 percent and the interest rate applicable to the Phase #1 Reimbursement Agreement is 7.79 percent per annum. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phase #1A Bonds (6.74%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the "Annual Installments" of the Assessments, shall be billed by the City in 2016 and will be delinquent on February 1, 2017.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2016 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and Bond Ordinance, such as the Tax Increment Reinvestment Zone No. 2. (the "TIRZ") incremental taxes available to the PID (the "TIRZ Credit"), capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phase #1A Bonds and Phase #1 Reimbursement Agreement from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Phase #1 Annual Installments to be collected for 2016

The budget for Phase #1 of the PID will be paid from the collection of Annual Installments collected for 2016 as shown by Table C.

Table C
Budget for the Phase #1 Annual Installments
To be collected for 2016

	Phase #1A	Phase #1	
	Bonds	Reimbursement	
		Agreement	Total
Interest payment on March 1, 2017	\$311,188	\$146,063	\$457,250
Interest payment on September 1, 2017	\$311,188	\$146,063	\$457,250
Principal payment on September 1, 2017	\$150,000	\$0	\$150,000
Subtotal debt service on bonds	\$772,375	\$292,125	\$1,064,500
Administrative Expenses	\$25,111	\$10,950	\$36,061
Subtotal Expenses	\$797,486	\$303,075	\$1,100,561
Available TIRZ Credit	\$5,447	\$0	\$5,447
Available reserve fund income	\$0	\$0	\$0
Available capitalized interest account	\$0	\$0	\$0
Available Administrative Expense account	\$0	\$0	\$0
Subtotal funds available	\$5,447	\$0	\$5,447
Annual Installments	\$792,039	\$303,075	\$1,095,113

As shown in Table C above, the total Annual Installment for 2016 is equal to \$1,095,113. The total debt service payments on the Phase #1A Bonds and the Phase #1 Reimbursement Agreement and the Administrative Expenses for 2016 are shown as \$1,059,053 (\$1,064,500 - \$5,447) and \$36,061, respectively.

According to the Service and Assessment Plan, 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.

According to the City, there have been TIRZ increments generated in 2015 in the total amount of \$5,447 that are available to be used as TIRZ Credit in 2016 for the respective Parcels within Phase #1. As a result, there were TIRZ Revenues collected for 2015 that can be used as TIRZ Credit in 2016 in the total amount of \$5,447. This TIRZ Credit amount is equally allocated to each of the 212 Parcels subdivided from the parent Parcels within Phase #1 that generated the TIRZ Revenues in 2015 as shown in Appendix A-2.

According to the Service and Assessment Plan, 427 units representing 374.80 total Equivalent Units are estimated to be built within Phase #1 of the PID. Accordingly, the principal and interest portion of Annual Installment to be collected from each Equivalent Unit will be \$2,840.18 (i.e. $\$1,059,053 \div 374.80 = \$2,840.18$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$96.21 (i.e. $\$36,061 \div 374.80 = \96.21). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phase #1 will be \$2,936.39 (i.e. $\$2,840.18 + \$96.21 = \$2,936.39$) less any TIRZ Credit shown in Appendix A-2 for each Parcel within Phase #1. The Annual Installment to be collected from each Parcel within Phase #1 is calculated by multiplying

the Annual Installment for each Equivalent Unit of \$2,936.39 by the total estimated Equivalent Units for each Parcel in Phase #1.

The list of parcels within Phase #1 of the PID, the estimated number of units to be developed on the current residential parcels, the corresponding total Equivalent Units, the total Assessment, the Annual Assessment, the Administrative Expenses and the Annual Installment to be collected for 2016 are shown in the assessment roll summary attached hereto as Appendix A-2.

Phases #2-3 - Annual Installments

The Assessment imposed on any parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty annual installments of principal and interest beginning with the tax year following the issuance of the Bonds.

Pursuant to the Service and Assessment Plan, each Assessment shall bear interest at the rate on the Bonds commencing with the issuance of the Bonds. The effective interest rate on the Phases #2-3 Major Improvement Bonds is 7.37 percent. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent higher than the actual interest rate paid on the debt. Accordingly, the effective interest rate on the Phases #2-3 Bonds (7.87%) plus an additional interest of one-half of one percent are used to calculate the interest on the Assessments. These payments, the “Annual Installments” of the Assessments, shall be billed by the City in 2016 and will be delinquent on February 1, 2017.

Pursuant to the Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2016 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under an applicable Trust Indenture, such as TIRZ Credit, capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Phases #2-3 Bonds from the collection of the Annual Installments. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments. The additional interest collected with the Annual Installments will be used to pay the prepayment and delinquency reserve amounts as described in the Service and Assessment plan and applicable Trust Indenture.

Phases #2-3 Annual Installments to be collected for 2016

The budget for Phases #2-3 of the PID will be paid from the collection of Annual Installments collected for 2016 as shown by Table D.

Table D
Budget for the Phases #2-3 Annual Installments
To be collected for 2016

	<u>Total</u>
Interest payment on March 1, 2017	\$258,719
Interest payment on September 1, 2017	\$258,719
Principal payment on September 1, 2017	\$0
Subtotal debt service on bonds	\$517,438
Administrative Expenses	\$13,955
Subtotal Expenses	\$531,392
Available TIRZ Credit	\$10,393
Available reserve fund income	\$0
Available capitalized interest account	\$0
Available Administrative Expense account	\$0
Subtotal funds available	\$10,393
Annual Installments	\$520,999

As shown in Table D above, the total Annual Installment for 2016 is equal to \$520,999. The total debt service payments on the Phases #2-3 Bonds and the Administrative Expenses for 2016 are shown as \$507,044 (\$517,438 - \$10,393) and \$13,955, respectively.

According to the City, there have been TIRZ increments generated in 2015 in the total amount of \$10,393 that are available to be used as TIRZ Credit in 2016 for the respective Parcels within Phases #2-3. As a result, there were TIRZ Revenues collected for 2015 that can be used as TIRZ Credit in 2016 in the total amount of \$10,393. The TIRZ Credit amount is applied to each of the two Parcels within Phases #2-3 that generated the TIRZ Revenues in 2015 as shown in Appendix A-3.

According to the Service and Assessment Plan, 594 units representing 494.19 total Equivalent Units are estimated to be built within Phases #2-3 of the PID. Accordingly, the principal and interest portion of Annual Installment to be collected from each Equivalent Unit will be \$1,047.04 (i.e. $\$517,438 \div 494.19 = \$1,047.04$) and the Administrative Expenses to be collected from each Equivalent Unit will be \$28.24 (i.e. $\$13,955 \div 494.19 = \28.24). As a result, the total Annual Installment to be collected from each Equivalent Unit within Phases #2-3 will be \$1,074.73 (i.e. $\$1,047.04 + \$28.24 = \$1,075.28$) less any TIRZ Credit shown in Appendix A-3 for each Parcel within Phases #2-3. The Annual Installment to be collected from each Parcel within Phases #2-3 is calculated by multiplying the Annual Installment for each Equivalent Unit of \$1,074.73 by the total estimated Equivalent Units for each Parcel in Phases #2-3 less the applicable TIRZ Credit, if any, as shown in Appendix A-3.

The list of parcels within Phases #2-3 of the PID, the estimated number of units to be developed on the current residential parcels, the total Assessment, the Annual Assessment, the Administrative Expenses and the Annual Installment to be collected for 2014 are shown in the assessment roll summary attached hereto as Appendix A-3.

C. Update of the Assessment Plan

The Service and Assessment Plan adopted by the City Council describes that the Authorized Improvement Costs shall be allocated to the Assessed Property equally based on the equivalent number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement Costs to Parcels similarly benefited.

According to the original Service and Assessment Plan, 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:

$$A = B \times (C \div D)$$

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 2014 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2015). 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 Phase #2-3 Assessed Property will be divided by the total Equivalent Units in Phase #2-3 Assessed Property to determine the TIRZ credit applicable to each Phase #2-3 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 TRIZ Credit calculation methodology described in the Service and Assessment Plan is updated herein as follows:

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 2016 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2017). The TIRZ Credit shall be calculated for those Parcels that are subject to Assessments in the PID and have generated TIRZ Revenues. Any Equivalent Units to be used for the calculation of the TIRZ Annual, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

This method of assessing property has not been changed except otherwise as described herein and Assessed Property will continue to be assessed as provided for in the Service and Assessment Plan.

D. Update of the Assessment Roll

Pursuant to the original Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

- (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.H of this Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendix A-2 and A-3. Each parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each parcel. Assessments are to be reallocated for the subdivision of any parcels.

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision 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 newly 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.

According to the Developer and the Collin Central Appraisal District records, there have been parcel subdivisions within Phase #1 of the PID applicable for the Annual Installments to be collected in 2016. The Phase #1 Assessments originally allocated to each of the Parcels within Phase #1 has been reallocated to each of the newly subdivided Parcel and the remainder of parent Parcel 2697055 using the above formula is summarized in Table E below.

Table E
Parcel Subdivisions – Phase #1

Prior to Subdivision				After Subdivision						
Parcel	Units	Total EU	Total Assessments	Parcel	Units	Lot Type	EU	Total EU	Assessment per Unit	Total Assessments
2696827	3	2.64	\$86,990	Various	150	1	1.00	150.00	\$32,951	\$4,942,636
2697056	138	123.54	\$1,876,225	Various	144	2	0.88	126.72	\$28,997	\$4,175,539
2719497	115	104.92	\$4,070,755	Various	124	3	0.73	90.52	\$24,054	\$2,982,716
2718259	93	86.76	\$3,457,209	2697055	9	Various		7.56		\$249,109
2697055	78	56.94	\$2,858,821							
Total	427	374.80	\$12,350,000		427			374.80		\$12,350,000

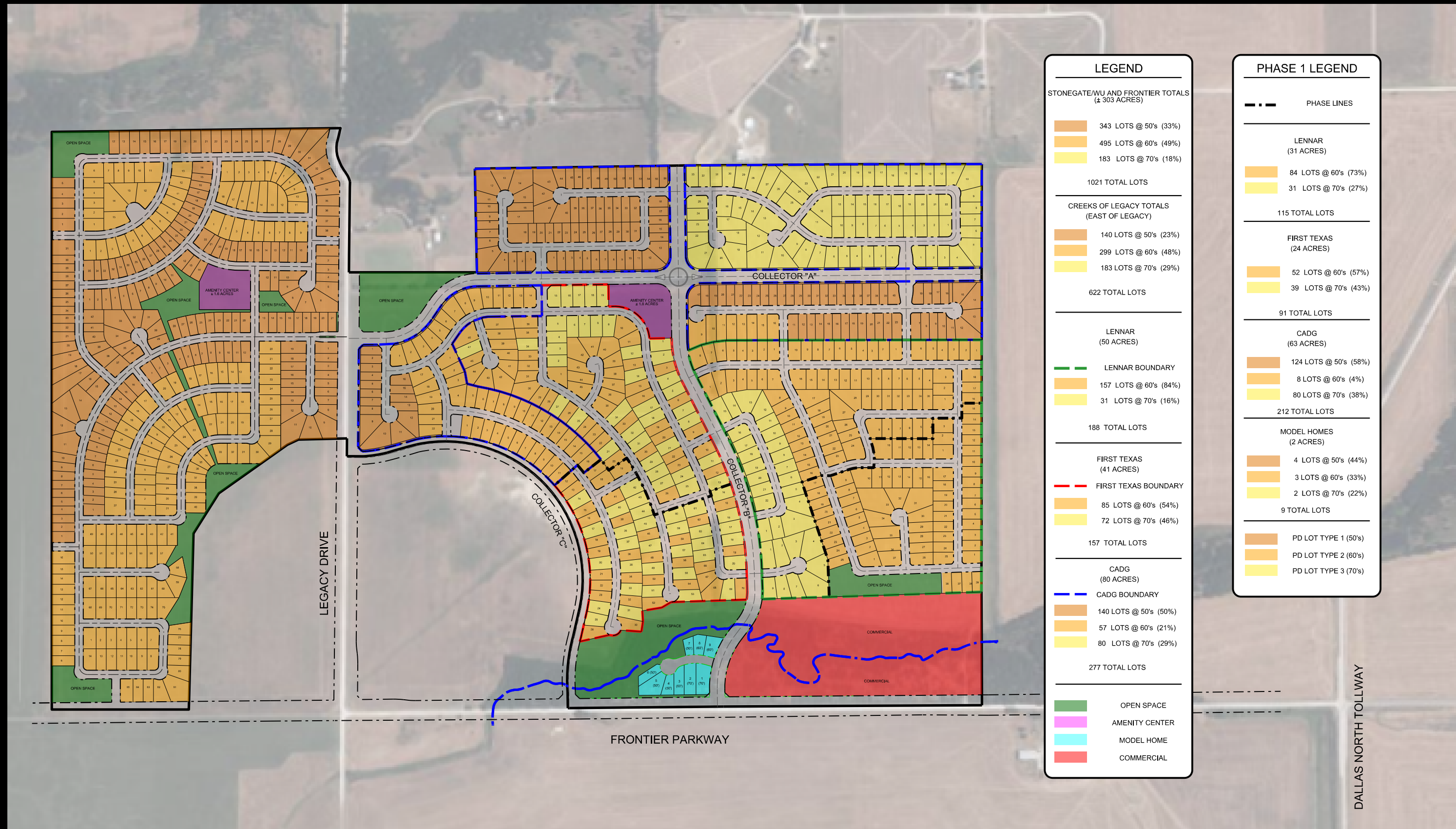
The full list of all Parcels within Phase #1 after the Parcel subdivisions, the Phase #1 Assessments reallocated to each Parcel

There have been no Assessment prepayments as of November 30, 2016.

The complete Assessment Roll is available for review at the City hall, located at 142 N Ohio, Celina, Texas 75009.

Appendix A-1
PID Map

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)



CONCEPT PLAN
CREEKS OF LEGACY
CELINA, TEXAS
MAY 6, 2014



10875 JOHN W. ELLIOT DR., STE 400/FRISCO, TX 75033/469-213-1800

Appendix A-2
Phase #1 Assessment Roll Summary – 2016

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733232	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733234	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733235	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733236	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733237	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733238	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733239	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733240	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733241	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733242	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733244	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733245	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733246	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733247	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733248	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733249	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733250	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2733251	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733252	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733253	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733254	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733255	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733256	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733257	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733258	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733259	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733260	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733261	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733262	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733263	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733264	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733265	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733266	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733267	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733268	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733269	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733270	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733271	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733272	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733273	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733274	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733275	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733276	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733277	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733278	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733279	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733280	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733281	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733282	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733283	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733284	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733285	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733286	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733287	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733288	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733289	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733290	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733291	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733292	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733293	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733294	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733295	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733296	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733297	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733298	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733299	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733300	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733301	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733302	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733303	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733304	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733305	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	(\$25.69)	\$2,558.33
2733306	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733307	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733308	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733309	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733310	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733311	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733312	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733313	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733314	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733315	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733316	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733317	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733318	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733319	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733320	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733321	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733322	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733323	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733324	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733325	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733326	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733327	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733328	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733329	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733330	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733331	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733332	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733333	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733334	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733335	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733336	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733337	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733338	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733339	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733340	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733341	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733342	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733343	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733344	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733345	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733346	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733347	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733348	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733349	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733350	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733351	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733352	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733353	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733354	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733355	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733356	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733357	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733358	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733359	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733360	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733361	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733362	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733363	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733364	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733365	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733366	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733367	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733368	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733369	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733370	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733371	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733372	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733373	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733374	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733375	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733376	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733377	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733378	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733379	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733380	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733381	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733382	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	(\$25.69)	\$2,910.70
2733383	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733384	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733385	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733386	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733387	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733388	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733389	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733390	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733391	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733392	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733393	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733394	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733395	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733396	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733397	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733398	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733399	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733400	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733401	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733402	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733403	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733404	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733405	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733406	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733407	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733408	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733409	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733410	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733411	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733412	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733413	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733414	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733415	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733416	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733417	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733418	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733419	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733420	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733421	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733422	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733423	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733424	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733425	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733426	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733427	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733428	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733429	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733430	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733431	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733432	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733433	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733434	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733435	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733436	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733437	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733438	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733439	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733440	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733441	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733442	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733443	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733444	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733445	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733446	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733447	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733448	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733449	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733450	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733451	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733452	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733453	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2733454	1	3	0.73	\$24,054.16	\$2,073.33	\$70.24	(\$25.69)	\$2,117.87
2726865	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726866	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726867	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726868	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726869	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726870	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726871	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726872	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726873	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726874	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726875	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726876	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726877	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2726878	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726879	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726880	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726881	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726882	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726883	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726884	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726885	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726886	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726887	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726888	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726889	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726890	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726891	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726892	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726893	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726894	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726895	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2726896	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726897	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726898	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726899	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726900	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726901	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726902	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726903	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726904	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726905	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726906	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726907	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726908	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726909	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726910	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726911	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726912	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726913	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726914	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726915	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726916	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726917	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726918	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726919	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726920	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726921	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726922	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2726923	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726924	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726925	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726926	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726927	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726928	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726929	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726930	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726931	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726932	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726933	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726934	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726935	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726936	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726937	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2726938	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726939	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726940	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726941	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726942	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726943	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726944	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726945	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726946	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726947	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726948	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726949	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726950	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726951	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726952	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726953	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726954	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726955	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726956	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726957	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726958	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726959	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726960	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726961	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726962	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726963	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726964	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726965	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726966	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726967	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726968	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726969	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726970	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726971	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726972	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726973	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726974	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726975	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726976	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726977	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726978	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726979	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2726980	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726981	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726982	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726983	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2726984	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732817	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732818	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732819	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732820	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732821	0	N/A	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2732931	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732932	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732933	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732934	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732935	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732936	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732937	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732938	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732939	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732940	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732941	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732942	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732943	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732944	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732945	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732946	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732947	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732948	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732949	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732950	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732951	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732952	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732953	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732954	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732955	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732956	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732957	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732958	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732959	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732960	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732961	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732962	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2732963	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732964	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732965	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732966	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732967	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732968	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732969	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732970	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732971	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732972	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732973	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732974	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732975	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732976	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732977	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732978	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732979	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732980	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732981	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732982	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732983	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732984	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732985	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732986	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732987	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732988	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732989	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732990	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2732991	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732992	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732993	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732994	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732995	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732996	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732997	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732998	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2732999	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733000	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733001	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733002	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733003	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733004	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-2
Assessment Roll Summary - Phase #1
2016

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2733005	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733006	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733007	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733008	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733009	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733010	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733011	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733012	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733013	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733014	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733017	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2733018	1	2	0.88	\$28,996.80	\$2,499.36	\$84.67	\$0.00	\$2,584.03
2733019	1	1	1.00	\$32,950.91	\$2,840.18	\$96.21	\$0.00	\$2,936.39
2697055	9		7.56	\$249,108.86	\$21,471.77	\$727.37	\$0.00	\$22,199.14
Total	427		374.80	\$12,350,000	\$1,064,500.00	\$36,060.53	(\$5,447.33)	\$1,095,113.20

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Appendix A-3
Phases #2-3 Assessment Roll Summary – 2016

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)

Apepndix A-3
Assessment Roll Summary - Phases #2-3
2016

Parcel	Estimated No. of units	Total Equivalent Units	Total Assessment	Annual Assessment	Administrative Expenses	TIRZ Credit	Annual Installment
2696827	14	12.32	\$163,913	\$12,899.55	\$347.89	\$0.00	\$13,247.44
2696792	0	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2697055	34	26.92	\$358,160	\$28,186.36	\$760.16	(\$2,423.54)	\$26,522.98
2697056	0	0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
52660	71	56.03	\$745,457	\$58,665.74	\$1,582.17	\$0.00	\$60,247.91
52644	24	19.92	\$265,028	\$20,857.07	\$562.50	\$0.00	\$21,419.57
75817	47	37.16	\$494,399	\$38,908.07	\$1,049.32	\$0.00	\$39,957.39
149097	10	7.30	\$97,124	\$7,643.40	\$206.14	\$0.00	\$7,849.54
149098	3	2.19	\$29,137	\$2,293.02	\$61.84	\$0.00	\$2,354.86
530240	244	199.27	\$2,651,208	\$208,643.98	\$5,626.97	\$0.00	\$214,270.95
2719497	83	73.04	\$971,768	\$76,475.92	\$2,062.50	\$0.00	\$78,538.42
2718259	64	60.04	\$798,808	\$62,864.38	\$1,695.40	(\$7,969.93)	\$56,589.85
Total	594	494.19	\$6,575,000	\$517,437.50	\$13,954.89	(\$10,393.47)	\$520,998.91

Attachment: Creeks of Legacy PID - Annual Service Plan Update - 2016 (1873 : Creeks of Legacy 1 of 2 SAP update)



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 Date: January 17, 2017
 Re: Ownsby Farms Public Improvement District - Accepting and Approving a Service and Assessment Plan; Phase #1 Assessment Roll

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, accepting and approving a Service and Assessment Plan and the Phase #1 Assessment Roll for Ownsby Farms Public Improvement District; making a finding of Special Benefit to the property in the District, levying special assessments against property within the District and establishing a lien on such property; providing for payment of the Phase #1 Assessments, in accordance with Chapter 372, Texas Local Government Code, as amended; providing a method of assessment and the payment of the Phase #1 Assessments, and providing penalties and interest on delinquent assessments. (Ownsby Farms) (Petty)

Background Information:

In the sale of PID Bonds for the Ownsby Public Improvement District, the Council, Staff and Consultants have already reviewed and approved a Preliminary Service and Assessment Plan. This SAP attached here is the same from your December 13th approval since the Final SAP will not be available until the bonds are priced. Bond pricing is anticipated to be on the morning of the January 17th meeting, since the markets are closed for the 16th Federal holiday. That will mean that the Final SAP will not be available to you or Staff until the afternoon of the 17th. You will be given the final document at your meeting, and Staff and Consultants will review.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Bond Counsel, FA, Attorneys and District Consultants will review prior to your approval.

Supporting Documents:

Preliminary SAP

Staff Recommendation:

Draft

OWNSBY FARMS
PUBLIC IMPROVEMENT DISTRICT
SERVICE AND ASSESSMENT PLAN

DECEMBER 28, 2016

Draft

OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT**SERVICE AND ASSESSMENT PLAN****Table of Contents**

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Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On June 9, 2015 (the “Creation Date”) the City Council (the “City Council”) of the City of Celina, Texas (the “City”) passed and approved Resolution No. 2015-26R approving and authorizing the creation of the Ownsby Farms Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district (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 two phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed 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. This Ownsby Farms Public Improvement District Preliminary 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 in this Service and Assessment Plan. The Assessments as shown on the 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 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. 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 may 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.

“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) issuing, 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.

“Administrator” means the employee or designee of the City, identified in any indenture of trust

relating to a series of Bonds or identified in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“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 E and Appendix F, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Administrative Expenses, (iii) the prepayment reserve described in Section V.F. of this Service and Assessment Plan, and (iv) the delinquency reserve described in Section V.H. 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 any property that benefits from the Authorized Improvements within 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 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 amounts collected to pay Administrative Expenses and interest on all Assessments.

“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” or **“Assessment Rolls”** means collectively or separately, as applicable, the Phase #1 Assessment Roll included in this SAP as Appendix E, the Phase #2 Major Improvements Assessment Roll included in this SAP as Appendix F or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this SAP and in the PID Act.

“Authorized Improvements” mean 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” 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 for financing the Authorized Improvements, including the Phase #1 Bonds, the Phase #2 Major Improvement Bonds and the Phased PID Bonds, in one or

more series and secured in whole or in part by the Assessment Revenues.

“Budgeted Cost(s)” means the amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“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, which may be in segments or sections.

“City” means the City of Celina, Texas.

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

“City Major Improvements” means the additional public improvements to be constructed as part of the agreement between the City and the Developer under the Development Agreement as discussed in Section III.B.

“County” means Collin County, Texas.

“Delinquency Reserve” has the meaning set forth in Section V.G. of this Service and Assessment Plan.

“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 CADG Ownsby Farms, LLC, a Texas limited liability company and its successors and assigns.

“Development Agreement” means that certain Development Agreement relating to the PID executed by and between the Developer and the City effective July 19, 2016, as the same may be amended from time to time.

“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” means a homeowners’ association or property owners’ association established for the benefit of property owners within the PID.

“Homeowners’ Association Special Assessment Allocation” means 1% of the total Assessment that will be reallocated to cover the benefit received by the Homeowner’s Association from the Authorized Improvements benefitting the Homeowner Association Property once the Homeowner Association is created within the PID.

“Homeowner Association Property” or **“(HOA Property)”** means property within the PID

owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a Homeowners' Association established for the benefit of a group of homeowners or property owners.

“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 such on the Assessment Roll, being lots typically with approximately 7,200 square feet size and a lot width of 60 feet, which may be referred to as such in the Planned Development District.

“Lot Type 2” means lots identified as such on the Assessment Roll, being lots typically with approximately 6,000 square feet size and a lot width of 50 feet, which may be referred to as such in the Planned Development District.

“Major Improvements” means the Authorized Improvements that will benefit all Assessed Property in the PID as described in Section III.B.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including 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.D.

“Other Major Improvements” means the Major Improvements other than City Major Improvements as described in Section III.B.

“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 official public records for real property in 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 within the PID, identified as “Phase #1” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix E.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown on 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 E, 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 (defined in Section IV.A.) and the Phase #1B Bonds [defined in Section IV.A.], if any, to be issued by the City to finance the Phase #1 Improvements.

“Phase #1 Improvements” mean the Authorized Improvements which only benefit Phase #1 Assessed Property and the portion of the Major Improvements required to be constructed for Phase #1 as described in Section III.B.

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

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

“Phase #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 #1 Improvements.

“Phase #2 Major Improvement Bonds” mean collectively the Phase #2 Major Improvement Bonds (defined in Section IV.A.) to be issued by the City to finance a portion of the Phase #2 Major Improvements.

“Phase #2 Major Improvements” mean the portion of the Major Improvements required to be constructed for Phase #2 as described in Section III.B.

“Phase #2 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.

“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, other than Non-Benefited Property, located within the respective Phase.

“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.

“PID Reimbursement Agreement” means that certain Ownsby Farms Public Improvement District Phase #1 Reimbursement Agreement, dated _____, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Phase #1 Improvements and the City agrees to reimburse the Developer for a portion of such Actual Costs of the Phase #1 Improvements funded by the Developer with interest as permitted by the PID Act.

“Planned Development District” means the zoning classification established as PD – Planned Development District #39 pursuant to Ordinance No 2015-14 adopted by the City Council designating the zoning and development standards.

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

“Prepayment Reserve” has the meaning set forth in Section V.F. of this Service and Assessment Plan.

“Public Property” means 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 or political subdivision, whether in fee simple or through an exclusive use easement.

“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. 7” means the Tax Increment Reinvestment Zone No. 7, City of Celina, Texas.

“TIRZ Annual Credit Amount” means, for each Parcel, such Parcel’s prorated amount of TIRZ Revenues calculated pursuant to Section VI.A. 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 certain public improvements as provided for in the Tax Increment Reinvestment Zone No. Seven 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. 7 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.A. 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 a Trust Indenture, including a substitute fiscal agent or trustee.

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Section II PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the City and contains approximately 113.5 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 372 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (372) 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 – 60 Feet	107	units
Single Family Residential – 50 Feet	265	units
Total	372	units

B. Property Included in Phase #1

Phase #1 consists of approximately 72.85 acres and is projected to consist of 205 single family residential units as further described in Section III. A map of the property within Phase #1 and Phase #2 and depicting the boundaries of each proposed Phase is shown in Appendix A.

C. Property Included in Phase #2

Phase #2 consists of approximately 40.7 acres and is projected to consist of approximately 167 residential units. As Phase #2 is developed, additional Phased PID Bonds may be issued. 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 Phase #2. A map of the projected property within each Phase is shown in Appendix A.

The estimated number of units at the build-out of the PID is based on the land use approvals 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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Section 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; and
 - (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

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After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed as the Major Improvements and Phase #1 Improvements in Section III.B. below and described in Appendix B and shown on the diagram included as Appendix C for the benefit of the Phase #1 Assessed Property and the Phase #2 Assessed Property. Any change to the list of Authorized Improvements, including any improvements for Phase #2, will require the approval of the City and an update to this Service and Assessment Plan.

B. Description of the Authorized Improvements

Major Improvements:

The Major Improvements are the Authorized Improvements that will benefit all Assessed Property in the PID. The Major Improvements include public improvements that are contemplated to be constructed as part of the agreement between the Developer and the City under the Development Agreement, (“City Major Improvements”) and other Major Improvements required for the PID (“Other Major Improvements”). The Major Improvements include roadway improvements, water distribution system improvements and sanitary sewer collection system improvements.

Roadway improvements: The road improvements part of the Major Improvements includes construction of perimeter road and thoroughfare improvements, including related paving, turn lanes, curbs, gutters, sidewalks, signage, and traffic control devices. The road improvements include approximately 3,000 linear feet of 7” thick concrete pavement for John Campbell Trail (400 linear feet of 2 – 25’ divided pavement section within a 90’ ROW, 2,600 linear feet of 37’ undivided pavement section within a 60’ ROW), 1,400 linear feet of 7” thick concrete pavement for Josephine Boulevard (37’ undivided pavement section within a 60’ ROW), 2,250 linear feet of 7” thick concrete pavement for Ownsby Parkway (1,400 linear feet of 2 – 25’ divided pavement section within a 90’ ROW, 950 linear feet of 37’ undivided pavement section within a 60’ ROW) and will provide street access to the PID as well as access to community roadways and state highways. 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 part of the Major Improvements consists of construction approximately 2,550 linear feet of 18” watermain and 600 linear feet of 12” watermain 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. These 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 improvements part of the Major Improvements consists of construction approximately 3,650 linear feet of 12” sanitary sewer main connects into a regional 21” sewer main at Josephine Boulevard and the creek and run north through Josephine Boulevard, east through Ownsby Parkway, and continues north along Preston Road to connect into the existing Carter Ranch sewer system and installation of service lines, manholes, encasements and appurtenances. The sanitary sewer collection system improvements will be designed and constructed in accordance with

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City standards and specifications and will be owned and operated by the City.

Storm drainage collection system improvements: The storm drainage collection system improvements part of the Major Improvements consists of construction approximately 18” – 36” reinforced concrete pipes, 6’x4’, 7’x4’, and 7’x5’ reinforced concrete boxes, and 8 – 10’x8’ multi-reinforced box culverts to server John Campbell Trail, 18” – 42” reinforced concrete pipes and 8 – 10’x4’ multi-reinforced box culverts to server Josephine Boulevard, 18” reinforced concrete pipe and 2 – 6’x4’ multi-reinforced box culverts to server Ownsby Parkway. 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-A below shows the estimated costs of the Major Improvements anticipated to be constructed. The Budgeted Costs shown in Table III-A may be revised in an Annual Service Plan Update as needed. 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).

Table III-A

Authorized Improvements - Major Improvements

Description	Major Improvements related to		
	Phase #1	Phase #2	Total
<i>City Major Improvements</i>			
Roadway improvements	\$686,874	\$1,604,161	\$2,291,035
Water improvements	\$51,940	\$68,151	\$120,091
Sanitary sewer improvements	\$303,001	\$2,373	\$305,374
Storm drainage improvements	\$24,041	\$56,146	\$80,187
Other soft costs	\$288,347	\$468,247	\$756,594
<i>Subtotal - City Major Improvements</i>	<i>\$1,354,202</i>	<i>\$2,199,079</i>	<i>\$3,553,281</i>
<i>Other Major Improvements</i>			
Roadway improvements	\$1,662,750	\$924,569	\$2,587,319
Water improvements	\$46,694	\$81,651	\$128,345
Sanitary sewer improvements	\$4,440	\$2,870	\$7,310
Storm drainage improvements	\$58,202	\$32,354	\$90,556
Other soft costs	\$479,403	\$281,742	\$761,145
<i>Subtotal - Other Major Improvements</i>	<i>\$2,251,490</i>	<i>\$1,323,185</i>	<i>\$3,574,675</i>
Total	\$3,605,692	\$3,522,264	\$7,127,956

Note: The Major Improvements related to Phases #1 and Phases #2 are categorized based on the projected timing of construction. Additional Major Improvements related to Phase #2 are anticipated to be funded with the future Phased PID Bonds.

Phase #1 Improvements:

The Phase #1 Improvements are the Authorized Improvements that will benefit the Phase #1 Assessed Property. The descriptions of the Phase #1 Improvements are presented below and the

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Budgeted Costs of the Phase #1 Improvements are shown in Table III-B. The Budgeted Costs shown in Table III-B may be revised in an Annual Service Plan Update as needed.

Roadway improvements: The roadway improvements within Phase #1 include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements include approximately 15,000 linear feet of local collectors (6" thick 31' wide concrete section) within a 50' ROW and will provide street access to each lot within Phase #1 as well as access to community roadways and state highways. 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 Phase #1 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 Phase #1 Assessed Property. The water distribution system improvements includes approximately 11,700 linear feet of 8" waterline with all appurtenances and will extend water service to the boundaries of Phase #1 and to all lots within Phase #1. 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 Phase #1 consist of construction and installation of pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements include approximately 12,050 linear feet of sanitary sewer with all appurtenances and will extend wastewater service to the boundaries of Phase #1 and to all lots within Phase #1. 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.

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.

The Budgeted Costs shown in Tables III-B may be revised in Annual Service Plan Updates. 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). The detailed costs of the Phase #1 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).

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Table III-B
Authorized Improvements - Phase #1 Improvements

Description	Estimated Costs
Roadway improvements	\$3,296,087
Water improvements	\$513,972
Sanitary sewer improvements	\$632,843
Storm drainage improvements	\$0
Other soft costs	\$778,068
<i>Subtotal - Phase #1 Improvements</i>	\$5,220,970
Major Improvements related to Phase #1	\$3,605,692
Total Phase #1 Improvement Costs	\$8,826,663

Additionally, the Developer plans to construct certain improvements within the PID over a period of approximately five years including amenities, landscaping, hardscaping and other miscellaneous items (collectively, the “Private Costs”) to serve the entire PID. The Private Costs will be paid entirely by the Developer without any reimbursement through the PID.

C. Phase #2 Additional Authorized Improvements

As Phase #2 is developed, Phased PID Bonds may be issued to finance Authorized Improvements for the Phase #2 and this Service and Assessment Plan will be updated to identify the specific Authorized Improvements financed by such Phased PID Bonds that benefit Phase #2 (i.e., a Table III-C will be added to show the Budgeted Costs for Authorized Improvements that will benefit the Assessed Property within Phase #2).

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Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

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Section 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. It is anticipated that it will take approximately 12 months to construct the Phase #1 Improvements. Following the completion of construction of Phase #1 Improvements, Phase #2 development will begin and Phase #2 will be developed corresponding to the Service and Assessment Plan to be updated with that development.

The Budgeted Costs for the Phase #1 Improvements plus costs related to the issuance of the Phase #1 Bonds, in one or more series, and payment of expenses incurred in the establishment, administration and operation of the PID are \$8,732,085 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

The Budgeted Costs for a portion of the Phase #2 Major Improvements plus costs related to the issuance of the Phase #2 Major Improvement Bonds and payment of expenses incurred in the establishment, administration and operation of the PID are \$2,201,944 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, 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 summarizes the sources and uses of funds required to construct the Phase #1 Improvements to be financed with the proceeds from the Phase #1A Bonds and PID Reimbursement Agreement, including Budgeted Costs related to establishing the PID and issuing the Phase #1 Bonds and the Phase #2 Major Improvements to be financed with the proceeds from the Phase #2 Major Improvement Bonds, including Budgeted Costs related to establishing the PID and issuing the Phase #2 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 changes in Actual Costs.

As Phase #2 is developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (i.e. Table IV-B will be added for Phase #2).

The first series of Phase #1 Bonds (“Phase #1A Bonds”) is anticipated to be issued to finance a portion of the Phase #1 Improvements, including costs to issue the Phase #1A Bonds, as shown in Table IV-A below. The Phase #1A Bonds will be used to construct or acquire a portion of the Phase #1 Improvements. A portion of the remaining costs of Phase #1 Improvements will be financed through the PID Reimbursement Agreement. A second series of Phase #1 Bonds (“Phase #1B Bonds”) may, subject to the approval of the City Council and compliance with the applicable provisions in the Trust Indenture relating to the Phase #1A Bonds, be issued in 2018 or 2019; and, to the extent provided by law, the proceeds from the Phase #1B Bonds will be used to reimburse

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certain Actual Costs paid by the Developer under the terms of the PID Reimbursement Agreement and to pay any unpaid Actual Costs of Phase #1 Improvements required to be paid under the PID Reimbursement Agreement.

The Phase #2 Major Improvement Bonds are anticipated issued to finance a portion of the Phase #2 Major Improvements, including costs to issue the Phase #2 Major Improvement Bonds, as shown in Table IV-A below. Phased PID Bonds may, subject to the approval of the City Council and compliance with Section 13.2 and other applicable provisions in the Trust Indenture for the Phase #2 Major Improvement Bonds, be issued in 2018 or 2019; and, to the extent provided by law, the proceeds from the Phased PID Bonds will be used to pay any unpaid Actual Costs of Phase #2 Major Improvements and additional Authorized Improvements for Phase #2.

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Table IV-A
Sources and Uses

Sources of Funds	Authorized Improvements (Phase #1)	Authorized Improvements- Major Improvements (Phase #2)	Other Improvements (Non-PID)	Total Amounts
Bond par amount	\$4,465,000	\$1,765,000	\$0	\$6,230,00
PID Reimbursement Agreement	\$1,256,000	\$0	\$0	\$1,256,00
<i>Subtotal</i>	<i>\$5,721,000</i>	<i>\$1,765,000</i>	<i>\$0</i>	<i>\$7,486,00</i>
Other funding sources - Authorized Improvements	\$3,011,085	\$436,944	\$0	\$3,448,03
Total Sources for Phase #1 Improvements	\$8,732,085	\$2,201,944	\$0	\$10,934,03
Other funding sources – Private Improvements and Agricultural redemption reserve	\$0	\$0	\$5,962,366	\$5,962,36
Total Sources	\$8,732,085	\$2,201,944	\$5,962,366	\$16,896,39
Uses of Funds				
Authorized Improvements - Phase #1 Improvements				
See Table III-B for details	\$5,220,970	\$0	\$0	\$5,220,97
<i>Subtotal</i>	<i>\$5,220,970</i>	<i>\$0</i>	<i>\$0</i>	<i>\$5,220,97</i>
City Major Improvements				
See Table III-A for details ¹	\$746,268	\$607,934	\$0	\$1,354,20
<i>Subtotal</i>	<i>\$746,268</i>	<i>\$607,934</i>	<i>\$0</i>	<i>\$1,354,20</i>
Other Major Improvements				
See Table III-A for details ¹	\$1,240,736	\$1,010,746	\$0	\$2,251,48
<i>Subtotal</i>	<i>\$1,240,736</i>	<i>\$1,010,746</i>	<i>\$0</i>	<i>\$2,251,48</i>
Private Costs				
City debt issuance fee	\$0	\$0	\$241,800	\$241,80
NonBQ fee	\$0	\$0	\$45,000	\$45,00
Development Agreement fees and Developer issuance costs	\$263,367	\$52,950	\$0	\$316,31
Other private costs	\$0	\$0	\$5,665,566	\$5,665,56
<i>Subtotal</i>	<i>\$263,367</i>	<i>\$52,950</i>	<i>\$5,952,366</i>	<i>\$6,268,68</i>
Costs of issuance				
Capitalized interest	\$421,694	\$183,364	\$0	\$605,05
Reserve fund	\$303,250	\$135,150	\$0	\$438,40
Ag exemption foreclosure reserve	\$0	\$0	\$10,000	\$10,00
PID establishment/ operation and other costs of issuance	\$401,850	\$158,850	\$0	\$560,70
Underwriter's discount	\$133,950	\$52,950	\$0	\$186,90
<i>Subtotal</i>	<i>\$1,260,744</i>	<i>\$530,314</i>	<i>\$10,000</i>	<i>\$1,801,05</i>
Total Uses	\$8,732,085	\$2,201,944	\$5,962,366	\$16,896,39

1 - The Major Improvements funded with Phase #1A Bonds include a portion of the Major Improvements related to Phase #1 shown in Table III-A. The balance of the Major Improvements related to Phase #1A are being funded with Phase #2 Major Improvement Bonds. Additional Major Improvements related to Phase #2 are anticipated to be funded with the future Phased PID Bonds.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

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As described in Sections V.I. and VI.A., the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments. The total equivalent Phase #1A Bond par amount to be repaid with the TIRZ Annual Credit Amounts (the "TIRZ Credit Funded Portion") is projected to be \$1,850,912 as calculated based on the projected TIRZ Annual Credit Amounts anticipated to be used for offsetting the Annual Installments to be collected from the Phase #1 Assessed Property. The balance of the Phase #1A Bonds to be repaid with the net Annual Installments (the "Net Assessment Funded Portion") is calculated to be \$2,614,088 (i.e. \$4,465,000 - \$1,850,912 = \$2,614,088). Accordingly, the Phase #1A Bonds are allocated between the TIRZ Credit Funded Portion and the Net Assessment Funded Portion as shown in Table IV-B below. The detailed breakdown of the estimated Phase #1A Bond debt service amounts is in the schedule included in Appendix E.

Table IV-B
Estimated Sources and Uses
Phase #1 Bonds – TIRZ Credit Funded Portion

Sources of Funds	Phase #1A Bonds		
	TIRZ Credit Funded Portion	Net Assessment Funded Portion	Total
Bond par amounts	\$1,850,912	\$2,614,088	\$4,465,000
Total Sources	\$1,850,912	\$2,614,088	\$4,465,000
Uses of Funds			
Authorized Improvements	\$1,328,286	\$1,875,970	\$3,204,256
Subtotal	\$1,328,286	\$1,875,970	\$2,663,500
Estimated bond issuance costs	\$522,626	\$738,118	\$1,260,744
Subtotal	\$522,626	\$738,118	\$1,260,744
Total Uses	\$1,850,912	\$2,614,088	\$4,465,000

As Phase #2 is developed, additional Phased PID Bonds may be issued to finance Authorized Improvements that will benefit the Phase #2 and such Phased PID Bonds will be secured by additional Assessments levied only on the Assessed Property within Phase #2. The Phased PID Bonds for the Phase #2 may also be issued in one or more series of Phased PID Bonds.

