

Planned Unit District For
Willow Wood Development

Prepared For
Castlerock Communities Inc.



CASTLEROCK
COMMUNITIES

Planner:
PEA Group



August 29, 2024

TABLE OF CONTENTS

- I. INTRODUCTION
 - II. SITE INVENTORY ANALYSIS
 - A. Opportunities and Constraints
 - B. Surrounding Land Use
 - III. PROJECT DESCRIPTION
 - A. Land Use
 - B. Phasing
 - C. Street Circulation Concept
 - D. Open Space Amenities Plan
 - E. School District Zoning
 - IV. ZONING
 - A. Existing Zoning
 - B. Proposed / Future Zoning
 - V. UTILITIES
- EXHIBITS
- A. Exhibit A-1 – Project Survey
 - B. Exhibit A-2 – Legal Description
 - C. Exhibit B – Conceptual Master Plan
 - D. Exhibit C – Phasing Plan
 - E. Exhibit D-1 – Park and Trail Plan
 - F. Exhibit D-2 – Community Park Image Board
 - G. Exhibit E – Zoning Map
 - H. Exhibit F – Development Timeline
 - I. Exhibit G – Development Agreement

I. INTRODUCTION

The following application is submitted under Section 160.050 "District I (PUD), Planned Unit Development".

This planned development document was created in accordance with City of Texas City (City) ordinances related to the "(PUD) Planned Unit Development". The purpose of this document is to encourage the development of the subject property and to promote the most compatible land use within the community.

The Willow Wood project is an 80-acre tract of land, comprising nine individual parcels, located southeast of State Highway 3 and south of FM 1764. Castlerock Communities Inc. (Developer) is the owner of Subject Tract, and it intends to develop the property as a single-family residential community, complete with stormwater detention facilities, parks, and open space.

The Subject Tract is party to a Development Agreement approved by the City in 2023 (Exhibit G – Development Agreement). This PUD application is presented to satisfy the zoning requirements of the Development Agreement.

II. SITE INVENTORY ANALYSIS

A. Opportunities and Constraints

Similar to surrounding properties, the Subject Tract is mostly flat with elevations ranging from approximately 11 feet above sea level on the northern side of the tract to 14 feet above sea level on the southern side of the tract. Existing physical constraints affecting development of the property include the following:

- The eastern portion of the Subject Tract (Parcel ID.186006) falls within 100-year Flood Zone
- The Subject Tract drains to 55' Galveston County Drainage District No. 2 Easement (G.C.C.F. No. 2000037094)

B. Surrounding Land Use

Land uses in proximity to the Subject Tract include single-family residential tracts, public use property and undeveloped property. Willow Street, an existing local roadway, runs through the Subject Tract, providing connections to state highway FM1764 to the north and Phillips Street to the south. The entrances on Willow Street offer access to both the western and eastern sections of the project. The adjacent parcels to the north of this area predominantly consist of undeveloped land. Southwest of the Subject Tract, neighboring parcels consist of residential family properties situated along State Highway 3. To the southeast lies a creek.

III. PROJECT DESCRIPTION

A. Land Use

Exhibit B – “Conceptual Master Plan” depicts the conceptual lotting plan with the proposed land uses for the tract. The 213 single family detached lots are designed at various dimensions, ranging from 6,000 to 13,000 square feet, with homes that are expected to range in sales price from \$275,000 to \$375,000. The community will incorporate walking/jogging trails as well as +/- 7.1 acres of park/greenspace with a playground, seating areas, and landscaped entry reserves as displayed on Exhibit D-1 – “Park and Trail Plan”.

The density of the project will be approximately 2.7 units per acre, and there will be no non-residential uses. Homes in the project will be a mix of one or two stories.

The property drains into four dual amenity/detention ponds located to the north, south, and east of the project. The east portion of this tract lies within the 100-year flood zone.

Land Use Table

Land Use Category	Acreage	% of Gross Acreage
Single Family	+/- 46.9	58.1%
Detention Pond	+/- 26	33%
Greenbelt and Parkland	+/- 7.1	8.9%
Total	+/- 80	100%

B. Phasing

The project comprises four distinct sections of single-family lots with varying dimensions. Section 1 and Section 2 constitute Phase 1, while Section 3 and Section 4 comprise Phase 2, as displayed on Exhibit C – “Phasing Plan”.

C. Street Circulation Concept

The main point of access to the project will be known as Willow Street. It is an existing 30’ roadway that connects to state highway FM 1764. The four entrances on Willow Street offer access to both the western and eastern sections of the project.

D. Park and Trail Plan

According to the Texas City code of ordinances, a minimum of one-half acre of land must be dedicated for public neighborhood park use for every 100 proposed dwelling units. Based upon the proposed number of dwelling units illustrated on Exhibit – B “Conceptual Master Plan” the developer is required to dedicate +/- 1.07 acres of parkland. In accordance with the parks and open space requirements, the community will incorporate walking/jogging trails as well as +/- 7.1 acres of parkland/green belt with a playground, seating areas, and landscaped entry reserves as displayed on Exhibit D-1 – “Park and Trail Plan” and Exhibit D-2 – “Community Park Image Board”.

The Developer will create a homeowner’s association (“HOA”) for the community. The HOA will be responsible for all subdivision and common area maintenance including the dual amenity/detention pond maintenance .

E. School District Zoning

The tract is zoned for Texas City ISD.

II. **ZONING**

A. Existing Zoning

As illustrated on the current Texas City Zoning Map on the City’s website, the project is zoned as “District A Single Family Residential”, permitting a minimum 50’ lot width and a minimum 120’ lot depth with a minimum square footage of 6,000. The existing zoning classifications for the subject property and surrounding properties are further illustrated on Exhibit E – “Zoning Map”.

B. Proposed / Future Zoning

The purpose of this document is to redefine the zoning to comply with the approved Master Plan by the Planning and Zoning Department, refer to Exhibit B “Conceptual Master Plan”. The lot dimensions to be permitted within this PUD shall be a minimum 50’ lot width and a minimum 120’ lot depth with a minimum square footage of 6,000. The minimum lot depth shall not apply to lots that front cul-de-sacs or knuckles, but the minimum lot width and square footage

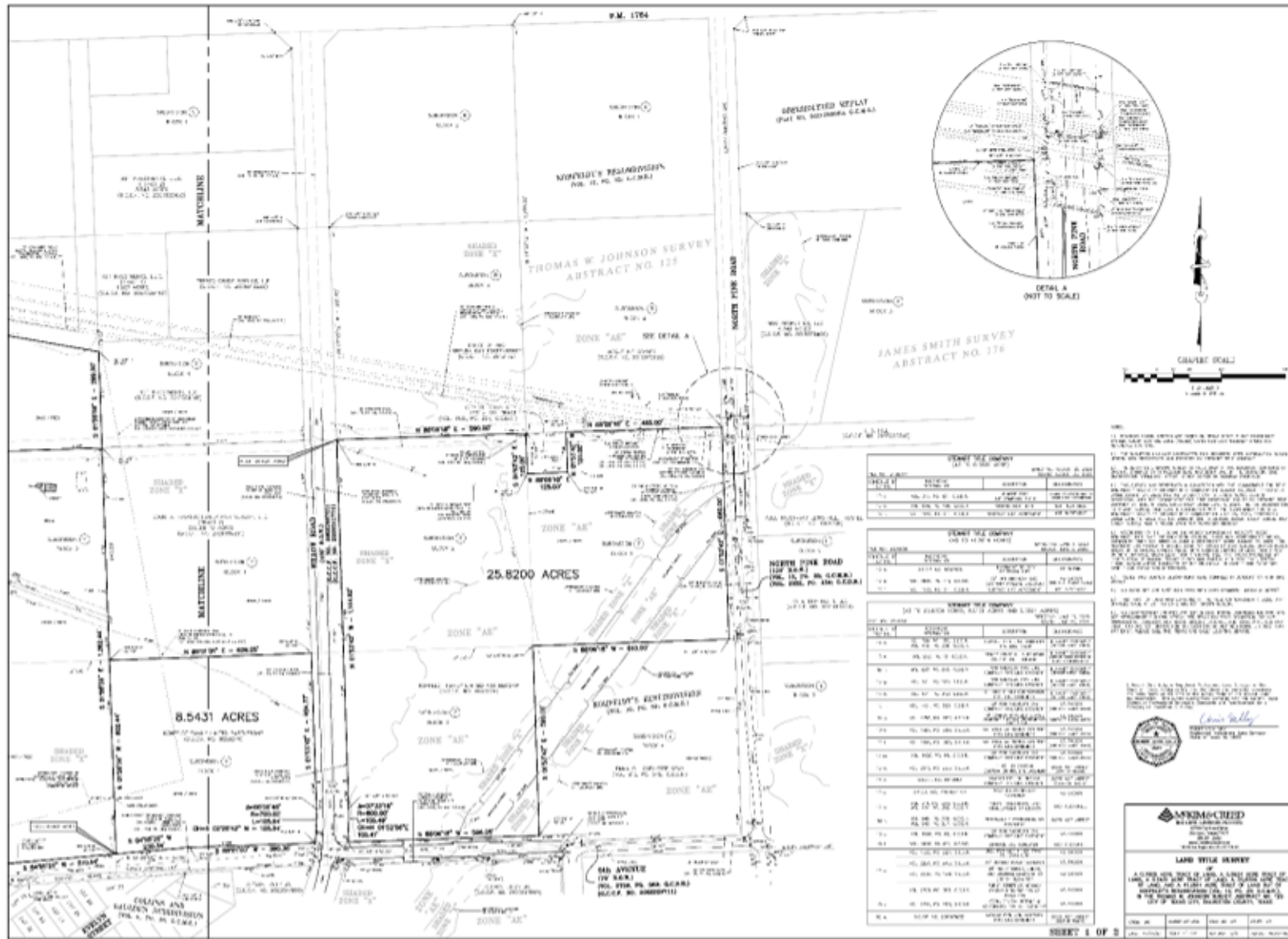
requirements shall still apply. The Developer will abide by rules and regulations of the Texas City Code of Ordinances other than those being modified herein.