The City reserves the right to issue additional parity bonds secured by the Phase #1 Assessment Revenues to finance (or refinance) a portion of Phase #1 Improvements not paid with proceeds of the Phase #1A Bonds. The issuance of such additional bonds will be subject to the conditions and provisions set forth in with Section 13.2 and other applicable provisions in the Trust Indenture for the Phase #1A Bonds. The Phase #1A Bonds may also, subject to the approval of the City Council, be refunded pursuant to the refunding provisions of the Trust Indenture relating to the Phase #1 Bonds. If the debt service on the Phase #1A Bonds is reduced as the result of an economic refunding of those PID bonds, then there would be a corresponding reduction in both

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TIRZ Annual Credit Amounts and the Annual Installments (i.e., Annual Installments shall be permanently reduced by the same amount the TIRZ Annual Credit Amounts are reduced) which will result in a permanent reduction in the Assessments.

The annual projected costs and annual projected indebtedness is shown by Table IV-C. 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-C
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness (Phase #1A Bonds, PID Reimbursement Agreement and Phase #2 Major Improvement Bonds)	Sources other than Phase #1A Bonds, PID Reimbursement Agreement and Phase #2 Major Improvement Bonds
2017	\$10,934,030	\$7,486,000	\$3,448,030
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
Total	\$10,934,030	\$7,486,000	\$3,448,030

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-B, the costs associated with creating the PID and costs of issuing the Phase #1A Bonds and Phase #2 Major Improvement Bonds, including reserves shown in Table IV-A, and costs related to the PID Reimbursement Agreement. The difference between the annual projected cost and the annual projected indebtedness, and between the annual projected indebtedness and the principal amount of the bonds each represent an amount funded by the Developer, which may be reimbursed with future bond proceeds to the extent available. As the Phase #2 is developed, in association with issuing Phased PID Bonds, this Table IV-C 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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Section 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 anticipates 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 #1A Bonds, subsequent financings may be issued over the upcoming years as the subsequent phase(s) of the development are gradually constructed.

The purpose of this anticipated gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Phased 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 Phased 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”) 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 burden 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 may be reimbursed by a subsequent parity lien bond financing and /or a reimbursement agreement, such as the PID Reimbursement Agreement. For example, the Phase #1A Bonds to be issued to finance a portion of the Phase #1 Improvements may, subject to the initial bond issuance requirements in the Development Agreement and approval by the City Council, be followed by a second parity lien issuance of Phased PID Bonds (the Phase #1B Bonds) to finance Actual Costs of Phase #1 Improvements not financed by the Phase #1A Bonds.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Phase #1 Improvements shall be allocated as described below:

1. The Authorized 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

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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 Phase #1 Improvement costs less the Homeowner Association Special Assessment Allocation are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Phase #2 will receive from the Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time only Parcels within Phase #1 will only be assessed for the special benefits conferred upon the Parcel because of the Phase #1 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 Phase #2 receives from the specific Authorized Improvements funded with those Phased PID Bonds or reimbursement agreement, as applicable, issued with respect to Phase #2. Prior to assessing Parcels located within Phase #2 in connection with issuance of Phased PID Bonds or reimbursement agreement, as applicable, 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 Phase #1 Assessed Property and Phase #2 Assessed Property as a result of the Phase #1 Improvements and the Major 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 Phase #2 Assessed Property, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit within Phase #1 of the Phase #1 Improvements to Phase #1 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #1 Assessed Property similarly benefited and reallocates the special benefit within Phase #2 of the Phase #2 Major Improvements to Phase #2 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #2 Assessed Property 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

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and all future owners and developers of the Assessed Property.

As Phase #2 is developed or 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 Phase #2.

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 PID Act. These Authorized 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 Authorized Improvements provide a special benefit to the Assessed Property as a result of these improvements being constructed on the Assessed Property or in close proximity to the Assessed Property and the specific purpose of these Authorized 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 is 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 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.

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; and (ii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment

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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 beneficial to the City and the PID. As a result, the Authorized Improvements 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 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 beneficial; 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. 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 Phase #1

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements 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.

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Based on the Actual Costs of the Phase #1 Improvements provided by the Developer working with the City's engineers, as set forth in Table III-B, the City Council has determined that the benefit to Phase #1 Assessed Property resulting from the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 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.

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 \$5,721,000. As shown in Appendix D, there are a total of 205 residential units representing a total of 182.00 estimated Equivalent Units for the residential development in Phase #1, resulting in an Assessment per Equivalent Unit of \$31,434.07.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$31,434.07 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$31,434.07 (i.e. $\$31,434.07 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$26,195.05 (i.e. $\$31,434.07 \times 0.83$). Table V-1 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-1
Assessment per Unit - Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	67	\$31,434.07	1.00	\$31,434.07 per dwelling unit	\$2,106,082
Lot Type 2	138	\$31,434.07	0.83	\$26,195.05 per dwelling unit	\$3,614,918
Total	205				\$5,721,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-2 below.

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Table V-2
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit¹	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	67	\$25,000	\$72,000	\$375,000	\$31,434	0.80	2.29	11.93
Lot Type 2	138	\$20,000	\$60,000	\$312,500	\$26,195	0.76	2.29	11.93
Total	205							

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-3 below.

Table V-3
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Maximum Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1	67	\$25,000	\$72,000	\$375,000	\$2,511	\$10.05	\$3.49	\$0.67
Lot Type 2	138	\$20,000	\$60,000	\$312,500	\$2,093	\$11.46	\$3.49	\$0.67
Total	205							

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 E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

2. *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 Major 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 Actual Costs of the Phase #2 Major Improvements provided by the Developer

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working with the City's engineers, as set forth in Table III-A, the City Council has determined that the benefit to Phase #2 Assessed Property resulting from the Phase #2 Major Improvements is at least equal to the Assessments levied on the Phase #2 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.

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 Major Improvement Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #2, is \$5,725,000. As shown in Appendix D, there are a total of 167 residential units representing a total of 145.83 estimated Equivalent Units for the residential development in Phase #2, resulting in an Assessment per Equivalent Unit of \$12,102.86.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$12,102.86 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$12,102.86 (i.e. $\$12,102.86 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$10,085.71 (i.e. $\$12,102.86 \times 0.83$). Table V-4 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-4
Assessment per Unit - Phase #2

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	40	\$12,102.86	1.00	\$12,102.86 per dwelling unit	\$484,114
Lot Type 2	127	\$12,102.86	0.83	\$10,085.71 per dwelling unit	\$1,280,886
Total	167				\$1,765,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-5 below.

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Table V-2
Projected Leverage – Phase #2

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit¹	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	40	\$25,000	\$78,000	\$375,000	\$12,103	2.07	6.44	30.98
Lot Type 2	127	\$20,000	\$65,000	\$312,500	\$10,086	1.98	6.44	30.98
Total	167							

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-6 below.

Table V-6
Estimated Tax Rate Equivalent per unit – Phase #2

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Maximum Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1	40	\$25,000	\$78,000	\$375,000	\$1,083	\$4.33	\$1.39	\$0.29
Lot Type 2	127	\$20,000	\$65,000	\$312,500	\$903	\$4.51	\$1.39	\$0.29
Total	167							

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 E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

When Phase #2 is developed or Phased PID Bonds for Phase #2 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 Phase #2.

D. Assessments

The Assessments for Phase #1 will be levied on each Parcel according to the Phase #1 Assessment Roll, attached hereto as Appendix E. The Annual Installments for the Phase #1 Bonds will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

E. Administrative Expenses

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

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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.

F. 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% of the interest rate component of the Annual Installments 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% of the interest rate component of the Annual Installments 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 Section V.H. below.

G. AG Exemption Foreclosure Reserve

A reserve in the amount of \$10,000 (the "Ag Exemption Foreclosure Reserve") shall be established and fully funded by the Developer at the time of levying the Assessments on the Assessed Property. Such amount shall be used for the payment of costs of foreclosure proceedings, if any, related to the changes in the agricultural exemption status of the Assessed Property.

H. Delinquency Reserve

The City has allocated up to 0.30% of the additional interest rate component of the Annual Installments to offset any possible delinquent payments. This 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, total more than 0.50% of the outstanding Bonds. Once the delinquency reserve is funded in full, the City may allocate up to 0.50% of the additional 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. TIRZ Annual Credit Amount

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments (the "TIRZ Annual Credit Amount"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Annual Credit Amount applicable to the Parcel then on deposit in the TIRZ No. 7 tax increment fund. The TIRZ Annual Credit Amount applicable to each Parcel shall be calculated as described under Section VI.A. of this Service and Assessment Plan.

Section VI TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within Phase #1

The Assessments, and Annual Installments thereof, for each Parcel of Phase #1 Assessed Property is shown on the Phase #1 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 (i) principal and interest on the Phase #1A Bonds, (ii) principal and interest required by the PID Reimbursement Agreement, (iii) to fund the prepayment reserve described in Section V, (iv) delinquency reserve described in Section V, and (v) to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V.I., the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

B. Amount of Assessments and Annual Installments for Parcels Located Within Phase #2

The Assessments, and Annual Installments thereof, for each Parcel of Phase #2 Assessed Property is shown on the Phase #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 (i) principal and interest on the Phase #2 Major Improvement Bonds, (ii) to fund the prepayment reserve described in Section V, (iii) delinquency reserve described in Section V, and (iv) to cover Administrative Expenses of Phase #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V.I., the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information

available to the Administrator at the time of such calculations.

As Phase #2 is developed, this Service and Assessment Plan will be amended to determine the additional Assessment and additional Annual Installments for each Assessed Property, if any, located within Phase #2 (e.g., Appendix F will be updated). The Assessments shall not exceed the benefit received by the Assessed Property.

C. 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.

The total Assessment initially allocated to the Phase #1 Assessed Property and Phase #2 does not include any allocation of Assessments to the HOA Property. Once a Homeowner Association is created in the PID and Parcel(s) that are owned by the Homeowner's Association appear on the Collin Central Appraisal District ("Collin CAD") records, 1% of the initial total Assessment allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property shall be reallocated to such HOA Property.

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.

D. 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 PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

E. 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 Authorized Improvement 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 after all Authorized Improvements to be funded with a series of Bonds have been completed and a portion of the Bonds have been redeemed using the TIRZ Annual Credit Amounts or other funds available to the City, 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 remaining outstanding amount(s) of the Bonds after such redemptions. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.

3. 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 unless the City Council authorizes the excess Bond proceeds to be used for additional Authorized Improvements benefiting the Assessed Property. 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.

F. 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 such 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; 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 levy of the Assessments.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) 8.99 percent per annum. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on estimated interest rates of 5% for the Phase #1 Bonds (and an additional interest at the rate of 0.5% for Administrative Expenses,

Prepayment Reserve and Delinquency Reserve) and an interest rate of 5.5% for the PID Reimbursement Agreement. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Phase #1 Assessment Roll, shown as Appendix E, will be updated with the actual interest rates on the Phase #1A Bonds. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on estimated interest rates of 5% for the Phase #1 Bonds (and an additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve). Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Phase #2 Major Improvements Assessment Roll, shown as Appendix F, will be updated with the actual interest rates on the Phase #2 Major Improvement Bonds

The Annual Installments shall be reduced to equal the actual costs of repaying the obligations 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 reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act, Chapter 1207 of the Texas Government Code or any other applicable authority provided by the laws of the State of Texas. 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.

G. 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, including capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and including any existing deposits to 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 Assessed Property for nonpayment of the 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.

Section VII THE ASSESSMENT ROLL

A. Phase #1 Assessment Roll

Phase #1 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #1 Improvements. Table IV-A summarizes the \$8,732,085 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #1A Bonds. The total amount of Phase #1A Bonds and PID Reimbursement Agreement is \$5,721,000 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 \$5,721,000 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.C. of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix E.

B. Phase #2 Assessment Roll

Phase #2 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #2 Major Improvements. Table IV-A summarizes the \$2,201,944 in special benefit received by Phase #2 Assessed Property from the Phase #2 share of the Major Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #2 Major Improvement Bonds. The total amount of Phase #2 Major Improvement Bonds is \$1,765,000 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 \$1,765,000 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.C. of this Service and Assessment Plan. The Phase #2 Assessment Roll is attached hereto as Appendix F.

As Phase #2 is developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within the Phase (e.g., Appendix F will be updated).

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phase #1 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 Phase #1 Assessed Property, including any adjustments authorized by this Service and Assessment Plan and in the PID Act; (iii) the Annual Installment for the Phase #1 Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Phase #1 Assessment, if any, as provided by Section VI.F. of this Service and Assessment Plan.

The Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect the issuance of additional Phase #1 Bonds, if any, and any Phased PID Bonds for Phase #2, and any obligations owed pursuant to a reimbursement agreement.

Section 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 PID 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 PID 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, Prepayment Costs 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.

To the extent permitted by the PID Act, the City Council reserves the right 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; (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, and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

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 interpretations and determinations shall be conclusive.

E. Severability

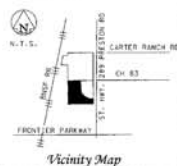
If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service 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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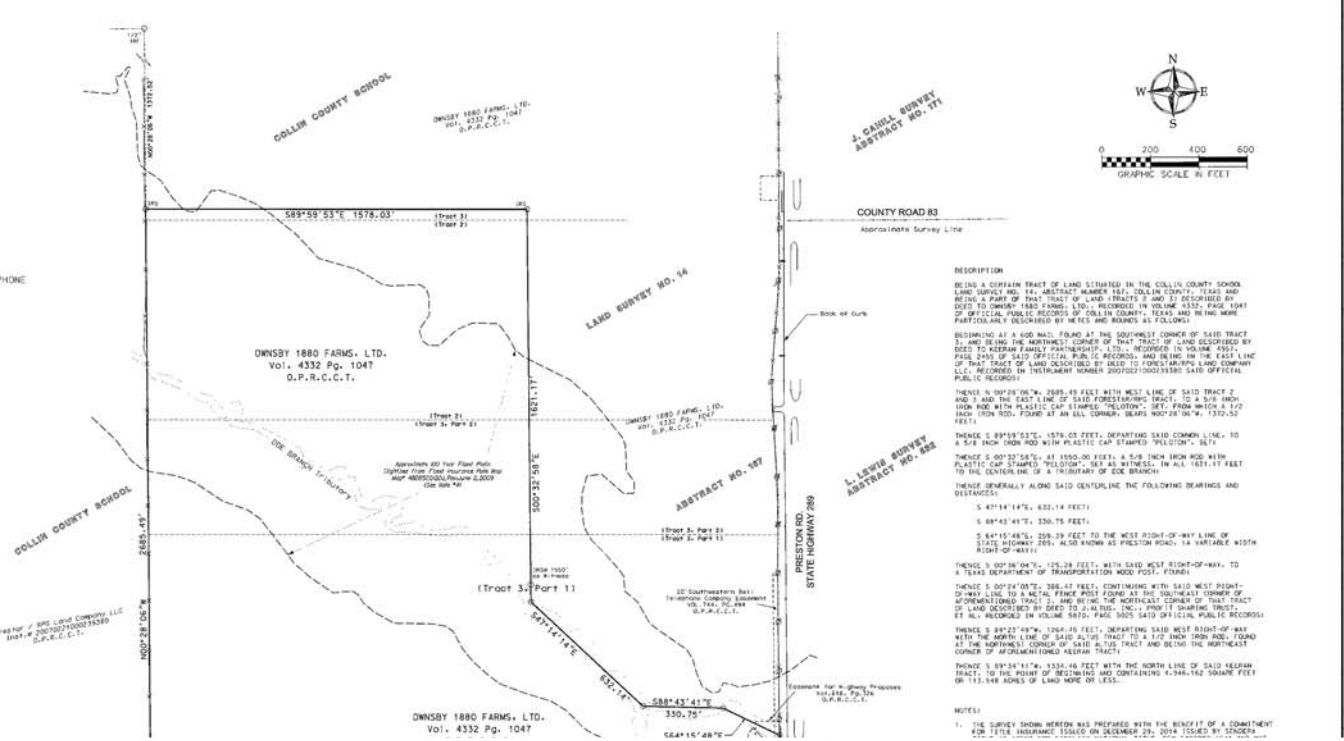
Appendix A

THE PID MAP



- IRON ROD SET
- IRON ROD FOUND
- DROP INLET / SQUARE
- POWER POLE
- SANITARY SEWER MANHOLE
- BURIED CABLE MARKER/TELEPHONE
- 5/8" GUIDE WIRE
- TELEPHONE PEDIESTAL
- CONCRETE MONUMENT
- FENCE
- GATE

Packet Pg. 108



Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy

Point of Beginning

CERTIFICATION
TO: OWNSBY FARMS LTD., CHGO OWNSBY FARMS LLC, CHAMBERS BAY,
TWO BROWN LAW FIRM LLP, ONE SHENKERS TITLE AS AGENT FOR FIDELITY
NATIONAL TITLE INSURANCE COMPANY.
I, TROY A. BRIDGES, REGISTERED PROFESSIONAL LAND SURVEYOR OF THE STATE OF
TEXAS, DO HEREBY CERTIFY THAT THE MAP SHOWN HEREON ACCURATELY REPRESENTS THE
DESCRIBED PROPERTY AS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY
DIRECTION AND SUPERVISION, IN OCTOBER, 2016, AND THAT THE CORNERS ARE AS SHOWN
HEREON ARE NO ENCROACHMENTS, EASEMENTS, OR INTERFERENCES WITH THE
GROUND SURVEY AS SHOWN. THIS SURVEY SUBSTANTIALLY COMPLETES WITH THE CORRECT
TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A
CATEGORY 1A, CONDITION 11 SURVEY.



- NOTES:
1. THE SURVEY SHOWN HEREON WAS PREPARED WITH THE BENEFIT OF A COMMITMENT FOR LATER INSURANCE ISSUED ON DECEMBER 29, 2014 ISSUED BY ST. LOUIS.
 2. THE APPROXIMATE 100 YEAR FLOOD PLAIN LINE SHOWN WAS DIGESTED FROM FLOOD INSURANCE RATE MAP NUMBER 4800000001, REVISED JUNE 2, 2008. THE SURVEYOR ASSUMES NO LIABILITY FOR THE ACCURACY OF THAT MAP.
 3. EASEMENT GRANTED TO THE STATE OF TEXAS, RECORDED IN VOLUME 618, PAGE 308 OF THE OFFICIAL PUBLIC RECORDS OF COLLIN COUNTY, TEXAS AFFECT THE SUBJECT TRACT AS SHOWN. (ITEM 10-3)
 4. EASEMENT GRANTED TO SOUTHWESTERN BELL TELEPHONE COMPANY RECORDED IN VOLUME 194, PAGE 018 OF THE OFFICIAL PUBLIC RECORDS OF COLLIN COUNTY, TEXAS AFFECT THE SUBJECT TRACT AS SHOWN. (ITEM 10-1)

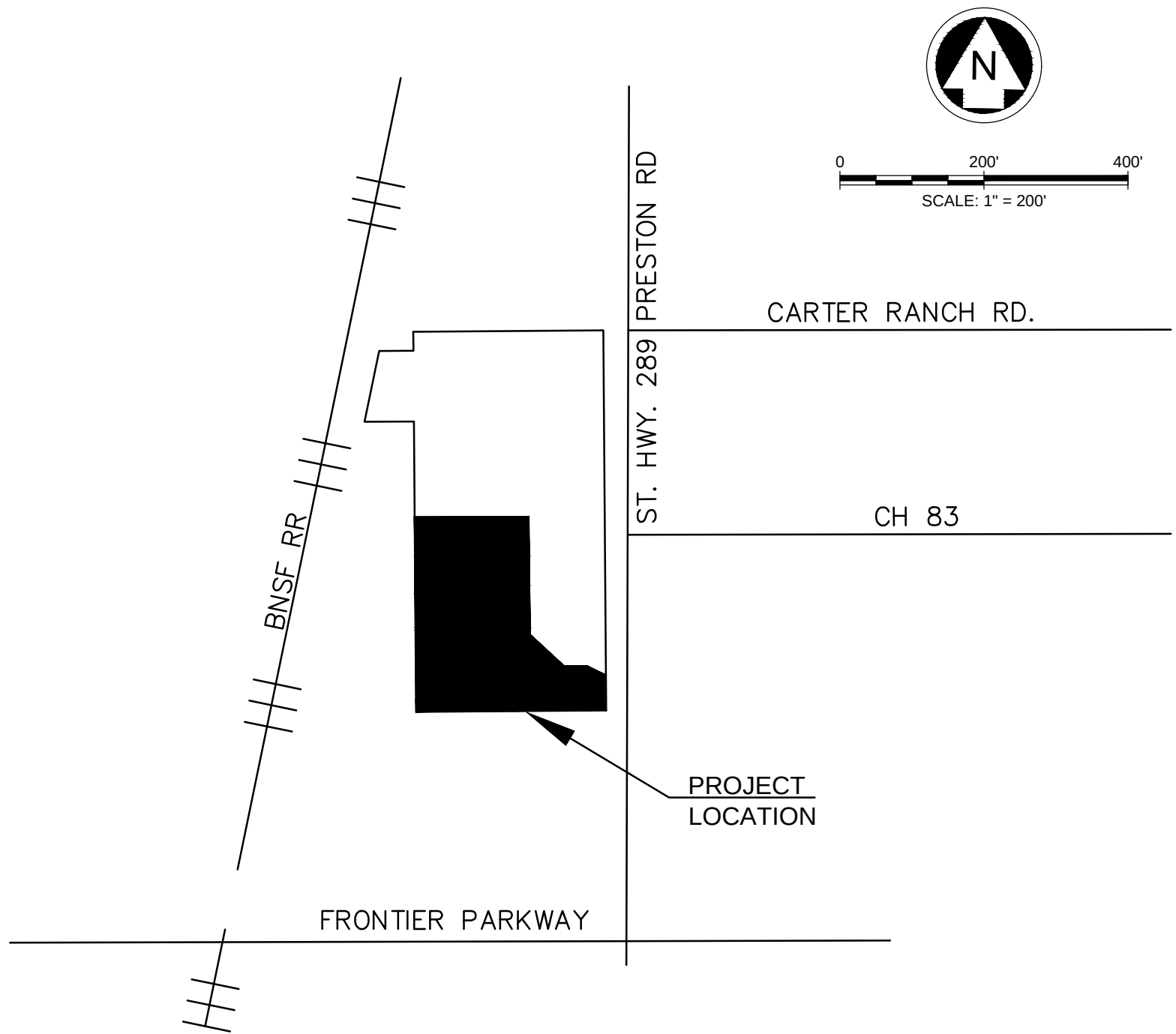
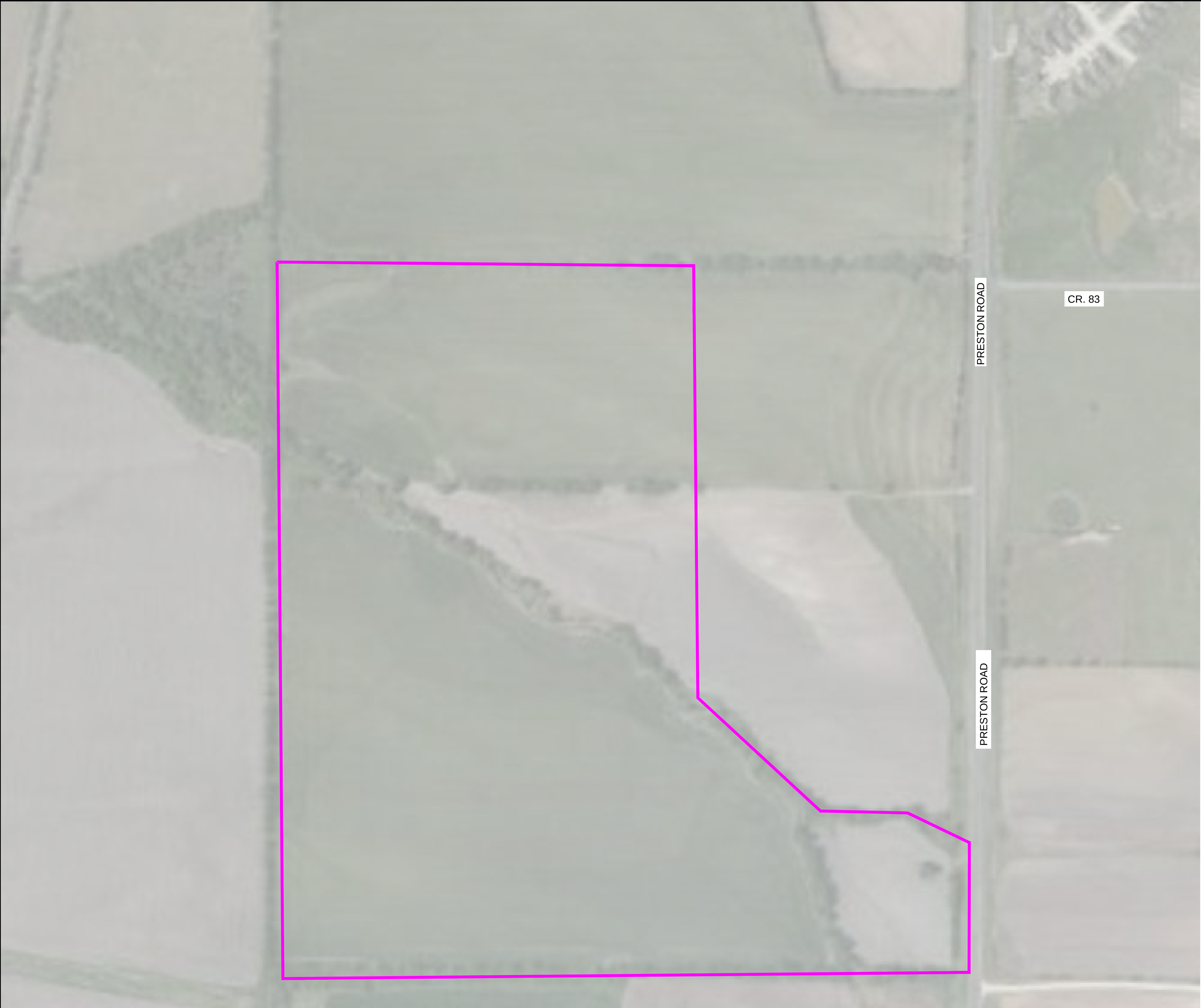
A BOUNDARY SURVEY OF
113.548 Acres
LAND SITUATED IN THE COLLIN COUNTY SCHOOL, LAND SURVEY
NO. 14, ABSTRACT NUMBER 167, COLLIN COUNTY, TEXAS

Revisions	
Job #	
Drawn By	
Checked By	
DWG	

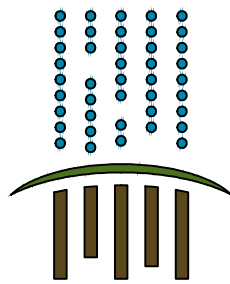
A BOUNDARY SURVEY OF
113.548 Acres
LAND SITUATED IN THE COLLIN COUNTY SCHOOL, LAND SURVEY
NO. 14, ABSTRACT NUMBER 167, COLLIN COUNTY, TEXAS

PELOTON
LAND SOLUTIONS
1000 JAMES EARL RAY BLVD. SUITE 100
FARMERSVILLE, TEXAS 75444

SHEET
1
OF 1 SHEETS

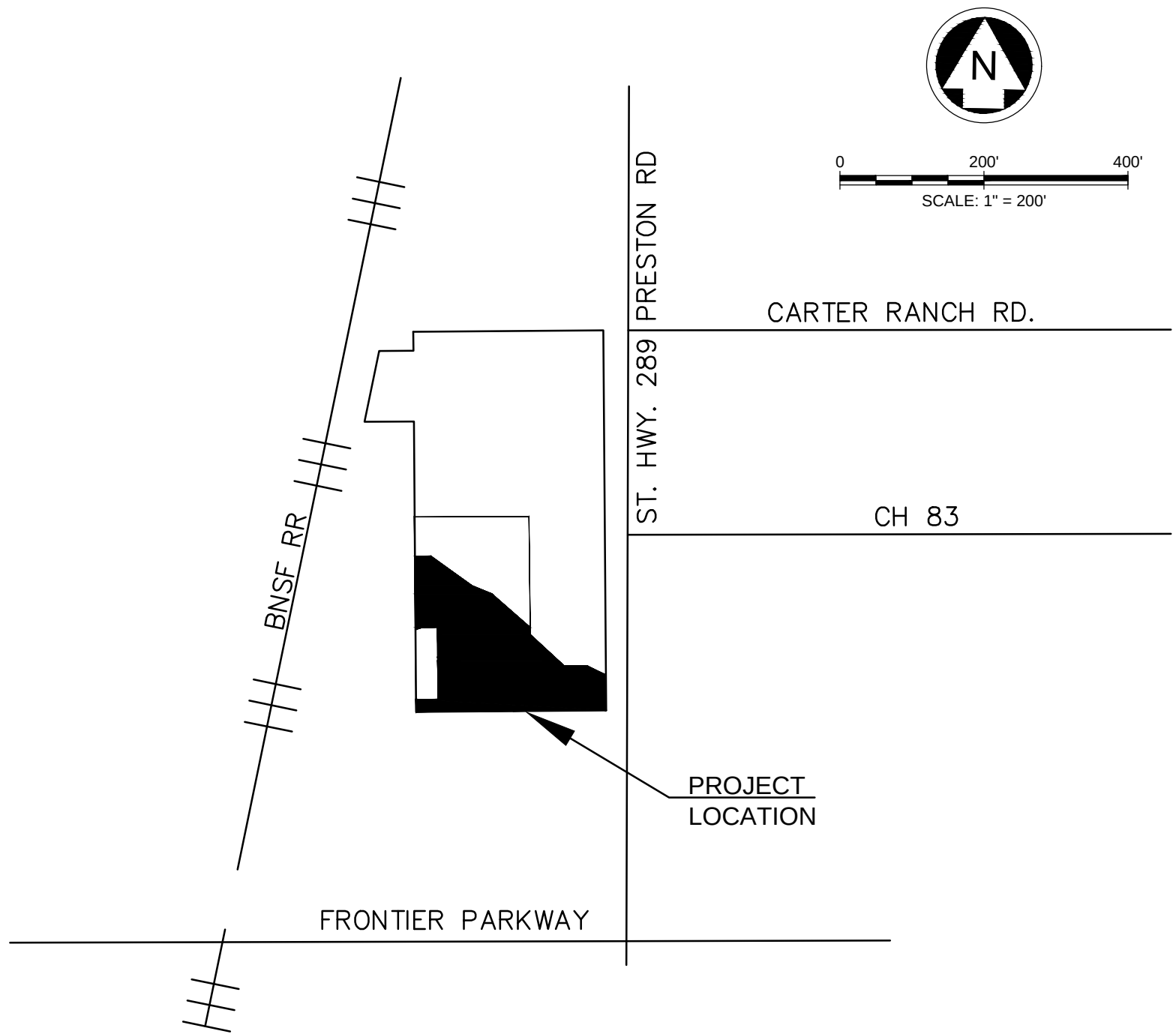
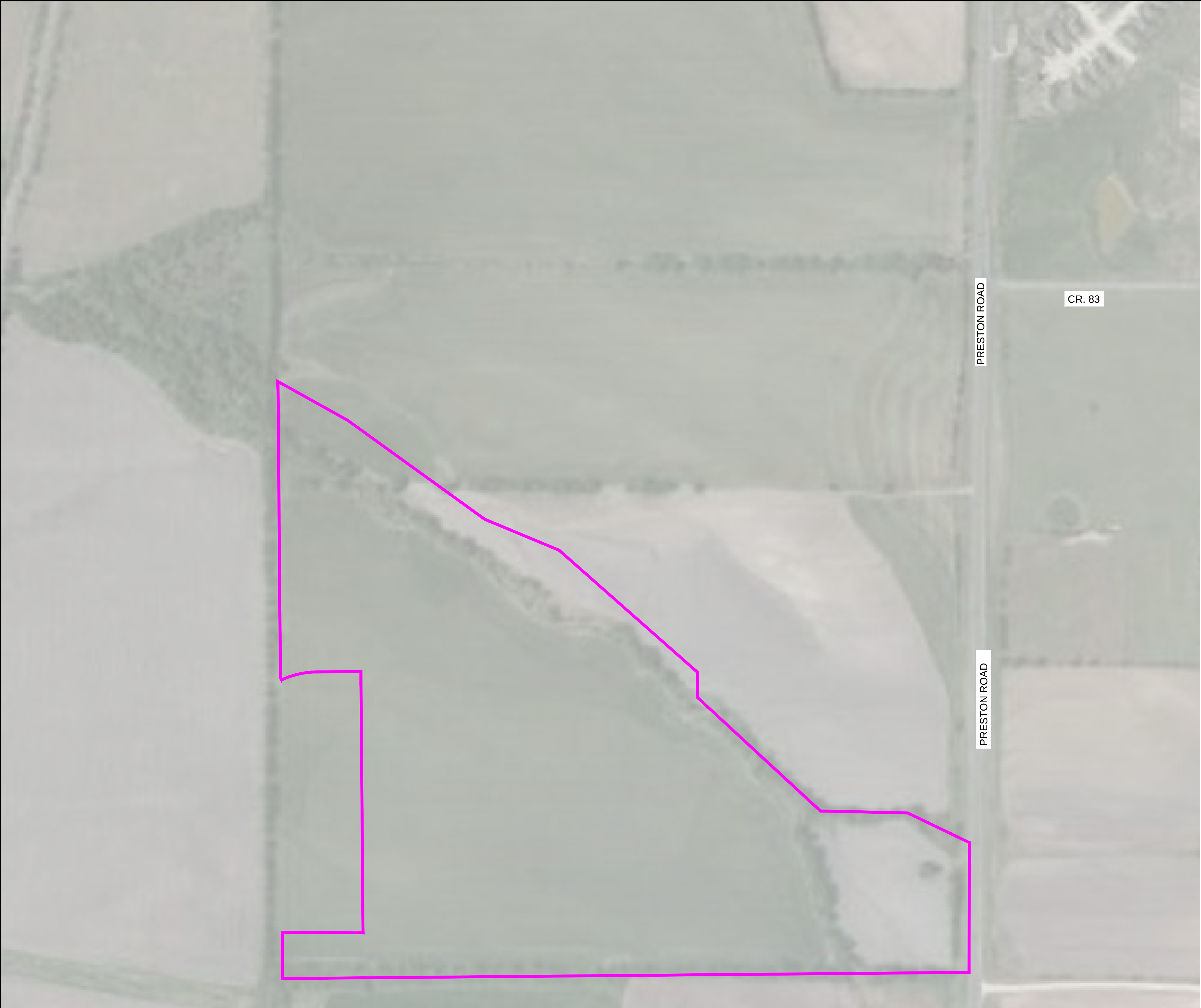


The Homestead at Ownsby Farms
Exhibit B
Depiction of Property
Celina, TX
May 2016

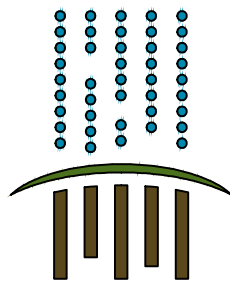


PELTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

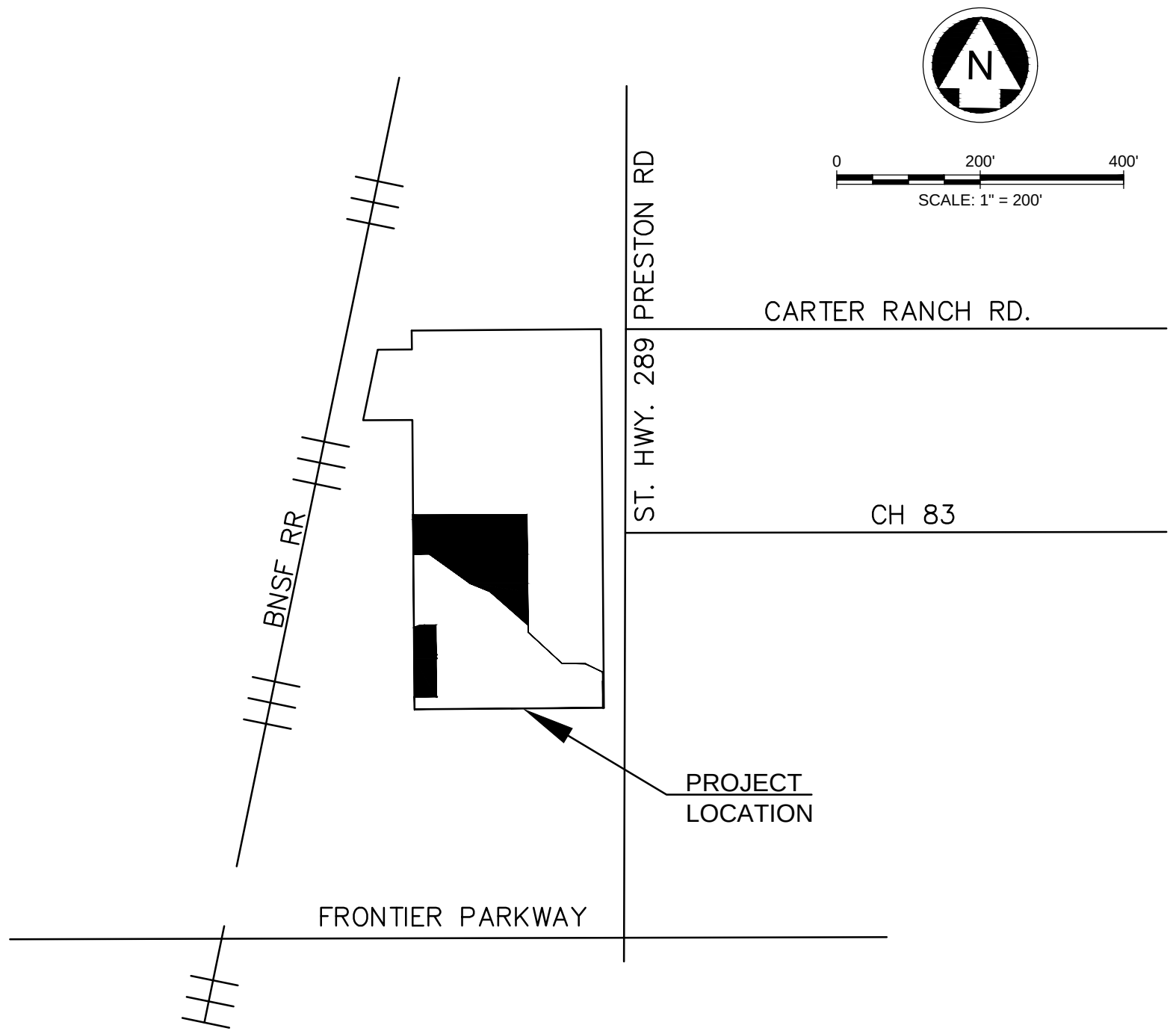
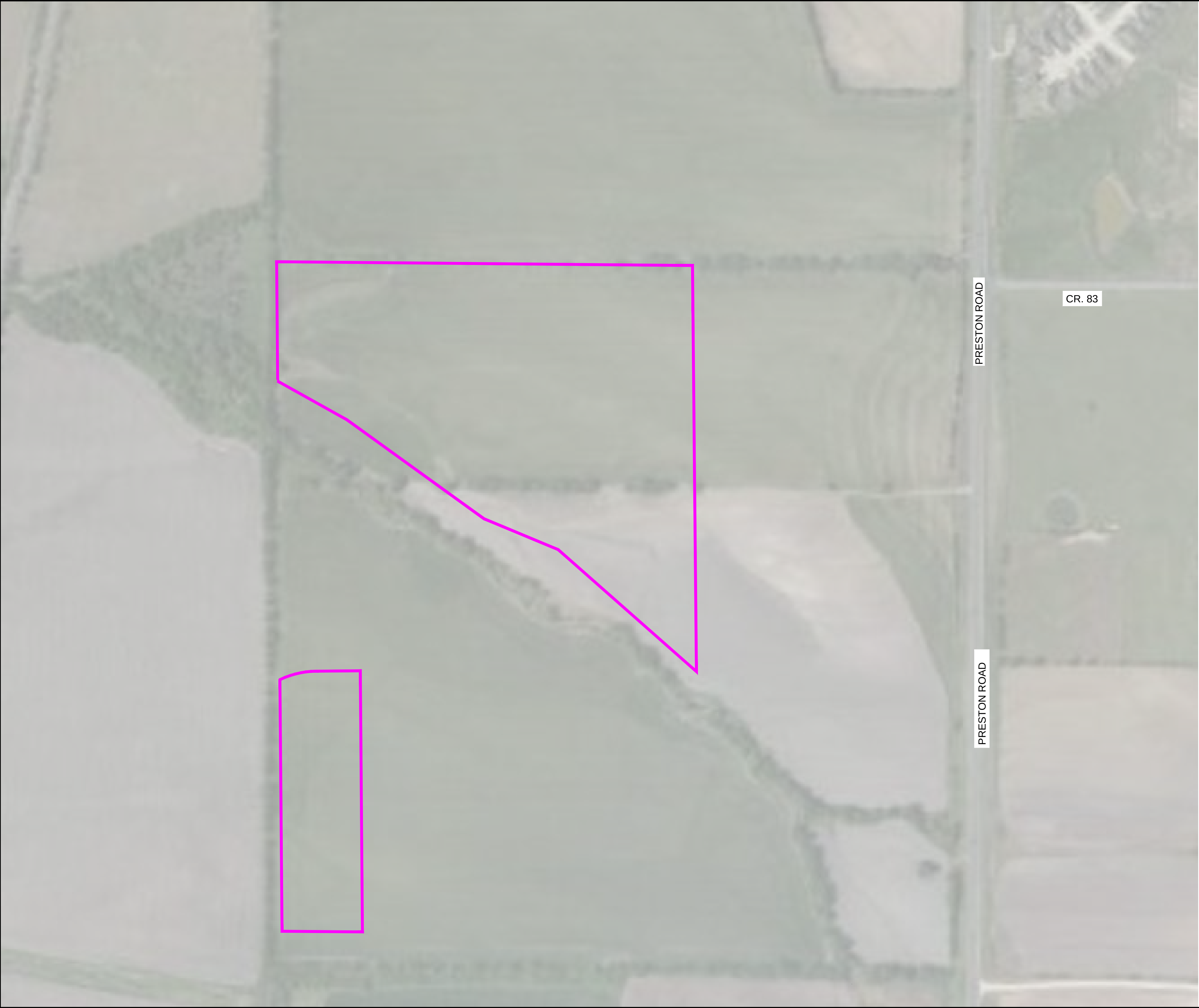


The Homestead at Ownsby Farms
Exhibit B-1
Depiction of Phase 1 of Property
Celina, TX
May 2016

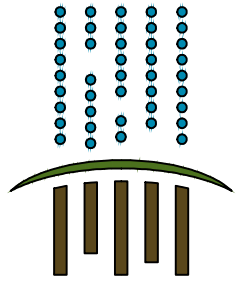


PELOTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207



The Homestead at Ownsby Farms
Exhibit B-2
Depiction of Phase 2 of Property
Celina, TX
May 2016



PELTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

Appendix B
AUTHORIZED IMPROVEMENT COSTS

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Owensby Farms PID
Estimated Authorized Improvement Costs - Phase #1

Description	Phase Direct Costs - PID	City Major Improvement Costs	Other Major Improvement Costs	Total PID Major Improvement Costs	Private Costs	Total Estimated Costs
Owensby Parkway (Turnlane) - Phase 1 Offsite	\$0	\$81,367	\$0	\$81,367	\$0	\$81,367
Owensby Parkway (90' ROW) - Phase 1 Offsite	\$0	\$284,069	\$0	\$284,069	\$0	\$284,069
Owensby Parkway (90' ROW) - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (90' ROW) - Phase 2 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (Roundabout) - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (60' ROW) - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
John Campbell Trail (Turnlane) - Phase 1 Offsite	\$72,073	\$0	\$0	\$0	\$0	\$72,073
John Campbell Trail - Phase 1 Onsite	\$0	\$311,220	\$1,609,892	\$1,921,112	\$0	\$1,921,112
Josephine Blvd - Phase 1 Onsite	\$0	\$10,218	\$52,858	\$63,076	\$0	\$63,076
Josephine Blvd - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Paving - Phase 1 Onsite	\$3,224,014	\$0	\$0	\$0	\$0	\$3,224,014
Paving - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Paving Drainage Easements	\$0	\$24,041	\$58,202	\$82,243	\$0	\$82,243
Paving Drainage Soft Costs	\$593,296	\$123,637	\$299,295	\$422,932	\$0	\$1,016,228
Paving Drainage Contingency	\$0	\$68,687	\$166,275	\$234,962	\$0	\$234,962
12" Sanitary Sewer - Phase 1 Offsite	\$0	\$245,477	\$0	\$245,477	\$0	\$245,477
12" Sanitary Sewer - Phase 1 Onsite	\$0	\$57,524	\$2,711	\$60,235	\$0	\$60,235
8" Sanitary Sewer - Phase 1 Onsite	\$573,299	\$0	\$0	\$0	\$0	\$573,299
8" Sanitary Sewer - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
18" Water - Phase 1 Onsite	\$0	\$39,937	\$46,694	\$86,631	\$0	\$86,631
18" Water - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
12" Water - Phase 2 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
12" Water - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
8" Water - Phase 1 Onsite	\$453,216	\$0	\$0	\$0	\$0	\$453,216
8" Water - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Water Sewer Easement Costs	\$0	\$12,003	\$1,729	\$13,732	\$0	\$13,732
Water Sewer Soft Costs	\$184,773	\$61,729	\$8,893	\$70,622	\$0	\$255,394
Water Sewer Contingency	\$0	\$34,294	\$4,941	\$39,234	\$0	\$39,234
SE Sector Sewer Cost Share	\$59,544	\$0	\$0	\$0	\$0	\$59,544
Light Farms Oversizing Cost Share	\$60,756	\$0	\$0	\$0	\$0	\$60,756
Bond Issuance Savings (Park Donation)	\$0	\$0	\$0	\$0	\$241,800	\$241,800
Flood Study	\$0	\$0	\$0	\$0	\$35,000	\$35,000
SWPPP	\$0	\$0	\$0	\$0	\$9,000	\$9,000
Final Platting Fee	\$0	\$0	\$0	\$0	\$5,880	\$5,880
Engineering Review	\$0	\$0	\$0	\$0	\$15,000	\$15,000
Waters of the US Assessment	\$0	\$0	\$0	\$0	\$4,000	\$4,000
Geotechnical Testing	\$0	\$0	\$0	\$0	\$191,360	\$191,360
Common Area Landscape/Hardscape	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000
Amenity Costs	\$0	\$0	\$0	\$0	\$1,800,000	\$1,800,000
BQ Fees	\$0	\$0	\$0	\$0	\$45,000	\$45,000
Thoroughfare and Park Fees	\$0	\$0	\$0	\$0	\$1,105,326	\$1,105,326
Total	\$5,220,970	\$1,354,202	\$2,251,490	\$3,605,692	\$5,952,366	\$14,779,029

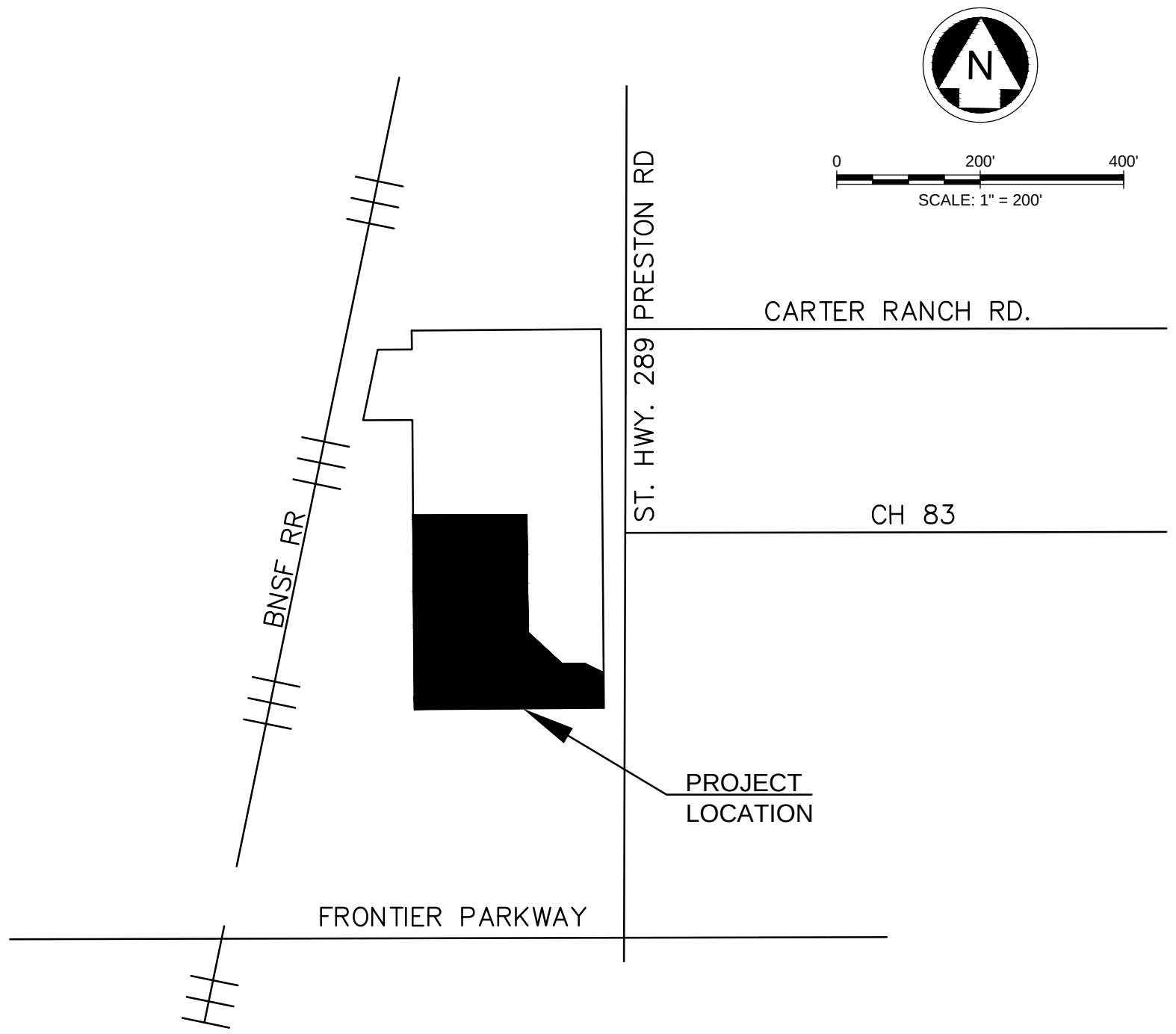
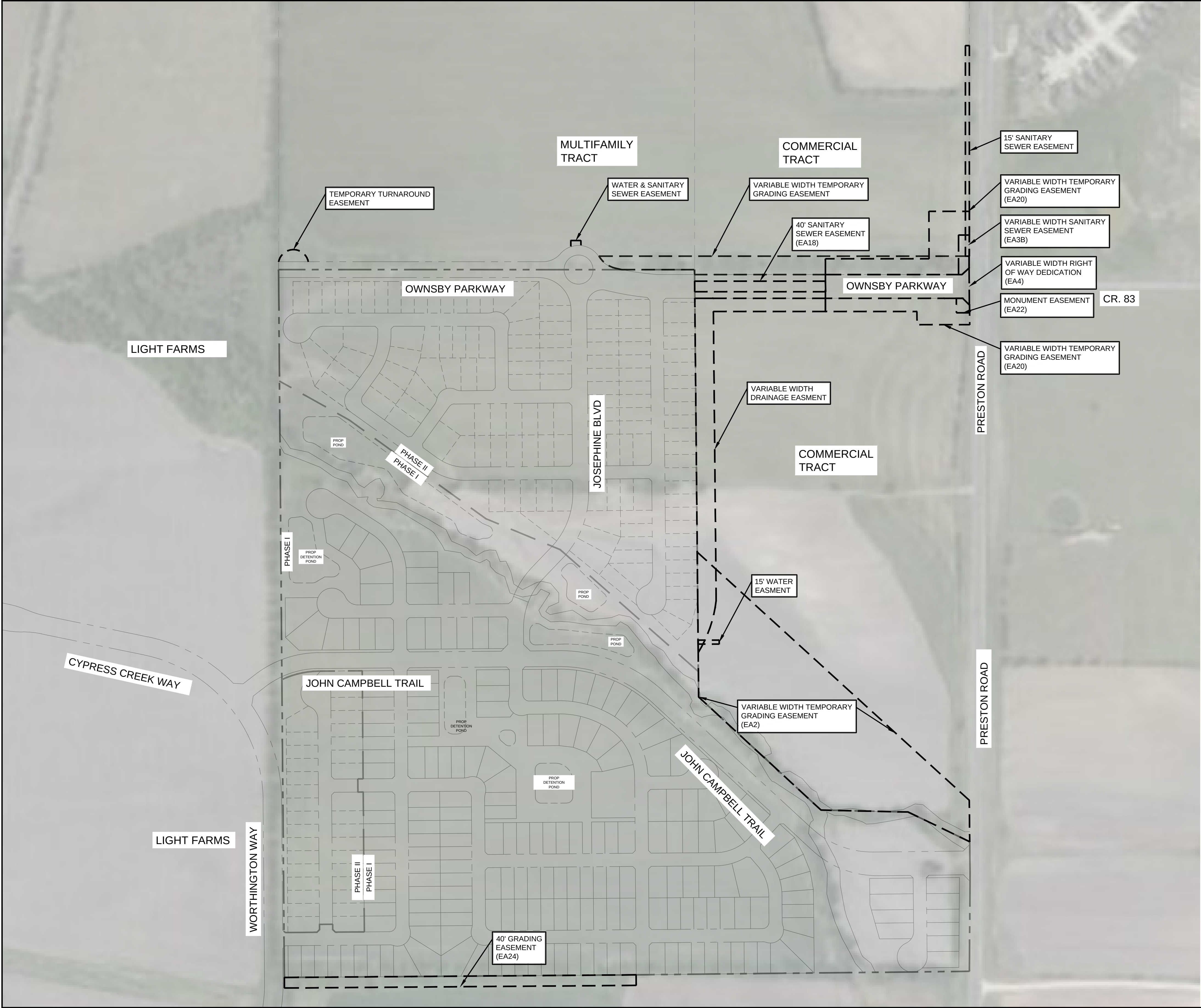
Owensby Farms PID
Estimated Authorized Improvement Costs - Phase #2
(For information and future reference purposes only)

Description	Phase Direct Costs - PID (for illustration only)	City Major Improvement Costs	Other Major Improvement Costs	Total PID Major Improvement Costs	Private Costs	Total Estimated Costs
Owensby Parkway (Turnlane) - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (90' ROW) - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (90' ROW) - Phase 2 Onsite	\$0	\$188,408	\$0	\$188,408	\$0	\$188,408
Owensby Parkway (90' ROW) - Phase 2 Offsite	\$0	\$74,418	\$74,417	\$148,835	\$0	\$148,835
Owensby Parkway (Roundabout) - Phase 2 Onsite	\$0	\$104,232	\$104,232	\$208,464	\$0	\$208,464
Owensby Parkway (60' ROW) - Phase 2 Onsite	\$0	\$1,092,359	\$0	\$1,092,359	\$0	\$1,092,359
John Campbell Trail (Turnlane) - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
John Campbell Trail - Phase 1 Onsite	\$0	\$312	-\$312	\$0	\$0	\$0
Josephine Blvd - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Josephine Blvd - Phase 2 Onsite	\$0	\$144,432	\$746,232	\$890,664	\$0	\$890,664
Paving - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Paving - Phase 2 Onsite	\$2,206,826	\$0	\$0	\$0	\$0	\$2,206,826
Paving Drainage Easements	\$72,239	\$56,146	\$32,354	\$88,500	\$0	\$160,739
Paving Drainage Soft Costs	\$397,229	\$288,751	\$166,421	\$455,172	\$0	\$852,401
Paving Drainage Contingency	\$220,683	\$160,417	\$92,456	\$252,873	\$0	\$473,556
12" Sanitary Sewer - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
12" Sanitary Sewer - Phase 1 Onsite	\$0	-\$12	\$12	\$0	\$0	\$0
8" Sanitary Sewer - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
8" Sanitary Sewer - Phase 2 Onsite	\$312,894	\$0	\$0	\$0	\$0	\$312,894
18" Water - Phase 1 Onsite	\$0	-\$10	\$10	\$0	\$0	\$0
18" Water - Phase 2 Onsite	\$0	\$53,190	\$62,216	\$115,406	\$0	\$115,406
12" Water - Phase 2 Offsite	\$0	\$7,388	\$0	\$7,388	\$0	\$7,388
12" Water - Phase 2 Onsite	\$0	\$7,583	\$19,425	\$27,008	\$0	\$27,008
8" Water - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
8" Water - Phase 2 Onsite	\$324,976	\$0	\$0	\$0	\$0	\$324,976
Water Sewer Easement Costs	\$22,325	\$2,385	\$2,858	\$5,243	\$0	\$27,568
Water Sewer Soft Costs	\$114,817	\$12,265	\$14,699	\$26,964	\$0	\$141,781
Water Sewer Contingency	\$63,787	\$6,814	\$8,166	\$14,980	\$0	\$78,767
SE Sector Sewer Cost Share	\$48,507	\$0	\$0	\$0	\$0	\$48,507
Light Farms Oversizing Cost Share	\$49,494	\$0	\$0	\$0	\$0	\$49,494
Bond Issuance Savings (Park Donation)	\$0	\$0	\$0	\$0	\$0	\$0
Flood Study	\$0	\$0	\$0	\$0	\$0	\$0
SWPPP	\$0	\$0	\$0	\$0	\$0	\$0
Final Platting Fee	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Review	\$0	\$0	\$0	\$0	\$0	\$0
Waters of the US Assessment	\$0	\$0	\$0	\$0	\$0	\$0
Geotechnical Testing	\$0	\$0	\$0	\$0	\$0	\$0
Common Area Landscape/Hardscape	\$0	\$0	\$0	\$0	\$0	\$0
Amenity Costs	\$0	\$0	\$0	\$0	\$0	\$0
BQ Fees	\$0	\$0	\$0	\$0	\$0	\$0
Thoroughfare and Park Fees	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$3,833,778	\$2,199,079	\$1,323,185	\$3,522,264	\$0	\$7,356,041

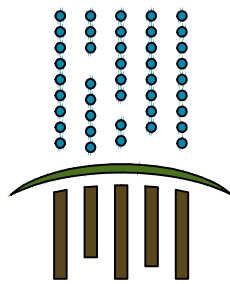
Owensby Farms PID
Estimated Authorized Improvement Costs - All Phases
(For information and future reference purposes only)

Description	Phase Direct Costs - PID	City Major Improvement Costs	Other Major Improvement Costs	Total PID Major Improvement Costs	Private Costs	Total Estimated Costs
Owensby Parkway (Turnlane) - Phase 1 Offsite	\$0	\$81,367	\$0	\$81,367	\$0	\$81,367
Owensby Parkway (90' ROW) - Phase 1 Offsite	\$0	\$284,069	\$0	\$284,069	\$0	\$284,069
Owensby Parkway (90' ROW) - Phase 2 Onsite	\$0	\$188,408	\$0	\$188,408	\$0	\$188,408
Owensby Parkway (90' ROW) - Phase 2 Offsite	\$0	\$74,418	\$74,417	\$148,835	\$0	\$148,835
Owensby Parkway (Roundabout) - Phase 2 Onsite	\$0	\$104,232	\$104,232	\$208,464	\$0	\$208,464
Owensby Parkway (60' ROW) - Phase 2 Onsite	\$0	\$1,092,359	\$0	\$1,092,359	\$0	\$1,092,359
John Campbell Trail (Turnlane) - Phase 1 Offsite	\$72,073	\$0	\$0	\$0	\$0	\$72,073
John Campbell Trail - Phase 1 Onsite	\$0	\$311,532	\$1,609,580	\$1,921,112	\$0	\$1,921,112
Josephine Blvd - Phase 1 Onsite	\$0	\$10,218	\$52,858	\$63,076	\$0	\$63,076
Josephine Blvd - Phase 2 Onsite	\$0	\$144,432	\$746,232	\$890,664	\$0	\$890,664
Paving - Phase 1 Onsite	\$3,224,014	\$0	\$0	\$0	\$0	\$3,224,014
Paving - Phase 2 Onsite	\$2,206,826	\$0	\$0	\$0	\$0	\$2,206,826
Paving Drainage Easements	\$72,239	\$80,187	\$90,556	\$170,743	\$0	\$242,982
Paving Drainage Soft Costs	\$990,525	\$412,388	\$465,716	\$878,104	\$0	\$1,868,629
Paving Drainage Contingency	\$220,683	\$229,104	\$258,731	\$487,835	\$0	\$708,518
12" Sanitary Sewer - Phase 1 Offsite	\$0	\$245,477	\$0	\$245,477	\$0	\$245,477
12" Sanitary Sewer - Phase 1 Onsite	\$0	\$57,512	\$2,723	\$60,235	\$0	\$60,235
8" Sanitary Sewer - Phase 1 Onsite	\$573,299	\$0	\$0	\$0	\$0	\$573,299
8" Sanitary Sewer - Phase 2 Onsite	\$312,894	\$0	\$0	\$0	\$0	\$312,894
18" Water - Phase 1 Onsite	\$0	\$39,927	\$46,704	\$86,631	\$0	\$86,631
18" Water - Phase 2 Onsite	\$0	\$53,190	\$62,216	\$115,406	\$0	\$115,406
12" Water - Phase 2 Offsite	\$0	\$7,388	\$0	\$7,388	\$0	\$7,388
12" Water - Phase 2 Onsite	\$0	\$7,583	\$19,425	\$27,008	\$0	\$27,008
8" Water - Phase 1 Onsite	\$453,216	\$0	\$0	\$0	\$0	\$453,216
8" Water - Phase 2 Onsite	\$324,976	\$0	\$0	\$0	\$0	\$324,976
Water Sewer Easement Costs	\$22,325	\$14,388	\$4,587	\$18,975	\$0	\$41,300
Water Sewer Soft Costs	\$299,590	\$73,994	\$23,592	\$97,586	\$0	\$397,176
Water Sewer Contingency	\$63,787	\$41,108	\$13,107	\$54,215	\$0	\$118,002
SE Sector Sewer Cost Share	\$108,051	\$0	\$0	\$0	\$0	\$108,051
Light Farms Oversizing Cost Share	\$110,250	\$0	\$0	\$0	\$0	\$110,250
Bond Issuance Savings (Park Donation)	\$0	\$0	\$0	\$0	\$241,800	\$241,800
Flood Study	\$0	\$0	\$0	\$0	\$35,000	\$35,000
SWPPP	\$0	\$0	\$0	\$0	\$9,000	\$9,000
Final Platting Fee	\$0	\$0	\$0	\$0	\$5,880	\$5,880
Engineering Review	\$0	\$0	\$0	\$0	\$15,000	\$15,000
Waters of the US Assessment	\$0	\$0	\$0	\$0	\$4,000	\$4,000
Geotechnical Testing	\$0	\$0	\$0	\$0	\$191,360	\$191,360
Common Area Landscape/Hardscape	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000
Amenity Costs	\$0	\$0	\$0	\$0	\$1,800,000	\$1,800,000
BQ Fees	\$0	\$0	\$0	\$0	\$45,000	\$45,000
Thoroughfare and Park Fees	\$0	\$0	\$0	\$0	\$1,105,326	\$1,105,326
Total	\$9,054,748	\$3,553,281	\$3,574,675	\$7,127,956	\$5,952,366	\$22,135,070

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



The Homestead at Ownsby Farms
Exhibit E
Depiction and Description of Off-Site Easements
Celina, TX
May 2016



PELTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

Appendix D

LOT TYPES AND EQUIVALENT UNITS

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Appendix D Lot Types and Equivalent Units

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two 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	60 Ft Lots	107 units
Lot Type 2	50 Ft Lots	265 units
Total		372 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
<u>Residential</u>		
Lot Type 1	60 Ft Lots	67 units
Lot Type 2	50 Ft Lots	138 units
Total		205 units

Table D-3 below shows the proposed residential Lot Types within Phase #2.

**Table D-3
Proposed Development – Phase #2**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	40 units
Lot Type 2	50 Ft Lots	127 units
Total		167 units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phases #1A Bonds and the PID Reimbursement Agreement shall be allocated to the

Draft

Phases #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units and the Actual Costs of the Phase #2 share of the Major Improvements to be financed with the Phases #2A Bonds and the PID Reimbursement Agreement shall be allocated to the Phases #2 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 #1 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., 60 Ft, 50 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 (60 Ft Lots) representing the highest value to Lot Type 2 (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 (60 Ft Lots) to 1.0.

Table D-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$375,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$312,500	0.83 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.

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Table D-5
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	67	1.00	67.00
Lot Type 2 (50 Ft Lot)	138	0.83	115.00
Total Equivalent Units	205		182.00

The total estimated Equivalent Units for Phase #2 are shown in Table D-6 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase #2.

Table D-6
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	40	1.00	40.00
Lot Type 2 (50 Ft Lot)	127	0.83	105.83
Total Equivalent Units	167		145.83

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Appendix E

ASSESSMENT ROLL – Phase #1 Assessed Property

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Appendix E
Phase #1 Assessment Roll

Parcel Assessment	All Parcels
Total Equivalent Units	\$5,721,000
	182.00

Year	Principal and Interest ¹	Principal and Interest ²	Administrative Expenses ³	Total Annual Installment ⁴
2017	\$223,250	\$69,080	\$40,000	\$332,330
2018	\$245,575	\$69,080	\$40,800	\$355,455
2019	\$320,575	\$89,080	\$41,616	\$451,271
2020	\$321,450	\$87,980	\$42,448	\$451,878
2021	\$322,050	\$86,880	\$43,297	\$452,227
2022	\$322,375	\$90,780	\$44,163	\$457,318
2023	\$322,425	\$89,405	\$45,046	\$456,876
2024	\$322,200	\$88,030	\$45,947	\$456,177
2025	\$316,700	\$86,655	\$46,866	\$450,221
2026	\$321,200	\$90,280	\$47,804	\$459,284
2027	\$320,150	\$88,630	\$48,760	\$457,540
2028	\$318,825	\$86,980	\$49,735	\$455,540
2029	\$317,225	\$90,330	\$50,730	\$458,285
2030	\$315,350	\$88,405	\$51,744	\$455,499
2031	\$313,200	\$91,480	\$52,779	\$457,459
2032	\$315,775	\$89,280	\$53,835	\$458,890
2033	\$312,800	\$87,080	\$54,911	\$454,791
2034	\$314,550	\$89,880	\$56,010	\$460,440
2035	\$310,750	\$87,405	\$57,130	\$455,285
2036	\$311,675	\$89,930	\$58,272	\$459,877
2037	\$312,050	\$87,180	\$59,438	\$458,668
2038	\$311,875	\$89,430	\$60,627	\$461,932
2039	\$311,150	\$91,405	\$61,839	\$464,394
2040	\$309,875	\$88,105	\$63,076	\$461,056
2041	\$308,050	\$89,805	\$64,337	\$462,192
2042	\$305,675	\$91,230	\$65,624	\$462,529
2043	\$302,750	\$87,380	\$66,937	\$457,067
2044	\$304,275	\$88,530	\$68,275	\$461,080
2045	\$299,975	\$89,405	\$69,641	\$459,021
2046	\$290,125	\$96,005	\$71,034	\$457,164
Total	9,243,900	\$2,635,125	\$1,622,723	\$13,501,748

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are estimated for the PID Reimbursement Agreement amount of \$1,256,000. The interest amounts shown are calculated based on an estimated interest rate of 5.5% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

Lot Type 1 (60' Lot)
\$31,434
1.00

Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2017	\$1,227	\$380	\$220	\$1,826
2018	\$1,349	\$380	\$224	\$1,953
2019	\$1,761	\$489	\$229	\$2,480
2020	\$1,766	\$483	\$233	\$2,483
2021	\$1,770	\$477	\$238	\$2,485
2022	\$1,771	\$499	\$243	\$2,513
2023	\$1,772	\$491	\$248	\$2,510
2024	\$1,770	\$484	\$252	\$2,506
2025	\$1,740	\$476	\$258	\$2,474
2026	\$1,765	\$496	\$263	\$2,524
2027	\$1,759	\$487	\$268	\$2,514
2028	\$1,752	\$478	\$273	\$2,503
2029	\$1,743	\$496	\$279	\$2,518
2030	\$1,733	\$486	\$284	\$2,503
2031	\$1,721	\$503	\$290	\$2,514
2032	\$1,735	\$491	\$296	\$2,521
2033	\$1,719	\$478	\$302	\$2,499
2034	\$1,728	\$494	\$308	\$2,530
2035	\$1,707	\$480	\$314	\$2,502
2036	\$1,713	\$494	\$320	\$2,527
2037	\$1,715	\$479	\$327	\$2,520
2038	\$1,714	\$491	\$333	\$2,538
2039	\$1,710	\$502	\$340	\$2,552
2040	\$1,703	\$484	\$347	\$2,533
2041	\$1,693	\$493	\$354	\$2,540
2042	\$1,680	\$501	\$361	\$2,541
2043	\$1,663	\$480	\$368	\$2,511
2044	\$1,672	\$486	\$375	\$2,533
2045	\$1,648	\$491	\$383	\$2,522
2046	\$1,594	\$528	\$390	\$2,512
Total	\$50,791	\$14,479	\$8,916	\$74,185

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are estimated for the PID Reimbursement Agreement amount of \$1,256,000. The interest amounts shown are calculated based on an estimated interest rate of 5.5% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

Lot Type 2 (50' Lot)
\$26,195
0.83

Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2017	\$1,022	\$316	\$183	\$1,522
2018	\$1,124	\$316	\$187	\$1,628
2019	\$1,468	\$408	\$191	\$2,066
2020	\$1,472	\$403	\$194	\$2,069
2021	\$1,475	\$398	\$198	\$2,071
2022	\$1,476	\$416	\$202	\$2,094
2023	\$1,476	\$409	\$206	\$2,092
2024	\$1,475	\$403	\$210	\$2,089
2025	\$1,450	\$397	\$215	\$2,061
2026	\$1,471	\$413	\$219	\$2,103
2027	\$1,466	\$406	\$223	\$2,095
2028	\$1,460	\$398	\$228	\$2,086
2029	\$1,452	\$414	\$232	\$2,098
2030	\$1,444	\$405	\$237	\$2,086
2031	\$1,434	\$419	\$242	\$2,095
2032	\$1,446	\$409	\$246	\$2,101
2033	\$1,432	\$399	\$251	\$2,082
2034	\$1,440	\$412	\$256	\$2,108
2035	\$1,423	\$400	\$262	\$2,085
2036	\$1,427	\$412	\$267	\$2,106
2037	\$1,429	\$399	\$272	\$2,100
2038	\$1,428	\$409	\$278	\$2,115
2039	\$1,425	\$419	\$283	\$2,126
2040	\$1,419	\$403	\$289	\$2,111
2041	\$1,410	\$411	\$295	\$2,116
2042	\$1,400	\$418	\$300	\$2,118
2043	\$1,386	\$400	\$306	\$2,093
2044	\$1,393	\$405	\$313	\$2,111
2045	\$1,374	\$409	\$319	\$2,102
2046	\$1,328	\$440	\$325	\$2,093
Total	42,326	\$12,066	\$7,430	\$61,821

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are estimated for the PID Reimbursement Agreement amount of \$1,256,000. The interest amounts shown are calculated based on an estimated interest rate of 5.5% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Appendix F

ASSESSMENT ROLL – Phase #2 Assessed Property

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

Appendix F
Phase #2 Major Improvements Assessment Roll

Parcel Assessment	All Parcels
	\$1,765,000
Total Equivalent Units	145.83

Year	Principal and Interest ¹	Administrative	Total Annual
		Expenses ²	Installment ³
2017	\$97,075	\$20,000	\$117,075
2018	\$105,900	\$20,400	\$126,300
2019	\$135,900	\$20,808	\$156,708
2020	\$134,100	\$21,224	\$155,324
2021	\$132,300	\$21,649	\$153,949
2022	\$135,500	\$22,082	\$157,582
2023	\$133,400	\$22,523	\$155,923
2024	\$131,300	\$22,974	\$154,274
2025	\$134,200	\$23,433	\$157,633
2026	\$131,800	\$23,902	\$155,702
2027	\$134,400	\$24,380	\$158,780
2028	\$131,700	\$24,867	\$156,567
2029	\$134,000	\$25,365	\$159,365
2030	\$131,000	\$25,872	\$156,872
2031	\$133,000	\$26,390	\$159,390
2032	\$129,700	\$26,917	\$156,617
2033	\$131,400	\$27,456	\$158,856
2034	\$127,800	\$28,005	\$155,805
2035	\$129,200	\$28,565	\$157,765
2036	\$130,300	\$29,136	\$159,436
2037	\$131,100	\$29,719	\$160,819
2038	\$126,600	\$30,313	\$156,913
2039	\$127,100	\$30,920	\$158,020
2040	\$127,300	\$31,538	\$158,838
2041	\$127,200	\$32,169	\$159,369
2042	\$126,800	\$32,812	\$159,612
2043	\$126,100	\$33,468	\$159,568
2044	\$125,100	\$34,138	\$159,238
2045	\$123,800	\$34,820	\$158,620
2046	\$127,200	\$35,517	\$162,717
Total	3,852,275	\$811,362	\$4,663,637

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5.5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Update.

3 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1904 : Ownsby Phase I SAP & Levy Ordinance)

ORDINANCE NO. 2017-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND PHASE #1 ASSESSMENT ROLL FOR OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN PHASE #1 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE PHASE #1 ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on March 26, 2015, 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 within the City; 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 Collin Central Appraisal District and the signatures of the property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, on June 9, 2015, 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 Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2015-26R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Ownsby Farms Public Improvement District (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; 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; and

WHEREAS, on December 19, 2016, the Council adopted a resolution approving the preliminary service and assessment plan, including proposed assessment rolls; calling for a public hearing to consider an ordinance levying assessments on property within Phase #1 of the District (the "Phase #1 Assessments"); authorizing and directing the City Secretary of the City to file the proposed assessment rolls and make such rolls available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the levying of the Phase #1 Assessments against the property within the District (the "Levy and Assessment Hearing");

authorizing and directing the mailing of notice of the Levy and Assessment Hearing to owners of property liable for assessment; and directing related action; and

WHEREAS, on December 19, 2016, the City Secretary filed the Phase #1 Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on December 23, 2016 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 #1 Assessments; and

WHEREAS, the City Council opened the Levy and Assessment Hearing on January 10, 2017, and recessed the hearing until January 17, 2017, at which time the City Council continued the hearing, and at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Phase #1 Assessment Roll, and the proposed Phase #1 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #1 Assessments, the allocation of the Actual Costs of the Authorized Improvements to be undertaken for the benefit of Phase #1 of the District (the "Phase #1 Improvements"), the purposes of the Phase #1 Assessments, the special benefits of the Phase #1 Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #1 Assessments; and

WHEREAS, the City Council finds and determines that the Phase #1 Assessment Roll and the Ownsby Farms Public Improvement District Service and Assessment Plan, dated December 28, 2016 in a form substantially similar to the attached **Exhibit A**, which final form shall be approved by the Interim City Manager and the City's land use attorney prior to execution (the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Phase #1 Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Phase #1 Assessment Roll attached thereto as Appendix E (the "Phase #1 Assessment Roll"); and

WHEREAS, the City Council further finds that there were no objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Authorized Improvements as described in the Service and Assessment Plan, which Public Improvements include the Phase #1 Improvements, the Phase #1 Assessment Roll, and the levy of the Phase #1 Assessments; and

WHEREAS, prior to the issuance of bonds secured by the Phase #1 Assessments, the owners (the "Landowners" or the "Assessed Parties"), or their representatives, of the majority of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, appeared at the public hearing and stated they approve and accept the Service and Assessment Plan, approve the Phase #1 Assessment Roll, approve this Ordinance and approve the levy of the Phase #1 Assessments against their property located

within the District, agree to pay the Phase #1 Assessments when due and payable and requested that the City file the Service and Assessment Plan and/or the assessment roll with the real property records of Collin County; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, 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 Actual Costs of the Phase #1 Improvements (as reflected in the Service and Assessment Plan, and the Administrative Expenses pursuant to 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 #1 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 Authorized Improvements;

(c) The Service and Assessment Plan apportions the Actual Cost(s) of a Phase #1 Improvements to be assessed against the property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the Phase #1 Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Phase #1 Assessment Roll will be benefited by the Phase #1 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 #1 Assessments and will receive special benefits during the term of the Phase #1 Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Phase #1 Improvements and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Phase #1 Improvements and

Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual 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 #1 Assessment Roll should be approved as the Phase #1 Assessment Roll for the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Phase #1 Assessments, interest on Annual Installments, interest and penalties on delinquent Phase #1 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Phase #1 Assessments should be approved and will expedite collection of the Phase #1 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 #1 Assessment Roll.

The Phase #1 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Phase #1 Assessment Roll of the District.

Section 5. Levy and Payment of Phase #1 Assessments for Costs of the Phase #1 Improvements.

(a) The City Council hereby levies an assessment on each Parcel of property (excluding Non-Benefitted Property) located within Phase #1 of the District, as shown and described in the Service and Assessment Plan and the Phase #1 Assessment Roll, in the respective amounts shown on the Phase #1 Assessment Roll as a special assessment on the properties set forth in the Phase #1 Assessment Roll.

(b) The levy of the Phase #1 Assessments shall be effective on the date of execution of this Ordinance levying Phase #1 Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Phase #1 Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Phase #1 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 #1 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 Phase #1 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 Actual Costs of the Phase #1 Improvements and Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Phase #1 Assessments.

Delinquent Phase #1 Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. Prepayments of Phase #1 Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Phase #1 Assessed Property may prepay the Phase #1 Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the Landowners intend for the obligations, covenants and burdens on the landowners of Phase #1 Assessed Property, including without limitation such Landowners' obligations related to payment of the Phase #1 Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Phase #1 Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of Phase #1 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. Phase #1 Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Administrator and Collector of Assessments.

(a) **Appointment of Administrator.**

MuniCap, Inc., is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of Phase #1 Assessments levied by this Ordinance. The

Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. 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 #1 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 Collin County Tax Assessor and Collector, or another qualified collection agent 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 #1 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/or the Phase #1 Assessment Roll, to be recorded in the real property records of Collin 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 #1 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof. However, the Service and Assessment Plan and this Ordinance shall automatically terminate if bonds secured by the Phase #1 Assessments are not issued by the City on or before June 1, 2017.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

PASSED AND ADOPTED, this January 17, 2017.

CITY OF CELINA, TEXAS

Mayor Pro-Tem

ATTEST:

City Secretary

(City Seal)

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of January, 2017 by Chad Anderson and Vicki Faulkner, Mayor Pro-Tem and Secretary, respectively, of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Assessment Ordinance (002) mrf clean (1904 : Ownsby Phase I SAP & Levy

EXHIBIT A

Service and Assessment Plan

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Assessment Ordinance (002) mrf clean (1904 : Ownsby Phase I SAP & Levy



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 Date: January 17, 2017
 Re: Ownsby Farms Public Improvement District - Ordinance Accepting and Approving Service and Assessment Plan & the Phase II Major Improvement Assessment Roll

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, accepting and approving a Service and Assessment Plan and the Phase #2 Major Improvement Assessment Roll for Ownsby Farms Public Improvement District; making a finding of Special Benefit to the property in the District, levying special assessments against property within the District and establishing a lien on such property; providing for payment of the Phase #2 Major Improvement Assessments, in accordance with Chapter 372, Texas Local Government Code, as amended; providing a method of assessment and the payment of Phase #2 Major Improvement Assessments, and providing penalties and interest on delinquent assessments. (Ownsby Farms) (Petty)

Background Information:

In the sale of PID Bonds for the Ownsby Public Improvement District, the Council, Staff and Consultants have already reviewed and approved a Preliminary Service and Assessment Plan. This SAP attached here is the same from your December 13th approval since the Final SAP will not be available until the bonds are priced. Bond pricing is anticipated to be on the morning of the January 17th meeting, since the markets are closed for the 16th Federal holiday. That will mean that the Final SAP will not be available to you or Staff until the afternoon of the 17th. You will be given the final document at your meeting, and Staff and Consultants will review.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Bond Counsel, FA, Attorneys and District Consultants will review prior to your approval.

Supporting Documents:

Preliminary SAP

Staff Recommendation:

ORDINANCE NO. 2017-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND PHASE #2 MAJOR IMPROVEMENT ASSESSMENT ROLL FOR OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN PHASE #2 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE PHASE #2 MAJOR IMPROVEMENT ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on March 26, 2015, 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 within the City; 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 Collin Central Appraisal District and the signatures of the property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, on June 9, 2015, 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 Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2015-26R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Ownsby Farms Public Improvement District (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; 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; and

WHEREAS, on December 19, 2016, the Council adopted a resolution approving the preliminary service and assessment plan, including proposed assessment rolls; calling for a public hearing to consider an ordinance levying assessments on property within Phase #2 of the District (the "Phase #2 Major Improvement Assessments"); authorizing and directing the City Secretary of the City to file the proposed assessment rolls and make such rolls available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the

levying of the Phase #2 Major Improvement Assessments against the property within the District (the "Levy and Assessment Hearing"); authorizing and directing the mailing of notice of the Levy and Assessment Hearing to owners of property liable for assessment; and directing related action; and

WHEREAS, on December 19, 2016, the City Secretary filed the Phase #2 Major Improvement Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on December 23, 2016 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 #2 Major Improvement Assessments; and

WHEREAS, the City Council opened the Levy and Assessment Hearing on January 10, 2017, and recessed the hearing until January 17, 2017, at which time the City Council continued the hearing, and at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Phase #2 Major Improvement Assessment Roll, and the proposed Phase #2 Major Improvement Assessments, and to offer testimony pertinent to any issue presented on the amount of the Phase #2 Major Improvement Assessments, the allocation of the Actual Costs of the Authorized Improvements to be undertaken for the benefit of Phase #2 of the District (the "Phase #2 Major Improvements"), the purposes of the Phase #2 Major Improvement Assessments, the special benefits of the Phase #2 Major Improvement Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Phase #2 Major Improvement Assessments; and

WHEREAS, the City Council finds and determines that the Phase #2 Major Improvement Assessment Roll and the Ownsby Farms Public Improvement District Service and Assessment Plan, dated December 28, 2016 in a form substantially similar to the attached **Exhibit A**, which final form shall be approved by the Interim City Manager and the City's land use attorney prior to execution (the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Phase #2 Major Improvement Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Phase #2 Major Improvement Assessment Roll attached thereto as Appendix F (the "Phase #2 Major Improvement Assessment Roll"); and

WHEREAS, the City Council further finds that there were no objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Authorized Improvements as described in the Service and Assessment Plan, which Public Improvements include the Phase #2 Major Improvements, the Phase #2 Major Improvement Assessment Roll, and the levy of the Phase #2 Major Improvement Assessments; and

WHEREAS, prior to the issuance of bonds secured by the Phase #2 Major Improvement Assessments, the owners (the “Landowners” or the “Assessed Parties”), or their representatives, of the majority of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, appeared at the public hearing and stated they approve and accept the Service and Assessment Plan, approve the Phase #2 Major Improvement Assessment Roll, approve this Ordinance and approve the levy of the Phase #2 Major Improvement Assessments against their property located within the District, agree to pay the Phase #2 Major Improvement Assessments when due and payable and requested that the City file the Service and Assessment Plan and/or the assessment roll with the real property records of Collin County; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, 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 Actual Costs of the Phase #2 Major Improvements (as reflected in the Service and Assessment Plan, and the Administrative Expenses pursuant to 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 #2 Major 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 Authorized Improvements;

(c) The Service and Assessment Plan apportions the Actual Cost(s) of a Phase #2 Major Improvements to be assessed against the property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the Phase #2 Major Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Phase #2 Major Improvement Assessment Roll will be benefited by

the Phase #2 Major 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 #2 Major Improvement Assessments and will receive special benefits during the term of the Phase #2 Major Improvement Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Phase #2 Major Improvements and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Phase #2 Major Improvements and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual 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 #2 Major Improvement Assessment Roll should be approved as the Phase #2 Major Improvement Assessment Roll for the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Phase #2 Major Improvement Assessments, interest on Annual Installments, interest and penalties on delinquent Phase #2 Major Improvement Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Phase #2 Major Improvement Assessments should be approved and will expedite collection of the Phase #2 Major Improvement 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 #2 Major Improvement Assessment Roll.

The Phase #2 Major Improvement Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Phase #2 Major Improvement Assessment Roll of the District.

Section 5. Levy and Payment of Phase #2 Major Improvement Assessments for Costs of the Phase #2 Major Improvements.

(a) The City Council hereby levies an assessment on each Parcel of property (excluding Non-Benefitted Property) located within Phase #2 of the District, as shown and described in the Service and Assessment Plan and the Phase #2 Major Improvement Assessment Roll, in the respective amounts shown on the Phase #2 Major Improvement Assessment Roll as a special assessment on the properties set forth in the Phase #2 Major Improvement Assessment Roll.

(b) The levy of the Phase #2 Major Improvement Assessments shall be effective on the date of execution of this Ordinance levying Phase #2 Major Improvement Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Phase #2 Major Improvement Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Phase #2 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 #2 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 Phase #2 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 Actual Costs of the Phase #2 Major Improvements and Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Phase #2 Major Improvement Assessments.

Delinquent Phase #2 Major Improvement Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. Prepayments of Phase #2 Major Improvement Assessments.

As provided in Section VI of the Service and Assessment Plan, the owner of any Phase #2 Assessed Property may prepay the Phase #2 Major Improvement Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the Landowners intend for the obligations, covenants and burdens on the landowners of Phase #2 Assessed Property, including without limitation such Landowners' obligations related to payment of the Phase #2 Major Improvement Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Phase #2 Major Improvement Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of Phase #2 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. Phase #2 Major Improvement Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Administrator and Collector of Assessments.

(a) **Appointment of Administrator.**

MuniCap, Inc., is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of Phase #2 Major Improvement Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. 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 #2 Major Improvement 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 Collin County Tax Assessor and Collector, or another qualified collection agent 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 #2 Major Improvement 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/or the Phase #2 Major Improvement Assessment Roll, to be recorded in the real property records of Collin 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 #2 Major Improvement Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof. However, the Service and Assessment Plan and this Ordinance shall automatically terminate if bonds secured by the Phase #2 Major Improvement Assessments are not issued by the City on or before June 1, 2017.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

PASSED AND ADOPTED, this January 17, 2017.

CITY OF CELINA, TEXAS

Mayor Pro-Tem

ATTEST:

City Secretary

(City Seal)

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of January, 2017 by Chad Anderson and Vicki Faulkner, Mayor Pro-Tem and Secretary, respectively, of the City of Celina, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

EXHIBIT A

Service and Assessment Plan

Draft

OWNSBY FARMS
PUBLIC IMPROVEMENT DISTRICT
SERVICE AND ASSESSMENT PLAN

DECEMBER 28, 2016

Draft

OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On June 9, 2015 (the “Creation Date”) the City Council (the “City Council”) of the City of Celina, Texas (the “City”) passed and approved Resolution No. 2015-26R approving and authorizing the creation of the Ownsby Farms Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district (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 two phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed 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. This Ownsby Farms Public Improvement District Preliminary 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 in this Service and Assessment Plan. The Assessments as shown on the 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 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. 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 may 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.

“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) issuing, 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.

“Administrator” means the employee or designee of the City, identified in any indenture of trust

relating to a series of Bonds or identified in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“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 E and Appendix F, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Administrative Expenses, (iii) the prepayment reserve described in Section V.F. of this Service and Assessment Plan, and (iv) the delinquency reserve described in Section V.H. 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 any property that benefits from the Authorized Improvements within 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 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 amounts collected to pay Administrative Expenses and interest on all Assessments.

“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” or **“Assessment Rolls”** means collectively or separately, as applicable, the Phase #1 Assessment Roll included in this SAP as Appendix E, the Phase #2 Major Improvements Assessment Roll included in this SAP as Appendix F or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this SAP and in the PID Act.

“Authorized Improvements” mean 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” 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 for financing the Authorized Improvements, including the Phase #1 Bonds, the Phase #2 Major Improvement Bonds and the Phased PID Bonds, in one or

more series and secured in whole or in part by the Assessment Revenues.

“Budgeted Cost(s)” means the amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“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, which may be in segments or sections.

“City” means the City of Celina, Texas.

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

“City Major Improvements” means the additional public improvements to be constructed as part of the agreement between the City and the Developer under the Development Agreement as discussed in Section III.B.

“County” means Collin County, Texas.

“Delinquency Reserve” has the meaning set forth in Section V.G. of this Service and Assessment Plan.

“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 CADG Ownsby Farms, LLC, a Texas limited liability company and its successors and assigns.

“Development Agreement” means that certain Development Agreement relating to the PID executed by and between the Developer and the City effective July 19, 2016, as the same may be amended from time to time.

“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” means a homeowners’ association or property owners’ association established for the benefit of property owners within the PID.

“Homeowners’ Association Special Assessment Allocation” means 1% of the total Assessment that will be reallocated to cover the benefit received by the Homeowner’s Association from the Authorized Improvements benefitting the Homeowner Association Property once the Homeowner Association is created within the PID.

“Homeowner Association Property” or **“HOA Property”** means property within the PID

owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a Homeowners' Association established for the benefit of a group of homeowners or property owners.

“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 such on the Assessment Roll, being lots typically with approximately 7,200 square feet size and a lot width of 60 feet, which may be referred to as such in the Planned Development District.

“Lot Type 2” means lots identified as such on the Assessment Roll, being lots typically with approximately 6,000 square feet size and a lot width of 50 feet, which may be referred to as such in the Planned Development District.

“Major Improvements” means the Authorized Improvements that will benefit all Assessed Property in the PID as described in Section III.B.

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including 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.D.

“Other Major Improvements” means the Major Improvements other than City Major Improvements as described in Section III.B.

“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 official public records for real property in 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 within the PID, identified as “Phase #1” and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix E.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property and shown on 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 E, 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 (defined in Section IV.A.) and the Phase #1B Bonds [defined in Section IV.A.], if any, to be issued by the City to finance the Phase #1 Improvements.

“Phase #1 Improvements” mean the Authorized Improvements which only benefit Phase #1 Assessed Property and the portion of the Major Improvements required to be constructed for Phase #1 as described in Section III.B.

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

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

“Phase #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 #1 Improvements.

“Phase #2 Major Improvement Bonds” mean collectively the Phase #2 Major Improvement Bonds (defined in Section IV.A.) to be issued by the City to finance a portion of the Phase #2 Major Improvements.

“Phase #2 Major Improvements” mean the portion of the Major Improvements required to be constructed for Phase #2 as described in Section III.B.

“Phase #2 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.

“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, other than Non-Benefited Property, located within the respective Phase.

“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.

“PID Reimbursement Agreement” means that certain Ownsby Farms Public Improvement District Phase #1 Reimbursement Agreement, dated _____, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Phase #1 Improvements and the City agrees to reimburse the Developer for a portion of such Actual Costs of the Phase #1 Improvements funded by the Developer with interest as permitted by the PID Act.

“Planned Development District” means the zoning classification established as PD – Planned Development District #39 pursuant to Ordinance No 2015-14 adopted by the City Council designating the zoning and development standards.

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

“Prepayment Reserve” has the meaning set forth in Section V.F. of this Service and Assessment Plan.

“Public Property” means 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 or political subdivision, whether in fee simple or through an exclusive use easement.

“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. 7” means the Tax Increment Reinvestment Zone No. 7, City of Celina, Texas.

“TIRZ Annual Credit Amount” means, for each Parcel, such Parcel’s prorated amount of TIRZ Revenues calculated pursuant to Section VI.A. 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 certain public improvements as provided for in the Tax Increment Reinvestment Zone No. Seven 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. 7 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.A. 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 a Trust Indenture, including a substitute fiscal agent or trustee.

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Section II PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the City and contains approximately 113.5 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 372 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (372) 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 – 60 Feet	107	units
Single Family Residential – 50 Feet	265	units
Total	372	units

B. Property Included in Phase #1

Phase #1 consists of approximately 72.85 acres and is projected to consist of 205 single family residential units as further described in Section III. A map of the property within Phase #1 and Phase #2 and depicting the boundaries of each proposed Phase is shown in Appendix A.

C. Property Included in Phase #2

Phase #2 consists of approximately 40.7 acres and is projected to consist of approximately 167 residential units. As Phase #2 is developed, additional Phased PID Bonds may be issued. 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 Phase #2. A map of the projected property within each Phase is shown in Appendix A.

The estimated number of units at the build-out of the PID is based on the land use approvals 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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Section 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; and
 - (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

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After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed as the Major Improvements and Phase #1 Improvements in Section III.B. below and described in Appendix B and shown on the diagram included as Appendix C for the benefit of the Phase #1 Assessed Property and the Phase #2 Assessed Property. Any change to the list of Authorized Improvements, including any improvements for Phase #2, will require the approval of the City and an update to this Service and Assessment Plan.

B. Description of the Authorized Improvements

Major Improvements:

The Major Improvements are the Authorized Improvements that will benefit all Assessed Property in the PID. The Major Improvements include public improvements that are contemplated to be constructed as part of the agreement between the Developer and the City under the Development Agreement, (“City Major Improvements”) and other Major Improvements required for the PID (“Other Major Improvements”). The Major Improvements include roadway improvements, water distribution system improvements and sanitary sewer collection system improvements.

Roadway improvements: The road improvements part of the Major Improvements includes construction of perimeter road and thoroughfare improvements, including related paving, turn lanes, curbs, gutters, sidewalks, signage, and traffic control devices. The road improvements include approximately 3,000 linear feet of 7” thick concrete pavement for John Campbell Trail (400 linear feet of 2 – 25’ divided pavement section within a 90’ ROW, 2,600 linear feet of 37’ undivided pavement section within a 60’ ROW), 1,400 linear feet of 7” thick concrete pavement for Josephine Boulevard (37’ undivided pavement section within a 60’ ROW), 2,250 linear feet of 7” thick concrete pavement for Ownsby Parkway (1,400 linear feet of 2 – 25’ divided pavement section within a 90’ ROW, 950 linear feet of 37’ undivided pavement section within a 60’ ROW) and will provide street access to the PID as well as access to community roadways and state highways. 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 part of the Major Improvements consists of construction approximately 2,550 linear feet of 18” watermain and 600 linear feet of 12” watermain 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. These 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 improvements part of the Major Improvements consists of construction approximately 3,650 linear feet of 12” sanitary sewer main connects into a regional 21” sewer main at Josephine Boulevard and the creek and run north through Josephine Boulevard, east through Ownsby Parkway, and continues north along Preston Road to connect into the existing Carter Ranch sewer system and installation of service lines, manholes, encasements and appurtenances. The sanitary sewer collection system improvements will be designed and constructed in accordance with

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City standards and specifications and will be owned and operated by the City.

Storm drainage collection system improvements: The storm drainage collection system improvements part of the Major Improvements consists of construction approximately 18” – 36” reinforced concrete pipes, 6’x4’, 7’x4’, and 7’x5’ reinforced concrete boxes, and 8 – 10’x8’ multi-reinforced box culverts to server John Campbell Trail, 18” – 42” reinforced concrete pipes and 8 – 10’x4’ multi-reinforced box culverts to server Josephine Boulevard, 18” reinforced concrete pipe and 2 – 6’x4’ multi-reinforced box culverts to server Ownsby Parkway. 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-A below shows the estimated costs of the Major Improvements anticipated to be constructed. The Budgeted Costs shown in Table III-A may be revised in an Annual Service Plan Update as needed. 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).

Table III-A

Authorized Improvements - Major Improvements

Description	Major Improvements related to		
	Phase #1	Phase #2	Total
<i>City Major Improvements</i>			
Roadway improvements	\$686,874	\$1,604,161	\$2,291,035
Water improvements	\$51,940	\$68,151	\$120,091
Sanitary sewer improvements	\$303,001	\$2,373	\$305,374
Storm drainage improvements	\$24,041	\$56,146	\$80,187
Other soft costs	\$288,347	\$468,247	\$756,594
<i>Subtotal - City Major Improvements</i>	<i>\$1,354,202</i>	<i>\$2,199,079</i>	<i>\$3,553,281</i>
<i>Other Major Improvements</i>			
Roadway improvements	\$1,662,750	\$924,569	\$2,587,319
Water improvements	\$46,694	\$81,651	\$128,345
Sanitary sewer improvements	\$4,440	\$2,870	\$7,310
Storm drainage improvements	\$58,202	\$32,354	\$90,556
Other soft costs	\$479,403	\$281,742	\$761,145
<i>Subtotal - Other Major Improvements</i>	<i>\$2,251,490</i>	<i>\$1,323,185</i>	<i>\$3,574,675</i>
Total	\$3,605,692	\$3,522,264	\$7,127,956

Note: The Major Improvements related to Phases #1 and Phases #2 are categorized based on the projected timing of construction. Additional Major Improvements related to Phase #2 are anticipated to be funded with the future Phased PID Bonds.

Phase #1 Improvements:

The Phase #1 Improvements are the Authorized Improvements that will benefit the Phase #1 Assessed Property. The descriptions of the Phase #1 Improvements are presented below and the

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Budgeted Costs of the Phase #1 Improvements are shown in Table III-B. The Budgeted Costs shown in Table III-B may be revised in an Annual Service Plan Update as needed.

Roadway improvements: The roadway improvements within Phase #1 include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements include approximately 15,000 linear feet of local collectors (6" thick 31' wide concrete section) within a 50' ROW and will provide street access to each lot within Phase #1 as well as access to community roadways and state highways. 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 Phase #1 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 Phase #1 Assessed Property. The water distribution system improvements includes approximately 11,700 linear feet of 8" waterline with all appurtenances and will extend water service to the boundaries of Phase #1 and to all lots within Phase #1. 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 Phase #1 consist of construction and installation of pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements include approximately 12,050 linear feet of sanitary sewer with all appurtenances and will extend wastewater service to the boundaries of Phase #1 and to all lots within Phase #1. 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.

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.

The Budgeted Costs shown in Tables III-B may be revised in Annual Service Plan Updates. 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). The detailed costs of the Phase #1 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).

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Table III-B
Authorized Improvements - Phase #1 Improvements

Description	Estimated Costs
Roadway improvements	\$3,296,087
Water improvements	\$513,972
Sanitary sewer improvements	\$632,843
Storm drainage improvements	\$0
Other soft costs	\$778,068
<i>Subtotal - Phase #1 Improvements</i>	\$5,220,970
Major Improvements related to Phase #1	\$3,605,692
Total Phase #1 Improvement Costs	\$8,826,663

Additionally, the Developer plans to construct certain improvements within the PID over a period of approximately five years including amenities, landscaping, hardscaping and other miscellaneous items (collectively, the “Private Costs”) to serve the entire PID. The Private Costs will be paid entirely by the Developer without any reimbursement through the PID.

C. Phase #2 Additional Authorized Improvements

As Phase #2 is developed, Phased PID Bonds may be issued to finance Authorized Improvements for the Phase #2 and this Service and Assessment Plan will be updated to identify the specific Authorized Improvements financed by such Phased PID Bonds that benefit Phase #2 (i.e., a Table III-C will be added to show the Budgeted Costs for Authorized Improvements that will benefit the Assessed Property within Phase #2).

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Section 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. It is anticipated that it will take approximately 12 months to construct the Phase #1 Improvements. Following the completion of construction of Phase #1 Improvements, Phase #2 development will begin and Phase #2 will be developed corresponding to the Service and Assessment Plan to be updated with that development.

The Budgeted Costs for the Phase #1 Improvements plus costs related to the issuance of the Phase #1 Bonds, in one or more series, and payment of expenses incurred in the establishment, administration and operation of the PID are \$8,732,085 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

The Budgeted Costs for a portion of the Phase #2 Major Improvements plus costs related to the issuance of the Phase #2 Major Improvement Bonds and payment of expenses incurred in the establishment, administration and operation of the PID are \$2,201,944 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, 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 summarizes the sources and uses of funds required to construct the Phase #1 Improvements to be financed with the proceeds from the Phase #1A Bonds and PID Reimbursement Agreement, including Budgeted Costs related to establishing the PID and issuing the Phase #1 Bonds and the Phase #2 Major Improvements to be financed with the proceeds from the Phase #2 Major Improvement Bonds, including Budgeted Costs related to establishing the PID and issuing the Phase #2 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 changes in Actual Costs.

As Phase #2 is developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (i.e. Table IV-B will be added for Phase #2).

The first series of Phase #1 Bonds (“Phase #1A Bonds”) is anticipated to be issued to finance a portion of the Phase #1 Improvements, including costs to issue the Phase #1A Bonds, as shown in Table IV-A below. The Phase #1A Bonds will be used to construct or acquire a portion of the Phase #1 Improvements. A portion of the remaining costs of Phase #1 Improvements will be financed through the PID Reimbursement Agreement. A second series of Phase #1 Bonds (“Phase #1B Bonds”) may, subject to the approval of the City Council and compliance with the applicable provisions in the Trust Indenture relating to the Phase #1A Bonds, be issued in 2018 or 2019; and, to the extent provided by law, the proceeds from the Phase #1B Bonds will be used to reimburse

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certain Actual Costs paid by the Developer under the terms of the PID Reimbursement Agreement and to pay any unpaid Actual Costs of Phase #1 Improvements required to be paid under the PID Reimbursement Agreement.

The Phase #2 Major Improvement Bonds are anticipated issued to finance a portion of the Phase #2 Major Improvements, including costs to issue the Phase #2 Major Improvement Bonds, as shown in Table IV-A below. Phased PID Bonds may, subject to the approval of the City Council and compliance with Section 13.2 and other applicable provisions in the Trust Indenture for the Phase #2 Major Improvement Bonds, be issued in 2018 or 2019; and, to the extent provided by law, the proceeds from the Phased PID Bonds will be used to pay any unpaid Actual Costs of Phase #2 Major Improvements and additional Authorized Improvements for Phase #2.

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Table IV-A
Sources and Uses

Sources of Funds	Authorized Improvements (Phase #1)	Authorized Improvements- Major Improvements (Phase #2)	Other Improvements (Non-PID)	Total Amounts
Bond par amount	\$4,465,000	\$1,765,000	\$0	\$6,230,00
PID Reimbursement Agreement	\$1,256,000	\$0	\$0	\$1,256,00
<i>Subtotal</i>	<i>\$5,721,000</i>	<i>\$1,765,000</i>	<i>\$0</i>	<i>\$7,486,00</i>
Other funding sources - Authorized Improvements	\$3,011,085	\$436,944	\$0	\$3,448,03
Total Sources for Phase #1 Improvements	\$8,732,085	\$2,201,944	\$0	\$10,934,03
Other funding sources – Private Improvements and Agricultural redemption reserve	\$0	\$0	\$5,962,366	\$5,962,36
Total Sources	\$8,732,085	\$2,201,944	\$5,962,366	\$16,896,39
Uses of Funds				
Authorized Improvements - Phase #1 Improvements				
See Table III-B for details	\$5,220,970	\$0	\$0	\$5,220,97
<i>Subtotal</i>	<i>\$5,220,970</i>	<i>\$0</i>	<i>\$0</i>	<i>\$5,220,97</i>
City Major Improvements				
See Table III-A for details ¹	\$746,268	\$607,934	\$0	\$1,354,20
<i>Subtotal</i>	<i>\$746,268</i>	<i>\$607,934</i>	<i>\$0</i>	<i>\$1,354,20</i>
Other Major Improvements				
See Table III-A for details ¹	\$1,240,736	\$1,010,746	\$0	\$2,251,48
<i>Subtotal</i>	<i>\$1,240,736</i>	<i>\$1,010,746</i>	<i>\$0</i>	<i>\$2,251,48</i>
Private Costs				
City debt issuance fee	\$0	\$0	\$241,800	\$241,80
NonBQ fee	\$0	\$0	\$45,000	\$45,00
Development Agreement fees and Developer issuance costs	\$263,367	\$52,950	\$0	\$316,31
Other private costs	\$0	\$0	\$5,665,566	\$5,665,56
<i>Subtotal</i>	<i>\$263,367</i>	<i>\$52,950</i>	<i>\$5,952,366</i>	<i>\$6,268,68</i>
Costs of issuance				
Capitalized interest	\$421,694	\$183,364	\$0	\$605,05
Reserve fund	\$303,250	\$135,150	\$0	\$438,40
Ag exemption foreclosure reserve	\$0	\$0	\$10,000	\$10,00
PID establishment/ operation and other costs of issuance	\$401,850	\$158,850	\$0	\$560,70
Underwriter's discount	\$133,950	\$52,950	\$0	\$186,90
<i>Subtotal</i>	<i>\$1,260,744</i>	<i>\$530,314</i>	<i>\$10,000</i>	<i>\$1,801,05</i>
Total Uses	\$8,732,085	\$2,201,944	\$5,962,366	\$16,896,39

1 - The Major Improvements funded with Phase #1A Bonds include a portion of the Major Improvements related to Phase #1 shown in Table III-A. The balance of the Major Improvements related to Phase #1A are being funded with Phase #2 Major Improvement Bonds. Additional Major Improvements related to Phase #2 are anticipated to be funded with the future Phased PID Bonds.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI Assessment Roll & Levy)

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As described in Sections V.I. and VI.A., the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments. The total equivalent Phase #1A Bond par amount to be repaid with the TIRZ Annual Credit Amounts (the "TIRZ Credit Funded Portion") is projected to be \$1,850,912 as calculated based on the projected TIRZ Annual Credit Amounts anticipated to be used for offsetting the Annual Installments to be collected from the Phase #1 Assessed Property. The balance of the Phase #1A Bonds to be repaid with the net Annual Installments (the "Net Assessment Funded Portion") is calculated to be \$2,614,088 (i.e. \$4,465,000 - \$1,850,912 = \$2,614,088). Accordingly, the Phase #1A Bonds are allocated between the TIRZ Credit Funded Portion and the Net Assessment Funded Portion as shown in Table IV-B below. The detailed breakdown of the estimated Phase #1A Bond debt service amounts is in the schedule included in Appendix E.

Table IV-B
Estimated Sources and Uses
Phase #1 Bonds – TIRZ Credit Funded Portion

Sources of Funds	Phase #1A Bonds		
	TIRZ Credit Funded Portion	Net Assessment Funded Portion	Total
Bond par amounts	\$1,850,912	\$2,614,088	\$4,465,000
Total Sources	\$1,850,912	\$2,614,088	\$4,465,000
Uses of Funds			
Authorized Improvements	\$1,328,286	\$1,875,970	\$3,204,256
Subtotal	\$1,328,286	\$1,875,970	\$2,663,500
Estimated bond issuance costs	\$522,626	\$738,118	\$1,260,744
Subtotal	\$522,626	\$738,118	\$1,260,744
Total Uses	\$1,850,912	\$2,614,088	\$4,465,000

As Phase #2 is developed, additional Phased PID Bonds may be issued to finance Authorized Improvements that will benefit the Phase #2 and such Phased PID Bonds will be secured by additional Assessments levied only on the Assessed Property within Phase #2. The Phased PID Bonds for the Phase #2 may also be issued in one or more series of Phased PID Bonds.

The City reserves the right to issue additional parity bonds secured by the Phase #1 Assessment Revenues to finance (or refinance) a portion of Phase #1 Improvements not paid with proceeds of the Phase #1A Bonds. The issuance of such additional bonds will be subject to the conditions and provisions set forth in with Section 13.2 and other applicable provisions in the Trust Indenture for the Phase #1A Bonds. The Phase #1A Bonds may also, subject to the approval of the City Council, be refunded pursuant to the refunding provisions of the Trust Indenture relating to the Phase #1 Bonds. If the debt service on the Phase #1A Bonds is reduced as the result of an economic refunding of those PID bonds, then there would be a corresponding reduction in both

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TIRZ Annual Credit Amounts and the Annual Installments (i.e., Annual Installments shall be permanently reduced by the same amount the TIRZ Annual Credit Amounts are reduced) which will result in a permanent reduction in the Assessments.

The annual projected costs and annual projected indebtedness is shown by Table IV-C. 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-C
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness (Phase #1A Bonds, PID Reimbursement Agreement and Phase #2 Major Improvement Bonds)	Sources other than Phase #1A Bonds, PID Reimbursement Agreement and Phase #2 Major Improvement Bonds
2017	\$10,934,030	\$7,486,000	\$3,448,030
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
Total	\$10,934,030	\$7,486,000	\$3,448,030

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-B, the costs associated with creating the PID and costs of issuing the Phase #1A Bonds and Phase #2 Major Improvement Bonds, including reserves shown in Table IV-A, and costs related to the PID Reimbursement Agreement. The difference between the annual projected cost and the annual projected indebtedness, and between the annual projected indebtedness and the principal amount of the bonds each represent an amount funded by the Developer, which may be reimbursed with future bond proceeds to the extent available. As the Phase #2 is developed, in association with issuing Phased PID Bonds, this Table IV-C 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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Section 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 anticipates 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 #1A Bonds, subsequent financings may be issued over the upcoming years as the subsequent phase(s) of the development are gradually constructed.

The purpose of this anticipated gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Phased 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 Phased 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”) 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 burden 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 may be reimbursed by a subsequent parity lien bond financing and /or a reimbursement agreement, such as the PID Reimbursement Agreement. For example, the Phase #1A Bonds to be issued to finance a portion of the Phase #1 Improvements may, subject to the initial bond issuance requirements in the Development Agreement and approval by the City Council, be followed by a second parity lien issuance of Phased PID Bonds (the Phase #1B Bonds) to finance Actual Costs of Phase #1 Improvements not financed by the Phase #1A Bonds.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the Phase #1 Improvements shall be allocated as described below:

1. The Authorized 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

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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 Phase #1 Improvement costs less the Homeowner Association Special Assessment Allocation are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Phase #2 will receive from the Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time only Parcels within Phase #1 will only be assessed for the special benefits conferred upon the Parcel because of the Phase #1 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 Phase #2 receives from the specific Authorized Improvements funded with those Phased PID Bonds or reimbursement agreement, as applicable, issued with respect to Phase #2. Prior to assessing Parcels located within Phase #2 in connection with issuance of Phased PID Bonds or reimbursement agreement, as applicable, 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 Phase #1 Assessed Property and Phase #2 Assessed Property as a result of the Phase #1 Improvements and the Major 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 Phase #2 Assessed Property, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit within Phase #1 of the Phase #1 Improvements to Phase #1 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #1 Assessed Property similarly benefited and reallocates the special benefit within Phase #2 of the Phase #2 Major Improvements to Phase #2 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #2 Assessed Property 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

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and all future owners and developers of the Assessed Property.

As Phase #2 is developed or 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 Phase #2.

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 PID Act. These Authorized 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 Authorized Improvements provide a special benefit to the Assessed Property as a result of these improvements being constructed on the Assessed Property or in close proximity to the Assessed Property and the specific purpose of these Authorized 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 is 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 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.

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; and (ii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment

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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 beneficial to the City and the PID. As a result, the Authorized Improvements 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 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 beneficial; 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. 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 Phase #1

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements 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.

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Based on the Actual Costs of the Phase #1 Improvements provided by the Developer working with the City's engineers, as set forth in Table III-B, the City Council has determined that the benefit to Phase #1 Assessed Property resulting from the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 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.

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 \$5,721,000. As shown in Appendix D, there are a total of 205 residential units representing a total of 182.00 estimated Equivalent Units for the residential development in Phase #1, resulting in an Assessment per Equivalent Unit of \$31,434.07.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$31,434.07 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$31,434.07 (i.e. $\$31,434.07 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$26,195.05 (i.e. $\$31,434.07 \times 0.83$). Table V-1 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-1
Assessment per Unit - Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	67	\$31,434.07	1.00	\$31,434.07 per dwelling unit	\$2,106,082
Lot Type 2	138	\$31,434.07	0.83	\$26,195.05 per dwelling unit	\$3,614,918
Total	205				\$5,721,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-2 below.

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Table V-2
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit¹	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	67	\$25,000	\$72,000	\$375,000	\$31,434	0.80	2.29	11.93
Lot Type 2	138	\$20,000	\$60,000	\$312,500	\$26,195	0.76	2.29	11.93
Total	205							

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-3 below.

Table V-3
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Maximum Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1	67	\$25,000	\$72,000	\$375,000	\$2,511	\$10.05	\$3.49	\$0.67
Lot Type 2	138	\$20,000	\$60,000	\$312,500	\$2,093	\$11.46	\$3.49	\$0.67
Total	205							

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 E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

2. *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 Major 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 Actual Costs of the Phase #2 Major Improvements provided by the Developer

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working with the City's engineers, as set forth in Table III-A, the City Council has determined that the benefit to Phase #2 Assessed Property resulting from the Phase #2 Major Improvements is at least equal to the Assessments levied on the Phase #2 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.

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 Major Improvement Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #2, is \$5,725,000. As shown in Appendix D, there are a total of 167 residential units representing a total of 145.83 estimated Equivalent Units for the residential development in Phase #2, resulting in an Assessment per Equivalent Unit of \$12,102.86.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$12,102.86 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$12,102.86 (i.e. $\$12,102.86 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$10,085.71 (i.e. $\$12,102.86 \times 0.83$). Table V-4 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-4
Assessment per Unit - Phase #2

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	40	\$12,102.86	1.00	\$12,102.86 per dwelling unit	\$484,114
Lot Type 2	127	\$12,102.86	0.83	\$10,085.71 per dwelling unit	\$1,280,886
Total	167				\$1,765,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-5 below.

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Table V-2
Projected Leverage – Phase #2

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit¹	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	40	\$25,000	\$78,000	\$375,000	\$12,103	2.07	6.44	30.98
Lot Type 2	127	\$20,000	\$65,000	\$312,500	\$10,086	1.98	6.44	30.98
Total	167							

1 – Amounts are rounded to the nearest dollar amount.

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-6 below.

Table V-6
Estimated Tax Rate Equivalent per unit – Phase #2

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Maximum Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1	40	\$25,000	\$78,000	\$375,000	\$1,083	\$4.33	\$1.39	\$0.29
Lot Type 2	127	\$20,000	\$65,000	\$312,500	\$903	\$4.51	\$1.39	\$0.29
Total	167							

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 E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot Type.

When Phase #2 is developed or Phased PID Bonds for Phase #2 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 Phase #2.

D. Assessments

The Assessments for Phase #1 will be levied on each Parcel according to the Phase #1 Assessment Roll, attached hereto as Appendix E. The Annual Installments for the Phase #1 Bonds will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

E. Administrative Expenses

Draft

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.

F. 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% of the interest rate component of the Annual Installments 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% of the interest rate component of the Annual Installments 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 Section V.H. below.

G. AG Exemption Foreclosure Reserve

A reserve in the amount of \$10,000 (the "Ag Exemption Foreclosure Reserve") shall be established and fully funded by the Developer at the time of levying the Assessments on the Assessed Property. Such amount shall be used for the payment of costs of foreclosure proceedings, if any, related to the changes in the agricultural exemption status of the Assessed Property.

H. Delinquency Reserve

The City has allocated up to 0.30% of the additional interest rate component of the Annual Installments to offset any possible delinquent payments. This 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, total more than 0.50% of the outstanding Bonds. Once the delinquency reserve is funded in full, the City may allocate up to 0.50% of the additional 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. TIRZ Annual Credit Amount

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments (the "TIRZ Annual Credit Amount"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Annual Credit Amount applicable to the Parcel then on deposit in the TIRZ No. 7 tax increment fund. The TIRZ Annual Credit Amount applicable to each Parcel shall be calculated as described under Section VI.A. of this Service and Assessment Plan.

Section VI TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within Phase #1

The Assessments, and Annual Installments thereof, for each Parcel of Phase #1 Assessed Property is shown on the Phase #1 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 (i) principal and interest on the Phase #1A Bonds, (ii) principal and interest required by the PID Reimbursement Agreement, (iii) to fund the prepayment reserve described in Section V, (iv) delinquency reserve described in Section V, and (v) to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V.I., the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

B. Amount of Assessments and Annual Installments for Parcels Located Within Phase #2

The Assessments, and Annual Installments thereof, for each Parcel of Phase #2 Assessed Property is shown on the Phase #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 (i) principal and interest on the Phase #2 Major Improvement Bonds, (ii) to fund the prepayment reserve described in Section V, (iii) delinquency reserve described in Section V, and (iv) to cover Administrative Expenses of Phase #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V.I., the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information

available to the Administrator at the time of such calculations.

As Phase #2 is developed, this Service and Assessment Plan will be amended to determine the additional Assessment and additional Annual Installments for each Assessed Property, if any, located within Phase #2 (e.g., Appendix F will be updated). The Assessments shall not exceed the benefit received by the Assessed Property.

C. 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.

The total Assessment initially allocated to the Phase #1 Assessed Property and Phase #2 does not include any allocation of Assessments to the HOA Property. Once a Homeowner Association is created in the PID and Parcel(s) that are owned by the Homeowner's Association appear on the Collin Central Appraisal District ("Collin CAD") records, 1% of the initial total Assessment allocated to the Phase #1 Assessed Property and the Phase #2 Assessed Property shall be reallocated to such HOA Property.

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.

D. 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 PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

E. 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 Authorized Improvement 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 after all Authorized Improvements to be funded with a series of Bonds have been completed and a portion of the Bonds have been redeemed using the TIRZ Annual Credit Amounts or other funds available to the City, 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 remaining outstanding amount(s) of the Bonds after such redemptions. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.
3. 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 unless the City Council authorizes the excess Bond proceeds to be used for additional Authorized Improvements benefiting the Assessed Property. 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.

F. 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 such 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; 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 levy of the Assessments.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) 8.99 percent per annum. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on estimated interest rates of 5% for the Phase #1 Bonds (and an additional interest at the rate of 0.5% for Administrative Expenses,

Prepayment Reserve and Delinquency Reserve) and an interest rate of 5.5% for the PID Reimbursement Agreement. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Phase #1 Assessment Roll, shown as Appendix E, will be updated with the actual interest rates on the Phase #1A Bonds. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on estimated interest rates of 5% for the Phase #1 Bonds (and an additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve). Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Phase #2 Major Improvements Assessment Roll, shown as Appendix F, will be updated with the actual interest rates on the Phase #2 Major Improvement Bonds

The Annual Installments shall be reduced to equal the actual costs of repaying the obligations 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 reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act, Chapter 1207 of the Texas Government Code or any other applicable authority provided by the laws of the State of Texas. 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.

G. 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, including capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and including any existing deposits to 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 Assessed Property for nonpayment of the 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.

Section VII THE ASSESSMENT ROLL

A. Phase #1 Assessment Roll

Phase #1 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #1 Improvements. Table IV-A summarizes the \$8,732,085 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #1A Bonds. The total amount of Phase #1A Bonds and PID Reimbursement Agreement is \$5,721,000 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 \$5,721,000 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.C. of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix E.

B. Phase #2 Assessment Roll

Phase #2 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #2 Major Improvements. Table IV-A summarizes the \$2,201,944 in special benefit received by Phase #2 Assessed Property from the Phase #2 share of the Major Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #2 Major Improvement Bonds. The total amount of Phase #2 Major Improvement Bonds is \$1,765,000 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 \$1,765,000 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.C. of this Service and Assessment Plan. The Phase #2 Assessment Roll is attached hereto as Appendix F.

As Phase #2 is developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within the Phase (e.g., Appendix F will be updated).

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Phase #1 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 Phase #1 Assessed Property, including any adjustments authorized by this Service and Assessment Plan and in the PID Act; (iii) the Annual Installment for the Phase #1 Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Phase #1 Assessment, if any, as provided by Section VI.F. of this Service and Assessment Plan.

The Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect the issuance of additional Phase #1 Bonds, if any, and any Phased PID Bonds for Phase #2, and any obligations owed pursuant to a reimbursement agreement.

Section 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 PID 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 PID 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, Prepayment Costs 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.

To the extent permitted by the PID Act, the City Council reserves the right 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; (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, and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

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 interpretations and determinations 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.

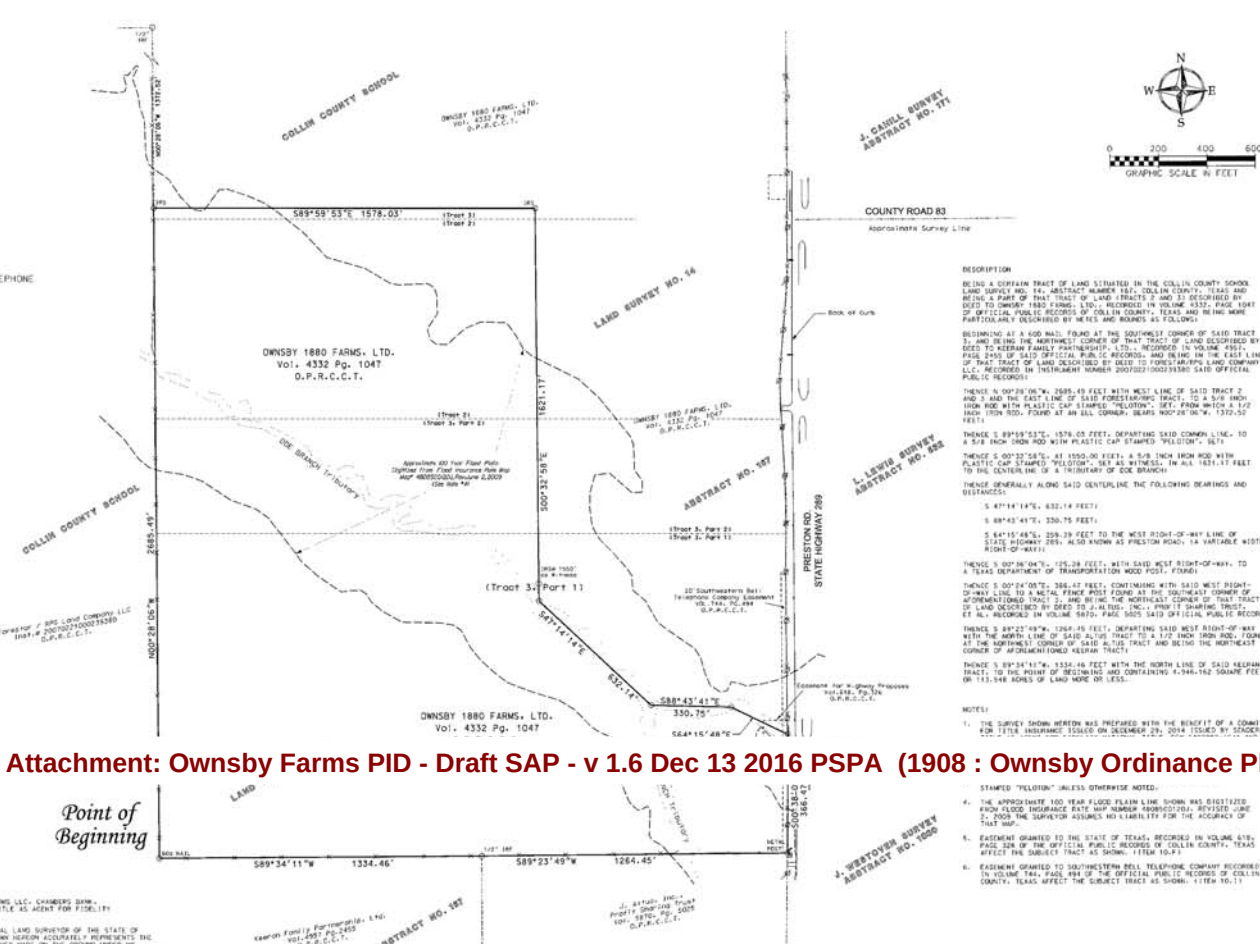
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Appendix A

THE PID MAP



Packet Pg. 187



Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI

Point of Beginning

CERTIFICATION

TO: OWNSBY 1880 FARMS LTD., CADC OWNSBY FARMS LLC, CHAMBERS DAM,
THE BROWN LAW FIRM, LLP AND SENDORA TITLE AS AGENT FOR FIDELITY
NATIONAL TITLE INSURANCE COMPANY.

I, TODD A. BRIDGES, REGISTERED PROFESSIONAL LAND SURVEYOR OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THE MAP SHOWN HEREON ACCURATELY REPRESENTS THE DESCRIBED PROPERTY AS DETERMINED BY A SURVEY MADE ON THE FOLLOWING: BEGIN MY DIRECTION AND MEASUREMENTS IN OCTOBER, 1998, AND THAT ALL CORNERS SHOWN, UNLESS OTHERWISE INDICATED, ARE CORNERS OF THE DESCRIBED PROPERTY. I SHOWED NO ENCROACHMENTS, EASEMENTS, OR PROJECTIONS APPARENT ON THE GROUND EXCEPT AS SHOWN. THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1A, CONDITION II SURVEY.