III. UTILITIES

All utilities including the water distribution system, sanitary sewer collection system, storm water drainage system, and dual amenity/detention facilities will be financed by the Developer with possible future reimbursement by Galveston County Municipal Utility District No. 66. Ultimately all utilities will be owned and maintained by the City of Texas City except the dual amenity/detention facilities, which will be owned by the MUD and maintained by the HOA.

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Exhibit 'A-1' Project Survey



TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
1	1.2345	JOHNSON	...
2	2.3456	SMITH	...
3	3.4567	...	...
4	4.5678	...	...
5	5.6789	...	...

TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
6	6.7890	...	...
7	7.8901	...	...
8	8.9012	...	...
9	9.0123	...	...
10	10.1234	...	...

TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
11	11.2345	...	...
12	12.3456	...	...
13	13.4567	...	...
14	14.5678	...	...
15	15.6789	...	...

TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
16	16.7890	...	...
17	17.8901	...	...
18	18.9012	...	...
19	19.0123	...	...
20	20.1234	...	...

TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
21	21.2345	...	...
22	22.3456	...	...
23	23.4567	...	...
24	24.5678	...	...
25	25.6789	...	...

TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
26	26.7890	...	...
27	27.8901	...	...
28	28.9012	...	...
29	29.0123	...	...
30	30.1234	...	...

TRACT DATA SUMMARY
(ONE TO FIVE (5) ACRES)

TRACT NO.	ACRES	OWNER	REMARKS
31	31.2345	...	...
32	32.3456	...	...
33	33.4567	...	...
34	34.5678	...	...
35	35.6789	...	...

1. THIS SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF THE SURVEYING ACT OF 1908 AND THE SURVEYING REGULATIONS THEREUNDER. THE SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT COMES UP TO THE REQUIREMENTS OF SAID ACT AND REGULATIONS.

2. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

3. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

4. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

5. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

6. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

7. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

8. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

9. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.

10. I HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE PROVISIONS OF SAID ACT AND REGULATIONS AND THAT THE SURVEY IS TRUE AND CORRECT.



LAND TITLE SURVEY

LAND TITLE SURVEY
A SERVICE OF THE
LAND TITLE SURVEY
AND RECORDS DEPARTMENT
OF THE STATE OF TEXAS
1500 NORTH BRASS
DALLAS, TEXAS 75201
PHONE: 214-757-1234
FAX: 214-757-1235
WWW.LANDTITLE.SURVEY.TX.GOV

Exhibit 'A-2' Legal Description

November 7, 2023

25.8200 acres of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas

A FIELD NOTE DESCRIPTION of a 25.8200 acre tract of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas; said 25.8200 acre tract being all of Blocks 1, 2 and 3, Subdivision Z, Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records, conveyed to Kohfeldt Family Limited Partnership, as recorded in Galveston County Clerk's File No. 9850274; save and except a 125-foot by 125-foot tract of land conveyed to the City of Texas City, as recorded in Volume 1935, Page 227 of the Galveston County Deed Records; save and except a 2.416 acre road right-of-way easement to the City of Texas City, as recorded in Galveston County Clerk's File No. 2003011771; save and except a 1.0606 acre public street or highway easement to the City of Texas City, as recorded in Volume 2759, Page 363 of the Galveston County Deed Records; save and except a 0.3030 acre public street, utility and drainage easement to the City of Texas City, as recorded in Volume 2335, Page 134 of the Galveston County Deed Records; and save and except a 30-foot wide portion of North Pine Road dedicated by said Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on Texas State Plane Coordinate System, South Central Zone (NAD83) per GPS Observations using National Geodetic Survey Continuously Operating Reference Stations:

BEGINNING at a 5/8-inch iron rod found in the east line of Willow Road (100 feet wide), as recorded in Galveston County Clerk's File Nos. 2002066705 and 2003011771, in the north line of said Block 2 of Subdivision Z and in the south line of Block 3, Subdivision R of said Kofeldt's Resubdivision for a northwest corner of this tract; from which a 5/8-inch iron rod with cap stamped "Walsh Surveying" found bears North 01° 53' 42" East - 660.00 feet;

THENCE, North 88° 06' 18" East - 590.00 feet with the north line of said Block 2 of Subdivision Z and with the south line of said Block 3 of Subdivision R to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Block 1 and 2 of Subdivision Z and Block 3 and 4 of Subdivision R, for the northwest corner of said 125-foot by 125-foot tract conveyed to the City of Texas City, and for a northeast corner of this tract; from which a 1/2-inch iron pipe found in the south right-of-way line of F.M. 1764 bears North 01° 53' 42" West - 1,270.00 feet;

THENCE, South 01° 53' 42" East - 125.00 feet with the east line of said Block 2 of Subdivision Z, with the west line of said Block 1 of Subdivision Z, and with the west line of said 125-foot by 125-foot tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the southwest corner of said 125-foot by 125-foot tract and for an interior corner of this tract;

THENCE, North 88° 06' 18" East - 125.00 feet with the south line of said 125-foot by 125-foot tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the southeast corner of said 125-foot by 125-foot tract and for an interior corner of this tract;

THENCE, North 01° 53' 42" West - 125.00 feet with the east line of said 125-foot by 125-foot tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the north line of said Block 1 of Subdivision Z and in the south line of said Block 4 of Subdivision R for the northeast corner of said 125-foot by 125-foot tract and for a northwest corner of this tract;

THENCE, North 88° 06' 18" East - 485.00 feet with the north line of said Block 1 of Subdivision Z and with the south line of said Block 4 of Subdivision R to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in west right-of-way line of North Pine Road (100 feet wide at this point), according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records and as recorded in Volume 2335, Page 134 of the Galveston County Deed Records for a northeast corner of this tract;

THENCE, South 01° 53' 42" East - 660.00 feet with the west right-of-way line of said North Pine Road to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the south line of said Block 1 of Subdivision Z and in the north line of Block 4 of said Subdivision Z for a southeast corner of this tract;

THENCE, South 88° 06' 18" West - 610.00 feet with the south line of said Block 1 of Subdivision Z and with the north line of said Block 4 of Subdivision Z to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Blocks 1-4 of Subdivision Z and for an interior corner of this tract;

THENCE, South 01° 53' 42" East - 590.00 feet with the east line of said Block 3 of Subdivision Z and with the west line of said Block 4 of Subdivision Z to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the north right-of-way line of 5th Avenue (70 feet wide), as recorded in Volume 2759, Page 363 of the Galveston County Deed Records and in Galveston County Clerk's File No. 2002029711 for a southeast corner of this tract;


THENCE, South 88° 06' 18" West - 596.95 feet with the north right-of-way line of said 5th Avenue to a 5/8-inch iron rod with cap stamped "McKim & Creed" set at the intersection of the north right-of-way line of said 5th Avenue with the east right-of-way line of said Willow Road for the southwest corner of this tract;

THENCE, in a northerly direction with the east right-of-way line of said Willow Road and with a curve to the left having a radius of 800.00 feet, a central angle of 07° 33' 18", a length of 105.49 feet, and a chord bearing North 01° 52' 56" East - 105.41 feet to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for a point-of-tangency;

THENCE, North 01° 53' 42" West - 1,144.82 feet with the east right-of-way line of said Willow Road to the POINT OF BEGINNING and containing 25.8200 acres of land.

Note: This metes-and-bounds description was compiled in conjunction with a survey performed on even date.

COMPILED BY:
MCKIM & CREED
Engineers, Surveyors, Planners
Stafford, Texas
Firm Registration No. 10177600
Job No. 08780-0005
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Robert Chris Kelly
Registered Professional Land Surveyor
State of Texas No. 6833



November 7, 2023

**8.5431 acres of land in the Thomas W. Johnson Survey, Abstract No. 125,
City of Texas City, Galveston County, Texas**

A FIELD NOTE DESCRIPTION of an 8.5431 acre tract of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas; said 8.5431 acre tract being all of Block 4, Subdivision Y, Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records, conveyed to Kohfeldt Family Limited Partnership, as recorded in Galveston County Clerk's File No. 9850274; save and except a 2.416 acre road right-of-way easement to the City of Texas City, as recorded in Galveston County Clerk's File No. 2003011771; and save and except a 1.0110 acre public street or highway easement to the City of Texas City, as recorded in Volume 2759, Page 363 of the Galveston County Deed Records; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on Texas State Plane Coordinate System, South Central Zone (NAD83) per GPS Observations using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 5/8-inch iron rod with cap stamped "Survey 1" found for the southwest corner of Block 3, Subdivision Y of said Kofeldt's Resubdivision, for the southeast corner of Block 4, Subdivision X of said Kofeldt's Resubdivision, for the southeast corner of a 4.9905 acre tract of land conveyed to Alfonso Paz Ruiz, as recorded in Galveston County Clerk's File No. 2015013247, and for the southwest corner of a 0.7772 acre public street or highway easement to the City of Texas City (5th Avenue – unimproved right-of-way), as recorded in Galveston County Clerk's File No. 8326967;

THENCE, North 88° 01' 01" East - 660.00 feet with the south line of said Block 3 of Subdivision Y to a point for the southeast corner of said Block 3 of Subdivision Y, for the southwest corner of said Block 4 of Subdivision Y, for the southeast corner of said 0.7772 acre public street or highway easement, and for the southwest corner of said 1.0110 acre public street or highway easement (5th Avenue – unimproved right-of-way);