Todd A. Bridges
TODD A. BRIDGES
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 4940
DATED 12-19-15



A BOUNDARY SURVEY OF
113.548 Acres
LAND SITUATED IN THE COLLIN COUNTY SCHOOL LAND SURVEY
NO. 14, ABSTRACT NUMBER 167, COLLIN COUNTY, TEXAS

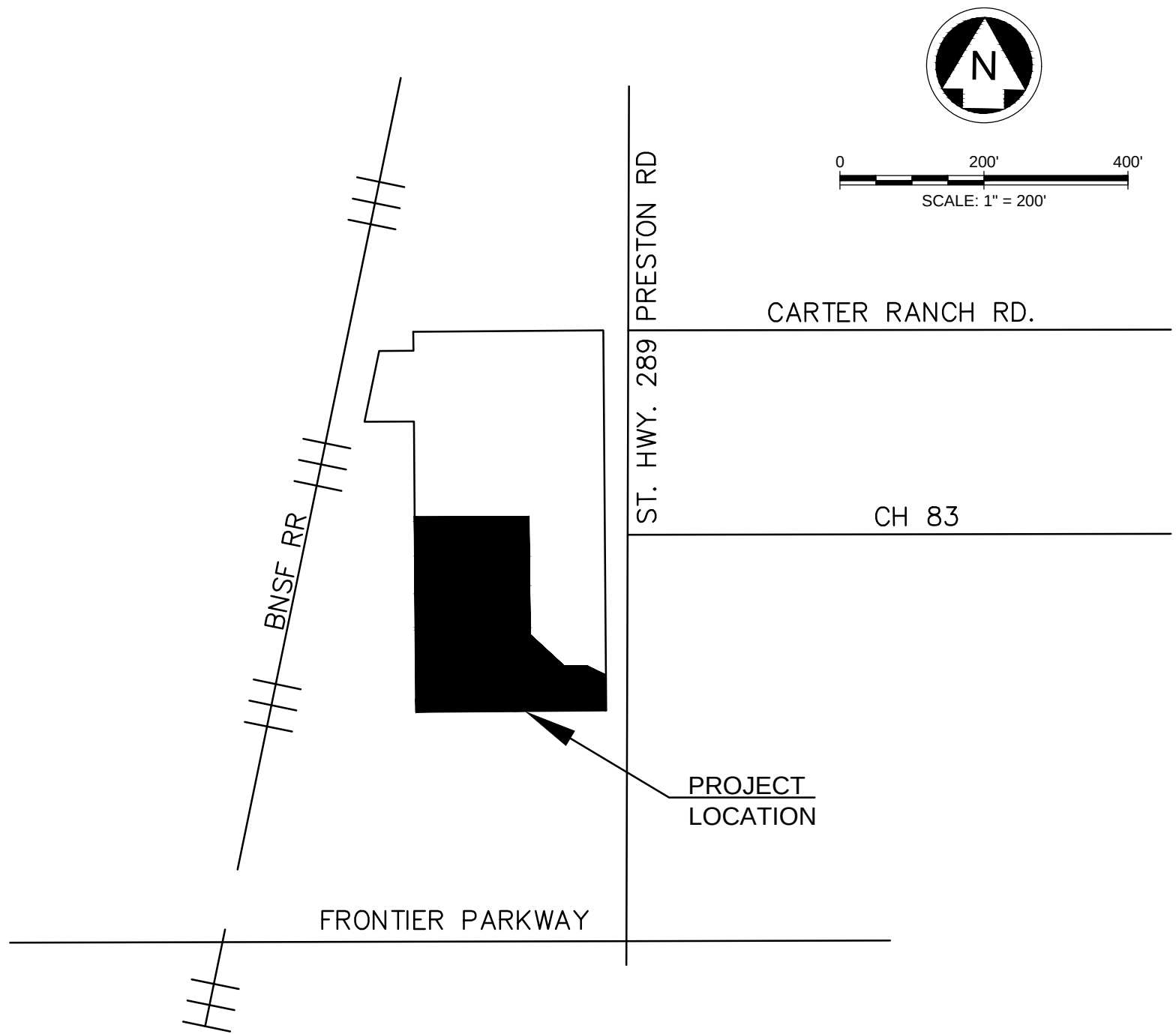
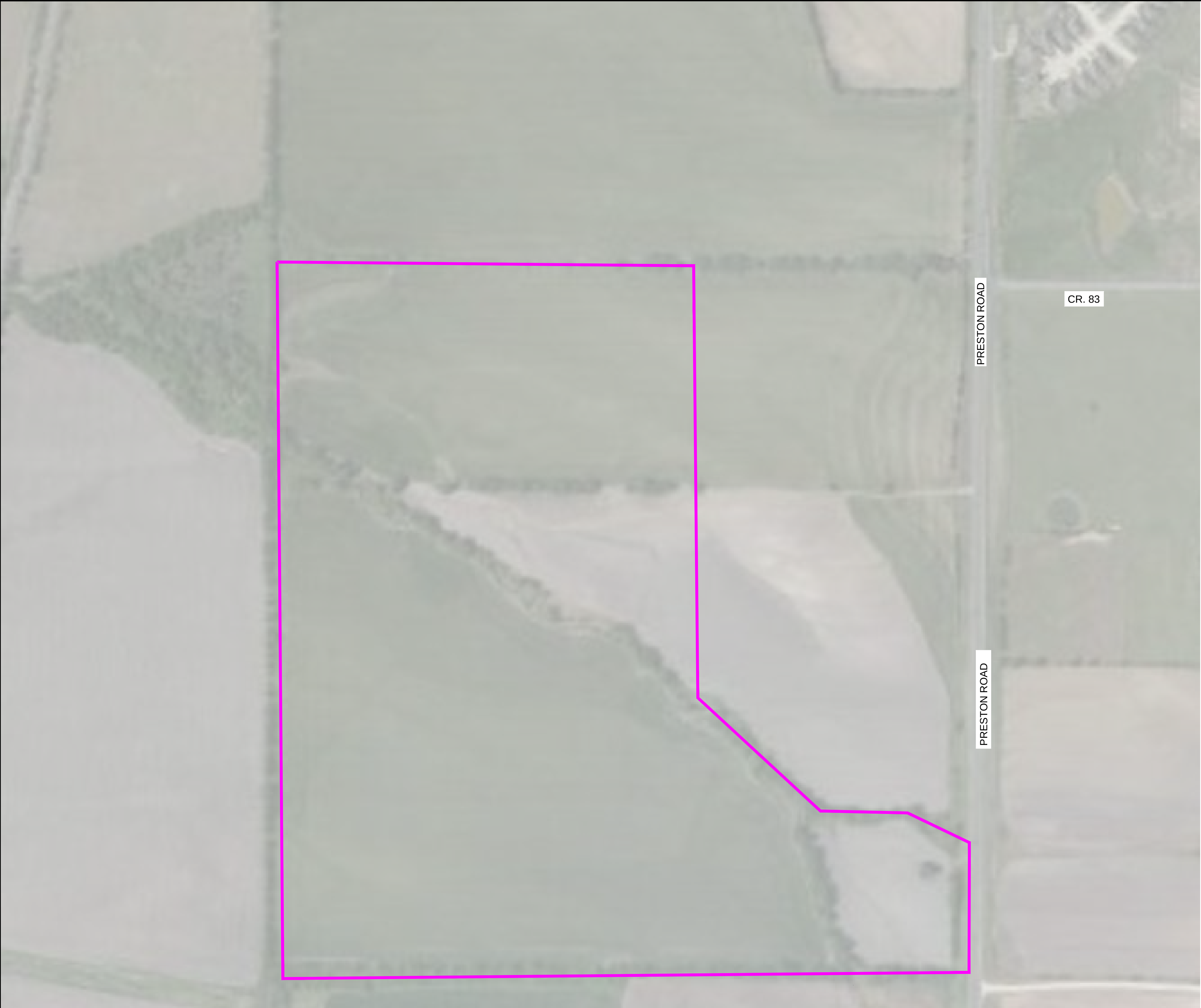
Job #:	Revisions:
Drawn By:	
Checked By:	
Date:	

AND SITUATED IN THE COLLIN COUNTY SCHOOL LAND SURVEY
NO. 14, ABSTRACT NUMBER 167, COLLIN COUNTY, TEXAS

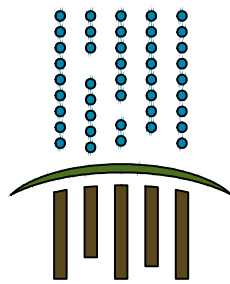


PELTON
LAND SOLUTIONS

1



The Homestead at Ownsby Farms
Exhibit B
Depiction of Property
Celina, TX
May 2016



PELTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

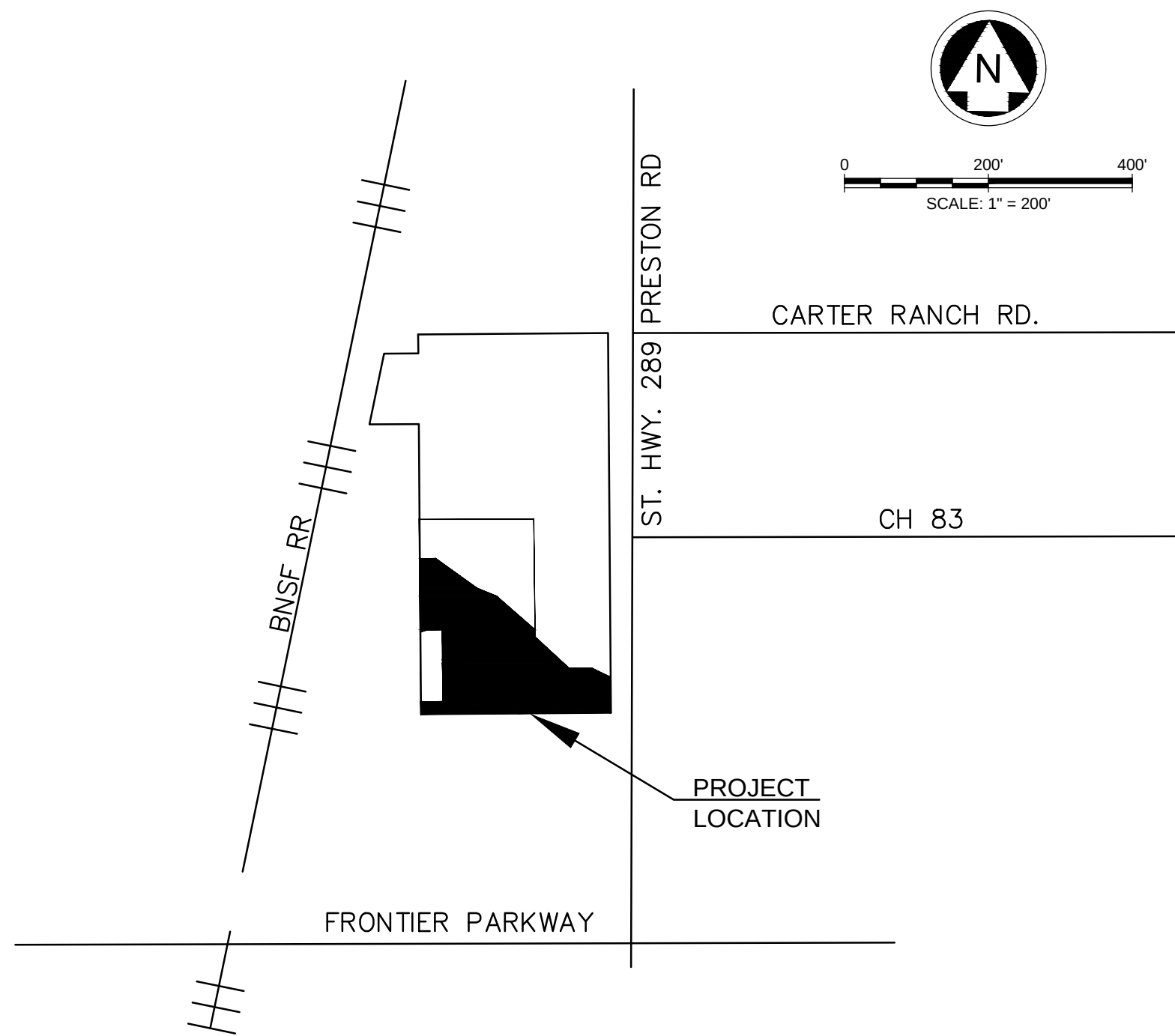
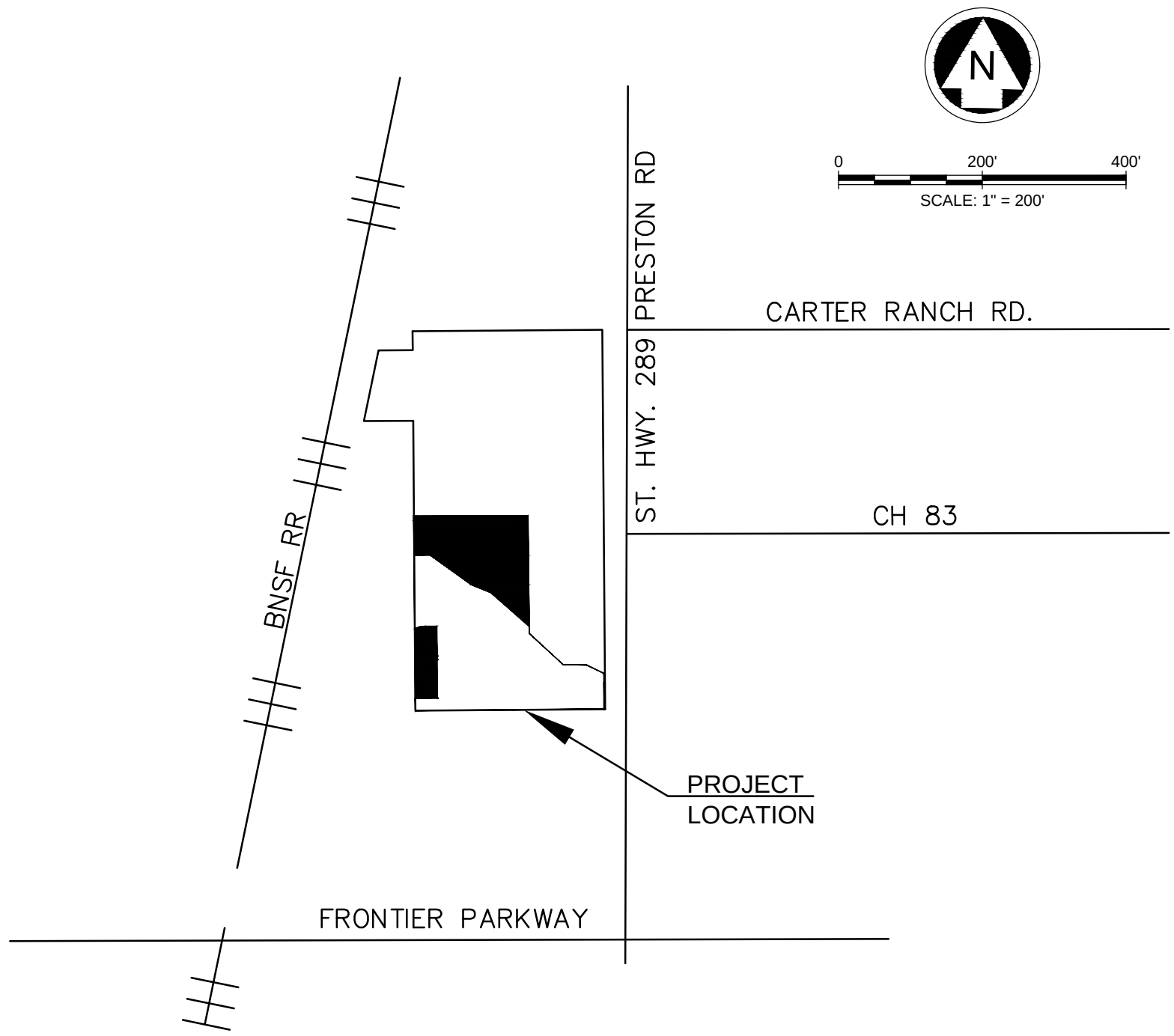
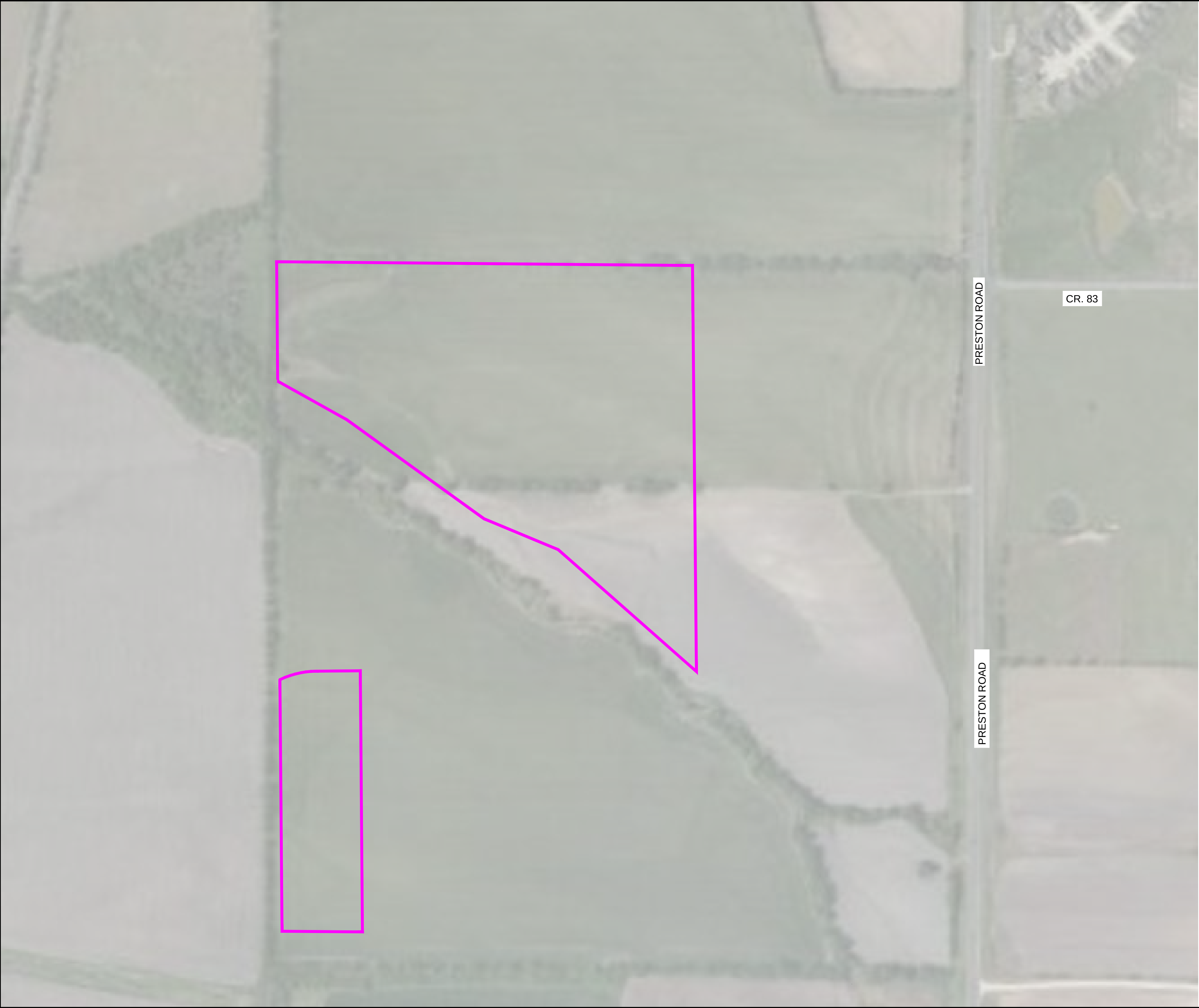


Exhibit B-1
Depiction of Phase 1 of Property
Celina, TX
May 2016

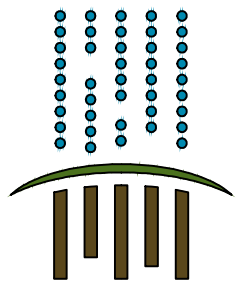


10875 JOHN W. ELLIOTT DR
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

Drawing: J:\Job\CEN14007_Ownsby_Farms\Civ\Phase 1\Exhibits\TIRZ Exhibit\CEN14007_Master Public Improvements City Costs
Last Saved by: Sharper
Last Saved: 5/3/2016 3:21 PM
Plot Date/Time: 5/3/2016 3:22 PM



The Homestead at Ownsby Farms
Exhibit B-2
Depiction of Phase 2 of Property
Celina, TX
May 2016



PELOTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

Appendix B
AUTHORIZED IMPROVEMENT COSTS

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI Assessment Roll & Levy)

Owensby Farms PID
Estimated Authorized Improvement Costs - Phase #1

Description	Phase Direct Costs - PID	City Major Improvement Costs	Other Major Improvement Costs	Total PID Major Improvement Costs	Private Costs	Total Estimated Costs
Owensby Parkway (Turnlane) - Phase 1 Offsite	\$0	\$81,367	\$0	\$81,367	\$0	\$81,367
Owensby Parkway (90' ROW) - Phase 1 Offsite	\$0	\$284,069	\$0	\$284,069	\$0	\$284,069
Owensby Parkway (90' ROW) - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (90' ROW) - Phase 2 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (Roundabout) - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (60' ROW) - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
John Campbell Trail (Turnlane) - Phase 1 Offsite	\$72,073	\$0	\$0	\$0	\$0	\$72,073
John Campbell Trail - Phase 1 Onsite	\$0	\$311,220	\$1,609,892	\$1,921,112	\$0	\$1,921,112
Josephine Blvd - Phase 1 Onsite	\$0	\$10,218	\$52,858	\$63,076	\$0	\$63,076
Josephine Blvd - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Paving - Phase 1 Onsite	\$3,224,014	\$0	\$0	\$0	\$0	\$3,224,014
Paving - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Paving Drainage Easements	\$0	\$24,041	\$58,202	\$82,243	\$0	\$82,243
Paving Drainage Soft Costs	\$593,296	\$123,637	\$299,295	\$422,932	\$0	\$1,016,228
Paving Drainage Contingency	\$0	\$68,687	\$166,275	\$234,962	\$0	\$234,962
12" Sanitary Sewer - Phase 1 Offsite	\$0	\$245,477	\$0	\$245,477	\$0	\$245,477
12" Sanitary Sewer - Phase 1 Onsite	\$0	\$57,524	\$2,711	\$60,235	\$0	\$60,235
8" Sanitary Sewer - Phase 1 Onsite	\$573,299	\$0	\$0	\$0	\$0	\$573,299
8" Sanitary Sewer - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
18" Water - Phase 1 Onsite	\$0	\$39,937	\$46,694	\$86,631	\$0	\$86,631
18" Water - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
12" Water - Phase 2 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
12" Water - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
8" Water - Phase 1 Onsite	\$453,216	\$0	\$0	\$0	\$0	\$453,216
8" Water - Phase 2 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Water Sewer Easement Costs	\$0	\$12,003	\$1,729	\$13,732	\$0	\$13,732
Water Sewer Soft Costs	\$184,773	\$61,729	\$8,893	\$70,622	\$0	\$255,394
Water Sewer Contingency	\$0	\$34,294	\$4,941	\$39,234	\$0	\$39,234
SE Sector Sewer Cost Share	\$59,544	\$0	\$0	\$0	\$0	\$59,544
Light Farms Oversizing Cost Share	\$60,756	\$0	\$0	\$0	\$0	\$60,756
Bond Issuance Savings (Park Donation)	\$0	\$0	\$0	\$0	\$241,800	\$241,800
Flood Study	\$0	\$0	\$0	\$0	\$35,000	\$35,000
SWPPP	\$0	\$0	\$0	\$0	\$9,000	\$9,000
Final Platting Fee	\$0	\$0	\$0	\$0	\$5,880	\$5,880
Engineering Review	\$0	\$0	\$0	\$0	\$15,000	\$15,000
Waters of the US Assessment	\$0	\$0	\$0	\$0	\$4,000	\$4,000
Geotechnical Testing	\$0	\$0	\$0	\$0	\$191,360	\$191,360
Common Area Landscape/Hardscape	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000
Amenity Costs	\$0	\$0	\$0	\$0	\$1,800,000	\$1,800,000
BQ Fees	\$0	\$0	\$0	\$0	\$45,000	\$45,000
Thoroughfare and Park Fees	\$0	\$0	\$0	\$0	\$1,105,326	\$1,105,326
Total	\$5,220,970	\$1,354,202	\$2,251,490	\$3,605,692	\$5,952,366	\$14,779,029

Owensby Farms PID
Estimated Authorized Improvement Costs - Phase #2
(For information and future reference purposes only)

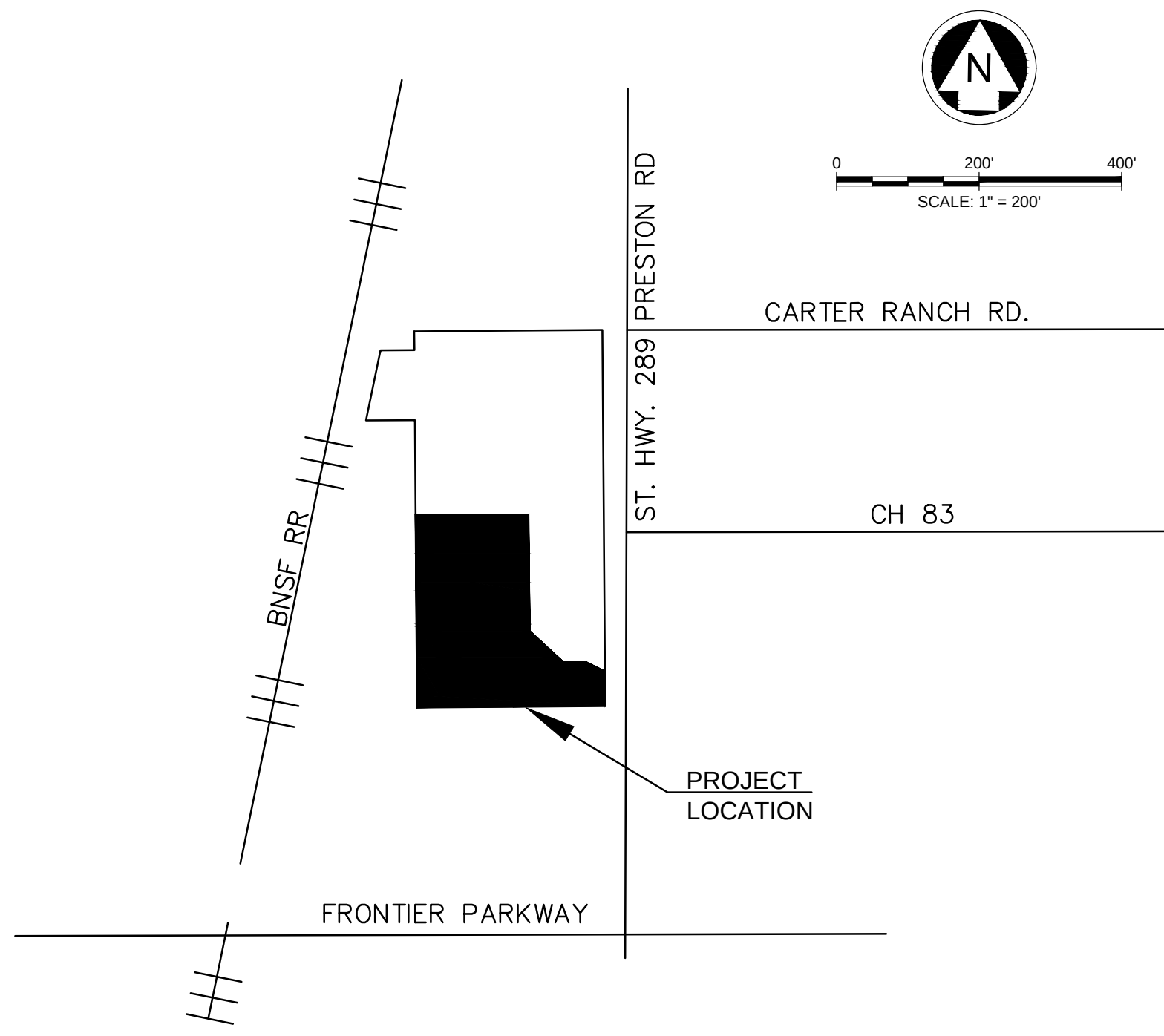
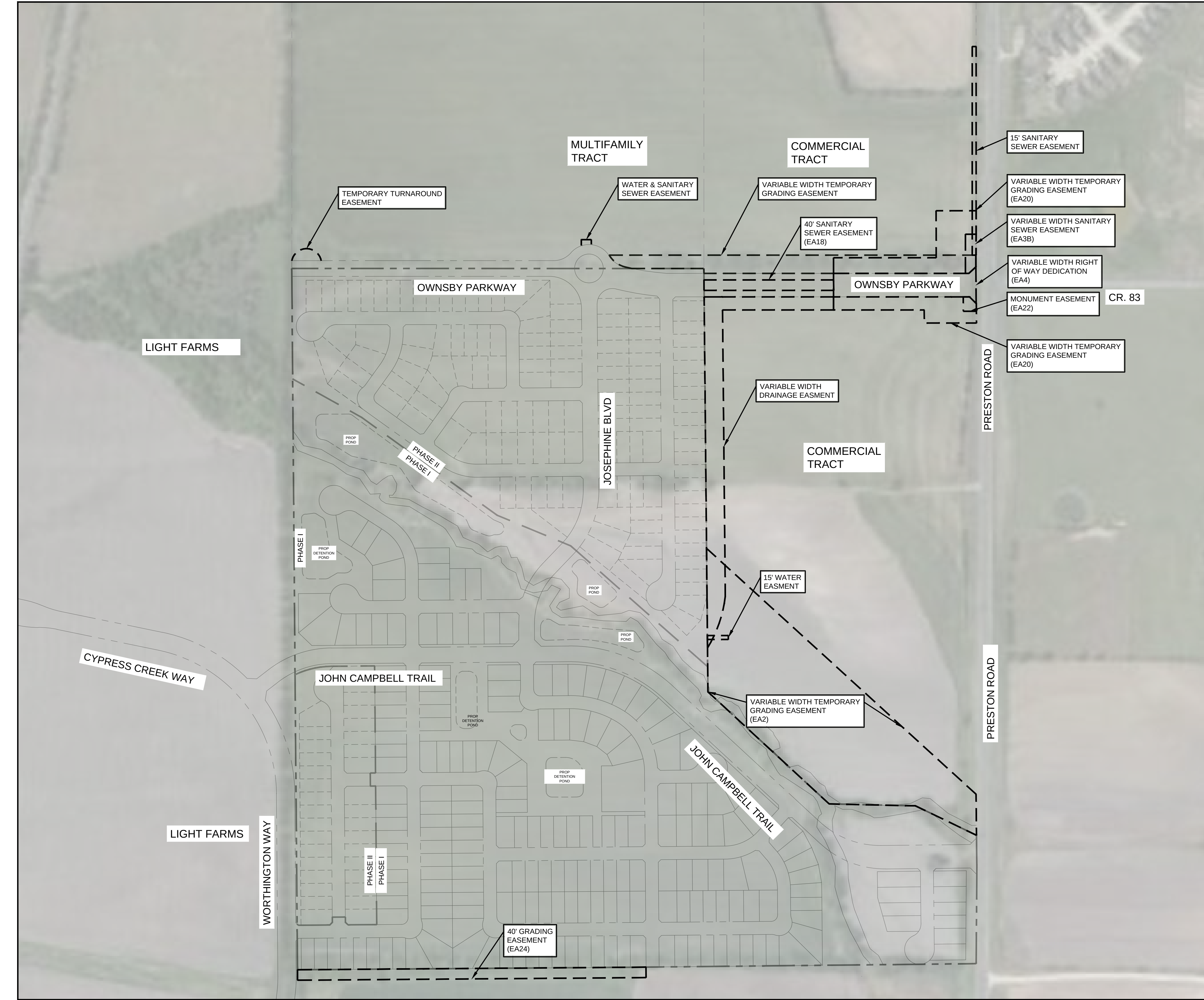
Description	Phase Direct Costs - PID (for illustration only)	City Major Improvement Costs	Other Major Improvement Costs	Total PID Major Improvement Costs	Private Costs	Total Estimated Costs
Owensby Parkway (Turnlane) - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (90' ROW) - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
Owensby Parkway (90' ROW) - Phase 2 Onsite	\$0	\$188,408	\$0	\$188,408	\$0	\$188,408
Owensby Parkway (90' ROW) - Phase 2 Offsite	\$0	\$74,418	\$74,417	\$148,835	\$0	\$148,835
Owensby Parkway (Roundabout) - Phase 2 Onsite	\$0	\$104,232	\$104,232	\$208,464	\$0	\$208,464
Owensby Parkway (60' ROW) - Phase 2 Onsite	\$0	\$1,092,359	\$0	\$1,092,359	\$0	\$1,092,359
John Campbell Trail (Turnlane) - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
John Campbell Trail - Phase 1 Onsite	\$0	\$312	-\$312	\$0	\$0	\$0
Josephine Blvd - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Josephine Blvd - Phase 2 Onsite	\$0	\$144,432	\$746,232	\$890,664	\$0	\$890,664
Paving - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
Paving - Phase 2 Onsite	\$2,206,826	\$0	\$0	\$0	\$0	\$2,206,826
Paving Drainage Easements	\$72,239	\$56,146	\$32,354	\$88,500	\$0	\$160,739
Paving Drainage Soft Costs	\$397,229	\$288,751	\$166,421	\$455,172	\$0	\$852,401
Paving Drainage Contingency	\$220,683	\$160,417	\$92,456	\$252,873	\$0	\$473,556
12" Sanitary Sewer - Phase 1 Offsite	\$0	\$0	\$0	\$0	\$0	\$0
12" Sanitary Sewer - Phase 1 Onsite	\$0	-\$12	\$12	\$0	\$0	\$0
8" Sanitary Sewer - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
8" Sanitary Sewer - Phase 2 Onsite	\$312,894	\$0	\$0	\$0	\$0	\$312,894
18" Water - Phase 1 Onsite	\$0	-\$10	\$10	\$0	\$0	\$0
18" Water - Phase 2 Onsite	\$0	\$53,190	\$62,216	\$115,406	\$0	\$115,406
12" Water - Phase 2 Offsite	\$0	\$7,388	\$0	\$7,388	\$0	\$7,388
12" Water - Phase 2 Onsite	\$0	\$7,583	\$19,425	\$27,008	\$0	\$27,008
8" Water - Phase 1 Onsite	\$0	\$0	\$0	\$0	\$0	\$0
8" Water - Phase 2 Onsite	\$324,976	\$0	\$0	\$0	\$0	\$324,976
Water Sewer Easement Costs	\$22,325	\$2,385	\$2,858	\$5,243	\$0	\$27,568
Water Sewer Soft Costs	\$114,817	\$12,265	\$14,699	\$26,964	\$0	\$141,781
Water Sewer Contingency	\$63,787	\$6,814	\$8,166	\$14,980	\$0	\$78,767
SE Sector Sewer Cost Share	\$48,507	\$0	\$0	\$0	\$0	\$48,507
Light Farms Oversizing Cost Share	\$49,494	\$0	\$0	\$0	\$0	\$49,494
Bond Issuance Savings (Park Donation)	\$0	\$0	\$0	\$0	\$0	\$0
Flood Study	\$0	\$0	\$0	\$0	\$0	\$0
SWPPP	\$0	\$0	\$0	\$0	\$0	\$0
Final Platting Fee	\$0	\$0	\$0	\$0	\$0	\$0
Engineering Review	\$0	\$0	\$0	\$0	\$0	\$0
Waters of the US Assessment	\$0	\$0	\$0	\$0	\$0	\$0
Geotechnical Testing	\$0	\$0	\$0	\$0	\$0	\$0
Common Area Landscape/Hardscape	\$0	\$0	\$0	\$0	\$0	\$0
Amenity Costs	\$0	\$0	\$0	\$0	\$0	\$0
BQ Fees	\$0	\$0	\$0	\$0	\$0	\$0
Thoroughfare and Park Fees	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$3,833,778	\$2,199,079	\$1,323,185	\$3,522,264	\$0	\$7,356,041

Owensby Farms PID
Estimated Authorized Improvement Costs - All Phases
(For information and future reference purposes only)

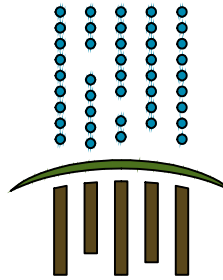
Description	Phase Direct Costs - PID	City Major Improvement Costs	Other Major Improvement Costs	Total PID Major Improvement Costs	Private Costs	Total Estimated Costs
Owensby Parkway (Turnlane) - Phase 1 Offsite	\$0	\$81,367	\$0	\$81,367	\$0	\$81,367
Owensby Parkway (90' ROW) - Phase 1 Offsite	\$0	\$284,069	\$0	\$284,069	\$0	\$284,069
Owensby Parkway (90' ROW) - Phase 2 Onsite	\$0	\$188,408	\$0	\$188,408	\$0	\$188,408
Owensby Parkway (90' ROW) - Phase 2 Offsite	\$0	\$74,418	\$74,417	\$148,835	\$0	\$148,835
Owensby Parkway (Roundabout) - Phase 2 Onsite	\$0	\$104,232	\$104,232	\$208,464	\$0	\$208,464
Owensby Parkway (60' ROW) - Phase 2 Onsite	\$0	\$1,092,359	\$0	\$1,092,359	\$0	\$1,092,359
John Campbell Trail (Turnlane) - Phase 1 Offsite	\$72,073	\$0	\$0	\$0	\$0	\$72,073
John Campbell Trail - Phase 1 Onsite	\$0	\$311,532	\$1,609,580	\$1,921,112	\$0	\$1,921,112
Josephine Blvd - Phase 1 Onsite	\$0	\$10,218	\$52,858	\$63,076	\$0	\$63,076
Josephine Blvd - Phase 2 Onsite	\$0	\$144,432	\$746,232	\$890,664	\$0	\$890,664
Paving - Phase 1 Onsite	\$3,224,014	\$0	\$0	\$0	\$0	\$3,224,014
Paving - Phase 2 Onsite	\$2,206,826	\$0	\$0	\$0	\$0	\$2,206,826
Paving Drainage Easements	\$72,239	\$80,187	\$90,556	\$170,743	\$0	\$242,982
Paving Drainage Soft Costs	\$990,525	\$412,388	\$465,716	\$878,104	\$0	\$1,868,629
Paving Drainage Contingency	\$220,683	\$229,104	\$258,731	\$487,835	\$0	\$708,518
12" Sanitary Sewer - Phase 1 Offsite	\$0	\$245,477	\$0	\$245,477	\$0	\$245,477
12" Sanitary Sewer - Phase 1 Onsite	\$0	\$57,512	\$2,723	\$60,235	\$0	\$60,235
8" Sanitary Sewer - Phase 1 Onsite	\$573,299	\$0	\$0	\$0	\$0	\$573,299
8" Sanitary Sewer - Phase 2 Onsite	\$312,894	\$0	\$0	\$0	\$0	\$312,894
18" Water - Phase 1 Onsite	\$0	\$39,927	\$46,704	\$86,631	\$0	\$86,631
18" Water - Phase 2 Onsite	\$0	\$53,190	\$62,216	\$115,406	\$0	\$115,406
12" Water - Phase 2 Offsite	\$0	\$7,388	\$0	\$7,388	\$0	\$7,388
12" Water - Phase 2 Onsite	\$0	\$7,583	\$19,425	\$27,008	\$0	\$27,008
8" Water - Phase 1 Onsite	\$453,216	\$0	\$0	\$0	\$0	\$453,216
8" Water - Phase 2 Onsite	\$324,976	\$0	\$0	\$0	\$0	\$324,976
Water Sewer Easement Costs	\$22,325	\$14,388	\$4,587	\$18,975	\$0	\$41,300
Water Sewer Soft Costs	\$299,590	\$73,994	\$23,592	\$97,586	\$0	\$397,176
Water Sewer Contingency	\$63,787	\$41,108	\$13,107	\$54,215	\$0	\$118,002
SE Sector Sewer Cost Share	\$108,051	\$0	\$0	\$0	\$0	\$108,051
Light Farms Oversizing Cost Share	\$110,250	\$0	\$0	\$0	\$0	\$110,250
Bond Issuance Savings (Park Donation)	\$0	\$0	\$0	\$0	\$241,800	\$241,800
Flood Study	\$0	\$0	\$0	\$0	\$35,000	\$35,000
SWPPP	\$0	\$0	\$0	\$0	\$9,000	\$9,000
Final Platting Fee	\$0	\$0	\$0	\$0	\$5,880	\$5,880
Engineering Review	\$0	\$0	\$0	\$0	\$15,000	\$15,000
Waters of the US Assessment	\$0	\$0	\$0	\$0	\$4,000	\$4,000
Geotechnical Testing	\$0	\$0	\$0	\$0	\$191,360	\$191,360
Common Area Landscape/Hardscape	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000
Amenity Costs	\$0	\$0	\$0	\$0	\$1,800,000	\$1,800,000
BQ Fees	\$0	\$0	\$0	\$0	\$45,000	\$45,000
Thoroughfare and Park Fees	\$0	\$0	\$0	\$0	\$1,105,326	\$1,105,326
Total	\$9,054,748	\$3,553,281	\$3,574,675	\$7,127,956	\$5,952,366	\$22,135,070

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Drawing: J:\030CEN14007_Ownsby_Farms\CD\Phase 1\Exhibit E\TIF\Exhibit E\030CEN14007_Exhibit E - Off Site Easements.dwg
User: jason
Last Saved: 5/20/2016 12:04 PM
Plot Date/Time: 5/20/2016 12:06 PM



The Homestead at Ownsby Farms
Exhibit E
Depiction and Description of Off-Site Easements
Celina, TX
May 2016



PELTON
LAND SOLUTIONS

10875 JOHN W. ELLIOTT DR.
SUITE 400
FRISCO, TX 75033
PHONE: 469-213-1800
TX FIRM NO 12207

Appendix D

LOT TYPES AND EQUIVALENT UNITS

Draft

Appendix D Lot Types and Equivalent Units

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two 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	60 Ft Lots	107 units
Lot Type 2	50 Ft Lots	265 units
Total		372 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
<u>Residential</u>		
Lot Type 1	60 Ft Lots	67 units
Lot Type 2	50 Ft Lots	138 units
Total		205 units

Table D-3 below shows the proposed residential Lot Types within Phase #2.

**Table D-3
Proposed Development – Phase #2**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	40 units
Lot Type 2	50 Ft Lots	127 units
Total		167 units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phases #1A Bonds and the PID Reimbursement Agreement shall be allocated to the

Draft

Phases #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units and the Actual Costs of the Phase #2 share of the Major Improvements to be financed with the Phases #2A Bonds and the PID Reimbursement Agreement shall be allocated to the Phases #2 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 #1 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., 60 Ft, 50 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 (60 Ft Lots) representing the highest value to Lot Type 2 (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 (60 Ft Lots) to 1.0.

Table D-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$375,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$312,500	0.83 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.

Draft

Table D-5
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	67	1.00	67.00
Lot Type 2 (50 Ft Lot)	138	0.83	115.00
Total Equivalent Units	205		182.00

The total estimated Equivalent Units for Phase #2 are shown in Table D-6 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase #2.

Table D-6
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	40	1.00	40.00
Lot Type 2 (50 Ft Lot)	127	0.83	105.83
Total Equivalent Units	167		145.83

Appendix E

ASSESSMENT ROLL – Phase #1 Assessed Property

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI Assessment Roll & Levy)

Appendix E
Phase #1 Assessment Roll

Parcel	All Parcels
Assessment	\$5,721,000
Total Equivalent Units	182.00

Year	Principal and Interest ¹	Principal and Interest ²	Administrative Expenses ³	Total Annual Installment ⁴
2017	\$223,250	\$69,080	\$40,000	\$332,330
2018	\$245,575	\$69,080	\$40,800	\$355,455
2019	\$320,575	\$89,080	\$41,616	\$451,271
2020	\$321,450	\$87,980	\$42,448	\$451,878
2021	\$322,050	\$86,880	\$43,297	\$452,227
2022	\$322,375	\$90,780	\$44,163	\$457,318
2023	\$322,425	\$89,405	\$45,046	\$456,876
2024	\$322,200	\$88,030	\$45,947	\$456,177
2025	\$316,700	\$86,655	\$46,866	\$450,221
2026	\$321,200	\$90,280	\$47,804	\$459,284
2027	\$320,150	\$88,630	\$48,760	\$457,540
2028	\$318,825	\$86,980	\$49,735	\$455,540
2029	\$317,225	\$90,330	\$50,730	\$458,285
2030	\$315,350	\$88,405	\$51,744	\$455,499
2031	\$313,200	\$91,480	\$52,779	\$457,459
2032	\$315,775	\$89,280	\$53,835	\$458,890
2033	\$312,800	\$87,080	\$54,911	\$454,791
2034	\$314,550	\$89,880	\$56,010	\$460,440
2035	\$310,750	\$87,405	\$57,130	\$455,285
2036	\$311,675	\$89,930	\$58,272	\$459,877
2037	\$312,050	\$87,180	\$59,438	\$458,668
2038	\$311,875	\$89,430	\$60,627	\$461,932
2039	\$311,150	\$91,405	\$61,839	\$464,394
2040	\$309,875	\$88,105	\$63,076	\$461,056
2041	\$308,050	\$89,805	\$64,337	\$462,192
2042	\$305,675	\$91,230	\$65,624	\$462,529
2043	\$302,750	\$87,380	\$66,937	\$457,067
2044	\$304,275	\$88,530	\$68,275	\$461,080
2045	\$299,975	\$89,405	\$69,641	\$459,021
2046	\$290,125	\$96,005	\$71,034	\$457,164
Total	9,243,900	\$2,635,125	\$1,622,723	\$13,501,748

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are estimated for the PID Reimbursement Agreement amount of \$1,256,000. The interest amounts shown are calculated based on an estimated interest rate of 5.5% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
Phase #1 Assessment Roll

**Lot Type
Assessment
Equivalent Units**

Lot Type 1 (60' Lot)
\$31,434
1.00

Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2017	\$1,227	\$380	\$220	\$1,826
2018	\$1,349	\$380	\$224	\$1,953
2019	\$1,761	\$489	\$229	\$2,480
2020	\$1,766	\$483	\$233	\$2,483
2021	\$1,770	\$477	\$238	\$2,485
2022	\$1,771	\$499	\$243	\$2,513
2023	\$1,772	\$491	\$248	\$2,510
2024	\$1,770	\$484	\$252	\$2,506
2025	\$1,740	\$476	\$258	\$2,474
2026	\$1,765	\$496	\$263	\$2,524
2027	\$1,759	\$487	\$268	\$2,514
2028	\$1,752	\$478	\$273	\$2,503
2029	\$1,743	\$496	\$279	\$2,518
2030	\$1,733	\$486	\$284	\$2,503
2031	\$1,721	\$503	\$290	\$2,514
2032	\$1,735	\$491	\$296	\$2,521
2033	\$1,719	\$478	\$302	\$2,499
2034	\$1,728	\$494	\$308	\$2,530
2035	\$1,707	\$480	\$314	\$2,502
2036	\$1,713	\$494	\$320	\$2,527
2037	\$1,715	\$479	\$327	\$2,520
2038	\$1,714	\$491	\$333	\$2,538
2039	\$1,710	\$502	\$340	\$2,552
2040	\$1,703	\$484	\$347	\$2,533
2041	\$1,693	\$493	\$354	\$2,540
2042	\$1,680	\$501	\$361	\$2,541
2043	\$1,663	\$480	\$368	\$2,511
2044	\$1,672	\$486	\$375	\$2,533
2045	\$1,648	\$491	\$383	\$2,522
2046	\$1,594	\$528	\$390	\$2,512
Total	\$50,791	\$14,479	\$8,916	\$74,185

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are estimated for the PID Reimbursement Agreement amount of \$1,256,000. The interest amounts shown are calculated based on an estimated interest rate of 5.5% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI Assessment Roll & Levy)

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

Lot Type 2 (50' Lot)
\$26,195
0.83

Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴
2017	\$1,022	\$316	\$183	\$1,522
2018	\$1,124	\$316	\$187	\$1,628
2019	\$1,468	\$408	\$191	\$2,066
2020	\$1,472	\$403	\$194	\$2,069
2021	\$1,475	\$398	\$198	\$2,071
2022	\$1,476	\$416	\$202	\$2,094
2023	\$1,476	\$409	\$206	\$2,092
2024	\$1,475	\$403	\$210	\$2,089
2025	\$1,450	\$397	\$215	\$2,061
2026	\$1,471	\$413	\$219	\$2,103
2027	\$1,466	\$406	\$223	\$2,095
2028	\$1,460	\$398	\$228	\$2,086
2029	\$1,452	\$414	\$232	\$2,098
2030	\$1,444	\$405	\$237	\$2,086
2031	\$1,434	\$419	\$242	\$2,095
2032	\$1,446	\$409	\$246	\$2,101
2033	\$1,432	\$399	\$251	\$2,082
2034	\$1,440	\$412	\$256	\$2,108
2035	\$1,423	\$400	\$262	\$2,085
2036	\$1,427	\$412	\$267	\$2,106
2037	\$1,429	\$399	\$272	\$2,100
2038	\$1,428	\$409	\$278	\$2,115
2039	\$1,425	\$419	\$283	\$2,126
2040	\$1,419	\$403	\$289	\$2,111
2041	\$1,410	\$411	\$295	\$2,116
2042	\$1,400	\$418	\$300	\$2,118
2043	\$1,386	\$400	\$306	\$2,093
2044	\$1,393	\$405	\$313	\$2,111
2045	\$1,374	\$409	\$319	\$2,102
2046	\$1,328	\$440	\$325	\$2,093
Total	42,326	\$12,066	\$7,430	\$61,821

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are estimated for the PID Reimbursement Agreement amount of \$1,256,000. The interest amounts shown are calculated based on an estimated interest rate of 5.5% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI Assessment Roll & Levy)

Appendix F

ASSESSMENT ROLL – Phase #2 Assessed Property

Attachment: Ownsby Farms PID - Draft SAP - v 1.6 Dec 13 2016 PSPA (1908 : Ownsby Ordinance Phase II MI Assessment Roll & Levy)

Appendix F
Phase #2 Major Improvements Assessment Roll

Parcel Assessment	All Parcels
	\$1,765,000
Total Equivalent Units	145.83

Year	Principal and Interest ¹	Administrative	Total Annual
		Expenses ²	Installment ³
2017	\$97,075	\$20,000	\$117,075
2018	\$105,900	\$20,400	\$126,300
2019	\$135,900	\$20,808	\$156,708
2020	\$134,100	\$21,224	\$155,324
2021	\$132,300	\$21,649	\$153,949
2022	\$135,500	\$22,082	\$157,582
2023	\$133,400	\$22,523	\$155,923
2024	\$131,300	\$22,974	\$154,274
2025	\$134,200	\$23,433	\$157,633
2026	\$131,800	\$23,902	\$155,702
2027	\$134,400	\$24,380	\$158,780
2028	\$131,700	\$24,867	\$156,567
2029	\$134,000	\$25,365	\$159,365
2030	\$131,000	\$25,872	\$156,872
2031	\$133,000	\$26,390	\$159,390
2032	\$129,700	\$26,917	\$156,617
2033	\$131,400	\$27,456	\$158,856
2034	\$127,800	\$28,005	\$155,805
2035	\$129,200	\$28,565	\$157,765
2036	\$130,300	\$29,136	\$159,436
2037	\$131,100	\$29,719	\$160,819
2038	\$126,600	\$30,313	\$156,913
2039	\$127,100	\$30,920	\$158,020
2040	\$127,300	\$31,538	\$158,838
2041	\$127,200	\$32,169	\$159,369
2042	\$126,800	\$32,812	\$159,612
2043	\$126,100	\$33,468	\$159,568
2044	\$125,100	\$34,138	\$159,238
2045	\$123,800	\$34,820	\$158,620
2046	\$127,200	\$35,517	\$162,717
Total	3,852,275	\$811,362	\$4,663,637

1 - The principal and interest amounts are estimated and will be updated upon final bond pricing. The interest amount is estimated at 5.5% and includes additional interest amount to be collected for prepayment and delinquency reserves.

2 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Update.

3 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 Date: January 17, 2017
 Re: Ownsby Farms Public Improvement District Phase I - Ordinance Approving and Authorizing Issuance and Sale of Special Assessment Revenue Bonds, Series 2017

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project) and approving and authorizing related agreements. (Ownsby Farms) (Petty)

Background Information:

These are the draft documents which will be completed with the sale of PID Bonds for the Ownsby Public Improvement District. Staff and Consultants have already reviewed and approved and once the pricing of the bonds is completed, Staff and Consultants will review again. Bond pricing is anticipated to be on the morning of the January 17th meeting, since the markets are closed for the 16th Federal holiday. Staff and Consultants will review final pricing and will be present at the meeting to give you a report prior to requesting your approval.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Bond Counsel, FA, City Attorneys have reviewed

Supporting Documents:

Bond Indenture Ordinance, Bond Purchase Agreement and related Agreements

Staff Recommendation:

ORDINANCE NO. 2017-__**AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT); APPROVING AND AUTHORIZING RELATED AGREEMENTS, AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the "Ownsby Farms Public Improvement District" (the "District"), pursuant to Resolution No. 2015-26R adopted by the City Council of the City (the "City Council") on June 9, 2015; and

WHEREAS, pursuant to the PID Act, the City Council published notice of and opened a public hearing on January 10, 2017 and recessed that public hearing until January 17, 2017 at which time the City Council continued the public hearing regarding the levy of special assessments against benefitted property located in Phase #1 of the District and after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2017-__ (the "Phase #1 Assessment Ordinance") on January 17, 2017; and

WHEREAS, in the Phase #1 Assessment Ordinance, the City Council approved and accepted the Ownsby Farms Public Improvement District Service and Assessment Plan, dated December 28, 2016 (the "Service and Assessment Plan") relating to the District and levied the "Phase #1 Special Assessments" (as defined in the Phase #1 Assessment Ordinance, the "Phase #1 Special Assessments") against the "Phase #1 Assessment Roll" (as defined and described in the Service and Assessment Plan, the "Assessment Roll"). Capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Phase #1 Assessments and other revenues received for the purposes of (i) paying a portion of the Costs of the Phase #1 Projects, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds (defined herein) during and after the period of acquisition and construction of the Phase #1 Projects, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuing the Bonds; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project)" (the "Bonds"), such series to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined herein); and

WHEREAS, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the costs of the Phase #1 Projects (as defined in the Indenture), (ii) approve the form, terms and provisions of an indenture of trust securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve an Preliminary Official Statement (defined below), (v) approve the form, terms and provisions of a Continuing Disclosure Agreement (defined below), (vi) approve the form, terms and provisions

of a Redemption Agreement (defined below) and (vii) approved the form, terms and provisions of a CFA Agreement (defined below).

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of \$_____ for the purpose of providing funds for (i) paying a portion of the Costs of the Phase #1 Projects, as defined in the Indenture, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #1 Projects, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuing the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of January 1, 2017, between the City and U.S. Bank National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Interim City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Indenture by the Mayor Pro-Tem of the City, which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A** which is incorporated herein as a part hereof for all purposes. The Mayor Pro-Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor Pro-Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such series, and shall never be payable from ad valorem taxes.

SECTION 2. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to RBC Capital Markets, LLC (the "Underwriter") under that certain Bond Purchase Agreement and Developer Representations (the "Bond Purchase Agreement"), dated the date hereof, among the City, CADG Ownsby Farms, LLC, a Texas limited liability company (the "Developer"), and the Underwriter, substantially in the form attached hereto as **Exhibit B** which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Interim City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Bond

Purchase Agreement by the Mayor Pro-Tem of the City. The Mayor Pro-Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

SECTION 3. Preliminary Official Statement. The form and substance of the Preliminary Official Statement for the Bonds and any addenda, supplement or amendment thereto and the final Official Statement (the "Official Statement") presented to and considered at the meeting at which this Ordinance is considered are hereby in all respects approved and adopted. The Mayor Pro-Tem is hereby authorized and directed to execute such Official Statement with such changes and alterations therein as the Mayor Pro-Tem may approve, such approval to be conclusively evidenced by such execution thereof. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor Pro-Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Official Statement and Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the execution, approval and delivery of such Preliminary Official Statement and Official Statement by the Mayor Pro-Tem and this City Council are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Official Statement and Official Statement pertaining to the Development (as defined in the Official Statement), the Developer (as defined therein) or their financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. Continuing Disclosure Agreement. That certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc. (the "Dissemination Agent") is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof.

SECTION 5. Redemption Agreement. That certain agreement titled "Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation – Ownsby Farms Public Improvement District" (the "Redemption Agreement") between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is hereby authorized and directed to execute and deliver such Redemption Agreement with such changes as may be required to carry out the purpose of this Ordinance and then as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof. The Mayor Pro-Tem's signature on the Redemption Agreement may be attested by the City Secretary.

SECTION 6. Reimbursement Agreement. That certain agreement titled Ownsby Farms Public Improvement District Phase #1 Reimbursement Agreement (the "Reimbursement Agreement") between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit E** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is hereby authorized and directed to execute and deliver such Reimbursement Agreement with such changes as may be required to carry out the purpose of this Ordinance and then as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof. The Mayor Pro-Tem's signature on the Reimbursement Agreement may be attested by the City Secretary.

SECTION 7. CFA Agreement. That certain agreement titled Phase #1 Construction, Funding and Acquisition Agreement (the “CFA Agreement”) between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit F** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is hereby authorized and directed to execute and deliver such CFA Agreement with such changes as may be required to carry out the purpose of this Ordinance and then as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof. The Mayor Pro-Tem’s signature on the CFA Agreement may be attested by the City Secretary.

SECTION 8. Additional Actions. The Mayor, Mayor Pro-Tem, the Interim City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, Mayor Pro-Tem, the Interim City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

SECTION 9. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 10. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 11. Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 12. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 13. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance 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.

SECTION 14. Effective Date. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND ADOPTED, this January 17, 2017.

CITY OF CELINA, TEXAS

Mayor Pro-Tem

ATTEST:

City Secretary

(City Seal)

EXHIBIT A
INDENTURE OF TRUST

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Bond Ordinance (1909 : Ownsby Ordinance - Phase I Issuance & Sale of Bonds)

EXHIBIT B
BOND PURCHASE AGREEMENT

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Bond Ordinance (1909 : Ownsby Ordinance - Phase I Issuance & Sale of Bonds)

EXHIBIT C
CONTINUING DISCLOSURE AGREEMENT

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Bond Ordinance (1909 : Ownsby Ordinance - Phase I Issuance & Sale of Bonds)

EXHIBIT D
REDEMPTION AGREEMENT

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Bond Ordinance (1909 : Ownsby Ordinance - Phase I Issuance & Sale of Bonds)

EXHIBIT E
REIMBURSEMENT AGREEMENT

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Bond Ordinance (1909 : Ownsby Ordinance - Phase I Issuance & Sale of Bonds)

EXHIBIT F
CONSTRUCTION, FUNDING AND ACQUISITION AGREEMENT

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #1 Bond Ordinance (1909 : Ownsby Ordinance - Phase I Issuance & Sale of Bonds)

§ _____
**CITY OF CELINA, TEXAS,
 SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)**

**BOND PURCHASE AGREEMENT
 AND DEVELOPER REPRESENTATIONS**

January 17, 2017

City of Celina, Texas
 142 N. Ohio St.
 Celina, Texas 76201

CADG Ownsby Farms, LLC
 1800 Valley View Lane, Suite 300
 Farmers Branch, Texas 75324

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the “Underwriter”), offers to enter into this Bond Purchase Agreement and Developer Representations (this “Agreement”) with the City of Celina, Texas (the “City”), and CADG Ownsby Farms, LLC, a Texas limited liability company (the “Developer”), which will be binding upon the City, the Developer and the Underwriter upon the acceptance of this Agreement by the City and the Developer. This offer is made subject to its acceptance by the City and the Developer by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City and the Developer at any time prior to the acceptance hereof by the City and the Developer. The Developer is a party to and has executed this Agreement for the limited purposes stated in Section 22 hereof. All capitalized terms not otherwise defined herein shall have the meanings given U.S. Bank National Association, as trustee (the “Trustee”), authorizing the issuance of the Bonds (defined herein), and in the Official Statement (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$_____ aggregate principal amount of the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project)” (the “Bonds”), at a purchase price of \$_____(representing the aggregate principal amount of the Bonds, less an Underwriter’s discount of \$_____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City and the Developer understand, and hereby confirm, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)) or of the Developer, but rather is acting solely in its capacity as Underwriter for its own account. The City and the Developer acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's length commercial transaction among the City, the Developer and the Underwriter and the Underwriter has financial and other interests that differ from any other party to this Agreement, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City or the Developer, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City or the Developer with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City or the Developer on other matters) and the Underwriter has no obligation to the City or the Developer with respect to the offering described herein except the obligations expressly set forth in this Agreement, and (iv) the City and the Developer have consulted their own legal, financial and other advisors to the extent they have deemed appropriate. The City and the Developer further acknowledge and agree that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City or the Developer regarding the expenditure of Bond proceeds and the construction of the projects financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City or the Developer.

Submitted herewith is (1) a completed and notarized Form 1295 for the Underwriter in connection with the Underwriter's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Underwriter Form 1295"), and (2) a completed and notarized Form 1295 for the Developer in connection with the Developer's participation in the execution of this Agreement generated by the TEC electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Developer Form 1295"). The City hereby confirms receipt of the Underwriter Form 1295 from the Underwriter and the receipt of the Developer Form 1295 from the Developer; and, the City agrees to acknowledge such forms with the TEC through its electronic filing application not later than the 30th day after the receipt of each respective form. The Underwriter, the Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Underwriter Form 1295 or the Developer Form 1295; that the information contained in each respective form has been provided solely by the Underwriter or the Developer, as applicable; and, neither the City nor its consultants have verified such information.

The Bonds shall be dated the date of their issuance and delivery and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Appendix A hereto. Payment for and delivery of the Bonds, and the other actions described

herein, shall take place on January 31, 2017 (or such other date as may be agreed to by the City, the Developer and the Underwriter) (the “Closing Date”).

2. Authorization Instruments and Law. The Bonds were authorized by an ordinance enacted by the City Council of the City (the “City Council”) on January 17, 2017 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “Act”), and the Indenture of Trust, dated as of January 1, 2017, between the City and the Trustee, authorizing the issuance of the Bonds (the “Indenture”). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the proceeds of special assessments (the “Special Assessments”) levied on the assessable parcels within Phase #1 of Ownsby Farms Public Improvement District (the “District”). The District was established by a resolution enacted by the City Council on June 9, 2015, in accordance with the Act (the “Creation Resolution”). A Service and Assessment Plan (the “Service and Assessment Plan”) which sets forth the costs of the Phase #1 Projects and the method of payment of the Special Assessments was adopted by the City Council pursuant to an Ordinance of the City Council enacted on January 17, 2017, (the “Assessment Ordinance” and, together with the Creation Resolution, the Indenture and the Bond Ordinance, the “Authorizing Documents”). The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Appendix A, the Indenture, and the Official Statement. The proceeds of the Bonds shall be used for (i) financing a portion of the costs of the Phase #1 Projects; (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #1 Projects; (iii) funding a reserve fund for the payment of principal of and interest on the Bonds; (iv) paying a portion of the costs incidental to the organization of the District; and (v) paying the costs of issuance of the Bonds.

3. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering prices set forth on the inside cover page of the Official Statement and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices (or yields higher than the public offering yields) stated on the inside cover page of the Official Statement. The Underwriter shall disclose to the City and its financial advisor any offering prices different from the initial offering prices stated on the inside cover page of the Official Statement. On or before the third (3rd) business day prior to Closing, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate, in substantially the form attached hereto as Appendix B.

4. Official Statement.

(a) Delivery of Official Statement. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Official Statement for the Bonds dated December 28, 2016 (the “Preliminary Official Statement”), in a “designated electronic format,” as defined in the Municipal Securities Rulemaking Board (“MSRB”) Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Official Statement relating to the Bonds (the “Official Statement”) which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (“Rule 15c2-12”), (iii) in a “designated electronic format,” and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriter before the execution hereof. The Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the “Official Statement.” Until the Official Statement has been prepared and is available for distribution, the City shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Underwriter deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) Preliminary Official Statement Deemed Final. The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Official Statement has been deemed final by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

(c) Use of Official Statement in Offering and Sale. The City hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City’s acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City’s acceptance of this Agreement) copies of the Official Statement which is complete as of the date of its delivery to the Underwriter. The City shall provide the Official Statement, or cause the Official Statement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

(d) Updating of Official Statement. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to Rule 15c2-12 (the

earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than the 25th day after the “end of the underwriting period” for the Bonds), the City or the Developer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the City or the Developer, as applicable, will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the City or the Developer, as applicable, will forthwith prepare and furnish, at the Developer’s expense (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Official Statement so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City or the Developer in accordance herewith, (i) neither the City nor the Developer make any representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, (ii) the City makes no representation with respect to the information in the Preliminary Official Statement or the Official Statement under the captions and subcaptions “PLAN OF FINANCE — Development Plan,” “THE PHASE #1 PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Projects and the Development, as defined in the Official Statement), “THE SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer Compliance with Prior Undertakings,” “LEGAL MATTERS — Litigation - The Developer” and “INFORMATION RELATING TO THE TRUSTEE” and (iii) the Developer makes no representations with respect to the information in the Preliminary Official Statement or the Official Statement under the captions “THE CITY,” “THE DISTRICT,” “BONDHOLDERS’ RISKS” (except as it pertains to the Developer, the Phase #1 Projects and the Development, as defined in the Official Statement), “LEGAL MATTERS — Litigation — The City,” “CONTINUING DISCLOSURE — The City” and “ — The City Compliance with Prior Undertakings” and “INFORMATION RELATING TO THE TRUSTEE.” If such notification shall be subsequent to the Closing, the City, at the expense of the Developer, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a

printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

(e) Filing with MSRB. The Underwriter hereby agrees to timely file the Official Statement with the MSRB through its Electronic Municipal Market Access (“EMMA”) system within one business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 is the Closing Date.

5. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter and the Developer that:

(a) Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the “State”), and has, and at the Closing Date will have, full legal right, power and authority:

- (i) to enter into:
 - (1) this Agreement;
 - (2) the Indenture;
 - (3) the Ownsby Farms Public Improvement District Phase #1 Reimbursement Agreement dated as of _____, 2017 executed and delivered by the City and the Developer (the “PID Reimbursement Agreement”);
 - (4) the Development Agreement, effective as of July 19, 2016, executed and delivered by the City and the Developer, (the “Development Agreement”);
 - (5) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of January 1, 2017 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., as Dissemination Agent; and
 - (6) the Phase #1 Construction, Funding and Acquisition Agreement dated as of _____, 2017 executed and delivered by the City and the Developer (the “Construction Funding Agreement”).
- (ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and
- (iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the PID Reimbursement Agreement, (4) the Development Agreement, (5) the Continuing Disclosure Agreement of Issuer, (6) the Official Statement, and (7) any other documents and

certificates described in any of the foregoing (the documents described by subclauses (1) through (7) being referred to collectively herein as, the “City Documents”).

(b) Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors’ rights generally. The City has complied, and will at the Closing (as defined herein) be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

(c) Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing Date will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and, deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents and the Bond Ordinance.

(d) No Breach or Default. As of the time of acceptance hereof, and to the best of its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City’s ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or

imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

(e) No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City’s knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

(f) Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Special Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(g) Special Assessments. The Special Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Phase #2 Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Special Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

(h) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or

made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

(i) Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Special Assessments which secure the Bonds without the prior approval of the Underwriter.

(j) Preliminary Official Statement. The information contained in the Preliminary Official Statement with respect to the City under the captions and subcaptions “THE CITY,” “THE DISTRICT,” “LEGAL MATTERS — Litigation – The City,” “CONTINUING DISCLOSURE — The City,” “ — The City Compliance with Prior Undertakings” and “APPENDIX A,” is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Official Statement. At the time of the City’s acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 4 of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the information contained in the Official Statement with respect to the City under the captions and subcaptions “THE CITY,” “THE DISTRICT,” “LEGAL MATTERS — Litigation – The City,” and “CONTINUING DISCLOSURE — The City” and “ — The City Compliance with Prior Undertakings” and “APPENDIX A” does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(l) Supplements or Amendments to Official Statement. If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 4 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official

Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(m) Compliance with Rule 15c2-12. During the past five years, the City has complied in all material respects with its previous continuing disclosure undertaking made by it in accordance with Rule 15c2-12, except as described in the Official Statement.

(n) Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(o) Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(p) Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter and the Developer as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

(q) Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

(r) Financial Advisor. The City has engaged FirstSouthwest, a Division of Hilltop Securities Inc. as its financial advisor in connection with its offering and issuance of the Bonds.

By delivering the Official Statement to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above.

6. Developer Representations, Warranties and Covenants. In order to induce the City to enter into this Agreement and as consideration for, among other things, the execution, delivery and sale of the Bonds by the City and the purchase of the Bonds by the Underwriter, the Developer represents, warrants and covenants to the Underwriter and the City that:

(a) Due Organization, Existence and Authority of Developer. The Developer is duly formed and validly existing as a limited liability company under the laws of the State of Texas, with full rights, power and authority to execute, deliver and perform its obligations under:

- (i) this Agreement;
- (ii) the PID Reimbursement Agreement;
- (iii) the Development Agreement;
- (iv) Continuing Disclosure Agreement of Developer dated as of January 1, 2017 (the "Continuing Disclosure Agreement of Developer");
- (v) the Construction Funding Agreement; and
- (vi) any other documents and certificates of the Developer described in any of the foregoing (i) through (vi) above (collectively, the "Developer Documents").

(b) Organizational Documents. The copies of the organizational documents of the Developer delivered on the Closing Date (the "Developer Organizational Documents") are fully executed, true, correct and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

(c) Due Authorization and Approval. By all necessary action, the Developer has duly authorized and approved its execution and delivery of the Developer Documents and the performance by the Developer of its obligations contained in the Developer Documents as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded.

(d) No Breach or Default. The execution and delivery of the Developer Documents by the Developer and compliance by the Developer with the provisions thereof under the circumstances described therein do not and will not in any material respect conflict with or constitute on the part of the Developer a breach or default under (i) any order, writ, judgment, injunction, decree, determination or award of any governmental authority against or with respect to the Developer, or (ii) any agreement or instrument to which the Developer is a party or by which it is bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would, in any material respect, constitute a default or an event of default by the Developer under the Developer Documents.

(e) No Litigation. Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the knowledge of the Developer, threatened by or against the Developer: (i) in any way questioning the due formation and valid existence of the Developer; (ii) in any way challenging the titles of the Developer's officers executing the Developer Documents, (iii) in any way contesting or affecting the validity or enforceability or the execution and delivery by the Developer of the Developer Documents or the consummation of the transactions described therein; (iv) in any way questioning or contesting the validity of any governmental approval of the District or any aspect thereof; (v) in any way questioning or contesting the construction and development of the Development, or (vi) which would have a material adverse effect upon the financial condition of the Developer or the Developer's ability to develop property within the District.

(f) Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Official Statement and the Official Statement was, and is, as of this date, true and correct in all material respects.

(g) Preliminary Official Statement and Official Statement The Developer represents and warrants that the information set forth in the Preliminary Official Statement and Official Statement under the captions "PLAN OF FINANCE — Development Plan," "THE PHASE #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer" and " — The Developer Compliance with Prior Undertakings," and, to the best of the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Phase #1 Projects and the Development, as defined in the Official Statement) and "LEGAL MATTERS — Litigation — The Developer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the Developer notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (g) with respect to the Preliminary Official Statement and the Official Statement.

(h) Consent to Bond Issuance. The Developer hereby consents to the issuance of the Bonds.

(i) Agreement. The Developer covenants that, while the Bonds are outstanding, the Developer will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or

body which in any way seeks to challenge or overturn the District, the validity of the Developer Documents, the levy or collection of the Special Assessments or the validity of the Bonds or the proceedings relating to their issuance.

(j) Permits, Licenses, Etc. The Developer has obtained and there are currently in force and effect, or the Developer is not aware of any fact that will prevent the Developer from receiving at or prior to the Closing Date or by the date required or necessary therefor, all consents, permits, licenses, certificates and other approvals (governmental or otherwise) required of it that:

(i) are necessary to conduct the Developer's business as it is currently being conducted;

(ii) (with the exception of the Authorizing Documents) would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance of its obligations under this Agreement, the Developer Documents and any other material agreement or instrument to which they are a party and which is to be used or contemplated for use in the consummation of the transactions described herein or by the Official Statement relating to the financing and construction of the Phase #1 Projects; or

(iii) are necessary for the acquisition, construction and operation of the Phase #1 Projects.

(k) Events of Default. No "Event of Default" or "event of default" by the Developer under any of the Developer Documents, any documents to which Developer or is a party described in the Official Statement, or under any material documents relating to the financing and construction of the Phase #1 Projects to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default," by the Developer has occurred and is continuing.

(l) Financing. Other than the Special Assessments and the lien securing the Acquisition Loan (each as defined in the Official Statement), no debt will be issued nor will any additional liens be placed on the property within Phase #1 of the District in order to complete the construction of the Phase #1 Projects unless such debt or additional liens are subordinate to the liens created by the levy of the Special Assessments, the Acquisition Loan and the Developer provides written notice of such subordination to the lender of such subordinate debt and the City.

(m) Taxes and Assessments. All ad valorem taxes and assessments are current on the property which the Developer owns within the District.

7. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the

Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP ("Bond Counsel"), or a place to be mutually agreed upon by the City, the Developer and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

8. Underwriter's Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and the performance by the City and the Developer of their respective obligations under this Agreement, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City and the Developer of their respective obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

(a) Bring-Down Representations of the City and the Developer. The representations and covenants of the City and the Developer contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents and the Developer Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinion of Miklos Law, PLLC, counsel to the Developer ("Developer's Counsel"), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in this Agreement, the Developer Documents; and (v) the City and the Developer shall perform or have performed their respective obligations required or specified in the City Documents and the Developer Documents, respectively, to be performed at or prior to Closing.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the Developer Documents, the City Documents or other documents relating to the financing and construction of the Phase #1 Projects and the Development, and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of such Developer to pay the Special Assessments when due.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 9 below.

(e) Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's sole and reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner described in the Official Statement; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds,

including all underlying obligations, as described herein or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “Trust Indenture Act”); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(4) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner contemplated by the Official Statement; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Official Statement; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Special Assessments to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Official Statement; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the date of Closing, including the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii), (vii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

9. Closing Documents. At or prior to the Closing, the Underwriter shall receive the following documents:

(a) Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix C to the Official Statement, together with a reliance letter from Bond Counsel, dated the date of the

Closing and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 9(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City, the Developer and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Official Statement but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions “PLAN OF FINANCE — The Bonds” (except for the last paragraph thereof), “DESCRIPTION OF THE BONDS,” “SECURITY FOR THE BONDS,” “ASSESSMENT PROCEDURES” (except for the subcaptions “Assessment Methodology” and “Special Assessment Amounts”), “THE DISTRICT,” “TAX MATTERS,” “LEGAL MATTERS — Legal Proceedings,” “LEGAL MATTERS — Legal Opinions,” “CONTINUING DISCLOSURE” (except for the subcaptions “The City Compliance with Prior Undertakings,” “The Developer,” and “The Developer Compliance with Prior Undertakings”), “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS” and “APPENDIX B” and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance and Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has full power and authority to adopt the Creation Resolution, the Assessment Ordinance and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the PID Reimbursement Agreement, the Development Agreement, the Continuing Disclosure Agreement of Issuer, the Construction Funding Agreement and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies

are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

(c) City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the Developer, and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

(d) Opinions of Counsel to the Developer. (i) An Opinion of Counsel to the Developer, substantially in the form of Appendix D hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, the Underwriter, and the Trustee, or in forms otherwise agreed upon by the City and the Underwriter.

(e) Disclosure Counsel Opinion. An Opinion of Norton Rose Fulbright US LLP, in its capacity as Disclosure Counsel to the City, dated the Closing Date and addressed to the City, substantially in the form of Appendix E hereto or in form otherwise agreed upon by the Underwriter.

(f) Developer Certificate. A certificate or certificates of the Developer, dated the Closing Date, to the effect that:

(i) the representations and warranties of the Developer contained herein and in the other Developer Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Developer Documents have been properly executed by the Developer, have not been amended or rescinded, and the delivery and due performance thereof by the Developer have been authorized by the Developer;

(iii) to the best of the Developer's knowledge after due inquiry, there is no action, suit, proceeding or investigation before any court, public board or body pending, with respect to which the Developer has been served with process, or, to the knowledge of the Developer threatened against the Developer wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence, or powers of the Developer or the Developer's officers to their offices; or (b) in any way question or affect this Agreement, the Developer Documents or the transactions described in this Agreement or the Developer Documents;

(iv) the Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer hereunder and under the other Developer Documents at or prior to the Closing;

(v) the information set forth in the Official Statement under the captions "PLAN OF FINANCE — Development Plan," "THE PHASE #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer" and "— The Developer Compliance with Prior Undertakings" and, to the best of the Developer's knowledge after due inquiry,

under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Projects and the Development, as defined in the Official Statement), and “LEGAL MATTERS — Litigation – The Developer” is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as of the date thereof; and

(vi) although the Developer has not verified and does not assume any responsibility for the accuracy, completeness, or fairness of the information contained in the Preliminary Official Statement or the Official Statement other than that described in clause (v), and in reliance upon the representations provided by the City in this Agreement, the Developer has participated in the preparation of the Preliminary Official Statement and the Official Statement and without independent verification, no facts came to the Developer’s attention to lead it to believe that the Preliminary Official Statement, as of its date or as of the date of this Agreement, or the Official Statement, as of its date or as of the date of Closing (except for financial, forecast, technical and statistical statements and data therein and the information regarding The Depository Trust Company and its book-entry only system, in each case as to which it is not called upon to comment) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) City Certificate. A certificate of the City, dated the Closing Date, to the effect that, to the authorized City official’s knowledge:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Official Statement, no litigation or proceeding against the City is pending or, to the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Special Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to such person’s knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City

Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

(h) Trustee's Certificate. A certificate of the Trustee, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Trustee is duly organized and validly existing as a national banking association organized under the laws of the United States of America, having the full power and authority, including trust powers, to accept and perform its duties under the Indenture; and

(ii) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

(i) Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Winstead PC, counsel to the Underwriter, to the effect that:

(i) based on (A) such counsel's review of the Bond Ordinance, the Indenture, and the Official Statement; (B) its discussions with bond counsel and with the Underwriter; (C) its review of the documents, certificates, opinions and other instruments delivered at the closing of the sale of the Bonds on the date hereof; and (D) such other matters as it deems relevant, such counsel is of the opinion that the Bonds are exempt securities under the Securities Act, and the Trust Indenture Act, and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the Securities Act and the Indenture is not required to be qualified under the Trust Indenture Act;

(ii) based upon (A) such counsel's review of Rule 15c2-12 and interpretive guidance published by the United States Securities and Exchange Commission relating thereto; (B) its review of the continuing disclosure undertaking of the City contained in the Continuing Disclosure Agreement of the Issuer; and (C) the inclusion in the Official Statement of a description of the specifics of such undertaking, and assuming that the Bond Ordinance, the Indenture, and the Continuing Disclosure Agreement of the Issuer have been duly adopted by the City and are in full force and effect, such undertaking provides a suitable basis for the Underwriter, to make a reasonable determination that the City has met the qualifications of paragraph (b)(5)(i) of Rule 15c2-12; and

(iii) although such counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the information contained in the Official Statement, it has participated in the preparation of the Official Statement and without independent verification, no facts

came to its attention that caused it to believe that the Official Statement (except for the Appendices as well as any other financial, engineering and statistical data contained therein or included therein by reference or any litigation disclosed therein, as to which it expresses no view) as of its date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) Official Statement. The Official Statement and each supplement or amendment, if any, thereto.

(k) Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

(l) Organizational Documents and Good Standing of the Developer. The Developer shall have delivered to the Underwriter and the City fully executed copies of the Developer Organizational Documents. The Developer shall have delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

(m) Form 8038. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(n) Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

(o) Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

(p) Continuing Disclosure Agreement. The Continuing Disclosure Agreement of the Issuer and the Continuing Disclosure Agreement of the Developer, which shall have been executed by the parties in substantially the forms attached to the Preliminary Official Statement as Appendix D-1 and Appendix D-2.

(q) Letter of Representation of the Appraiser. Letter of Representation of the Appraiser, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(r) Letter of Representation of Special Assessment Consultant. Letter of Representation of Special Assessment Consultant, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(s) Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution, including legal description of the District by metes and bounds and (ii) the Assessment Ordinance, including the assessment rolls and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto may be obtained or viewed, have been filed of record in the real property records of Collin County, Texas.

(t) Lender Consent Certificate. Lender Consent Certificate, in recordable form, of Chambers Bank and any other lienholder on land in the District, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Special Assessments, and the subordination of their respective liens to the lien created by the Special Assessments, have been filed of record in the real property records of Collin County, Texas.

(u) Evidence of Ownership of Property. Evidence that on the date that the Assessment Ordinance was adopted all of the Assessed Parcels were owned by the Developer or other development or homebuilder entities and that such landowners are not entities that may claim a homestead right under Texas law.

(v) Rule 15c2-12 Certification. A resolution or certificate of the City whereby the City has deemed the Preliminary Official Statement final as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the offering of the Bonds.

(w) BLOR. A copy of the Blanket Letter of Representation to DTC relating to the Bonds and signed by the City.

(x) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or their counsel may reasonably deem necessary.

10. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the date of the Closing of the purchase price set forth in Section 1 hereof, the opinion of Bond Counsel described in Section 9(a) hereof and the receipt of all documents required to be delivered by the Developer hereunder.

11. Consequences of Termination. If either the City or the Developer shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter, the City and the Developer shall have no further obligation hereunder, except as further set forth in Sections 12, 13, 15 and 16 hereof.

12. Indemnification.

(a) The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, to the extent, but only to the extent, as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Official Statement under the captions “PLAN OF FINANCE — Development Plan” “THE PHASE #1 PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #1 Projects and the Development, as defined in the Official Statement), “CONTINUING DISCLOSURE — The Developer” and “The Developer Compliance with Prior Undertakings,” and “LEGAL MATTERS — Litigation – The Developer,” or any amendment or supplement to the Official Statement amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon any untrue statement or alleged untrue statement of material fact, or any omission of any material fact necessary to make the statements under the aforementioned captions (as qualified above), in light of the circumstances under which they were made, not misleading, and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred. Notwithstanding any provision in this Agreement to the contrary, the Developer shall have no liability to the Underwriter, the City or any other person for any untrue, inaccurate or misleading statement set forth in any Section of this Agreement other than those Sections specifically listed in Section 22 below.

(b) The Underwriter will indemnify and hold harmless the Developer and the City against any losses, claims, damages or liabilities to which the Developer and the City may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Official Statement, or any amendment or supplement thereto, or arise out of or are based upon any untrue statement or alleged untrue statement of material fact, or any omission or alleged omission of any material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission was made in the Official Statement or any such amendment or supplement in reliance upon and in conformity with information under the heading “UNDERWRITING” in the Official Statement, and will reimburse the Developer and the City for any legal or other expenses reasonably incurred by the Developer and the City in connection with investigating or defending any such actions or claims as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such

subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity agreement in this Section 12 shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

13. Costs and Expenses.

(a) The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Official Statement, the final Official Statement and any supplements and amendments thereto; (iii) the fees and disbursements of the City's financial advisor, the Trustee's counsel, Bond Counsel, Developer's Counsel and Special Counsel, and the Trustee relating to the issuance of the Bonds, (iv) the Attorney General's review fees, (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the Special Assessment Consultant, and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement. The City shall also pay for any expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriter which are incidental to implementing this Agreement and the issuance of the Bonds, including, but not limited to, meals, transportation and lodging, if any, and any other miscellaneous closing costs. The City acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(b) The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

(c) The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. An employee of the Underwriter serves on the Board of the Texas MAC.

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 N. Ohio St., Celina, Texas 76201, Attention: City Manager.

Any notice or other communication to be given to the Developer under this Agreement may be given by delivering the same in writing to CADG Ownsby Farms, 1800 Valley View Lane, Suite 300, Farmers Branch, Texas 75324 Attention: Mehrdad Moayedi.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: RBC Capital Markets, LLC, 2 Embarcadero Center, Suite 1200, San Francisco, California 94111, Attn: Matthew Challis, Managing Director.

15. Entire Agreement. This Agreement is made solely for the benefit of the City, the Developer and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's and the Developer's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City and the Developer shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 16 shall survive any termination of this Agreement.

16. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

17. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter, the Developer, or the City without the prior written consent of the other parties hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter or the Developer with any liability, or be held liable to the Underwriter or the Developer under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Developer. The Developer is a party to and has executed this Agreement for the limited purposes, representations and obligations stated herein in the second full paragraph of Section 1, and Sections 4(d), 6, 8(a) through (c), 9(d), 9(f), 9(k), 9(l), 9(p), 9(t), 9(u), 12, and 14 through 21. The Developer shall not have rights, remedies or claims under or by reason of this Agreement with respect to or against the City or the Underwriter or any other person or entity, except as expressly provided in this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

RBC CAPITAL MARKETS, LLC
as Underwriter

By: _____
Name: Matthew Challis
Title: Managing Director

Attachment: (RBC) CELINA OWNSBY FARMS (2017 Phase #1 Bonds) -- Bond Purchase Agreement 4813-0530-4126 4(1) (1909 : Ownsby

Accepted at _____ a.m./p.m. central time on the
date first stated above.

CITY OF CELINA, TEXAS

By: _____
Mayor Pro Tem

Attachment: (RBC) CELINA OWNSBY FARMS (2017 Phase #1 Bonds) -- Bond Purchase Agreement 4813-0530-4126 4(1) (1909 : Ownsby

**CADG OWNSBY
FARMS, 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

APPENDIX A

\$ _____

CITY OF CELINA, TEXAS

(a municipal corporation of the State of Texas located in Collin and Denton Counties)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017

(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT

PHASE #1 PROJECT)

\$ _____ **Serial Bonds**

<u>Due (September 1)^{(a)(b)}</u>	<u>Maturity Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
\$ _____	\$ _____	_____ %	_____ %

\$ _____ **Term Bonds**\$ _____ % Term Bonds, Due September 1, 20__, Priced to Yield _____ % ^{(a) (b) (c)}\$ _____ % Term Bonds, Due September 1, 20__, Priced to Yield _____ % ^{(a) (b) (c)}

-
- (a) The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any Interest Payment Date on or after September 1, 20__, at the redemption price of 100% of the principal amount of such Bonds, or portion thereof, to be redeemed, plus accrued interest to date of redemption:
- (b) The Bonds are also subject to extraordinary optional redemption as described in the Official Statement under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (c) The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$ _____ **Term Bonds Maturing September 1, 20__****Redemption Date****Sinking Fund
Installment**\$ _____ **Term Bonds Maturing September 1, 20__**

Redemption Date

Sinking Fund
Installment

Attachment: (RBC) CELINA OWNSBY FARMS (2017 Phase #1 Bonds) -- Bond Purchase Agreement 4813-0530-4126 4(1) (1909 : Ownsby

APPENDIX B**ISSUE PRICE CERTIFICATE**

The undersigned hereby certifies as follows with respect to the sale of the CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT) (the "Obligations"):

1. The undersigned is the underwriter that purchased the Obligations from the City of Celina, Texas (the "Issuer").

2. The undersigned has made a bona fide offering of all of the Obligations of each maturity to the public at the initial offering prices set forth in the Issuer's Official Statement with respect to the Obligations, dated _____, 2017 (the "Official Statement").

3. The initial offering price (expressed as a dollar amount, yield percentage, or percentage of principal amount and exclusive of accrued interest) at which a substantial amount (at least 10%) of the Obligations of each maturity was sold to the public (as defined in paragraph 4) is as set forth on page (i) of the Official Statement [except for the Obligations maturing in the years 20__, 20__ and 20__ (collectively, the "Unsold Maturities")].