THENCE, North 01° 58' 59" West - 57.56 feet with the east line of said Block 3 of Subdivision Y and with the west line of said Block 4 of Subdivision Y to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the northeast corner of said 0.7772 acre public street or highway easement, for the northwest corner of said 1.0110 acre public street or highway easement, and for the southwest corner and POINT OF BEGINNING of this tract;

THENCE, North 01° 58' 59" West - 602.44 feet with the east line of said Block 3 of Subdivision Y and with the west line of said Block 4 of Subdivision Y to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Blocks 1-4 of said Subdivision Y and for the northwest corner of this tract;

THENCE, North 88° 01' 01" East - 629.25 feet with the north line of said Block 4 of Subdivision Y and with the south line of said Block 1 of Subdivision Y to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the west right-of-way line of Willow Road (100 feet wide), as recorded in Galveston County Clerk's File Nos. 2002066705 and 2003011771 for the northeast corner of this tract;

THENCE, South 01° 53' 42" East - 484.77 feet with the west right-of-way line of said Willow Road to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the point-of-curvature of a curve to the right;

THENCE, in a southerly direction with the west right-of-way line of said Willow Road and with said curve to the right having a radius of 700.00 feet, a central angle of 08° 38' 48", a length of 105.64 feet, and a chord bearing South 02° 25' 42" West - 105.54 feet to a 5/8-inch iron rod found at the intersection of the west right-of-way line of said Willow Road with the north line of said 1.0110 acre public street or highway easement (5th Avenue) for the southeast corner of this tract;

THENCE, South 88° 01' 00" West - 390.38 feet with the north line of said 1.0110 acre public street or highway easement to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for an angle point of said 1.0110 acre public street or highway easement and for an angle point of this tract;

THENCE, South 84° 55' 20" West - 230.34 feet with the north line of said 1.0110 acre public street or highway easement to the POINT OF BEGINNING and containing 8.5431 acres of land.

Note: This metes-and-bounds description was compiled in conjunction with a survey performed on even date.

COMPILED BY:
MCKIM & CREED
Engineers, Surveyors, Planners
Stafford, Texas
Firm Registration No. 10177600
Job No. 08780-0005
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Robert Chris Kelly
Registered Professional Land Surveyor
State of Texas No. 6833



November 7, 2023

***5.5924 acres of land in the Thomas W. Johnson Survey, Abstract No. 125,
City of Texas City, Galveston County, Texas***

A FIELD NOTE DESCRIPTION of a 5.5924 acre tract of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas; said 5.5924 acre tract being a portion of Block 3, Subdivision S, Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records, conveyed to Kohfeldt Family Limited Partnership, as recorded in Galveston County Clerk's File No. 9850274; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on Texas State Plane Coordinate System, South Central Zone (NAD83) per GPS Observations using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 5/8-inch iron rod with cap stamped "Survey 1" found for the southwest corner of Block 3, Subdivision Y of said Kofeldt's Resubdivision, for the southeast corner of Block 4, Subdivision X of said Kofeldt's Resubdivision, for the southeast corner of a 4.9905 acre tract of land conveyed to Alfonso Paz Ruiz, as recorded in Galveston County Clerk's File No. 2015013247, and for the southwest corner of a 0.7772 acre public street or highway easement to the City of Texas City (5th Avenue – unimproved right-of-way), as recorded in Galveston County Clerk's File No. 8326967;

THENCE, North 01° 58' 59" West with the west line of said Block 3 of Subdivision Y, with the east line of said Block 4 of Subdivision X, and with the east line of said 4.9905 acre tract, at a distance of 660.00 feet pass a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Blocks 1 and 4 of Subdivision X, Blocks 2 and 3 of Subdivision Y of said Kofeldt's Resubdivision, and for the northeast corner of said 4.9905 acre tract and continuing with the west line of said Block 2 of Subdivision Y and with the east line of said Block 1 of Subdivision X for a total distance of 1,320.00 feet to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Block 1 of Subdivision X, said Block 2 of Subdivision Y, Block 3 of said Subdivision S, Block 4 of Subdivision T of said Kofeldt's Resubdivision, and for the southwest corner and POINT OF BEGINNING of this tract; from which a 5/8-inch iron rod found for the common corner of said Blocks 3 and 4 of Subdivision T and Blocks 1 and 2 of Subdivision X of said Kofeldt's Resubdivision bears South 88° 01' 01" West - 660.00 feet;

THENCE, North 01° 58' 59" West - 439.20 feet with the west line of said Block 3 of Subdivision S and with the east line of said Block 4 of Subdivision T to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the southwest corner of a 50-foot wide strip of land conveyed to the City of Texas City, as recorded in Volume 1945, Page 102 of the Galveston County Deed Records, for the southeast corner of a 50-foot wide strip of land conveyed to the City of Texas City, as recorded in Volume 1945, Page 110 of the Galveston County Deed Records and for the northwest corner of this tract;


THENCE, South 79° 59' 26" East - 674.73 feet with the southwest line of said 50-foot wide strip to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the east line of said Block 3 of Subdivision S and in the west line of Block 4 of said Subdivision S for the northeast corner of this tract;

THENCE, South 01° 58' 59" East - 299.00 feet with the east line of said Block 3 of Subdivision S and with the west line of said Block 4 of Subdivision S to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Blocks 3 and 4 of Subdivision S, Blocks 1 and 2 of Subdivision Y and for the southeast corner of this tract;

THENCE, South 88° 01' 01" West - 660.00 feet with the south line of said Block 3 of Subdivision S and with the north line of said Block 2 of Subdivision Y to the POINT OF BEGINNING and containing 5.5924 acres of land.

Note: This metes-and-bounds description was compiled in conjunction with a survey performed on even date.

COMPILED BY:
MCKIM & CREED
Engineers, Surveyors, Planners
Stafford, Texas
Firm Registration No. 10177600
Job No. 08780-0005
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Robert Chris Kelly
Registered Professional Land Surveyor
State of Texas No. 6833



November 7, 2023

41.2614 acres of land being a 42.0419 acre tract save and except a 0.7805 acre tract in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas

A FIELD NOTE DESCRIPTION of a 42.0419 acre tract of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas; said 42.0419 acre tract being a portion of Blocks 2 and 3 of Subdivision X, Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records, conveyed to John Smyrl, as recorded in Galveston County Clerk's File No. 2003012161, being all of Block 1, Subdivision X and a portion of Block 3, Subdivision T of said Kofeldt's Resubdivision, conveyed to John Paul Smyrl, Junior, as recorded in Galveston County Clerk's File No. 9958175, and being all of Blocks 2 and 3, Subdivision Y of said Kofeldt's Resubdivision, conveyed to John Paul Smyrl, Junior, as recorded in Galveston County Clerk's File No. 9958175 and also conveyed to Charles J. Anderson and John P Smyrl, as recorded in Galveston County Clerk's File No. 8326966; save and except a 0.7772 acre public street or highway easement to the City of Texas City, as recorded in Galveston County Clerk's File No. 8326967; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on Texas State Plane Coordinate System, South Central Zone (NAD83) per GPS Observations using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 5/8-inch iron rod with cap stamped "Survey 1" found for the southwest corner of said Block 3 of Subdivision Y, for the southeast corner of Block 4 of said Subdivision X, for the southeast corner of a 4.9905 acre tract of land conveyed to Alfonso Paz Ruiz, as recorded in Galveston County Clerk's File No. 2015013247, and for the southwest corner of said 0.7772 acre public street or highway easement (5th Avenue – unimproved right-of-way);

THENCE, North 01° 58' 59" West - 30.00 feet with the west line of said Block 3 of Subdivision Y, with the east line of said Block 4 of Subdivision X, with the east line of said 4.9905 acre tract, and with the west line of said 0.7772 acre public street or highway easement to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the northwest corner of said 0.7772 acre public street or highway easement and for a southwest corner and POINT OF BEGINNING of this tract;

THENCE, North 01° 58' 59" West - 630.00 feet with the west line of said Block 3 of Subdivision Y, with the east line of said Block 4 of Subdivision X, and with the east line of said 4.9905 acre tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Block 1 and 4 of said Subdivision X and Block 2 and 3 of said Subdivision Y, for the northeast corner of said 4.9905 acre tract, and for an interior corner of this tract;

THENCE, South 88° 01' 01" West - 660.00 feet with the common line of said Blocks 1 and 4 of Subdivision X and with the north line of said 4.9905 acre tract to a 5/8-inch iron rod found for the common corner of Blocks 1-4 of said Subdivision X, for the northwest corner of said 4.9905 acre tract, and for an interior corner of this tract;

THENCE, South 01° 58' 59" East - 37.30 feet with the common line of Blocks 3 and 4 of said Subdivision X and with the west line of said 4.9905 acre tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the northeast line of a tract of land conveyed to Lisa Provost, as recorded in Galveston County Clerk's File No. 9625112 for an angle point of said 4.9905 acre tract and for a south corner of this tract; from which a 1-inch iron pipe found for an angle point of Lot 51, North Oak Subdivision, according to the map or plat recorded in Volume 2, Page 59 of the Galveston County Map Records bears South 39° 12' 52" East - 82.29 feet;

THENCE, North 39° 46' 31" West - 101.55 feet with the northeast line of said Provost tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for an angle point;

THENCE, North 38° 40' 51" West - 65.05 feet with the northeast line of said Provost tract to a point for the east corner of Lot 15, L. Vionett Second Subdivision, according to the map or plat recorded in Volume 14, Page 36 of the Galveston County Map Records, for the north corner of said Provost tract and for an angle point of this tract;

THENCE, North 39° 45' 26" West - 231.85 feet with the northeast line of said L. Vionett Second Subdivision to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the south corner of a tract of land conveyed to Thearthur McKenzie, as recorded in Galveston County Clerk's File No. 2011063487 and for a southwest corner of this tract;

THENCE, North 01° 58' 03" West - 381.63 feet with the east line of said McKenzie tract to a 3/8-inch iron rod found in the north line of said Block 2 of Subdivision X and in the south line of said Block 3 of Subdivision T for a northeast corner of said McKenzie tract and for an interior corner of this tract;

THENCE, South 88° 01' 01" West - 416.98 feet with the north line of said Block 2 of Subdivision X, with the south line of said Block 3 of Subdivision T, and with the north line of said McKenzie tract to a 5/8-inch iron rod found for the common corner of said Block 2 of Subdivision X, Block 3 of Subdivision T, Block 4 of Subdivision U, and Block 1 of Subdivision W of said Kofeldt's Resubdivision, for an interior corner of said McKenzie tract and for an interior corner of this tract;

THENCE, North 01° 58' 59" West - 660.00 feet with the west line of said Block 3 of Subdivision T, with the east line of said Block 4 of Subdivision U, and with the east line of said McKenzie tract to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Blocks 2 and 3 of said Subdivision T and Blocks 1 and 4 of said Subdivision U, for a northeast corner of said McKenzie tract and for a northwest corner of this tract;

THENCE, North 88° 01' 01" East - 280.57 feet with the common line of said Blocks 2 and 3 of Subdivision T to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the west corner of a 50-foot wide strip of land conveyed to the City of Texas City, as recorded in Volume 1945, Page 98 of the Galveston County Deed Records, for the south corner of a 50-foot wide strip of land conveyed to the City of Texas City, as recorded in Volume 1979, Page 47 of the Galveston County Deed Records, and for an angle point of this tract;

THENCE, South 79° 59' 26" East - 387.90 feet with the southwest line of said 50-foot wide strip to a 5/8-inch iron rod with cap stamped "McKim & Creed" set in the common line of Block 3 and 4 of said Subdivision T for the southeast corner of said 50-foot wide strip and for the southwest corner of a 50-foot wide strip of land conveyed to the City of Texas City, as recorded in Volume 1945, Page 110 of the Galveston County Deed Records for a northeast corner of this tract; from which a 5/8-inch iron rod found in the south right-of-way line of F.M. 1764 bears North 01° 58' 59" West - 692.44 feet;

THENCE, South 01° 58' 59" East - 579.40 feet with the common line of said Blocks 3 and 4 of Subdivision T to a 5/8-inch iron rod found for the common corner of said Blocks 3 and 4 of Subdivision T and said Blocks 1 and 2 of Subdivision X for an interior corner of this tract;

THENCE, North 88° 01' 01" East with north line of said Block 1 of Subdivision X and with the south line of said Block 4 of Subdivision T, at a distance of 660.00 feet pass a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Block 1 of Subdivision X, Block 2 of Subdivision Y, Block 3 of Subdivision S, and Block 4 of Subdivision T and continuing with the north line of said Block 2 of Subdivision Y and with the south line of said Block 3 of Subdivision S for a total distance of 1,320.00 feet to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner Blocks 1 and 2 of said Subdivision Y, Blocks 3 and 4 of said Subdivision S, and for a northeast corner of this tract;

THENCE, South 01° 58' 59" East with the common line of Blocks 1 and 2 of said Subdivision Y, at a distance of 660.00 feet pass a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Blocks 1-4 of Subdivision Y and continuing with the common line of Blocks 3 and 4 of said Subdivision Y for a total distance of 1,262.44 feet to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the northeast corner of said 0.7772 acre public street or highway easement to the City of Texas City, for the northwest corner of a 1.0110 acre public street or highway easement to the City of Texas City, as recorded in Volume 2759, Page 363 of the Galveston County Deed Records, and for a southeast corner of this tract;

THENCE, South 84° 55' 20" West - 510.54 feet with the north line of said 0.7772 acre public street or highway easement to a 5/8-inch iron rod with cap stamped "McKim & Creed" set for an angle point 0.7772 acre public street or highway easement and for an angle point of this tract;

THENCE, South 88° 01' 00" West - 150.20 feet with the north line of said 0.7772 acre public street or highway easement to the POINT OF BEGINNING and containing 42.0419 acres of land, save and except 0.7805 acre of land leaving a net area of 41.2614 acres; said 0.7805 acre tract described as follows:

***0.7805 acre of land in the Thomas W. Johnson Survey, Abstract No. 125,
City of Texas City, Galveston County, Texas***

A FIELD NOTE DESCRIPTION of a 0.7805 acre tract of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas; said 0.7805 acre tract being out of Block 1, Subdivision X, Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records, conveyed to George and Minna Braun Family Limited Partnership, as recorded in Galveston County Clerk's File No. 2004013806; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on Texas State Plane Coordinate System, South Central Zone (NAD83) per GPS Observations using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 5/8-inch iron rod with cap stamped "Survey 1" found for the southwest corner of Block 3, Subdivision Y of said Kofeldt's Resubdivision, for the southeast corner of Block 4, Subdivision X of said Kofeldt's Resubdivision, for the southeast corner of a 4.9905 acre tract of land conveyed to Alfonso Paz Ruiz, as recorded in Galveston County Clerk's File No. 2015013247, and for the southwest corner of a 0.7772 acre public street or highway easement to the City of Texas City (5th Avenue - unimproved right-of-way), as recorded in Galveston County Clerk's File No. 8326967;

THENCE, North 01° 58' 59" West with the west line of said Block 3 of Subdivision Y, with the east line of said Block 4 of Subdivision X, and with the east line of said 4.9905 acre tract, at a distance of 660.00 feet pass a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Blocks 1 and 4 of Subdivision X and Blocks 2 and 3 of Subdivision Y and for the northeast corner of said 4.9905 acre tract and continuing with the west line of said Block of Subdivision Y and with the east line of said Block 1 of Subdivision X for a total distance of 846.00 feet to a point for the southeast corner and POINT OF BEGINNING of this tract;

THENCE, South 88° 01' 01" West - 136.00 feet to a point for the southwest corner of this tract;

THENCE, North 01° 58' 59" West - 250.00 feet to a point for the northeast corner of this tract;

THENCE, North 88° 01' 01" East - 136.00 feet to a point in the west line of said Block 2 of Subdivision Y and in the east line of said Block 1 of Subdivision X for the northeast corner of this tract; from which a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Block 1 of Subdivision X and Block 2 of Subdivision Y bears North 01° 58' 59" West - 224.00 feet;

THENCE, South 01° 58' 59" East - 250.00 feet with the west line of said Block 2 of Subdivision Y and with the east line of said Block 1 of Subdivision X to the POINT OF BEGINNING and containing 0.7805 acre of land.

Note: This metes-and-bounds description was compiled in conjunction with a survey performed on even date.

COMPILED BY:
MCKIM & CREED
Engineers, Surveyors, Planners
Stafford, Texas
Firm Registration No. 10177600
Job No. 08780-0005
Y:\legals\08780-0005_tract 3.docx


Robert Chris Kelly
Registered Professional Land Surveyor
State of Texas No. 6833



November 7, 2023

**0.7805 acre of land in the Thomas W. Johnson Survey, Abstract No. 125,
City of Texas City, Galveston County, Texas**

A FIELD NOTE DESCRIPTION of a 0.7805 acre tract of land in the Thomas W. Johnson Survey, Abstract No. 125, City of Texas City, Galveston County, Texas; said 0.7805 acre tract being out of Block 1, Subdivision X, Kofeldt's Resubdivision, according to the map or plat recorded in Volume 10, Page 35 of the Galveston County Map Records, conveyed to George and Minna Braun Family Limited Partnership, as recorded in Galveston County Clerk's File No. 2004013806; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on Texas State Plane Coordinate System, South Central Zone (NAD83) per GPS Observations using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 5/8-inch iron rod with cap stamped "Survey 1" found for the southwest corner of Block 3, Subdivision Y of said Kofeldt's Resubdivision, for the southeast corner of Block 4, Subdivision X of said Kofeldt's Resubdivision, for the southeast corner of a 4.9905 acre tract of land conveyed to Alfonso Paz Ruiz, as recorded in Galveston County Clerk's File No. 2015013247, and for the southwest corner of a 0.7772 acre public street or highway easement to the City of Texas City (5th Avenue – unimproved right-of-way), as recorded in Galveston County Clerk's File No. 8326967;

THENCE, North 01° 58' 59" West with the west line of said Block 3 of Subdivision Y, with the east line of said Block 4 of Subdivision X, and with the east line of said 4.9905 acre tract, at a distance of 660.00 feet pass a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of Blocks 1 and 4 of Subdivision X, Blocks 2 and 3 of Subdivision Y and for the northeast corner of said 4.9905 acre tract and continuing with the west line of said Block 2 of Subdivision Y and with the east line of said Block 1 of Subdivision X for a total distance of 846.00 feet to a point for the southeast corner and POINT OF BEGINNING of this tract;

THENCE, South 88° 01' 01" West - 136.00 feet to a point for the southwest corner of this tract;

THENCE, North 01° 58' 59" West - 250.00 feet to a point for the northeast corner of this tract;

THENCE, North 88° 01' 01" East - 136.00 feet to a point in the west line of said Block 2 of Subdivision Y and in the east line of said Block 1 of Subdivision X for the northeast corner of this tract; from which a 5/8-inch iron rod with cap stamped "McKim & Creed" set for the common corner of said Block 1 of Subdivision X and Block 2 of Subdivision Y bears North 01° 58' 59" West - 224.00 feet;

THENCE, South 01° 58' 59" East - 250.00 feet with the west line of said Block 2 of Subdivision Y and with the east line of said Block 1 of Subdivision X to the POINT OF BEGINNING and containing 0.7805 acre of land.