[4. In the case of each of the Unsold Maturities, the undersigned reasonably expected, as of the sale date of the Obligations, to sell a substantial amount (at least 10%) of each of the Unsold Maturities to the public at the initial offering price set forth in the Official Statement.]

5. The term "public," as used herein, means persons other than bondhouses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers.

6. The initial offering prices described above reflect current market prices at the time of such sales.

7. The undersigned understands that the statements made herein will be relied upon by the Issuer in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Obligations from the gross income of their owners; provided, however, that nothing herein represents any interpretation by the undersigned of any laws or regulations under the Internal Revenue Code of 1986, as amended.

EXECUTED and DELIVERED this _____.

RBC CAPITAL MARKETS, LLC,
as Underwriter

By: _____
Name: Matthew Challis
Title: Managing Director

APPENDIX C

[LETTERHEAD OF MESSER, ROCKEFELLER & FORT]

[CLOSING DATE]

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, TX 75201-7932

Miklos Law, PLLC
1800 Valley View Ln. Ste. 360
Farmers Branch, Texas 75234

CADG Ownsby Farms, LLC
1800 Valley View Ln. Ste. 300
Farmers Branch, Texas 75234

\$[PAR AMOUNT]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT
PHASE #1 PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Celina, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$[PAR AMOUNT] “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. 2017-__ and enacted by the City Council of the City (the “City Council”) on January 17, 2017 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Indenture of Trust dated as of January 1, 2017 (the “Indenture”) by and between the City and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2015-26R (the “Creation Resolution”) enacted by the City Council on June 9, 2015;

(b) The Ordinance No. 2017-__ accepted and approved by City Council on January 17, 2017, and the Service and Assessment Plan attached as an exhibit thereto (the “Assessment Ordinance”), as such Service and Assessment Plan was updated by the Bond Ordinance;

(c) The Bond Ordinance;

(d) The Indenture;

(e) The Ownsby Farms Public Improvement District Phase #1 Reimbursement Agreement effective January 17, 2017, executed and delivered by the City and CADG Ownsby Farms, LLC, a Texas limited liability company (the “Developer”) (the “PID Reimbursement Agreement”);

(f) Development Agreement, effective as of July 19, 2016, executed and delivered by the City and the Developer (the “Development Agreement”);

(g) The Continuing Disclosure Agreement of Issuer, dated as of January 1, 2017, executed and delivered by the City and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc. (the “Dissemination Agent”) (the “Continuing Disclosure Agreement of Issuer”); and

(h) The Phase #1 Construction, Funding and Acquisition Agreement dated as of _____, 2017 executed and delivered by the City and the Developer (the “Construction Funding Agreement”).

The Creation Resolution, the Assessment Ordinance and Bond Ordinance shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or

the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the special assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

MESSER, ROCKEFELLER & FORT
JULIE FORT
ATTORNEY FOR THE CITY

APPENDIX D

[LETTERHEAD OF MIKLOS LAW PLLC

COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

City of Celina
142 N. Ohio Street
Celina, Texas 76201

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Messer Rockefeller & Fort
63351 Preston Rd., Suite 350
Frisco, Texas 75034

\$ [PAR AMOUNT]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)

Ladies & Gentlemen:

We have acted as special counsel to CADG Ownsby Farms, LLC, a Texas limited liability company (the “*Developer*”) in connection with the issuance and sale by the City of Celina, Texas (the “*City*”), of \$[PAR AMOUNT] City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project) (the “*Bonds*”), pursuant to Indenture of Trust dated as of January 1, 2017 (the “*Indenture*”), by and between the City and U.S. Bank National Association, as trustee (the “*Trustee*”). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as “Ownsby Farms” (the “*Development*”) located in the City.

The Bonds are being sold to RBC Capital Markets, LLC (the “*Underwriter*”), pursuant to that certain Bond Purchase Agreement and Developer Representations dated January 17, 2017 (the “*Bond Purchase Agreement*”), among the City, the Underwriter, and the Developer (for the limited purposes stated therein). This opinion is being delivered pursuant to Section 9(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents (collectively, the “*Material Documents*”):

(1) *Development Agreement*, effective as of July 19, 2016, between the City and the Developer;

(2) *Ownsby Farms Public Improvement District Phase #1 Reimbursement Agreement – Ownsby Farms* effective January 17, 2017 between the City and the Developer;

(3) *City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project) Continuing Disclosure Agreement of Developer* dated as of January 1, 2017 among the Developer, MuniCap, Inc. and FSC Continuing Disclosure Services, a division of Hilltop Securities, Inc.;

(4) *The Bond Purchase Agreement*; and

(5) *The Phase #1 Construction, Funding, and Acquisition Agreement effective _____, 2017, executed and delivered by the City and the Developer (the “PID CFA Agreement”)*.

(b) Officer's Certificate of the Developer and the Closing Certificate of the Developer, each dated as of the date hereof (together, the “*Developer Certificate*”);

(c) The Preliminary Official Statement, dated December 28, 2016 relating to the issuance of the Bonds (the “*Preliminary Official Statement*”);

(d) The final Official Statement, dated January 17, 2017, relating to the issuance of the Bonds (collectively with the Preliminary Official Statement, the “*Official Statement*”); and

(e) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In basing the opinions and other matters set forth herein on “our knowledge,” the words “our knowledge” signify that, in the course of our representation of the Developer the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words “our knowledge” and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation, that: (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto and that each such document constitutes a valid, binding, and enforceable obligation of each party (other than the Developer) thereto, (ii) all of the parties to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any governmental authority of any jurisdiction not

expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction or decree of any court applicable to such party.

In addition, we have assumed that the Material Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Material Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Material Documents.

We assume that none of the parties to the Material Documents (other than Developer) is a party to any court or regulatory proceeding relating to or otherwise affecting the Material Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Material Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Material Documents (other than Developer) has full authority to close this transaction in accordance with the terms and provisions of the Material Documents.

We assume that neither the Underwriter nor the City nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Material Documents (and the transactions contemplated in the Material Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The execution and delivery by the Developer of the Material Documents and the performance by the Developer of its obligations under the Material Documents will not (i) violate any applicable law; or (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Developer Certificate or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party.
2. To our knowledge, no governmental approval which has not been obtained or taken is required to be obtained or taken by the Developer on or before the date hereof as a condition to the performance by the Developer of its obligations under the Material Documents to which it is a party, except for governmental approvals that may be required to

comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

3. The Developer has duly executed and delivered each of the Material Documents to which it is a party, and each of the Material Documents constitute the legal, valid, and binding obligations of the Developer, enforceable against the Developer in accordance with their respective terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part. The execution, delivery, and performance by the Developer of its obligations under the Material Documents do not violate any existing laws of the State of Texas applicable to the Developer or any ordinances of the City applicable to the Developer.

4. To our knowledge after reasonable inquiry, there are no actions, suits or proceedings pending or threatened against the Developer identified in the Developer Certificate or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion in any court of law or equity, or before or by any governmental instrumentality with respect to the validity or enforceability against it of such Material Documents or the transactions described therein.

5. The execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, indenture, bond note, resolution, agreement or other instrument to which the Developer is a party or is otherwise subject and which have been identified in the Developer Certificate which violation, breach or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under applicable law or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

6. The information set forth in the Official Statement under the captions “*PLAN OF FINANCE — Development Plan*,” “*THE PHASE #1 PROJECTS*,” “*THE DEVELOPMENT*,” and “*THE DEVELOPER*,” and, to the best of its knowledge after due inquiry, under the captions “*BONDHOLDERS' RISKS (only as it pertains to the Developer, the Phase #1 Projects, and the Development)*,” “*LEGAL MATTERS — Litigation — The Developer*,” and “*CONTINUING DISCLOSURE — The Developer*” and “*— Developer's Compliance With Prior Undertakings*” adequately and fairly describe the information summarized under such captions and are correct as to matters of law.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations or litigation.

(b) We have relied upon the Developer Certificates, as well as the representations of the Developer contained in the Material Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 3 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Material Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer is a party or by which the Developer is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) The opinions expressed herein regarding the enforceability of the Material Documents are subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Material Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Material Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(i) The opinion expressed herein as to the enforceability of the Material Documents is specifically subject to the qualification that enforceability of the Material Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization,

fraudulent conveyance, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(j) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Material Documents.

(k) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisal, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(l) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(m) We express no opinion as to the enforceability of any provisions in the Material

Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to those parties addressed in this letter solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon for any other purpose or by any other person in any manner or for any purpose.

Subject to the above qualifications and based upon our participation in the preparation of the Official Statement and our participation at conferences with representatives of the Issuer and its counsel, and with representatives of the Developer at which the Official Statement and related matters were discussed, and although we have not independently verified the information in the Official Statement and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph as of the date of the Official Statement and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

J. Prabha Cinclair

Attachment: (RBC) CELINA OWNSBY FARMS (2017 Phase #1 Bonds) -- Bond Purchase Agreement 4813-0530-4126 4(1) (1909 : Ownsby

APPENDIX E

[LETTERHEAD OF NORTON ROSE FULBRIGHT US LLP

DISCLOSURE COUNSEL TO THE CITY]

[CLOSING DATE]

City of Celina
 142 North Ohio Street
 Celina, Texas 76201

\$(PAR AMOUNT]
 CITY OF CELINA, TEXAS,
 SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT
 PHASE #1 PROJECT)

Ladies and Gentlemen:

We have served as Disclosure Counsel to you, the City of Celina, Texas (the City), in connection with the issuance of the above captioned bonds pursuant to the provisions of an ordinance duly adopted by the City Council of the City on January 17, 2017 (the Ordinance). In that connection, we have reviewed (1) the Ordinance authorizing the issuance of the Bonds and containing other matters related thereto, (2) an Indenture of Trust dated as of January 1, 2017, between the City and U.S. Bank National Association, as Trustee, (3) the Preliminary Official Statement, dated December 28, 2016, in connection with the Bonds (the Preliminary Official Statement), and (4) the Final Official Statement, dated January 17, 2017 (the Final Official Statement); however we have not reviewed nor have we been called upon to express any view regarding the financial statements or other financial, engineering, and statistical data included in the Final Official Statement, or the portions of the Final Official Statement under the headings **“BOOK-ENTRY ONLY SYSTEM,” “PLAN OF FINANCE – Development Plan,” “THE PHASE #1 PROJECTS,” “THE DEVELOPMENT,”** and **“THE DEVELOPER,”** and, **“BONDHOLDERS’ RISKS”** (only as it pertains to the Developer, the Phase # 1 Projects, and the Development), **“LEGAL MATTERS — Litigation – The Developer [and the Landowner],” “CONTINUING DISCLOSURE – The Developer,” “SPECIAL ASSESSMENT PROCEDURES— Special Assessment Methodology” “SPECIAL ASSESSMENT PROCEDURES — Special Assessment Amounts”** and **“CONTINUING DISCLOSURE – The City – Compliance with Prior Undertakings.”**

We have also discussed the Final Official Statement with representatives of the City and others and reviewed such records of the City as we deem relevant to our review of the Final Official Statement. In our examination and reviews, we have assumed the authenticity of all

documents submitted to us as originals, the conformity to original document of all documents submitted to us as copies, and the accuracy of statements contained in such documents.

Although we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or Final Official Statement, we have participated in the preparation of and advise you that, in the course of our review and discussions with respect to the Preliminary Official Statement and the Final Official Statement and without independent verification, nothing has come to our attention that leads us to believe that the portions of the Preliminary Official Statement or Final Official Statement we have reviewed contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This opinion may be relied upon only by you.

Very truly yours

APPENDIX F

[LETTERHEAD OF APPRAISER]

[DATE]

City of Celina
142 North Ohio Street
Celina, TX 76201

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, TX 75201-7932

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Messer Rockefeller & Fort
63351 Preston Rd., Suite 350
Frisco, TX 75034

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, Jackson Claborn, Inc., appraiser of (i) the undeveloped property contained in Ownsby Farms Public Improvement District (“District”), does hereby represent the following:

1. On behalf of Jackson Claborn, Inc., I have supplied certain information contained in the Preliminary Official Statement for the Bonds, dated December 28, 2016, and the Official Statement for the Bonds, dated on or about January 17, 2017 (together, the “Official Statement”), relating to the issuance of the Bonds by the City of Celina, Texas, as described above. The information I have provided is the real estate appraisal of the property in the District, located in APPENDIX E to the Official Statement, and the description thereof, set forth under the caption “APPRAISAL OF PROPERTY WITHIN THE DISTRICT — The Appraisal”.

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Official Statement described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the Appraisal in the Official Statement and the use of the name of my firm in the Official Statement for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and

prior to the actual time of delivery of the Bonds (anticipated to occur on or about January __, 2017) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representations.

Sincerely yours,

JACKSON CLABORN, INC.

By: _____
Its: _____

APPENDIX G

[LETTERHEAD OF SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR]

[DATE]

City of Celina
142 North Ohio Street
Celina, TX 76201

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, TX 75201-7932

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Messer Rockefeller & Fort
63351 Preston Rd., Suite 350
Frisco, TX 75034

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #1 Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, _____, of MuniCap, Inc., consultant in connection with the creation by the City of Celina, Texas (the "City"), of Ownsby Farms Public Improvement District (the "District"), does hereby represent the following:

1. On behalf of MuniCap, Inc., I have supplied certain information contained in the Preliminary Official Statement, dated December 28, 2016 (the "Preliminary Official Statement"), and the final Official Statement, dated on or about January 17, 2017 (the "Official Statement"), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information I provided for the Preliminary Official Statement and the Official Statement is located (a) under the caption "SPECIAL ASSESSMENT PROCEDURES — Assessment Methodology" and " — Special Assessment Amounts," (b) under the caption "THE SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR" and (c) in the Service and Assessment Plan (the "SAP") for the City located in APPENDIX C to the Official Statement.

2. To the best of my professional knowledge and belief, the portions of the Official Statement described above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the SAP in the Official Statement and to the use of the name of my firm in the Official Statement for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and

prior to the actual time of delivery of the Bonds (anticipated to occur on or about January 10, 2017) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

MUNICAP, INC.

By: _____

Its: _____



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Mary Petty, Petty & Associates, Inc.
Date: January 17, 2017
Re: Ownsby Farms Public Improvement District - Phase II Approving and Authorizing the Issuance and Sale of Special Assessment Revenue Bonds, Series 2017

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Public Improvement District Phase #2 Major Improvement Project) and approving and authorizing related agreements. (Ownsby Farms) (Petty)

Background Information:

These are the draft documents which will be completed with the sale of PID Bonds for the Ownsby Public Improvement District. Staff and Consultants have already reviewed and approved and once the pricing of the bonds is completed, Staff and Consultants will review again. Bond pricing is anticipated to be on the morning of the January 17th meeting, since the markets are closed for the 16th Federal holiday. Staff and Consultants will review final pricing and will be present at the meeting to give you a report prior to requesting your approval.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

Bond Counsel, FA, City Attorneys have reviewed

Supporting Documents:

Bond Indenture Ordinance, Bond Purchase Agreement and related Agreements

Staff Recommendation:

ORDINANCE NO. 2017-__

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #2 MAJOR IMPROVEMENT PROJECT); APPROVING AND AUTHORIZING RELATED AGREEMENTS, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the "Ownsby Farms Public Improvement District" (the "District"), pursuant to Resolution No. 2015-26R adopted by the City Council of the City (the "City Council") on June 9, 2015; and

WHEREAS, pursuant to the PID Act, the City Council published notice of and opened a public hearing on January 10, 2017 and recessed that public hearing until January 17, 2017 at which time the City Council continued the public hearing regarding the levy of special assessments against benefitted property located in Phase #2 of the District and after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2017-__ (the "Phase #2 Assessment Ordinance") on January 17, 2017; and

WHEREAS, in the Phase #2 Assessment Ordinance, the City Council approved and accepted the Ownsby Farms Public Improvement District Service and Assessment Plan, dated December 28, 2016 (the "Service and Assessment Plan") relating to the District and levied the "Phase #2 Special Assessments" (as defined in the Phase #2 Assessment Ordinance, the "Phase #2 Special Assessments") against the "Phase #2 Assessment Roll" (as defined and described in the Service and Assessment Plan, the "Assessment Roll"). Capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Phase #2 Assessments and other revenues received for the purposes of (i) paying a portion of the Costs of the Phase #2 Projects, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds (defined herein) during and after the period of acquisition and construction of the Phase #2 Projects, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuing the Bonds; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project)" (the "Bonds"), such series to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined herein); and

WHEREAS, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the costs of the Phase #2 Projects (as defined in the Indenture), (ii) approve the form, terms and provisions of an indenture of trust securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve an Preliminary Official Statement (defined below), (v) approve the form, terms and provisions of a

Continuing Disclosure Agreement (defined below), (vi) approve the form, terms and provisions of a Redemption Agreement (defined below) and (vii) approve the form, terms and provisions of a Phase #2 CFA Agreement (defined below).

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of \$_____ for the purpose of providing funds for (i) paying a portion of the Costs of the Phase #2 Projects, as defined in the Indenture, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #2 Projects, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying the costs of issuing the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of January 1, 2017, between the City and U.S. Bank National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Interim City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Indenture by the Mayor Pro-Tem of the City, which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A** which is incorporated herein as a part hereof for all purposes. The Mayor Pro-Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor Pro-Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such series, and shall never be payable from ad valorem taxes.

SECTION 2. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to RBC Capital Markets, LLC (the "Underwriter") under that certain Bond Purchase Agreement and Developer Representations (the "Bond Purchase Agreement"), dated the date hereof, among the City, CADG Ownsby Farms, LLC, a Texas limited liability company (the "Developer"), and the Underwriter, substantially in the form attached hereto as **Exhibit B** which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Interim City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Bond

Purchase Agreement by the Mayor Pro-Tem of the City. The Mayor Pro-Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

SECTION 3. Preliminary Official Statement. The form and substance of the Preliminary Official Statement for the Bonds and any addenda, supplement or amendment thereto and the final Official Statement (the "Official Statement") presented to and considered at the meeting at which this Ordinance is considered are hereby in all respects approved and adopted. The Mayor Pro-Tem is hereby authorized and directed to execute such Official Statement with such changes and alterations therein as the Mayor Pro-Tem may approve, such approval to be conclusively evidenced by such execution thereof. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor Pro-Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Official Statement and Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the execution, approval and delivery of such Preliminary Official Statement and Official Statement by the Mayor Pro-Tem and this City Council are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Official Statement and Official Statement pertaining to the Development (as defined in the Official Statement), the Developer (as defined therein) or their financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. Continuing Disclosure Agreement. That certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc. (the "Dissemination Agent") is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof.

SECTION 5. Redemption Agreement. That certain agreement titled "Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation – Ownsby Farms Public Improvement District" (the "Redemption Agreement") between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is hereby authorized and directed to execute and deliver such Redemption Agreement with such changes as may be required to carry out the purpose of this Ordinance and then as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof. The Mayor Pro-Tem's signature on the Redemption Agreement may be attested by the City Secretary.

SECTION 6. CFA Agreement. That certain agreement titled Phase #2 Major Improvements Construction, Funding and Acquisition Agreement (the "Phase #2 CFA Agreement") between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit E** which is incorporated herein as a part hereof for all purposes and the Mayor Pro-Tem is hereby authorized and directed to execute and deliver such Phase #2 CFA Agreement with such changes as may be required to carry out the purpose of this Ordinance and then as approved by the Mayor Pro-Tem, such approval to be evidenced by the execution thereof. The Mayor Pro-Tem's signature on the Phase #2 CFA Agreement may be attested by the City Secretary.

SECTION 7. Additional Actions. The Mayor, Mayor Pro-Tem, the Interim City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, Mayor Pro-Tem, the Interim City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

SECTION 8. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 9. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 10. Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 11. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 12. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble of this Ordinance 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.

SECTION 13. Effective Date. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND ADOPTED, this January 17, 2017.

CITY OF CELINA, TEXAS

Mayor Pro-Tem

ATTEST:

City Secretary

(City Seal)

EXHIBIT A
INDENTURE OF TRUST

EXHIBIT B
BOND PURCHASE AGREEMENT

Attachment: CELINA OWNSBY FARMS PID 2017 - Phase #2 Bond Ordinance (1910 : Ownsby Ordinance Phase II - Issuance & Sale of Bonds)

EXHIBIT C
CONTINUING DISCLOSURE AGREEMENT

EXHIBIT D
REDEMPTION AGREEMENT

EXHIBIT E

PHASE #2 CONSTRUCTION, FUNDING AND ACQUISITION AGREEMENT

§ _____
**CITY OF CELINA, TEXAS,
 SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #2 MAJOR
 IMPROVEMENT PROJECT)**

**BOND PURCHASE AGREEMENT
 AND DEVELOPER REPRESENTATIONS**

January 17, 2017

City of Celina, Texas
 142 N. Ohio St.
 Celina, Texas 76201

CADG Ownsby Farms, LLC
 1800 Valley View Lane, Suite 300
 Farmers Branch, Texas 75324

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the “Underwriter”), offers to enter into this Bond Purchase Agreement and Developer Representations (this “Agreement”) with the City of Celina, Texas (the “City”), and CADG Ownsby Farms, LLC, a Texas limited liability company (the “Developer”), which will be binding upon the City, the Developer and the Underwriter upon the acceptance of this Agreement by the City and the Developer. This offer is made subject to its acceptance by the City and the Developer by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City and the Developer at any time prior to the acceptance hereof by the City and the Developer. The Developer is a party to and has executed this Agreement for the limited purposes stated in Section 22 hereof. All capitalized terms not otherwise defined herein shall have the meanings given U.S. Bank National Association, as trustee (the “Trustee”), authorizing the issuance of the Bonds (defined herein), and in the Official Statement (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$_____ aggregate principal amount of the “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project)” (the “Bonds”), at a purchase price of \$_____ (representing

the aggregate principal amount of the Bonds, less an Underwriter's discount of \$_____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City and the Developer understand, and hereby confirm, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)) or of the Developer, but rather is acting solely in its capacity as Underwriter for its own account. The City and the Developer acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's length commercial transaction among the City, the Developer and the Underwriter and the Underwriter has financial and other interests that differ from any other party to this Agreement, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City or the Developer, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City or the Developer with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City or the Developer on other matters) and the Underwriter has no obligation to the City or the Developer with respect to the offering described herein except the obligations expressly set forth in this Agreement, and (iv) the City and the Developer have consulted their own legal, financial and other advisors to the extent they have deemed appropriate. The City and the Developer further acknowledge and agree that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City or the Developer regarding the expenditure of Bond proceeds and the construction of the projects financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City or the Developer.

Submitted herewith is (1) a completed and notarized Form 1295 for the Underwriter in connection with the Underwriter's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Underwriter Form 1295"), and (2) a completed and notarized Form 1295 for the Developer in connection with the Developer's participation in the execution of this Agreement generated by the TEC electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Developer Form 1295"). The City hereby confirms receipt of the Underwriter Form 1295 from the Underwriter and the receipt of the Developer Form 1295 from the Developer; and, the City agrees to acknowledge such forms with the TEC through its electronic filing application not later than the 30th day after the receipt of each respective form. The Underwriter, the Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Underwriter Form 1295 or the Developer Form 1295; that the information contained in each respective form has been provided solely by the Underwriter or the Developer, as applicable; and, neither the City nor its consultants have verified such information.

The Bonds shall be dated the date of their issuance and delivery and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Appendix A hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on January 31, 2017 (or such other date as may be agreed to by the City, the Developer and the Underwriter) (the “Closing Date”).

2. Authorization Instruments and Law. The Bonds were authorized by an ordinance enacted by the City Council of the City (the “City Council”) on January 17, 2017 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “Act”), and the Indenture of Trust, dated as of January 1, 2017, between the City and the Trustee, authorizing the issuance of the Bonds (the “Indenture”). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the proceeds of special assessments (the “Special Assessments”) levied on the assessable parcels within Phase #2 of Ownsby Farms Public Improvement District (the “District”). The District was established by a resolution enacted by the City Council on June 9, 2015, in accordance with the Act (the “Creation Resolution”). A Service and Assessment Plan (the “Service and Assessment Plan”) which sets forth the costs of the Phase #2 Major Improvement Projects and the method of payment of the Special Assessments was adopted by the City Council pursuant to an Ordinance of the City Council enacted on January 17, 2017, (the “Assessment Ordinance” and, together with the Creation Resolution, the Indenture and the Bond Ordinance, the “Authorizing Documents”). The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Appendix A, the Indenture, and the Official Statement. The proceeds of the Bonds shall be used for (i) financing a portion of the costs of the Phase #2 Major Improvement Projects; (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #2 Major Improvement Projects; (iii) funding a reserve fund for the payment of principal of and interest on the Bonds; (iv) paying a portion of the costs incidental to the organization of the District; and (v) paying the costs of issuance of the Bonds.

3. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering prices set forth on the inside cover page of the Official Statement and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices (or yields higher than the public offering yields) stated on the inside cover page of the Official Statement. The Underwriter shall disclose to the City and its financial advisor any offering prices different from the initial offering prices stated on the inside cover page of the Official Statement. On or before the third (3rd) business day prior to Closing, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate, in substantially the form attached hereto as Appendix B.

4. Official Statement.

(a) Delivery of Official Statement. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Official Statement for the Bonds dated December 28, 2016 (the “Preliminary Official Statement”), in a “designated electronic format,” as defined in the Municipal Securities Rulemaking Board (“MSRB”) Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Official Statement relating to the Bonds (the “Official Statement”) which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (“Rule 15c2-12”), (iii) in a “designated electronic format,” and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriter before the execution hereof. The Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the “Official Statement.” Until the Official Statement has been prepared and is available for distribution, the City shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Underwriter deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) Preliminary Official Statement Deemed Final. The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Official Statement has been deemed final by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

(c) Use of Official Statement in Offering and Sale. The City hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City’s acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City’s acceptance of this Agreement) copies of the Official Statement which is complete as of the date of its delivery to the Underwriter. The City shall provide the Official Statement, or cause the Official Statement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

(d) Updating of Official Statement. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to Rule 15c2-12 (the

earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than the 25th day after the “end of the underwriting period” for the Bonds), the City or the Developer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the City or the Developer, as applicable, will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the City or the Developer, as applicable, will forthwith prepare and furnish, at the Developer’s expense (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Official Statement so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City or the Developer in accordance herewith, (i) neither the City nor the Developer make any representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, (ii) the City makes no representation with respect to the information in the Preliminary Official Statement or the Official Statement under the captions and subcaptions “PLAN OF FINANCE — Development Plan,” “THE PHASE #2 MAJOR IMPROVEMENT PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Major Improvement Projects and the Development, as defined in the Official Statement), “THE SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR,” “CONTINUING DISCLOSURE — The Developer” and “ — The Developer Compliance with Prior Undertakings,” “LEGAL MATTERS — Litigation - The Developer” and “INFORMATION RELATING TO THE TRUSTEE” and (iii) the Developer makes no representations with respect to the information in the Preliminary Official Statement or the Official Statement under the captions “THE CITY,” “THE DISTRICT,” “BONDHOLDERS’ RISKS” (except as it pertains to the Developer, the Phase #2 Major Improvement Projects and the Development, as defined in the Official Statement), “LEGAL MATTERS — Litigation — The City,” “CONTINUING DISCLOSURE — The City” and “ — The City Compliance with Prior Undertakings” and “INFORMATION RELATING TO THE TRUSTEE.” If such notification shall be subsequent to the Closing, the City, at the expense of the Developer, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a

printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

(e) Filing with MSRB. The Underwriter hereby agrees to timely file the Official Statement with the MSRB through its Electronic Municipal Market Access (“EMMA”) system within one business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 is the Closing Date.

5. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter and the Developer that:

(a) Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the “State”), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into:

(1) this Agreement;

(2) the Indenture;

(3) the Development Agreement, effective as of July 19, 2016, executed and delivered by the City and the Developer, (the “Development Agreement”);

(4) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of January 1, 2017 (the “Continuing Disclosure Agreement of Issuer”), executed and delivered by the City and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., as Dissemination Agent; and

(5) the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation dated as of January 17, 2017, executed and delivered by the City and the Developer (the “Redemption Agreement”); and

(6) and the Phase #2 Major Improvement Construction, Funding and Acquisition Agreement dated as of _____, 2017 executed and delivered by the City and the Developer (the “Construction Funding Agreement”).

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the Development Agreement, (4) the Continuing Disclosure Agreement of Issuer, (5) the Official

Statement, and (6) any other documents and certificates described in any of the foregoing (the documents described by subclauses (1) through (6) being referred to collectively herein as, the “City Documents”).

(b) Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors’ rights generally. The City has complied, and will at the Closing (as defined herein) be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

(c) Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing Date will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and, deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents and the Bond Ordinance.

(d) No Breach or Default. As of the time of acceptance hereof, and to the best of its knowledge, the City is not, and as of the Closing Date the City will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City’s ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or

imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

(e) No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City’s knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

(f) Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Special Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(g) Special Assessments. The Special Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Phase #2 Assessment Roll (as defined in the Service and Assessment Plan). According to the Act, such Special Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

(h) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or

made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

(i) Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Special Assessments which secure the Bonds without the prior approval of the Underwriter.

(j) Preliminary Official Statement. The information contained in the Preliminary Official Statement with respect to the City under the captions and subcaptions “THE CITY,” “THE DISTRICT,” “LEGAL MATTERS — Litigation – The City,” “CONTINUING DISCLOSURE — The City,” “ — The City Compliance with Prior Undertakings” and “APPENDIX A,” is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Official Statement. At the time of the City’s acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 4 of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the information contained in the Official Statement with respect to the City under the captions and subcaptions “THE CITY,” “THE DISTRICT,” “LEGAL MATTERS — Litigation – The City,” and “CONTINUING DISCLOSURE — The City” and “ — The City Compliance with Prior Undertakings” and “APPENDIX A” does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(l) Supplements or Amendments to Official Statement. If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 4 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the “end of the underwriting period,” the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official

Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(m) Compliance with Rule 15c2-12. During the past five years, the City has complied in all material respects with its previous continuing disclosure undertaking made by it in accordance with Rule 15c2-12, except as described in the Official Statement.

(n) Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(o) Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(p) Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter and the Developer as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

(q) Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

(r) Financial Advisor. The City has engaged FirstSouthwest, a Division of Hilltop Securities Inc. as its financial advisor in connection with its offering and issuance of the Bonds.

By delivering the Official Statement to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above.

6. Developer Representations, Warranties and Covenants. In order to induce the City to enter into this Agreement and as consideration for, among other things, the execution, delivery and sale of the Bonds by the City and the purchase of the Bonds by the Underwriter, the Developer represents, warrants and covenants to the Underwriter and the City that:

(a) Due Organization, Existence and Authority of Developer. The Developer is duly formed and validly existing as a limited liability company under the laws of the State of Texas, with full rights, power and authority to execute, deliver and perform its obligations under:

- (i) this Agreement;
- (ii) the Development Agreement;
- (iii) Continuing Disclosure Agreement of Developer dated as of January 1, 2017 (the “Continuing Disclosure Agreement of Developer”);
- (iv) the Redemption Agreement
- (v) the Construction Funding Agreement; and
- (vi) any other documents and certificates of the Developer described in any of the foregoing (i) through (iv) above (collectively, the “Developer Documents”).

(b) Organizational Documents. The copies of the organizational documents of the Developer delivered on the Closing Date (the “Developer Organizational Documents”) are fully executed, true, correct and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

(c) Due Authorization and Approval. By all necessary action, the Developer has duly authorized and approved its execution and delivery of the Developer Documents and the performance by the Developer of its obligations contained in the Developer Documents as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded.

(d) No Breach or Default. The execution and delivery of the Developer Documents by the Developer and compliance by the Developer with the provisions thereof under the circumstances described therein do not and will not in any material respect conflict with or constitute on the part of the Developer a breach or default under (i) any order, writ, judgment, injunction, decree, determination or award of any governmental authority against or with respect to the Developer, or (ii) any agreement or instrument to which the Developer is a party or by which it is bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would, in any material respect, constitute a default or an event of default by the Developer under the Developer Documents.

(e) No Litigation. Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the knowledge of the Developer, threatened by or against the Developer: (i) in any way questioning the due formation and valid existence of the Developer; (ii) in any way challenging the titles of the Developer's officers executing the Developer Documents, (iii) in any way contesting or affecting the validity or enforceability or the execution and delivery by the Developer of the Developer Documents or the consummation of the transactions described therein; (iv) in any way questioning or contesting the validity of any governmental approval of the District or any aspect thereof; (v) in any way questioning or contesting the construction and development of the Development, or (vi) which would have a material adverse effect upon the financial condition of the Developer or the Developer's ability to develop property within the District.

(f) Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Official Statement and the Official Statement was, and is, as of this date, true and correct in all material respects.

(g) Preliminary Official Statement and Official Statement The Developer represents and warrants that the information set forth in the Preliminary Official Statement and Official Statement under the captions "PLAN OF FINANCE — Development Plan," "THE PHASE #2 MAJOR IMPROVEMENT PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer" and " — The Developer Compliance with Prior Undertakings," and, to the best of the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Phase #2 Major Improvement Projects and the Development, as defined in the Official Statement) and "LEGAL MATTERS — Litigation — The Developer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the Developer notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (g) with respect to the Preliminary Official Statement and the Official Statement.

(h) Consent to Bond Issuance. The Developer hereby consents to the issuance of the Bonds.

(i) Agreement. The Developer covenants that, while the Bonds are outstanding, the Developer will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or

body which in any way seeks to challenge or overturn the District, the validity of the Developer Documents, the levy or collection of the Special Assessments or the validity of the Bonds or the proceedings relating to their issuance.

(j) Permits, Licenses, Etc. The Developer has obtained and there are currently in force and effect, or the Developer is not aware of any fact that will prevent the Developer from receiving at or prior to the Closing Date or by the date required or necessary therefor, all consents, permits, licenses, certificates and other approvals (governmental or otherwise) required of it that:

(i) are necessary to conduct the Developer's business as it is currently being conducted;

(ii) (with the exception of the Authorizing Documents) would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance of its obligations under this Agreement, the Developer Documents and any other material agreement or instrument to which they are a party and which is to be used or contemplated for use in the consummation of the transactions described herein or by the Official Statement relating to the financing and construction of the Phase #2 Major Improvement Projects; or

(iii) are necessary for the acquisition, construction and operation of the Phase #2 Major Improvement Projects.

(k) Events of Default. No "Event of Default" or "event of default" by the Developer under any of the Developer Documents, any documents to which Developer or is a party described in the Official Statement, or under any material documents relating to the financing and construction of the Phase #2 Major Improvement Projects to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default," by the Developer has occurred and is continuing.

(l) Financing. Other than the Special Assessments and the lien securing the Acquisition Loan (each as defined in the Official Statement), no debt will be issued nor will any additional liens be placed on the property within Phase #2 of the District in order to complete the construction of the Phase #2 Major Improvement Projects unless such debt or additional liens are subordinate to the liens created by the levy of the Special Assessments, the Acquisition Loan and the Developer provides written notice of such subordination to the lender of such subordinate debt and the City.

(m) Taxes and Assessments. All ad valorem taxes and assessments are current on the property which the Developer owns within the District.

7. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the

Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP ("Bond Counsel"), or a place to be mutually agreed upon by the City, the Developer and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

8. Underwriter's Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and the performance by the City and the Developer of their respective obligations under this Agreement, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City and the Developer of their respective obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

(a) Bring-Down Representations of the City and the Developer. The representations and covenants of the City and the Developer contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents and the Developer Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinion of Miklos Law, PLLC, counsel to the Developer ("Developer's Counsel"), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in this Agreement, the Developer Documents; and (v) the City and the Developer shall perform or have performed their respective obligations required or specified in the City Documents and the Developer Documents, respectively, to be performed at or prior to Closing.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the Developer Documents, the City Documents or other documents relating to the financing and construction of the Phase #2 Major Improvement Projects and the Development, and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of such Developer to pay the Special Assessments when due.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 9 below.

(e) Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's sole and reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner described in the Official Statement; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds,

including all underlying obligations, as described herein or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “Trust Indenture Act”); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(4) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner contemplated by the Official Statement; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Official Statement; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Special Assessments to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Official Statement; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the date of Closing, including the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii), (vii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

9. Closing Documents. At or prior to the Closing, the Underwriter shall receive the following documents:

(a) Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix C to the Official Statement, together with a reliance letter from Bond Counsel, dated the date of the

Closing and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 9(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City, the Developer and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Official Statement but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions “PLAN OF FINANCE — The Bonds” (except for the last paragraph thereof), “DESCRIPTION OF THE BONDS,” “SECURITY FOR THE BONDS,” “ASSESSMENT PROCEDURES” (except for the subcaptions “Assessment Methodology” and “Special Assessment Amounts”), “THE DISTRICT,” “TAX MATTERS,” “LEGAL MATTERS — Legal Proceedings,” “LEGAL MATTERS — Legal Opinions,” “CONTINUING DISCLOSURE” (except for the subcaptions “The City Compliance with Prior Undertakings,” “The Developer,” and “The Developer Compliance with Prior Undertakings”), “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS” and “APPENDIX B” and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance and Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has full power and authority to adopt the Creation Resolution, the Assessment Ordinance and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the Development Agreement, the Continuing Disclosure Agreement of Issuer, the Redemption Agreement, the Construction Funding Agreement and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies

are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

(c) City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the Developer, and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

(d) Opinions of Counsel to the Developer. (i) An Opinion of Counsel to the Developer, substantially in the form of Appendix D hereto, dated the Closing Date and addressed to the City, Bond Counsel, the attorney for the City, the Underwriter, and the Trustee, or in forms otherwise agreed upon by the City and the Underwriter.

(e) Disclosure Counsel Opinion. An Opinion of Norton Rose Fulbright US LLP, in its capacity as Disclosure Counsel to the City, dated the Closing Date and addressed to the City, substantially in the form of Appendix E hereto or in form otherwise agreed upon by the Underwriter.

(f) Developer Certificate. A certificate or certificates of the Developer, dated the Closing Date, to the effect that:

(i) the representations and warranties of the Developer contained herein and in the other Developer Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Developer Documents have been properly executed by the Developer, have not been amended or rescinded, and the delivery and due performance thereof by the Developer have been authorized by the Developer;

(iii) to the best of the Developer's knowledge after due inquiry, there is no action, suit, proceeding or investigation before any court, public board or body pending, with respect to which the Developer has been served with process, or, to the knowledge of the Developer threatened against the Developer wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence, or powers of the Developer or the Developer's officers to their offices; or (b) in any way question or affect this Agreement, the Developer Documents or the transactions described in this Agreement or the Developer Documents;

(iv) the Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer hereunder and under the other Developer Documents at or prior to the Closing;

(v) the information set forth in the Official Statement under the captions "PLAN OF FINANCE — Development Plan," "THE PHASE #2 MAJOR IMPROVEMENT PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer" and " — The Developer Compliance with Prior Undertakings" and, to the best of the Developer's

knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Major Improvement Projects and the Development, as defined in the Official Statement), and “LEGAL MATTERS — Litigation – The Developer” is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as of the date thereof; and

(vi) although the Developer has not verified and does not assume any responsibility for the accuracy, completeness, or fairness of the information contained in the Preliminary Official Statement or the Official Statement other than that described in clause (v), and in reliance upon the representations provided by the City in this Agreement, the Developer has participated in the preparation of the Preliminary Official Statement and the Official Statement and without independent verification, no facts came to the Developer’s attention to lead it to believe that the Preliminary Official Statement, as of its date or as of the date of this Agreement, or the Official Statement, as of its date or as of the date of Closing (except for financial, forecast, technical and statistical statements and data therein and the information regarding The Depository Trust Company and its book-entry only system, in each case as to which it is not called upon to comment) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) City Certificate. A certificate of the City, dated the Closing Date, to the effect that, to the authorized City official’s knowledge:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Official Statement, no litigation or proceeding against the City is pending or, to the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Special Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to such person’s knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City

Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

(h) Trustee's Certificate. A certificate of the Trustee, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Trustee is duly organized and validly existing as a national banking association organized under the laws of the United States of America, having the full power and authority, including trust powers, to accept and perform its duties under the Indenture; and

(ii) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

(i) Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Winstead PC, counsel to the Underwriter, to the effect that:

(i) based on (A) such counsel's review of the Bond Ordinance, the Indenture, and the Official Statement; (B) its discussions with bond counsel and with the Underwriter; (C) its review of the documents, certificates, opinions and other instruments delivered at the closing of the sale of the Bonds on the date hereof; and (D) such other matters as it deems relevant, such counsel is of the opinion that the Bonds are exempt securities under the Securities Act, and the Trust Indenture Act, and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the Securities Act and the Indenture is not required to be qualified under the Trust Indenture Act;

(ii) based upon (A) such counsel's review of Rule 15c2-12 and interpretive guidance published by the United States Securities and Exchange Commission relating thereto; (B) its review of the continuing disclosure undertaking of the City contained in the Continuing Disclosure Agreement of the Issuer; and (C) the inclusion in the Official Statement of a description of the specifics of such undertaking, and assuming that the Bond Ordinance, the Indenture, and the Continuing Disclosure Agreement of the Issuer have been duly adopted by the City and are in full force and effect, such undertaking provides a suitable basis for the Underwriter, to make a reasonable determination that the City has met the qualifications of paragraph (b)(5)(i) of Rule 15c2-12; and

(iii) although such counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the information contained in the Official Statement, it has participated in the preparation of the Official Statement and without independent verification, no facts

came to its attention that caused it to believe that the Official Statement (except for the Appendices as well as any other financial, engineering and statistical data contained therein or included therein by reference or any litigation disclosed therein, as to which it expresses no view) as of its date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) Official Statement. The Official Statement and each supplement or amendment, if any, thereto.

(k) Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

(l) Organizational Documents and Good Standing of the Developer. The Developer shall have delivered to the Underwriter and the City fully executed copies of the Developer Organizational Documents. The Developer shall have delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

(m) Form 8038. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(n) Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

(o) Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

(p) Continuing Disclosure Agreement. The Continuing Disclosure Agreement of the Issuer and the Continuing Disclosure Agreement of the Developer, which shall have been executed by the parties in substantially the forms attached to the Preliminary Official Statement as Appendix D-1 and Appendix D-2.

(q) Letter of Representation of the Appraiser. Letter of Representation of the Appraiser, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(r) Letter of Representation of Special Assessment Consultant. Letter of Representation of Special Assessment Consultant, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(s) Evidence of Filing of Creation Resolution, Assessment Ordinance and Redemption Agreement. Evidence that (i) the Creation Resolution, including legal description of the District by metes and bounds (ii) the Assessment Ordinance, including the assessment rolls and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto may be obtained or viewed, and (iii) the Redemption Agreement, have been filed of record in the real property records of Collin County, Texas.