Note: This metes-and-bounds description was compiled in conjunction with a survey performed on even date.

COMPILED BY:
MCKIM & CREED
Engineers, Surveyors, Planners
Stafford, Texas
Firm Registration No. 10177600
Job No. 08780-0005
Y:\legals\08780-0005_tract 4.docx




Robert Chris Kelly
Registered Professional Land Surveyor
State of Texas No. 6833

Exhibit 'B' Conceptual Master Plan

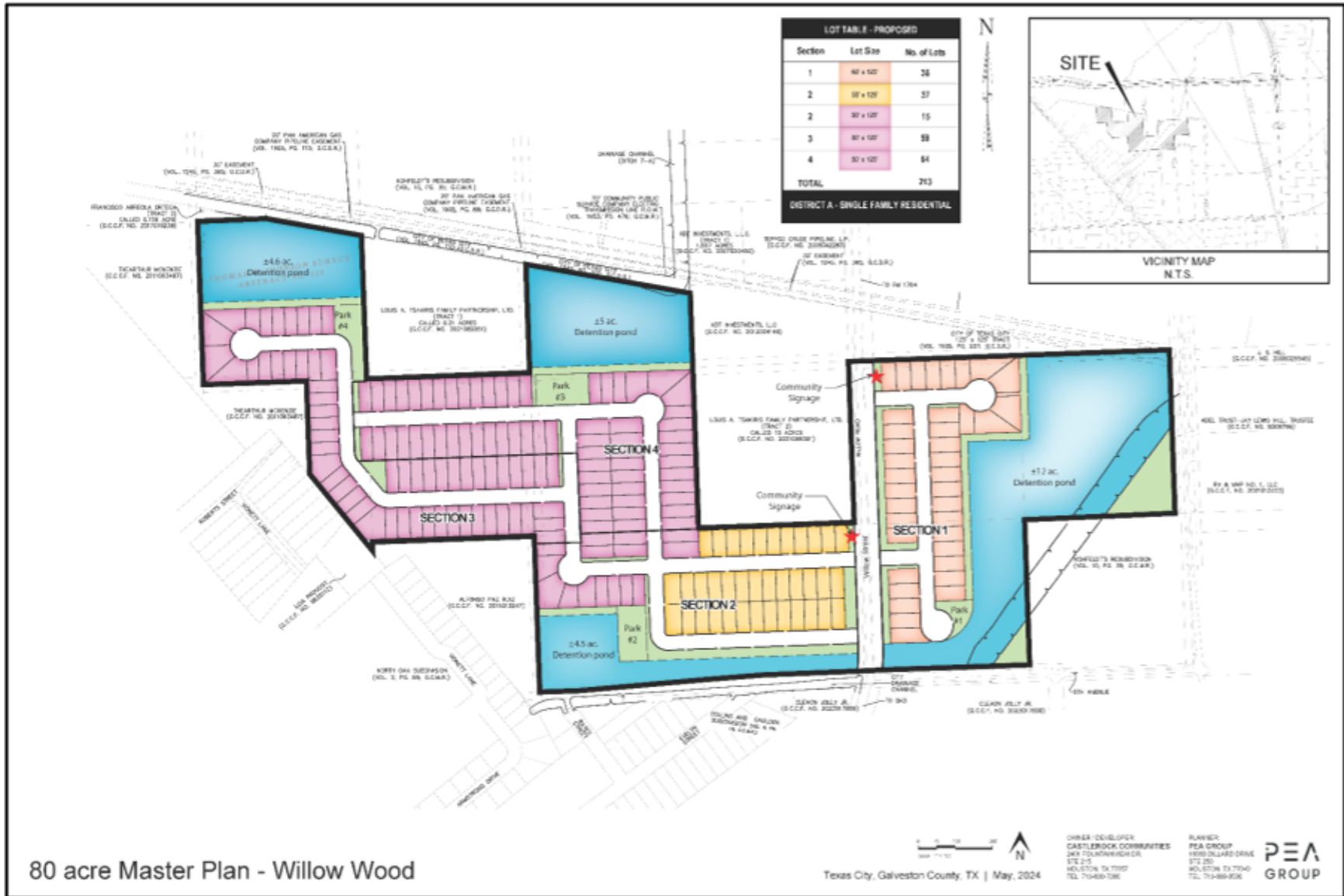


Exhibit 'C' Phasing Plan

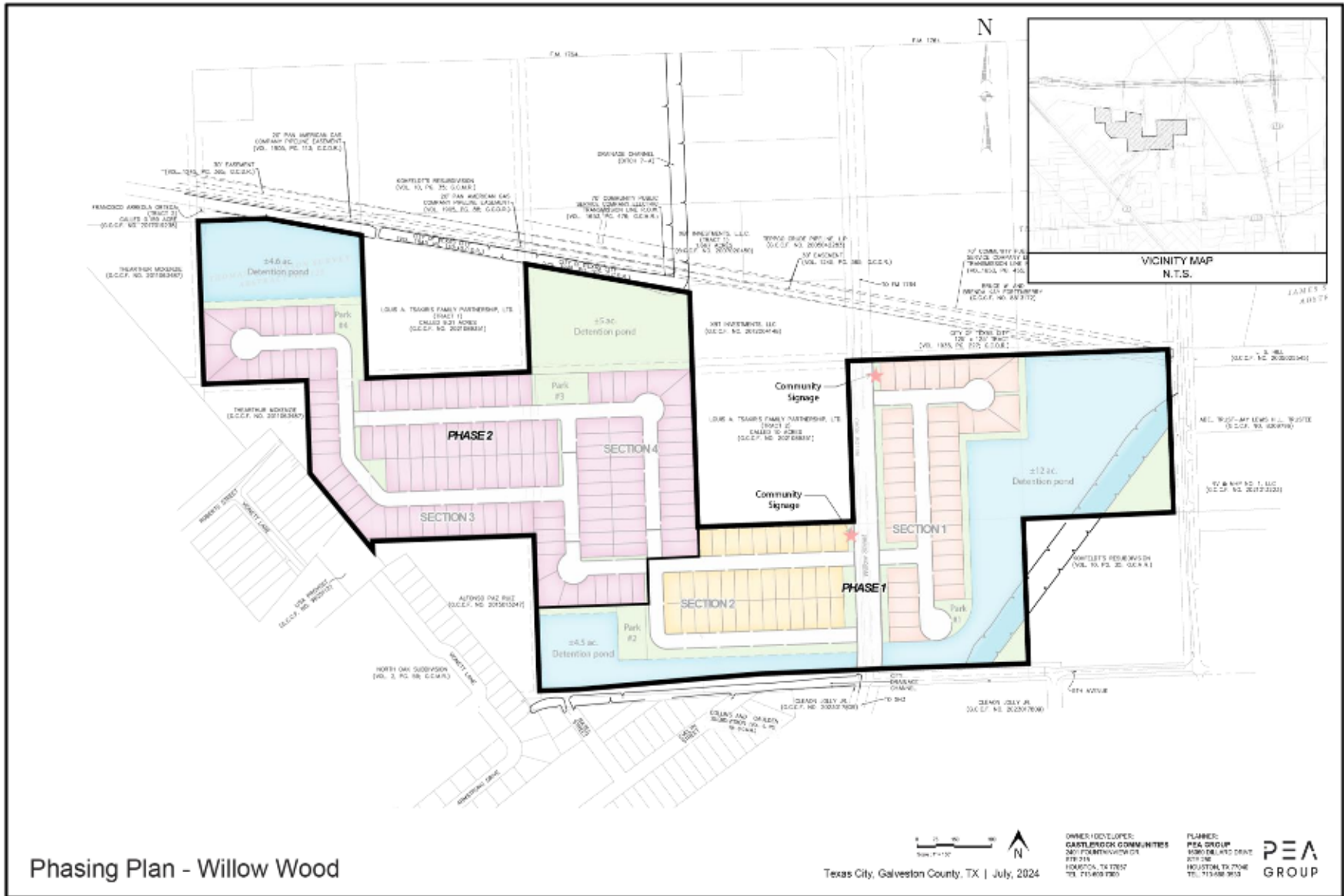


Exhibit 'D-1' Park and Trail Plan

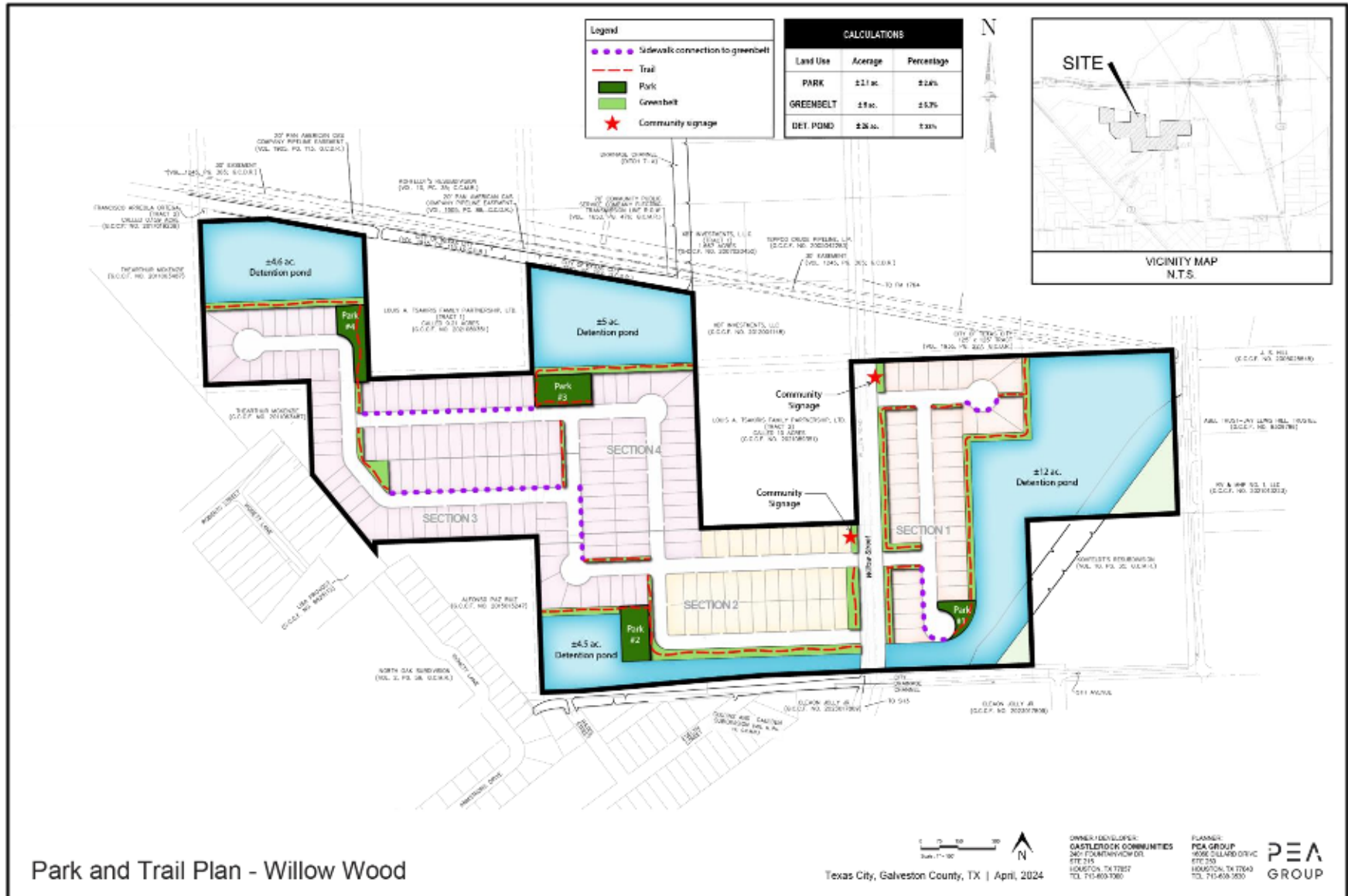


Exhibit 'D-2' Community Park Image Board

Site Furnishing



Bench



Trash receptacle



Aluminum pet station

Pavillion



Open timber truss with column



Square steel pavillion

Free Standing Play Equipment



2 Arch



Apollo spinner and tree fort



Swing set



Spring rider

Playground Equipment



Playground equipment:
2 to 5 years



Playground equipment:
5 to 12 years

Community Park Image Board - Willow Wood

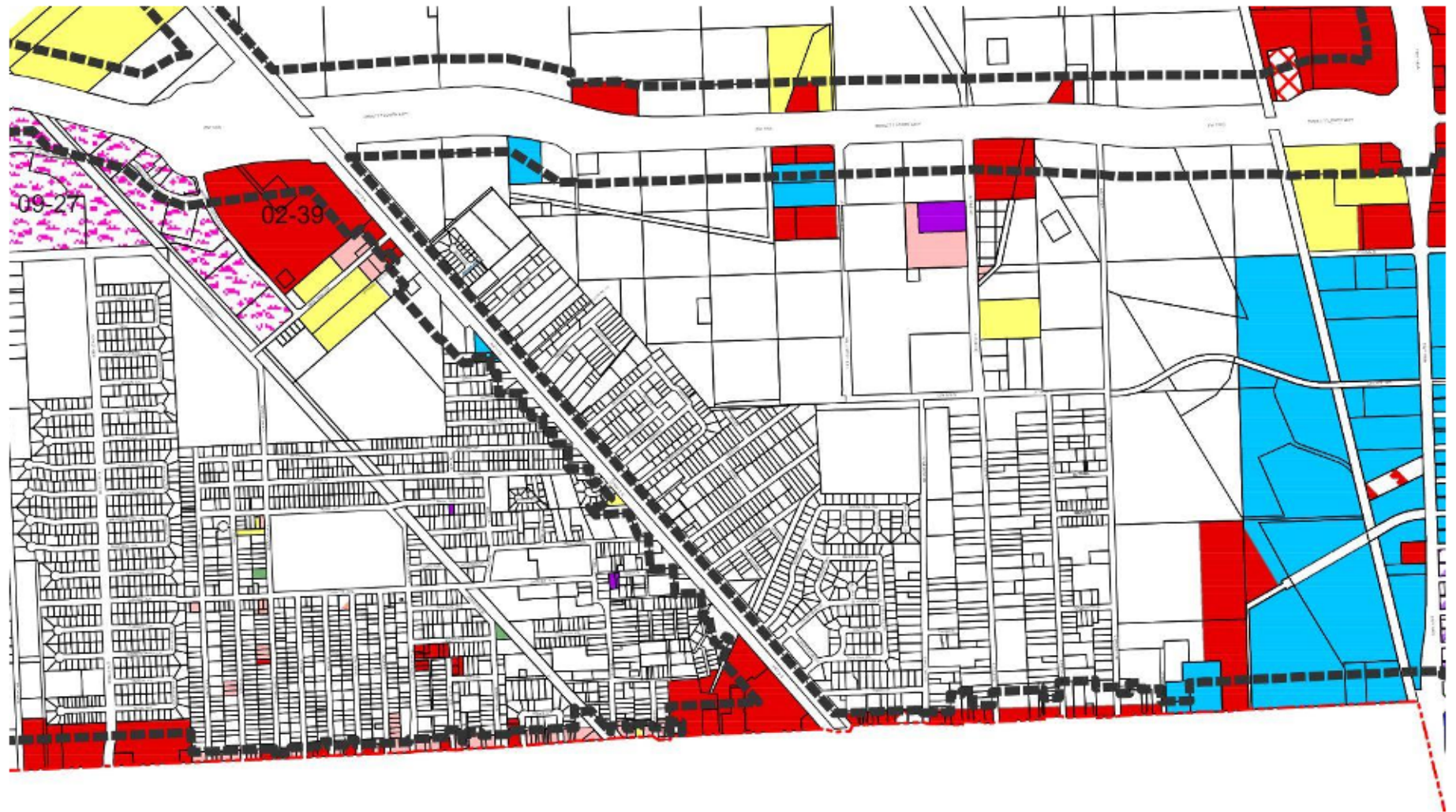
Texas City, Galveston County, TX | May, 2024

OWNER / DEVELOPER:
GARDENHOCK COMMUNITIES
3414 POSTALMANEVEN
STE 214
HOUSTON, TX 77057
TEL: 713-966-7289

PLAYERS:
PEA GROUP
3905 DILLARD DRIVE
STE 200
HOUSTON, TX 77049
TEL: 281-866-8600



Exhibit 'E' Zoning Exhibit



<h2 style="margin: 0;">CITY OF TEXAS CITY ZONING</h2>	<p>Legend</p> <table border="0" style="font-size: small;"> <tr> <td style="padding-right: 5px;">ZONING</td> <td style="padding-right: 5px;">B</td> <td style="padding-right: 5px;">D-1</td> <td style="padding-right: 5px;">E-3</td> <td style="padding-right: 5px;">G</td> <td style="padding-right: 5px;">I</td> <td style="padding-right: 5px;">PUD</td> <td style="padding-right: 5px;">ZONING DISTRICT</td> <td style="padding-right: 5px;">ENVIRONMENTAL OVERLAY DISTRICT</td> </tr> <tr> <td style="padding-right: 5px;">ZONE</td> <td style="padding-right: 5px;">C</td> <td style="padding-right: 5px;">E</td> <td style="padding-right: 5px;">E-4</td> <td style="padding-right: 5px;">G-2</td> <td style="padding-right: 5px;">O-2</td> <td style="padding-right: 5px;">S-2</td> <td style="padding-right: 5px;">CENTRAL BUSINESS OVERLAY DISTRICT</td> <td style="padding-right: 5px;">GATEWAY CORRIDOR OVERLAY DISTRICT</td> </tr> <tr> <td style="padding-right: 5px;"></td> <td style="padding-right: 5px;">A-1</td> <td style="padding-right: 5px;">C-1</td> <td style="padding-right: 5px;">E-1</td> <td style="padding-right: 5px;">F</td> <td style="padding-right: 5px;">H</td> <td style="padding-right: 5px;">I.D.D.</td> <td style="padding-right: 5px;"></td> <td style="padding-right: 5px;">CITY LIMITS (LAND ONLY)</td> </tr> <tr> <td style="padding-right: 5px;"></td> <td style="padding-right: 5px;">A-2</td> <td style="padding-right: 5px;">D</td> <td style="padding-right: 5px;">E-2</td> <td style="padding-right: 5px;">F-1</td> <td style="padding-right: 5px;">I</td> <td style="padding-right: 5px;">C.M.U.</td> <td style="padding-right: 5px;">L.S.D.</td> <td style="padding-right: 5px;"></td> </tr> </table>	ZONING	B	D-1	E-3	G	I	PUD	ZONING DISTRICT	ENVIRONMENTAL OVERLAY DISTRICT	ZONE	C	E	E-4	G-2	O-2	S-2	CENTRAL BUSINESS OVERLAY DISTRICT	GATEWAY CORRIDOR OVERLAY DISTRICT		A-1	C-1	E-1	F	H	I.D.D.		CITY LIMITS (LAND ONLY)		A-2	D	E-2	F-1	I	C.M.U.	L.S.D.		<p style="font-size: x-small; margin-top: 5px;">PUBLIC RECORD 102 APR 13, 2011</p>
ZONING	B	D-1	E-3	G	I	PUD	ZONING DISTRICT	ENVIRONMENTAL OVERLAY DISTRICT																														
ZONE	C	E	E-4	G-2	O-2	S-2	CENTRAL BUSINESS OVERLAY DISTRICT	GATEWAY CORRIDOR OVERLAY DISTRICT																														
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	A-2	D	E-2	F-1	I	C.M.U.	L.S.D.																															

Exhibit F

Development Timeline

Plan to begin development improvements during 3rd and 4th quarter of 2025 with homebuilding to start in 2026.

**The anticipated dates are subject to change due to fluctuating market conditions*

Exhibit 'G' Development Agreement

RESOLUTION NO. 07-101

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A DEVELOPMENT AGREEMENT WITH HIGHWAY 66 PARTNERS, LTD. IN CONNECTION WITH THE DEVELOPMENT OF APPROXIMATELY 310 ACRES OF LAND; PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, on November 2, 2005, the City Commission adopted Resolution No. 05-130 consenting to the inclusion of 248 acres in a municipal utility district; and

WHEREAS, subsequent to the adoption of Resolution No. 05-130, the owners and developers acquired additional land that they wish to be included in the municipal utility district, making the total 310 acres; and

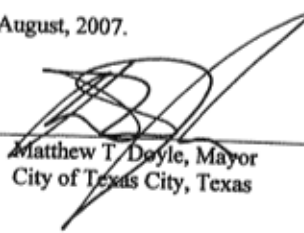
WHEREAS, City staff and consultants recommend the Developer (Highway 66 Partners, Ltd.) and City enter into a development agreement to provide the terms and conditions that will govern the development of the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:


SECTION 1: That the City Commission of the City of Texas City, Texas, authorizes the Mayor to negotiate and execute a Development Agreement with Highway 66 Partners, Ltd. in substantially the same form as Exhibit "A," attached hereto and made a part hereof for all purposes.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 15th day of August, 2007.


Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:


Pamela A. Lawrence
City Secretary

APPROVED AS TO FORM: 

Robert Geryais
City Attorney

DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT (this "Agreement"), is made and entered into as of _____, 2007, by and between the CITY OF TEXAS CITY, TEXAS, a home rule municipality located in Galveston County, Texas (the "City"), and HIGHWAY 66 PARTNERS, LTD., a Texas limited partnership (the "Developer").

RECITALS

The Developer owns or has under contract approximately 318 acres of land more fully described in Exhibit A, attached hereto (the "Property"). The Property shall also include any additional land annexed into the District (as defined below) with the City's consent. The Developer proposes to develop the Property as a residential community (the "Project"). The Property is currently located within the corporate limits of the City of Texas City, Texas (the "City").

The Developer determined that the creation of Galveston County Municipal Utility District No. 66 (the "District") over the Property was necessary for the provision of water, sewer, and drainage facilities, canals, and certain road and street improvements necessary to develop the Property.

The City has consented to the creation of the District.

The City and the Developer have determined that they are authorized by the Constitution and laws of the State of Texas to enter into this Agreement and have further determined that the terms, provisions, and conditions hereof are mutually fair and advantageous to each.

AGREEMENT

For and in consideration of these premises and of the mutual promises, obligations, covenants, and benefits contained herein, the City and the Developer contract and agree as follows:

ARTICLE 1 DEFINITIONS

The terms "City," "Developer," "District," "Project," and "Property" shall have the meanings provided for them in the Recitals, above. Except as may be otherwise defined, or the context clearly requires otherwise, capitalized terms and phrases used in this Agreement shall have the meanings as follows:

PUD means the Planned Unit Development for the Property to be adopted pursuant to the City's Zoning Code, Section 40-48 in effect as of the effective date of this Agreement.

Utility Services Agreement means the utility services agreement entered into between the City, the Developer, and the District.

Zoning Code means the City's Revised Zoning Ordinance in effect as of the date of this Agreement.

ARTICLE 2 OBLIGATIONS OF THE CITY

2.01. Acquisition of Easements for Off-Site Utilities. The City will acquire all off-site water and wastewater easements and sites needed to serve the Property using capital recovery fees paid by the Developer and other developers. The City will cooperate with the Developer to insure that all such easements and sites are acquired in a timely manner that supports the completion of the off-site water and sewer facilities in a manner that meets the Developers plan for developing the Property, subject to the requirements of section 4.6 and 4.7 of this Agreement and the terms and conditions of the Utility Services Agreement to be entered into between the City, the District, and the Developer.

ARTICLE 3 OBLIGATIONS OF THE DEVELOPER

3.01. Municipal Use Sites. The Developer agrees to contribute \$500 per lot to the City for the construction of the municipal use facilities (including but not limited to police, fire and EMS, library, satellite office or utility dispatch uses) to be constructed to serve the area of the City in which the Property is located, with such contribution to be paid at the time the final plat for a phase of development on the Property is filed for recordation.

3.02. Property owners' association. The Developer agrees to create one or more property owners' association to serve the Property and to include all of the Property in at least one of such property owners' association. The Developer further agrees to submit to the Mayor of the City or his designee for review and comment prior to recordation all rules of the property owners' association(s) created to serve the Property and all deed restrictions proposed for the Property. The Developer will provide copies of its commercial deed restrictions and commercial development covenants, if any, to the City for review and approval by the Mayor or his designee at least 60 days prior to filing same.

3.03. Maintenance of certain improvements. The Developer agrees to form one or more property owners association, which shall have as one of their stated purposes to permanently maintain through assessments all lakes, ponds, and other detention facilities and open ditches, open drainage channels, canals, and other open stormwater drainage improvements, parks and recreation facilities, landscaping, and monumentation developed as part of the Project (the "Non-City Improvements") to the extent that the District is not responsible for maintaining such Non-City Improvements. The Developer acknowledges and agrees that the Non-City Improvements will be maintained by the District or by the property owners' association or associations serving the Property, as appropriate, and that the City shall never have the responsibility to own, operate or maintain the Non-City Improvements.

3.04. Cost reimbursement. The Developer shall reimburse the City for professional consulting fees, including legal and engineering, reasonably incurred by the City in connection with the creation and organization of the District, including the review and approval of this Agreement, the Utility Services Agreement, Planned Unit Development, and any other agreements between the City, the Developer and the District. To aid in review and evaluation of the proposed development, the City shall engage the services of consultants and legal counsel. The City will enter into engagement letters and/or service agreements with its consultants and legal counsel. The City will be the client for purposes of these consulting and legal engagements. However, the Developer agrees to be responsible, on behalf of the City, for all fees, expenses, and other costs associated with the City's consulting and legal engagements.

The Developer further agrees to counter-sign the engagement letters between the City and its consultants and legal counsel to acknowledge the Developer's financial responsibility thereunder. The City's consultants and legal counsel shall submit invoices for fees, expenses, and other costs incurred on behalf of the City to the Developer (with a copy to the City) on a monthly basis and such invoices will be payable within thirty days of receipt. The Developer agrees that it will provide payment to the City's consultants and legal counsel accordingly on behalf of the City. The Developer's obligation under this section is cumulative with any other cost reimbursement arrangements previously or subsequently entered into between the City and the Developer.

3.06. Dry Utilities. The Developer agrees that all dry utilities, such as electric, gas, telephone and cable, shall be placed underground throughout the Property; provided, however, that "three-phase" power lines may be elevated and may be placed in easements along the perimeter of the Property and within the interior of the Property as may be required by the power provider to serve the Property. Unless otherwise approved by the City and the Developer and unless no reasonable alternative is available to the power provider for the location of said poles, no elevated three-phase power or larger poles may be placed along any major roads or highways. The Developer agrees that public street light poles throughout the Project shall be

galvanized metal or concrete; provided, however, the Developer may use light poles made out of a material that is of a higher quality than concrete, as determined by the Mayor or his designee. Decorative and specialty light poles are acceptable on private property and along private streets; provided, however, that the City shall never be responsible for maintenance of such light poles.

3.06. 25th Avenue Improvements. The Developer will pay for the cost of extending the northern two lanes of 25th Avenue for approximately 300 feet to the southwest side of Highway 3 and installing related storm drainage facilities (the "25th Avenue Paving Project"); provided, however, that (a) the Developer is not responsible for any paving or other road work on the north side of Highway 3, (b) such costs do not include the relocation of any utilities or pipelines, and (c) such costs do not exceed \$150,000.

3.07 Property Values. The Developer recognizes that a significant portion of the City's consideration for entering into this Agreement and consenting to the creation of the District is the Developer's representations that it would achieve an average home value in the District of \$160,000 (the "Target Value"). The Developer agrees to make to the City a payment in lieu of taxes (the "PILOT") to compensate the City for any loss of tax revenue attributable to the Developer's failure to achieve the Target Value on the dwelling units that are used to support the financial feasibility of the District's first bond issue, over the life of the first bond issue. The PILOT shall be calculated by first multiplying the City's then current total tax rate by the difference between the Target Value and the certified appraised value, as determined by the Galveston County Appraisal District, of the average completed home in the District on January 1 of the year in which the District sells its first series of bonds, divided by 100 (the "Estimated Annual Revenue Loss Calculation"). The Estimated Annual Revenue Loss Calculation shall be multiplied by a timing factor (the greater of 20 years or the term of the District's first bond issue) to arrive at the PILOT due from the Developer to the City. A table demonstrating the calculation of the PILOT is shown on Exhibit "B" attached hereto and incorporated herein for all purposes. The PILOT shall be paid within 30 days of the Developer's receipt from the District of its share of proceeds from the District's first bond issue.

ARTICLE 4 LAND AND DEVELOPMENT COVENANTS

4.01. Land Use. Developer shall submit to the City, for its review and approval, the plan for the development of the Property (the "General Plan") in accordance with Section 40-48 of the Zoning Code in effect as of the effective date of this Agreement. Developer shall develop or cause any undeveloped Property to be developed in accordance with the latest General Plan approved by the City.

4.02 Planned Unit Development. (a) Developer agrees that development of the Property shall be in accordance with the Zoning Code and the General Plan, as the General Plan may be amended in accordance with the provisions of the Zoning Code and the terms of the PUD.

(b) The Developer and City recognize that it is in the interest of the Developer and the City that part of the Property be used to further the economic development interests of both the Developer and the citizens of the City, including attracting desirable businesses and industry to provide highly skilled jobs and to maintain an appropriate balance between the City's residential and non-residential tax base. Therefore, the Project shall be developed as a PUD in accordance with the Zoning Code. The Developer agrees to comply with all of the procedures provided for a PUD in the Zoning Code. The PUD shall include but not be limited to: (1) proposed land uses; (2) maximum number of housing units; (3) number of lots; (4) sizes of the lots; (5) housing types; (6) prospective commercial uses; (7) street and circulation system/arterial plan; (8) development schedule; (9) request for variance to the development code; (10) typical street cross section with proposed landscape standards; (11) bulk head material; (12) estimated construction value of housing by lot size; (13) proposed amenities plan; (14) utility (water and sewer) plant and sites and trunk line locations; (15) storm water plan; (16) Municipal Utility District boundaries; (17) any likely alternative development scenario; and (18) if a municipal services site is dedicated, it must be shown in the PUD Conceptual Plan.

4.03 Development Covenants. The Developer agrees to adopt deed restrictions and other restrictive covenants, and promulgate the Developer's guidelines regarding development standards, consistent with the PUD, the Zoning Code and any relevant City ordinances and regulations. The Developer will provide copies of its residential deed restrictions and residential development covenants to the City for review and comment by the Mayor or his designee no later than prior to the approval of the first residential development covenants for review and comment no later than prior to the approval of the PUD. The Developer agrees to require Sub-developers to abide by the Developer's development standards and provide for enforcement mechanisms for restrictive covenants.

4.04. Marketing Cooperation. The Developer will share non-confidential marketing information with the City relating to the marketing of the Project, and will solicit recommendations to assist the marketing of the Project from the City. The City will designate a contact person for this purpose.

4.05 Notice. Developer agrees to provide notice to the Mayor or his designee of any material proposed changes, amendments or revisions to the PUD, the Property, or the Project prior to taking any action on such change.

**ARTICLE 5
TERM AND DEFAULT**

5.01. Term. This Agreement shall be in effect as of the date set forth on the first page hereof, and shall terminate 50 years thereafter, unless terminated earlier as specifically provided herein.

5.02. Default.

a. A party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

b. Before any failure of any party to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, the party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining party within 30 days of the receipt of such notice. Upon a breach of this Agreement, the non-defaulting Party shall be entitled to specific performance. Regardless of any other provision, neither Party shall be entitled to recover money damages for breach of this Agreement or a tort related to this Agreement. Except as otherwise set forth herein, no action taken by a party pursuant to the provisions of this Section pursuant to the provisions of any other section of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other party.

**ARTICLE 6
MISCELLANEOUS PROVISIONS**

6.01. Approvals and consents. Approvals or consents required or permitted to be given under this Agreement shall be evidenced by an ordinance, resolution or order adopted by the governing body of the appropriate party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of the party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

6.02. Address and notice. Any notice to be given under this Agreement shall be given in writing, addressed to the party to be notified as set forth below, and may be

given either by depositing the notice in the United States mail postage prepaid, registered or certified mail, with return receipt requested; by messenger delivery; or by telecopy. Notice deposited by mail shall be effective three days after posting. Notice given in any other manner shall be effective upon receipt by the party to be notified. For purposes of notice, the addresses of the parties shall be as follows:

If to the City, to:
Mayor
City of Texas City, Texas
P.O. Box 2608
Texas City, Texas 77592

If to Developer, to:
Hwy 66 Partners, Ltd.
Attn: Phil Newton
1514 3rd Street
Seabrook, Texas, 77586

cc to the District to:
Galveston County Municipal Utility
District No. 66
c/o: McDonald & Sechrist LLP
770 South Post Oak Lane, Suite 410
Houston, Texas 77056
Attn: Terrie L. Sechrist

The parties shall have the right from time to time to change their respective addressees by giving written notice of such change to the other party at least 15 days prior to the effective date of the change.

6.03. Assignability; successors and assigns. All covenants and agreements contained by or on behalf of a party in this Agreement shall bind its successors and assigns and shall inure to the benefit of the other parties, their successors and assigns. The parties may assign their rights and obligations under this Agreement or any interest herein, only with the prior written consent of the other party, which consent shall not be unreasonably withheld, and any assignment without such prior written consent, including an assignment by operation of law, is void and of no effect; provided that, the Developer may make a collateral assignment in favor of a lender without consent. This Section shall not be construed to prevent the Developer from selling lots, parcels or other portions of the Land in the normal course of business. If such assignment of the obligations by the Developer hereunder is effective, the Developer shall be deemed released from such obligations. If any assignment of the obligations by the Developer hereunder is deemed ineffective or invalid, the Developer shall remain liable hereunder.

6.04. No additional waiver implied. The failure of either party to insist upon performance of any provision of this Agreement shall not be construed as a waiver of the future performance of such provision by the other party.

6.05. Reservation of rights. All rights, powers, privileges and authority of the parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the parties and, from time to time, may be exercised and enforced by the parties.

6.06. Parties in interest. This Agreement shall be for the sole and exclusive benefit of the parties hereto and shall not be construed to confer any rights upon any third parties.

6.07. Merger. This Agreement embodies the entire understanding between the parties and there are no representations, warranties, or agreements between the parties covering the subject matter of this Agreement.

6.08. Modification; Exhibits. This Agreement shall be subject to change or modification only with the mutual written consent of the City and the Developer. The exhibits attached to this Agreement are incorporated by this reference for all purposes.

6.09. Captions. The captions of each section of this Agreement are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the parties hereto or any provisions hereof, or in ascertaining the intent of either party, with respect to the provisions hereof.

6.10. Interpretations. This Agreement and the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement. This agreement, although drafted by the City, shall be construed fairly and reasonably and not more strictly against the City than the Developer because both parties were represented by legal counsel in the negotiation and review of this Agreement.

6.11. Severability. If any provision of this Agreement or the application thereof to any person or circumstances is ever judicially declared invalid, such provision shall be deemed severed from this Agreement and the remaining portions of this Agreement shall remain in effect.

6.12. Authority within City limits. Regardless of any other provision, nothing herein shall impair or restrict any authority, powers or rights of the City within the incorporated limits of the City.

[EXECUTION PAGES FOLLOW]

AGREED AND ACCEPTED as of the date first above written.

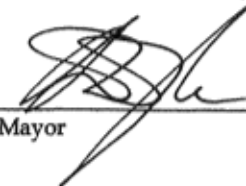
HWY 66 PARTNERS, LTD.,
a Texas limited partnership

By: Jabaz Development Co., Inc.,
a Texas corporation,
its general partner

By: _____
Phil Newton, President

AGREED AND ACCEPTED as of the date first above written.

CITY OF TEXAS CITY, TEXAS



Mayor

ATTEST: _____

City Secretary

(SEAL)

APPROVED AS TO FORM:

City Attorney

City of Texas City
 Highway 66 Partners
 Payment in Lieu of Taxes Calculation

I. Estimated Annual AV Value Loss Calculation		
A.	\$ 160,000	Target Value per Dwelling Unit
B.	\$ [REDACTED]	(-) Average value per dwelling unit (calculated as the total number of A1 properties at the time of the bond sale / total value of all A1 properties as of the time of the bond sale, to be provided by MUD TAC per GCAD records)
C.	\$ 160,000	(=) Variance between target value per dwelling unit and average value per dwelling unit
D.	\$ 160,000	Variance between target value per dwelling unit and average value per dwelling unit
E.	\$ [REDACTED]	(*) Total A1 properties at the time of the bond sale to be provided by MUD TAC per GCAD records
F.	\$ -	(=) Estimated AV Loss
II. Estimated Annual Revenue Loss Calculation		
G.	\$ -	Estimated AV Loss
H.	\$ -	(/) 100
I.	\$ 0.45624	(*) Texas City Tax Rate (at time of bond sale)
J.	\$ -	(=) Estimated Annual Taxes Lost
III. Payment in Lieu of Taxes Calculation		
K.	\$ -	Estimated Annual Taxes Lost
L.	\$ [REDACTED]	(*) Timing factor (20, or the term of the bonds, whichever is greater)
M.	\$ -	(=) Total Payment at time of sale

I. Estimated Annual AV Value Loss Calculation

A.	\$160,000	Target Value per Dwelling Unit
B.	\$130,000	(-) Average value per dwelling unit (calculated as the total number of A1 properties at the time of the bond sale/total value of all A1 Properties as of the time of the bond sale, to be provided by MUD TAC per GCAD records)
C.	\$30,000	(=) Variance between target value per dwelling unit and average value per dw
D.	\$30,000	Variance between target value per dwelling unit and average value per dwellir
E.	84	(*) Total A1 properties at the time of the bond sale to be provided by MUD TAC per GCAD records
F.	<u>\$2,520,000</u>	(=) estimated AV loss

II. Estimated Annual Revenue Loss Calculation

G.	\$2,520,000	Estimated AV Loss
H.	\$25,200	(/) 100
I.	\$0.4562	(*) Texas city Tax Rate (at time of bond sale)
J.	\$11,497	(=) Estimated Annual Taxes Lost
K.	\$11,497	Estimated Annual Taxes Lost
L.	20	(*) Timing Factor (20 or the term of the bonds, whichever is greater)
M.	\$229,945	(=) Total Payment at time of sale