(t) Lender Consent Certificate. Lender Consent Certificate, in recordable form, of Chambers Bank and any other lienholder on land in the District, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Special Assessments, and the subordination of their respective liens to the lien created by the Special Assessments, have been filed of record in the real property records of Collin County, Texas.

(u) Evidence of Ownership of Property. Evidence that on the date that the Assessment Ordinance was adopted all of the Assessed Parcels were owned by the Developer or other development or homebuilder entities and that such landowners are not entities that may claim a homestead right under Texas law.

(v) Rule 15c2-12 Certification. A resolution or certificate of the City whereby the City has deemed the Preliminary Official Statement final as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the offering of the Bonds.

(w) BLOR. A copy of the Blanket Letter of Representation to DTC relating to the Bonds and signed by the City.

(x) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or their counsel may reasonably deem necessary.

10. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the date of the Closing of the purchase price set forth in Section 1 hereof, the opinion of Bond Counsel described in Section 9(a) hereof and the receipt of all documents required to be delivered by the Developer hereunder.

11. Consequences of Termination. If either the City or the Developer shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter, the City and the Developer shall have no further obligation hereunder, except as further set forth in Sections 12, 13, 15 and 16 hereof.

12. Indemnification.

(a) The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, to the extent, but only to the extent, as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Official Statement under the captions “PLAN OF FINANCE — Development Plan” “THE PHASE #2 MAJOR IMPROVEMENT PROJECTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Phase #2 Major Improvement Projects and the Development, as defined in the Official Statement), “CONTINUING DISCLOSURE — The Developer” and “The Developer Compliance with Prior Undertakings,” and “LEGAL MATTERS — Litigation – The Developer,” or any amendment or supplement to the Official Statement amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon any untrue statement or alleged untrue statement of material fact, or any omission of any material fact necessary to make the statements under the aforementioned captions (as qualified above), in light of the circumstances under which they were made, not misleading, and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred. Notwithstanding any provision in this Agreement to the contrary, the Developer shall have no liability to the Underwriter, the City or any other person for any untrue, inaccurate or misleading statement set forth in any Section of this Agreement other than those Sections specifically listed in Section 22 below.

(b) The Underwriter will indemnify and hold harmless the Developer and the City against any losses, claims, damages or liabilities to which the Developer and the City may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Official Statement, or any amendment or supplement thereto, or arise out of or are based upon any untrue statement or alleged untrue statement of material fact, or any omission or alleged omission of any material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission was made in the Official Statement or any such amendment or supplement in reliance upon and in conformity with information under the heading “UNDERWRITING” in the Official Statement, and will reimburse the Developer and the City for any legal or other expenses reasonably incurred by the Developer and the City in connection with investigating or defending any such actions or claims as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such

subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity agreement in this Section 12 shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

13. Costs and Expenses.

(a) The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Official Statement, the final Official Statement and any supplements and amendments thereto; (iii) the fees and disbursements of the City's financial advisor, the Trustee's counsel, Bond Counsel, Developer's Counsel and Special Counsel, and the Trustee relating to the issuance of the Bonds, (iv) the Attorney General's review fees, (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the Special Assessment Consultant, and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement. The City shall also pay for any expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriter which are incidental to implementing this Agreement and the issuance of the Bonds, including, but not limited to, meals, transportation and lodging, if any, and any other miscellaneous closing costs. The City acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(b) The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's

Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

(c) The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. An employee of the Underwriter serves on the Board of the Texas MAC.

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 N. Ohio St., Celina, Texas 76201, Attention: City Manager.

Any notice or other communication to be given to the Developer under this Agreement may be given by delivering the same in writing to CADG Ownsby Farms, 1800 Valley View Lane, Suite 300, Farmers Branch, Texas 75324 Attention: Mehrdad Moayed.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: RBC Capital Markets, LLC, 2 Embarcadero Center, Suite 1200, San Francisco, California 94111, Attn: Matthew Challis, Managing Director.

15. Entire Agreement. This Agreement is made solely for the benefit of the City, the Developer and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's and the Developer's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City and the Developer shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 16 shall survive any termination of this Agreement.

16. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

17. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter, the Developer, or the City without the prior written consent of the other parties hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter or the Developer with any liability, or be held liable to the Underwriter or the Developer under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Developer. The Developer is a party to and has executed this Agreement for the limited purposes, representations and obligations stated herein in the second full paragraph of Section 1, and Sections 4(d), 6, 8(a) through (c), 9(d), 9(f), 9(k), 9(l), 9(p), 9(t), 9(u), 12, and 14 through 21. The Developer shall not have rights, remedies or claims under or by reason of this Agreement with respect to or against the City or the Underwriter or any other person or entity, except as expressly provided in this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

RBC CAPITAL MARKETS, LLC
as Underwriter

By: _____
Name: Matthew Challis
Title: Managing Director

Accepted at _____ a.m./p.m. central time on the
date first stated above.

CITY OF CELINA, TEXAS

By: _____
Mayor Pro Tem

Attachment: (RBC) CELINA OWNSBY FARMS (2017 MI Bonds) -- Bond Purchase Agreement 4814-6508-0894 3(1) (1910 : Ownsby Ordinance

**CADG OWNSBY
FARMS, 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

APPENDIX A

\$ _____

CITY OF CELINA, TEXAS

(a municipal corporation of the State of Texas located in Collin and Denton Counties)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017

(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT

PHASE #2 MAJOR IMPROVEMENT PROJECT)

\$ _____ **Serial Bonds**

<u>Due (September 1)^{(a)(b)}</u>	<u>Maturity Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Initial Yield (%)</u>
\$ _____	\$ _____	_____ %	_____ %

\$ _____ **Term Bonds**

\$ _____ % Term Bonds, Due September 1, 20__, Priced to Yield _____ % (a) (b) (c)

\$ _____ % Term Bonds, Due September 1, 20__, Priced to Yield _____ % (a) (b) (c)

-
- (a) The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any Interest Payment Date on or after September 1, 20__, at the redemption price of 100% of the principal amount of such Bonds, or portion thereof, to be redeemed, plus accrued interest to date of redemption:
- (b) The Bonds are also subject to extraordinary optional redemption as described in the Official Statement under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (c) The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedule.

\$ _____ **Term Bonds Maturing September 1, 20__****Redemption Date****Sinking Fund
Installment**\$ _____ **Term Bonds Maturing September 1, 20__**

Redemption Date

Sinking Fund
Installment

Attachment: (RBC) CELINA OWNSBY FARMS (2017 MI Bonds) -- Bond Purchase Agreement 4814-6508-0894 3(1) (1910 : Ownsby Ordinance

APPENDIX B**ISSUE PRICE CERTIFICATE**

The undersigned hereby certifies as follows with respect to the sale of the CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017 (OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #2 MAJOR IMPROVEMENT PROJECT) (the "Obligations"):

1. The undersigned is the underwriter that purchased the Obligations from the City of Celina, Texas (the "Issuer").

2. The undersigned has made a bona fide offering of all of the Obligations of each maturity to the public at the initial offering prices set forth in the Issuer's Official Statement with respect to the Obligations, dated _____, 2017 (the "Official Statement").

3. The initial offering price (expressed as a dollar amount, yield percentage, or percentage of principal amount and exclusive of accrued interest) at which a substantial amount (at least 10%) of the Obligations of each maturity was sold to the public (as defined in paragraph 4) is as set forth on page (i) of the Official Statement [except for the Obligations maturing in the years 20__, 20__ and 20__ (collectively, the "Unsold Maturities")].

[4. In the case of each of the Unsold Maturities, the undersigned reasonably expected, as of the sale date of the Obligations, to sell a substantial amount (at least 10%) of each of the Unsold Maturities to the public at the initial offering price set forth in the Official Statement.]

5. The term "public," as used herein, means persons other than bondhouses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers.

6. The initial offering prices described above reflect current market prices at the time of such sales.

7. The undersigned understands that the statements made herein will be relied upon by the Issuer in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Obligations from the gross income of their owners; provided, however, that nothing herein represents any interpretation by the undersigned of any laws or regulations under the Internal Revenue Code of 1986, as amended.

EXECUTED and DELIVERED this _____.

RBC CAPITAL MARKETS, LLC,
as Underwriter

By: _____
Name: Matthew Challis
Title: Managing Director

APPENDIX C

[LETTERHEAD OF MESSER, ROCKEFELLER & FORT]

[CLOSING DATE]

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

U U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, TX 75201-7932

Miklos Law, PLLC
1800 Valley View Ln. Ste. 360
Farmers Branch, Texas 75234

CADG Ownsby Farms, LLC
1800 Valley View Ln. Ste. 300
Farmers Branch, Texas 75234

\$[PAR AMOUNT]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT
PHASE #2 MAJOR IMPROVEMENT PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Celina, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$[PAR AMOUNT] “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. 2017-__ and enacted by the City Council of the City (the “City Council”) on January 17, 2017 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Indenture of Trust dated as of January 1, 2017 (the “Indenture”) by and between the City and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2015-26R (the “Creation Resolution”) enacted by the City Council on June 9, 2015;

(b) The Ordinance No. 2017-__ accepted and approved by City Council on January 17, 2017, and the Service and Assessment Plan attached as an exhibit thereto (the “Assessment Ordinance”), as such Service and Assessment Plan was updated by the Bond Ordinance;

(c) The Bond Ordinance;

(d) The Indenture;

(e) Development Agreement, effective as of July 19, 2016, executed and delivered by the City and the Developer (the “Development Agreement”);

(f) The Continuing Disclosure Agreement of Issuer, dated as of January 1, 2017, executed and delivered by the City and FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc. (the “Dissemination Agent”) (the “Continuing Disclosure Agreement of Issuer”);

(g) The Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation dated January 17, 2017, executed and delivered by the City and the Developer (the “Redemption Agreement”); and

(h) The Phase #2 Major Improvement Construction, Funding and Acquisition Agreement dated as of _____, 2017 executed and delivered by the City and the Developer (the “Construction Funding Agreement”).

The Creation Resolution, the Assessment Ordinance and Bond Ordinance shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the

principal of and interest on the Bonds, including the special assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

MESSER, ROCKEFELLER & FORT
JULIE FORT
ATTORNEY FOR THE CITY

APPENDIX D

[LETTERHEAD OF MIKLOS LAW, PLLC

COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

City of Celina
142 N. Ohio Street
Celina, Texas 76201

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Messer Rockefeller & Fort
63351 Preston Rd., Suite 350
Frisco, Texas 75034

\$[PAR AMOUNT]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT PHASE #2 MAJOR
IMPROVEMENT PROJECT)

Ladies & Gentlemen:

We have acted as special counsel to CADG Ownsby Farms, LLC, a Texas limited liability company (the “**Developer**”) in connection with the issuance and sale by the City of Celina, Texas (the “**City**”), of \$[PAR AMOUNT] City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project) (the “**Bonds**”), pursuant to Indenture of Trust dated as of January 1, 2017 (the “**Indenture**”), by and between the City and U.S. Bank National Association, as trustee (the “**Trustee**”). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Ownsby Farms" (the “**Development**”) located in the City.

The Bonds are being sold to RBC Capital Markets, LLC (the “**Underwriter**”), pursuant to that certain Bond Purchase Agreement and Developer Representations dated January 17, 2017 (the “**Bond Purchase Agreement**”), among the City, the Underwriter, and the Developer (for the limited purposes stated therein). This opinion is being delivered pursuant to Section 9(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents (collectively, the “*Material Documents*”):

(1) *Development Agreement*, effective as of July 19, 2016, between the City and the Developer;

(2) *City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project) Continuing Disclosure Agreement of Developer* dated as of January 1, 2017 among the Developer, MuniCap, Inc. and FSC Continuing Disclosure Services, a division of Hilltop Securities, Inc.;

(3) *Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation*, dated as of January 17, 2017, executed and delivered by the City and the Developer;

(4) *The Bond Purchase Agreement*; and

(5) *The Phase #2 Major Improvements Construction, Funding, and Acquisition Agreement* effective _____, 2017, executed and delivered by the City and the Developer (the “*PID CFA Agreement*”).

(b) Officer's Certificate of the Developer and the Closing Certificate of the Developer, each dated as of the date hereof (together, the “*Developer Certificate*”);

(c) The Preliminary Official Statement, dated December 28, 2016 relating to the issuance of the Bonds (the “*Preliminary Official Statement*”);

(d) The final Official Statement, dated January 17, 2017, relating to the issuance of the Bonds (collectively with the Preliminary Official Statement, the “*Official Statement*”); and

(e) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In basing the opinions and other matters set forth herein on “our knowledge,” the words “our knowledge” signify that, in the course of our representation of the Developer the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words “our knowledge” and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation, that: (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto and that each such document constitutes a valid, binding, and enforceable obligation of each party (other than the Developer) thereto, (ii) all of the parties to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any governmental authority of any jurisdiction not

expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction or decree of any court applicable to such party.

In addition, we have assumed that the Material Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Material Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Material Documents.

We assume that none of the parties to the Material Documents (other than Developer) is a party to any court or regulatory proceeding relating to or otherwise affecting the Material Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Material Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Material Documents (other than Developer) has full authority to close this transaction in accordance with the terms and provisions of the Material Documents.

We assume that neither the Underwriter nor the City nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Material Documents (and the transactions contemplated in the Material Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The execution and delivery by the Developer of the Material Documents and the performance by the Developer of its obligations under the Material Documents will not (i) violate any applicable law; or (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Developer Certificate or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party.
2. To our knowledge, no governmental approval which has not been obtained or taken is required to be obtained or taken by the Developer on or before the date hereof as a condition to the performance by the Developer of its obligations under the Material Documents to which it is a party, except for governmental approvals that may be required to

comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

3. The Developer has duly executed and delivered each of the Material Documents to which it is a party, and each of the Material Documents constitute the legal, valid, and binding obligations of the Developer, enforceable against the Developer in accordance with their respective terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, and (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part. The execution, delivery, and performance by the Developer of its obligations under the Material Documents do not violate any existing laws of the State of Texas applicable to the Developer or any ordinances of the City applicable to the Developer.

4. To our knowledge after reasonable inquiry, there are no actions, suits or proceedings pending or threatened against the Developer identified in the Developer Certificate or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion in any court of law or equity, or before or by any governmental instrumentality with respect to the validity or enforceability against it of such Material Documents or the transactions described therein.

5. The execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, indenture, bond note, resolution, agreement or other instrument to which the Developer is a party or is otherwise subject and which have been identified in the Developer Certificate which violation, breach or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under applicable law or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

6. The information set forth in the Official Statement under the captions “*PLAN OFFINANCE — Development Plan*,” “*THE PHASE #2 MAJOR IMPROVEMENT PROJECTS*,” “*THE DEVELOPMENT*,” and “*THE DEVELOPER*,” and, to the best of its knowledge after due inquiry, under the captions “*BONDHOLDERS' RISKS (only as it pertains to the Developer, the Phase #2 Major Improvement Projects, and the Development)*,” “*LEGAL MATTERS — Litigation — The Developer*,” and “*CONTINUING DISCLOSURE — The Developer*” and “*— Developer's Compliance With Prior Undertakings*” adequately and fairly describe the information summarized under such captions and are correct as to matters of law.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations or litigation.

(b) We have relied upon the Developer Certificates, as well as the representations of the Developer contained in the Material Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 3 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Material Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer is a party or by which the Developer is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) The opinions expressed herein regarding the enforceability of the Material Documents are subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Material Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Material Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(i) The opinion expressed herein as to the enforceability of the Material Documents is specifically subject to the qualification that enforceability of the Material Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization,

fraudulent conveyance, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(j) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Material Documents.

(k) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisal, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(l) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(m) We express no opinion as to the enforceability of any provisions in the Material

Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to those parties addressed in this letter solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon for any other purpose or by any other person in any manner or for any purpose.

Subject to the above qualifications and based upon our participation in the preparation of the Official Statement and our participation at conferences with representatives of the Issuer and its counsel, and with representatives of the Developer at which the Official Statement and related matters were discussed, and although we have not independently verified the information in the Official Statement and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph as of the date of the Official Statement and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

J. Prabha Cinclair

Attachment: (RBC) CELINA OWNSBY FARMS (2017 MI Bonds) -- Bond Purchase Agreement 4814-6508-0894 3(1) (1910 : Ownsby Ordinance

APPENDIX E

[LETTERHEAD OF NORTON ROSE FULBRIGHT US LLP]

DISCLOSURE COUNSEL TO THE CITY]

[CLOSING DATE]

City of Celina
142 North Ohio Street
Celina, Texas 76201

\$[PAR AMOUNT]
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2017
(OWNSBY FARMS PUBLIC IMPROVEMENT DISTRICT
PHASE #2 MAJOR IMPROVEMENT PROJECT)

Ladies and Gentlemen:

We have served as Disclosure Counsel to you, the City of Celina, Texas (the City), in connection with the issuance of the above captioned bonds pursuant to the provisions of an ordinance duly adopted by the City Council of the City on January 17, 2017 (the Ordinance). In that connection, we have reviewed (1) the Ordinance authorizing the issuance of the Bonds and containing other matters related thereto, (2) an Indenture of Trust dated as of January 1, 2017, between the City and U.S. Bank National Association, as Trustee, (3) the Preliminary Official Statement, dated December 28, 2016, in connection with the Bonds (the Preliminary Official Statement), and (4) the Final Official Statement, dated January 17, 2017 (the Final Official Statement); however we have not reviewed nor have we been called upon to express any view regarding the financial statements or other financial, engineering, and statistical data included in the Final Official Statement, or the portions of the Final Official Statement under the headings **“BOOK-ENTRY ONLY SYSTEM,” “PLAN OF FINANCE – Development Plan,” “THE PHASE #2 MAJOR IMPROVEMENT PROJECTS,” “THE DEVELOPMENT,” and “THE DEVELOPER,”** and, **“BONDHOLDERS’ RISKS”** (only as it pertains to the Developer, the Phase # 1 Projects, and the Development), **“LEGAL MATTERS — Litigation – The Developer [and the Landowner],” “CONTINUING DISCLOSURE – The Developer,” “SPECIAL ASSESSMENT PROCEDURES— Special Assessment Methodology” “SPECIAL ASSESSMENT PROCEDURES — Special Assessment Amounts”** and **“CONTINUING DISCLOSURE – The City – Compliance with Prior Undertakings.”**

We have also discussed the Final Official Statement with representatives of the City and others and reviewed such records of the City as we deem relevant to our review of the Final Official Statement. In our examination and reviews, we have assumed the authenticity of all

documents submitted to us as originals, the conformity to original document of all documents submitted to us as copies, and the accuracy of statements contained in such documents.

Although we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or Final Official Statement, we have participated in the preparation of and advise you that, in the course of our review and discussions with respect to the Preliminary Official Statement and the Final Official Statement and without independent verification, nothing has come to our attention that leads us to believe that the portions of the Preliminary Official Statement or Final Official Statement we have reviewed contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This opinion may be relied upon only by you.

Very truly yours

APPENDIX F

[LETTERHEAD OF APPRAISER]

[DATE]

City of Celina
142 North Ohio Street
Celina, TX 76201

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, TX 75201-7932

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Messer Rockefeller & Fort
63351 Preston Rd., Suite 350
Frisco, TX 75034

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, Jackson Claborn, Inc., appraiser of (i) the undeveloped property contained in Ownsby Farms Public Improvement District (“District”), does hereby represent the following:

1. On behalf of Jackson Claborn, Inc., I have supplied certain information contained in the Preliminary Official Statement for the Bonds, dated December 28, 2016, and the Official Statement for the Bonds, dated on or about January 17, 2017 (together, the “Official Statement”), relating to the issuance of the Bonds by the City of Celina, Texas, as described above. The information I have provided is the real estate appraisal of the property in the District, located in APPENDIX E to the Official Statement, and the description thereof, set forth under the caption “APPRAISAL OF PROPERTY WITHIN THE DISTRICT — The Appraisal”.

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Official Statement described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the Appraisal in the Official Statement and the use of the name of my firm in the Official Statement for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about January 10, 2017) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representations.

Sincerely yours,

JACKSON CLABORN, INC.

By: _____
Its: _____

APPENDIX G

[LETTERHEAD OF SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR]

[DATE]

City of Celina
142 North Ohio Street
Celina, TX 76201

RBC Capital Markets, LLC
2 Embarcadero Center, Suite 1200
San Francisco, California 94111

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, TX 75201-7932

U.S. Bank National Association
Attention: Bond Operations
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

Messer Rockefeller & Fort
63351 Preston Rd., Suite 350
Frisco, TX 75034

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2017 (Ownsby Farms Public Improvement District Phase #2 Major Improvement Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, of MuniCap, Inc., consultant in connection with the creation by the City of Celina, Texas (the “City”), of Ownsby Farms Public Improvement District (the “District”), does hereby represent the following:

1. On behalf of MuniCap, Inc., I have supplied certain information contained in the Preliminary Official Statement, dated December 28, 2016 (the “Preliminary Official Statement”), and the final Official Statement, dated on or about January 17, 2017 (the “Official Statement”), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information I provided for the Preliminary Official Statement and the Official Statement is located (a) under the caption “SPECIAL ASSESSMENT PROCEDURES — Assessment Methodology” and “ — Special Assessment Amounts,” (b) under the caption “THE SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR” and (c) in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX C to the Official Statement.

2. To the best of my professional knowledge and belief, the portions of the Official Statement described above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the SAP in the Official Statement and to the use of the name of my firm in the Official Statement for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and

prior to the actual time of delivery of the Bonds (anticipated to occur on or about January 10, 2017) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

MUNICAP, INC.

By: _____
Its: _____



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Mary Petty, Petty & Associates, Inc.
 Date: January 17, 2017
 Re: Parks at Wilson Creek Public Improvement District - Resolution Determining Costs and Calling Assessment Public Hearing

Action Requested:

Consider and act on a resolution determining the costs of certain authorized improvements to be financed by assessments levied on property within The Parks at Wilson Creek Public Improvement District, approving a Preliminary Service and Assessment Plan, including a proposed Assessment Roll, directing the filing of the proposed Assessment Roll to be made available for public inspection, noticing a public hearing for February 14, 2017 to consider an ordinance levying assessments on property within The Parks at Wilson Creek Public Improvement District, directing notice of such public hearing as required by law, and resolving other matters incident and related thereto. (Petty)

Background Information:

If you will recall, the Council created a PID for the Parks at Wilson Creek on November 11, 2014, Resolution No. 2014-54R. That PID only had 539+/- acres. Prior to the first issuance of bonds or construction beginning, the developer purchased additional property, in which the City purchase a portion of that property for future parkland. Due to that change, the old PID needs to be dissolved, and a new PID created. On August 11, 2015, via Resolution 2015-38R the Council created the new PID to include the Hubbard tract, but costs were never determination and assessment levied.

This resolution is calling for the public hearing in order to determine those costs and to levy the assessment on that property with in the PID (Aug 11, 2015 boundary).

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

Preliminary SAP for the Parks at Wilson Creek

Staff Recommendation:

**THE PARKS AT WILSON CREEK
PUBLIC IMPROVEMENT DISTRICT
PRELIMINARY SERVICE AND ASSESSMENT PLAN**

January 17, 2017

Attachment: PSAP 1-17-2017 final (1912 : Parks at Wilson Creek PID - Resolution determining costs & calling Public Hearing)

THE PARKS AT WILSON CREEK PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

Table of Contents

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List of Appendix

Appendix A	The PID Map
Appendix B	Diagram of the Authorized Improvements
Appendix C	Assessment Roll

Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On August 11, 2015 (the "Creation Date") the City Council of the City of Celina, Texas (the "City") passed Resolution No. 2015-38R approving and authorizing the creation of The Parks at Wilson Creek 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 Authorized Improvements that benefit the entire PID and on the 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 and operation of public improvement districts within the State of Texas. The Parks at Wilson Creek 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 PID, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Roll for the PID is included as Appendix C 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 Roll attached hereto as Appendix C, 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 Roll attached hereto as Appendix C, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section V 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 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 an Assessment Roll for the Assessed Property 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 Section III and 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 Certificates of Obligation” has the meaning set forth in Section V.C of this Service and Assessment Plan.

“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 Lakes at Mustang Ranch Public Improvement District (the “Lakes 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.G of this Service and Assessment Plan.

“Developer” means the Parks at Wilson Creek, 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, which may be calculated as part of future updates and issuance of Bonds.

“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.

“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.E.2.

“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.

“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.

“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.

“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.F 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.

“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.

“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.

Section II PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the City and contains approximately 700.438 acres of land. The City purchased approximately 30.778 acres of land within the PID for use as part of its parks and open space program leaving approximately 669.66 developable acres. 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 2,390 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of Lots (2,390) 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 – 74 Feet	465	units
Single Family Residential – 60 Feet	780	units
Single Family Residential – 50 Feet	1145	units
Total	2,390	units

Section 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; and
 - (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

B. Description of Estimated Costs of City Contributed Major Improvements

The City Contributed Major Improvements benefit the entire PID. The costs of the City Contributed 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 acreage as calculated and shown in Appendix C using the estimated acreage of each Parcel.

The Actual Costs of 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. The total costs for the City Contributed Major Improvement costs of \$25,685,000 (including contingency and financing costs) and the prorated amount of \$3,563,000 of such costs allocated to the PID are provided by the City

A description of the City Contributed Major Improvements follows:

- *Wastewater*
 - The wastewater system portion of the City Contributed Major Improvements based on wastewater system models consists of a combination of sanitary sewer trunk mains of various diameters 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.
- *Water*
 - The water distribution system portion of the City Contributed Major Improvements based on the water models consists of a combination of trunk main of various diameters 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.

Table III-A
City Contributed Major Improvement Costs

Description	Total City Contributed Major Improvement Costs	Prorated share benefiting the PID property
Offsite water distribution system improvements	\$11,185,000	\$ 1,551,000
Offsite sewer collection system improvements	\$11,238,300	\$ 1,559,000
Contingency and other soft costs	\$ 2,242,330	\$ 311,000
Financing costs	\$ 1,019,370	\$ 142,000
Total – Estimated offsite Major Improvement Costs	\$25,685,000	\$ 3,563,000

The costs shown in Tables III-A may be revised in Annual Service Plan Updates.

C. Future Authorized Improvements

As Future Phases are developed, this SAP will be amended to identify the specific Authorized Improvements that confer a special benefit to the property inside each Phase (e.g. a Table III-B will be added to show the costs for the specific Authorized Improvements financed within the specific Phase being developed) and to identify additional Authorized Improvements that will benefit all of the Assessed Property within the PID.

Section 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. Construction of the City Contributed Major Improvements began in 2015 and it is anticipated that the City Contributed Major Improvements will be completed by the 2nd quarter of 2019.

The Actual Costs for the City Contributed Major Improvements allocable to the PID is \$3,563,000 as shown in Table IV-A. 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 costs of the Authorized Improvements, and updating the Assessment Roll. Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

Table IV-A summarizes the sources and uses of funds required to construct the City Contributed Major Improvements to be financed with the Certificates of Obligation. 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.

As future Phases are developed, this Service and Assessment Plan will be amended.

Table IV-A on the following page shows the sources and uses for the City Contributed Major Improvements.

**Table IV-A
Estimated Sources and Uses**

Sources of Funds	Total City Contributed Major Improvements
City Contribution	\$ 3,563,000
Other funding sources	\$0
Total Sources	\$ 3,563,000
Uses of Funds	
<u>Major Improvements</u>	
Water distribution system improvements	\$ 1,551,000
Sanitary sewer improvements	\$ 1,559,000
Contingency and other costs	\$ 311,000
Financing costs	\$ 142,000
Total Uses	\$ 3,563,000

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	Sources other than Certificates of Obligation
2017	\$ _____	\$ _____	\$0
2018	\$ _____	\$ _____	\$0
2019	\$ _____	\$ _____	\$0
2020	\$ _____	\$ _____	\$0
2021	\$ _____	\$ _____	\$0
Total	\$ _____	\$ _____	\$0

The annual projected costs shown in Table IV-B are the annual expenditures relating to the City Contributed Major Improvements shown in Table III-A and the costs associated with setting up the PID shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer. As 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 Phased PID Bonds.

Section 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.

For purposes of this Service and Assessment Plan, the City Council has determined that the costs of the City Contributed Major Improvements shall be allocated on the basis of acreage to Parcels similarly benefited. The Assessments allocated to each Parcel on the basis of acreage may be reallocated in the future, as needed, based on Equivalent Units once additional development details that allow reasonable calculations of Equivalent Units become available.

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 City Contributed Major 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 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the City Contributed Major Improvements to Parcels in a manner that results in equal shares of the Authorized Improvement 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 and are authorized by the Act. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

C. 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.

- *Assessment Methodology for City Contributed Major Improvements*

For purpose of this SAP, the City Council has determined that the Actual Costs of the City Contributed Major Improvements to be financed with the Annual Installment Allocable to the City Contributed Major Improvements shall be allocated to the Assessed Property by spreading the entire Special Assessment across all Parcels within the PID based on the acreage of each Parcel.

Based on the costs for the City Contributed Major Improvements, the City Council has determined that the benefit to the Assessed Property from the City Contributed Major Improvements is at least equal to the Special Assessments related to City Contributed Major Improvements levied on the Assessed Property.

The City will finance the Actual Costs of the City Contributed Major Improvements shown in Table III-A from a portion of the proceeds from the issuance and sale of its “City of Celina, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2015” and any other certificates of obligation issued from time to time by the City to the extent a portion of the proceeds of such certificates of obligation are dedicated to fund a portion of the costs of the City Contributed Major Improvements (collectively, the “City Certificates of Obligation”). The City will be reimbursed for such Actual Costs of the City Contributed Major Improvements from the collection of the Annual Installments Allocable to the City Contributed Major Improvements. The Annual Installment Allocable to the City Contributed Major Improvements will be offset each year by the City Contributed Grant Amount. The offset credit provided by the City Contributed Major Improvement Credit Amount will be calculated as described below in Section VI.C.

The Assessment and the Annual Installments for each Parcel located within the PID is shown on the Assessment Roll, attached as Appendix C, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

- *Assessment Methodology for Future Phases*

As development within the PID progresses, this SAP will be amended to determine the assessment methodology necessary to apply equal shares of the Actual Costs of Authorized Improvements on Assessed Property similarly benefited.

D. Assessments

The Assessments for the City Contributed Major Improvements will be levied on each Parcel according to the Assessment Roll attached hereto as Appendix C. The Annual Installments will be collected at the time and in the amounts shown on the Assessment Roll subject to any revisions made during an Annual Service Plan Update.

E. 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.

F. 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 Assessments (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 related debt instruments, if any, are paid 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 Assessments. Once the Prepayment Reserve is funded in full, the Prepayment Component shall be deposited in a Delinquent Reserve account as described in G below.

G. 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 Assessments. 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 Additional Interest 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.

H. City Contributed Grant Amount

The City will offset the cost of the City Contributed Major Improvements, as estimated in Table III-A, 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 Lakes 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 Lakes 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.

Section VI TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located within the PID

The Assessment and Annual Installments for each Assessed Property located within the PID are shown in the Assessment Roll, attached as Appendix C, 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 Assessments, to fund the Prepayment Reserve and Delinquency Reserve described in Section V, and to cover Administrative Expenses.

B. 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 acreage of each new subdivided Parcel
- D = the total acreage of the Parcel prior to the subdivision

The calculation 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 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.

C. 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 in C.1 or described in D.2 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.

D. Reduction of Assessments

1. If after all Authorized Improvements have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments, resulting in excess Assessments, then the Assessment 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. 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, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council. 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 acreage or Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel.

E. 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 payment of debt related to the Assessments, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of the debt and reserve funds applied to the redemption under the Trust Indenture or other applicable documents, net of any other costs applicable to the payment of the debt.
- (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 other applicable documents; 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 debt related to the Assessments as determined by the Administrator and approved by the City]. 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 after the levy of the Assessments.

The Annual Installments shall be reduced to equal the Actual Costs of City Contributed Major Improvements, 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 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.

F. Collection of Annual Installments

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update. 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 (1) the City Contributed Grant Amount as described herein, and (2) by any credits applied under the applicable Trust Indenture, if and when PID Bonds are issued, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose. 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.

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.

Section VII

THE ASSESSMENT ROLL

A. Assessment Roll

The PID has been evaluated by the City Council (based on the concept plan, developable area, proposed Homeowner Association Property and Public Property, the Major Improvements, and other development factors deemed relevant by the City Council) to determine the Assessed Property within each Parcel.

The Assessed Property will be assessed for the special benefits conferred upon the property as a result of the City Contributed Major Improvements. As shown in Table IV-A, the Actual Costs of the City Contributed Major Improvements allocable to the PID is \$3,563,000, which is equal to the benefit received by Assessed Property, and as such the total Assessment for all Assessed Property within the PID is \$3,563,000 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the PID is calculated based on the allocation methodology described in Section V.C of this Service and Assessment Plan. The total Assessment is \$3,563,000. As shown in Section II, the total acreage of Assessed Property in the PID is 669.66, resulting in an Assessment per acre of \$5,321 [$\$3,563,000 \div 669.66 = \$5,321$]. The Assessment Roll is attached hereto as Appendix C.

As Phases are developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within each Phase (e.g., an Appendix D will be added as the Assessment Roll for Phase #1, etc.).

B. Annual Assessment Roll Updates

The Administrator shall prepare and submit to the City Council for approval, annual updates to the Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters as needed, 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.E of this Service and Assessment Plan.

Section 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 Property 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

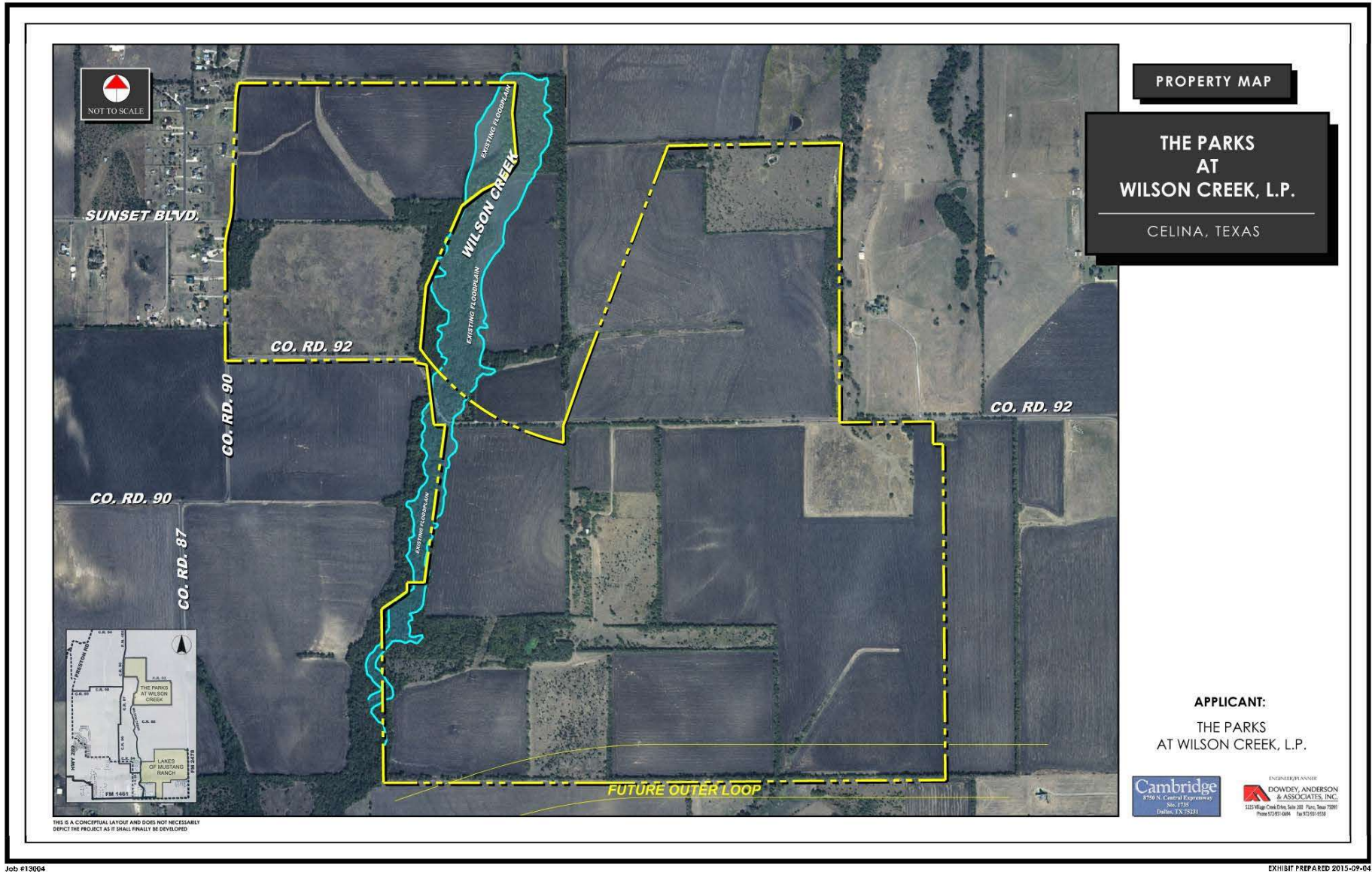
The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

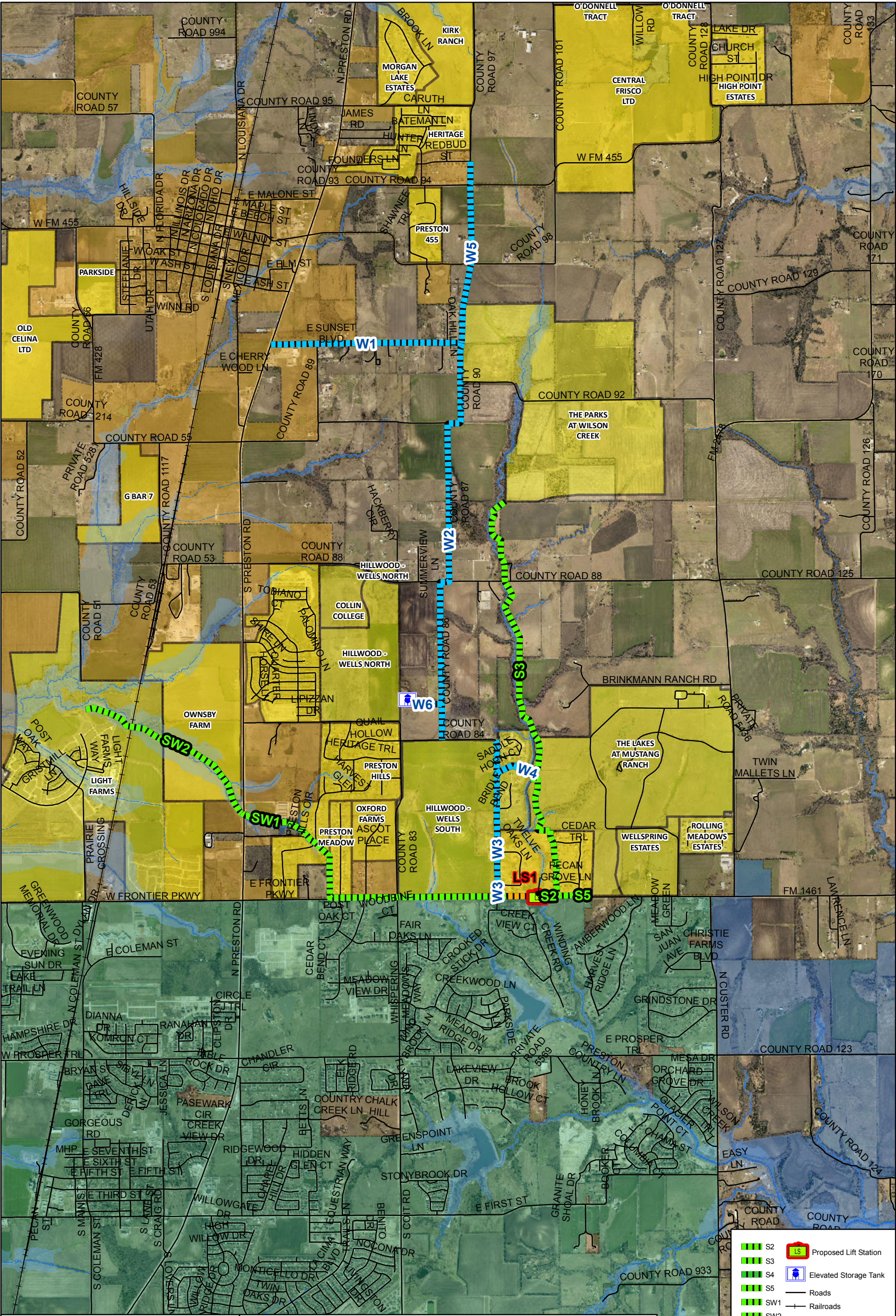
E. Severability

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.

Appendix A
The PID MAP





**CITY CONTRIBUTED
MAJOR IMPROVEMENTS**
CELINA, TEXAS



- S2
- S3
- S4
- S5
- SW1
- SW2
- FM1
- W1
- W2
- W3
- W4
- W5
- W6
- Proposed Lift Station
- Elevated Storage Tank
- Roads
- Railroads
- River/Creek
- 100-YR (Zone A)
- 100-YR (Zone AE)
- Developments
- Weston
- Prosper
- McKinney
- Celina

Appendix B

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

Attachment: PSAP 1-17-2017 final (1912 : Parks at Wilson Creek PID - Resolution determining costs & calling Public Hearing)

Appendix C**PRELIMINARY ASSESSMENT ROLL**

Parcel	All Parcels
Acreage	669.66
Assessment	\$3,563,000

<u>PARCEL ID</u>	<u>TOTAL ACRES*</u>	<u>ASSESSMENT PER PARCEL</u>
R673100000301	80.81 Acres	\$ 429,990
R677100000501	82.86 Acres	\$ 440,898
R677900003101	99.92 Acres	\$ 531,674
R698300000401	201.83 Acres	\$ 1,073,937
R698500000401	74.50 Acres	\$ 396,415
R639500000301	129.74 Acres	\$ 690,347
TOTAL	669.66 Acres	\$3,563,000



City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
CC: Rick Chaffin, Interim City Manager
Date: January 17, 2017
Re: Gigabit

Action Requested:

Consider and act to approve (1) the Celina Economic Development Corporation's acquisition of a line of credit from Independent Bank in the amount of \$1.7 million for use in development of the Gigabit City Project; (2) the CEDC's authorization of the initial draw and uses of the funds provided under the Line of Credit, as reflected in the minutes of the January 9, 2017, meeting of the CEDC Board of Directors; (3) authorizing the City Manager or his designee to review and approve future requests for CEDC's draw and use of funds provided under the Line of Credit as needed by the CEDC for development of the Gigabit City Project. (Howard)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation: