



**WORKSHOP & REGULAR MEETING
OF THE TOWN COUNCIL**

Tuesday, May 18, 2021

6:00 PM

Little Elm Town Hall

100 W Eldorado Parkway, Little Elm, TX 75068

1. **Call to Order Council Workshop at 6:00 p.m.**
 - A. Invocation.
 - B. Pledge to Flags.
 - C. Items to be Withdrawn from Consent Agenda.
 - D. Emergency Items if Posted.
 - E. Request by the Town Council for Items to be Placed on a Future Agenda for Discussion and Recognition of Excused Absences.
 - F. Presentation of Monthly Updates.
 - G. Town Council to Highlight Items on the Agenda Needing Further Discussion or Comments Prior to the Regular Session.
2. **Workshop.**
 - A. Present and Discuss **Upcoming Certificates of Obligation.**
3. **Roll Call/Call to Order Regular Town Council Immediately Following Council Workshop.**

4. **Public Comments**

Persons may address the Town Council on any issue. This is the appropriate time for citizens to address the Council on any concern whether on this agenda or not. In accordance with the State of Texas Open Meeting Act, the council may not comment or deliberate such statements during this period, except as authorized by Section 551.072, Texas Government Code.

5. **Presentations**

- A. Present a **Certificate of Recognition to April Pike-Thomas for her Donation to the Little Elm Animal Shelter.**
- B. Present a **Certificate of Recognition to Aidan Miller for his Donation to the Little Elm Animal Shelter.**
- C. Present a **Certificate of Recognition to Will Kelley-Weaver for his Donation to the Little Elm Animal Shelter.**
- D. Present a **Certificate of Recognition to Officer Claudio Coronado and Sergeant T.J. Gonzalez for Outstanding Customer Service.**
- E. Present a **Proclamation Recognizing May 16-22, 2021 as National Public Works Week.**

6. **Consent Agenda**

All matters listed under the Consent Agenda are considered to be routine by the Town Council and require little or no deliberation. There will not be a separate discussion of these items and the agenda will be enacted by one vote. If the Council expresses a desire to discuss a matter listed, that item will be removed from the consent agenda and considered separately.

- A. Consider Action to Approve the **Minutes from the May 4, 2021, Regular Town Council Meeting.**
- B. Consider Action to Approve the **Minutes from the May 11, 2021, Special Town Council Meeting.**
- C. Consider Action to Approve **Resolution No. 0518202103 Adopting a Revised Charter, as Approved and Amended by the Voters at the Election Held on May 1, 2021, through the Passage of Three (3) Home-Rule Charter Amendments.**
- D. Consider Action to Approve **Ordinance No. 1610 Amending the FY 2020-2021 Annual Budget in Accordance with Existing Statutory Requirements; Appropriating the Various Amounts Herein; Repealing All Prior Ordinances and Actions in Conflict Herewith; and Providing for an Effective Date.**

- E. Consider Action to Approve **Resolution No. 0518202101 the Town of Little Elm Denying CoServ Gas, Ltd.'s Requested Rate Increase; Requiring the Company to Reimburse the Town's Reasonable Ratemaking Expenses.**
- F. Consider Action to Approve **Amendment #2 to the Professional Services Agreement with Cobb-Fendley & Associates Regarding Development Plan Review Services.**
- G. Consider Action to Approve a **Dedication Agreement for Right of Way Property between MM Little Elm 548, LLC and the Town of Little Elm.**

7. **Public Hearings.**

- A. Hold a Public Hearing to **Consider Testimony Related to Rudman Tract Public Improvement District Service and Assessment Plan, Including the Phase #2 Direct Improvement Assessment Roll.**

Open Public Hearing:

Receive Public Comments:

Close Public Hearing:

- B. Continue a Public Hearing, Present, Discuss, and Consider Action to **Rezone Approximately 4.4 acres of Land from Lakefront (LF) w/ Specific Use Permit for Child Care Center to Planned Development-Lakefront (PD-LF) to Allow for the Use of Mixed-Use and Commercial with Modified Development Standards, Generally Located at the Southwest Corner of Eldorado Parkway and Hillside Drive, within Little Elm's Town Limits.**

Public Hearing Continued:

Receive Public Comments:

Close Public Hearing:

Take Action:

8. **Reports and Requests for Town Council consideration.**

- A. Present, Discuss, and Consider Action to Approve the **Development Agreement for the Lakeshore Plaza Planned Development between the Town of Little Elm and Matt Mahdi Shekari with Lakeshore Plaza and authorize the Town Manager to Execute Amendment for the Same Subject to the Planned Development Ordinance being Approved.**
- B. Present, Discuss and Consider Action on **Resolution No. 0518202102 Approving and Authorizing the Mayor to Execute the Rudman Tract Public Improvement District Phase #2 Direct Improvements Reimbursement Agreement, the Rudman Tract Public Improvement District Phase #2 Direct Improvements Construction, Funding and Acquisition Agreement, and the Rudman Tract Public Improvement District Phase #2 Direct Improvements Landowner Agreement; and Resolving Other Matters Related Thereto.**

- C. Present, Discuss, and Take action on **Ordinance No. 1611 Accepting and Approving an Updated Service and Assessment Plan and Phase #2 Direction Improvements Assessment Roll for the Rudman Tract Public Improvement District; Making a Finding of Special Benefit to the Property in Phase #2 of the District; Levying Assessments Against Property Within Phase #2 of the District and Establishing a Lien on Such Property; Providing for the Method of Assessment and the Payment of 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.**

9. **Convene in Executive Session pursuant to Texas Government Code:**

- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

10. **Reconvene into Open Session**

Discussion and consideration to take any action necessary as the result of the Executive Session:

- COVID-19 Pandemic and the Town's response thereto, including the consideration of an emergency declaration ordinance.
- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

11. **Adjourn.**

Pursuant to the Texas Open Meeting Act, (Chapter 551, Texas Government Code), one or more of the above items will be taken or conducted in open session following the conclusion of the executive closed session.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aide of service such as interpreters for the hearing impaired, reader or large print are requested to contact the secretary at 214-975-0452 two days prior to the meeting so appropriate arrangements can be made.
BRILLE IS NOT PROVIDED.

Respectfully,

Town Secretary

This is to certify that the above notice was posted on the Town's website this 13 day of May 2021 before 5:00 p.m.



Date: 05/18/2021
Agenda Item #: 2. A.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Matt Mueller, Town Manager

AGENDA ITEM:

Present and Discuss **Upcoming Certificates of Obligation.**

DESCRIPTION:

The Town Manager will discuss the upcoming Certificates of Obligation related to capital projects and Town Council priorities.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.



Date: 05/18/2021
Agenda Item #: 5. A.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Kate Graham, Assistant to the Town Manager

AGENDA ITEM:

Present a **Certificate of Recognition to April Pike-Thomas for her Donation to the Little Elm Animal Shelter.**

DESCRIPTION:

The Town of Little Elm is presenting a Certificate of Recognition to April Pike-Thomas for her donation to the Little Elm Animal Shelter. In April, April made a cash donation of \$520 to the animal shelter from funds she raised at her lemonade stand.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Attachments

Certificate of Recognition- April Pike-Thomas



Certificate of Recognition

This certificate is hereby awarded to

APRIL PIKE-THOMAS

for her donation to the Little Elm Animal Shelter.

May 18, 2021

DAVID HILLOCK

Mayor



Date: 05/18/2021
Agenda Item #: 5. B.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Kate Graham, Assistant to the Town Manager

AGENDA ITEM:

Present a **Certificate of Recognition to Aidan Miller for his Donation to the Little Elm Animal Shelter.**

DESCRIPTION:

The Town of Little Elm is presenting a Certificate of Recognition to Aidan Miller for his donation to the Little Elm Animal Shelter. For his Eagle Scout project, he made and donated beds for dogs in the shelter.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Attachments

Certificate of Recognition- Aidan Miller



Certificate of Recognition

This certificate is hereby awarded to

AIDAN MILLER

for his donation to the Little Elm Animal Shelter.

May 18, 2021

DAVID HILLOCK

Mayor



Date: 05/18/2021
Agenda Item #: 5. C.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Kate Graham, Assistant to the Town Manager

AGENDA ITEM:

Present a **Certificate of Recognition to Will Kelley-Weaver for his Donation to the Little Elm Animal Shelter.**

DESCRIPTION:

The Town of Little Elm is presenting a Certificate of Recognition to Will Kelley-Weaver for his donation to the Little Elm Animal Shelter. For his birthday this year, Will asked for items he could donate to the animal shelter instead of presents for himself. This is the fifth year in a row that Will has donated items to the animal shelter for his birthday.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Attachments

Certificate of Recognition- Will Kelley-Weaver



Certificate of Recognition

This certificate is hereby awarded to

WILL KELLEY-WEAVER

for his donation to the Little Elm Animal Shelter.

May 18, 2021

DAVID HILLOCK

Mayor



Date: 05/18/2021
Agenda Item #: 5. D.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Kate Graham, Assistant to the Town Manager

AGENDA ITEM:

Present a **Certificate of Recognition to Officer Claudio Coronado and Sergeant T.J. Gonzalez for Outstanding Customer Service.**

DESCRIPTION:

On March 29, 2021, Sergeant Gonzalez came in contact with a family with a 3-year-old son who was very excited to see a police officer. Sergeant Gonzalez spent several minutes speaking with the family and answering the boy's questions. The boy asked Sergeant Gonzalez if he had any stickers. Upon realizing he didn't have any, Sergeant Gonzalez later delivered an envelope of Little Elm Police Department stickers and a badge to the family's address.

On April 12, 2021, a toddler got a hold of her mother's phone and dialed 911. While on the phone with dispatch, the toddler talked about how she wanted ice cream. Not long after the phone call, Officer Coronado delivered ice cream and Little Elm Police Department stickers to the young girl.

For these outstanding acts of customer service, the Town of Little Elm is recognizing Sergeant Gonzalez and Officer Coronado.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.



Date: 05/18/2021
Agenda Item #: 5. E.
Department: Administrative Services
Strategic Goal: Ensure strong relationship within the community and region
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Present a **Proclamation Recognizing May 16-22, 2021 as National Public Works Week.**

DESCRIPTION:

This proclamation provides an opportunity to recognize the Town of Little Elm's Public Works Staff, as well as spread awareness in the community of the contributions which public works officials make every day to health, safety, comfort, and quality of life.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

National Public Works Week Proclamation



NATIONAL PUBLIC WORKS WEEK PROCLAMATION

WHEREAS, public works services provided in our community are an integral part of our citizens' everyday lives; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs such as water, wastewater, streets, storm water, fleet, and solid waste collection; and

WHEREAS, the health, safety and comfort of this community greatly depends on these facilities and services; and

WHEREAS, the quality and effectiveness of these facilities, as well as their planning, design, and construction, are vitally dependent upon the efforts and skill of public works officials; and

WHEREAS, the efficiency of the qualified and dedicated personnel who staff public works departments is materially influenced by the people's attitude and understanding of the importance of the work they perform,

NOW, THEREFORE, I, David Hillock, Mayor of the Town of Little Elm, do hereby proclaim the week of May 16 - 22, 2021 as "National Public Works Week" in The Town of Little Elm and I call upon all citizens and civic organizations to acquaint themselves with the issues involved in providing our public works and to recognize the contributions which public works officials make every day to our health, safety, comfort, and quality of life.

In official recognition whereof, I hereby affix my signature this the 18th day of May, 2021.

David Hillock, Mayor
Town of Little Elm, Texas



Date: 05/18/2021
Agenda Item #: 6. A.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kate Graham, Assistant to the Town Manager

AGENDA ITEM:

Consider Action to Approve the **Minutes from the May 4, 2021, Regular Town Council Meeting.**

DESCRIPTION:

The minutes from the May 4, 2021, regular meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes- May 4, 2021

DRAFT

Minutes
Town of Little Elm
100 W Eldorado Parkway
Little Elm, Texas 75068
214-975-0404
<http://www.littleelm.org>

REGULAR TOWN COUNCIL MEETING TUESDAY MAY 4, 2021 - 6:00 p.m.

Present: Mayor David Hillock; Mayor Pro Tem Neil Blais; Council Member Tony Singh; Council Member Curtis Cornelious; Council Member Nick Musteen; Council Member Michael McClellan

Absent: Council Member Lisa Norman

Staff Present: Joe Florentino, Assistant Town Manager; Matt Mueller, Town Manager; Chad Hyde, Director of Community Services; Deidre Hale, Human Resources Director; Doug Peach, Deputy Town Manager; Fred Gibbs, Director of Development Services; Hayden Brodowsky, Development Services Manager; Jason Shroyer, Director of Public Works; Jennette Espinosa, EDC Executive Director; Kate Graham, Assistant to the Town Manager; Kelly Wilson, Chief Financial Officer; Paul Rust, Fire Chief; Rebecca Hunter, Purchasing Manager; Robert Brown, Town Attorney; Rodney Harrison, Police Chief; Salena Tittle, Planner

1. Call to Order Council Workshop at 6:00 p.m.

Meeting was called to order at 6:00 p.m.

A. Invocation.

Invocation was given by Marc Farnell, Senior Pastor of CrossRidge Church.

B. Pledge to Flags.

C. Items to be Withdrawn from Consent Agenda.

None.

D. Emergency Items if Posted.

None.

E. Request by the Town Council for Items to be Placed on a Future Agenda for Discussion and Recognition of Excused Absences.

The Town Council recognized the absence of Lisa Norman as excused due to her presence at the state capitol.

- F. Presentation of Monthly Updates.

Managing Director of Communications Erin Mudie introduced the new Business Development Manager Drew Bailey.

- G. Town Council to Highlight Items on the Agenda Needing Further Discussion or Comments Prior to the Regular Session.

None.

2. Workshop.

- A. Present and Discuss an **Update on The Lawn at the Lakefront Concept Design.**

Community Services Director Chad Hyde gave a presentation based on changes made from the previous Council meeting on April 20, 2021. Design changes were made to the pavilion for sound purposes and the entrance from the adjacent neighborhood was different. Council members briefly discussed what they would like the walls of the pavilion to look like.

3. Roll Call/Call to Order Regular Town Council Immediately Following Council Workshop.

4. Public Comments

Persons may address the Town Council on any issue. This is the appropriate time for citizens to address the Council on any concern whether on this agenda or not. In accordance with the State of Texas Open Meeting Act, the council may not comment or deliberate such statements during this period, except as authorized by Section 551.072, Texas Government Code.

Debbie Jensen from CASA of Denton County spoke on what the organization does for children in the community and asked for Council's support.

5. Presentations.

- A. Present a **Proclamation Recognizing May as Motorcycle Safety and Awareness Month.**

Mayor Hillock read a Proclamation recognizing May as Motorcycle Safety and Awareness Month. Representatives from ABATE, a motorcycle rights organization, were present to encourage motorcycle safety and awareness.

- B. Present a **Proclamation Recognizing May as Bike Month.**

Mayor Hillock read a Proclamation recognizing May as Bike Month. Representatives from Shawnee Trail Cycling Club were present to promote biking in the community and gifted the Town a new bicycle repair station to be installed at one of the trails in Town.

6. Consent Agenda

All matters listed under the Consent Agenda are considered to be routine by the Town Council and require little or no deliberation. There will not be a separate discussion of these items and the agenda will be enacted by one vote. If the Council expresses a desire to discuss a matter listed, that item will be removed from the consent agenda and considered separately.

Motion by Council Member Michael McClellan, seconded by Mayor Pro Tem Neil Blais **to approve the Consent Agenda.**

Vote: 6 - 0 - Unanimously

- A. Consider Action to Approve the **Minutes from the April 20, 2021, Regular Meeting.**
- B. Consider Action to Approve the **Quarterly Investment Report for the Period Ending March 31, 2021.**
- C. Consider Action to Approve the **Unaudited Quarterly Budget Report for the Quarter Ending March 31, 2021.**
- D. Consider Action to Approve the **Rudman Tract Public Improvement District (PID) Public Hearing for Levy and Assessment by Ways of Adopting Resolution No. 0504202102.**
- E. Consider Action to Approve a **Development Agreement between the Town of Little Elm and the Developer for Alta 3Eighty, LLC.**
- F. Consider Action to Approve **Ordinance No. 1607 for the Amended Final Project and Finance Plan for TIRZ #5.**

7. Public Hearings.

- A. Continue Public Hearing on **Accepting and Approving a Service and Assessment Plan and Improvements on Area #1 Assessment Roll for the Spiritas Ranch Public Improvement District.**

**Continue Public Hearing:
Receive Public Comments:
Close Public Hearing:**

Motion by Council Member Curtis Cornelious, seconded by Council Member Michael McClellan **to continue the public hearing to the May 11, 2021, meeting.**

Vote: 6 - 0 - Unanimously

EDC Executive Director Jennette Espinosa gave an update on the Spiritas Ranch Public Improvement District.

**Continue Public Hearing: 6:26 p.m.
Receive Public Comments: None.
Close Public Hearing:**

- B. Continue Public Hearing on **Accepting and Approving a Service and Assessment Plan and Major Improvements Area Assessment Roll for the Spiritas Ranch Public Improvement District.**

**Continue Public Hearing:
Receive Public Comments:
Close Public Hearing:**

Motion by Council Member Michael McClellan, seconded by Mayor Pro Tem Neil Blais ***to continue the public hearing to the May 11, 2021, meeting.***

Vote: 6 - 0 - Unanimously

EDC Executive Director Jennette Espinosa gave an update on the Spiritas Ranch Public Improvement District.

**Continue Public Hearing: 6:26 p.m.
Receive Public Comments: None.
Close Public Hearing:**

- C. Hold a Public Hearing on **Annexing an Approximately 7.21 Acre Tract or Tracts of Land Located Within the Marsella Jones Survey, Abstract No. 662, Within the Extraterritorial Jurisdiction (ETJ) of the Town of Little Elm, Denton County, Texas.**

**Open Public Hearing:
Receive Public Comments:
Close Public Hearing:**

Development Services Director Fred Gibbs gave an overview of the request in the attached presentation.

**Open Public Hearing: 6:27 p.m.
Receive Public Comments: None.
Close Public Hearing: 6:27 p.m.**

8. Reports and Requests for Town Council consideration.

- A. Present, Discuss, and Consider Action on **Resolution No. 0504202101 Approving an Annexation Agreement with MM Little Elm 548, LLC, Concerning the Annexation of 7.21 Acres of Land in the Marsella Jones Survey, Abstract No. 662, Denton County, Texas.**

Motion by Council Member Michael McClellan, seconded by Council Member Curtis Cornelious ***to approve Resolution No. 0504202101.***

Vote: 6 - 0 - Unanimously

Development Services Director Fred Gibbs gave an overview of the request in the attached presentation.

- B. Present, Discuss, and Consider Action on **Ordinance No. 1608 to Annex an Approximately 7.21 Acre Tract or Tracts of Land Located Within the Marsella Jones Survey, Abstract No. 662, Within the Extraterritorial Jurisdiction (ETJ) of the Town of Little Elm, Denton County, Texas.**

Motion by Council Member Tony Singh, seconded by Mayor Pro Tem Neil Blais **to approve Ordinance No. 1608.**

Vote: 6 - 0 - Unanimously

Development Services Director Fred Gibbs gave an overview of the request in the attached presentation.

- C. Present, Discuss, and Consider an **Appeal of the Planning and Zoning Commission Decision on Linden Hill Phase 3 Preliminary Plat and Consider any Actions Determined to be Appropriate by the Town Council.**

Motion by Council Member Michael McClellan, seconded by Council Member Curtis Cornelious **to approve an appeal of the Planning and Zoning Commission decision on Linden Hill Phase 3 Preliminary Plat. Council Member Musteen abstained.**

Vote: 5 - 0 - Unanimously

Development Services Director Fred Gibbs gave a recap from the April 20, 2021 Council meeting and updated the Council on what has been discussed since then. Gibbs outlined the details of the agreement. The applicant, Misty Ventura, was present and available for questions.

- D. Present, Discuss, and Consider Action to Approve a **Development Agreement between the Town of Little Elm and James F. S. Eppright.**

Motion by Council Member Curtis Cornelious, seconded by Mayor Pro Tem Neil Blais **to approve the development agreement. Council Member Musteen abstained.**

Vote: 5 - 0 - Unanimously

Development Services Director Fred Gibbs gave a recap from the April 20, 2021 Council meeting and updated the Council on what has been discussed since then. Gibbs outlined the details of the agreement. The applicant, Misty Ventura, was present and available for questions.

- E. Present, Discuss, and Consider Action to Approve **Resolution No. 0504202103 of the Town Council of the Town of Little Elm, Texas Consenting to the Annexation of Land into Denton County Municipal Utility District No. 8.**

Motion by Council Member Michael McClellan, seconded by Council Member Curtis Cornelious **to approve Resolution No. 0504202103. Council Member Musteen abstained.**

Vote: 5 - 0 - Unanimously

Development Services Director Fred Gibbs gave a recap from the April 20, 2021 Council meeting and updated the Council on what has been discussed since then. Gibbs outlined the details of the agreement. The applicant, Misty Ventura, was present and available for questions.

9. Convene in Executive Session pursuant to Texas Government Code:

- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

Council convened into Executive Session at 6:35 p.m.

10. Reconvene into Open Session

Discussion and consideration to take any action necessary as the result of the Executive Session:

- COVID-19 Pandemic and the Town's response thereto, including the consideration of an emergency declaration ordinance.
- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

***Council reconvened into Open Session at 7:15 p.m.
No action was taken.***

11. Adjourn.

Meeting was adjourned at 7:15 p.m.

Respectfully,

Caitlan Biggs
Town Secretary

Passed and Approved this 18th day of May 2021



Date: 05/18/2021
Agenda Item #: 6. B.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve the **Minutes from the May 11, 2021, Special Town Council Meeting.**

DESCRIPTION:

The minutes from the May 11, 2021, Special Town Council Meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes - May 11, 2021

DRAFT

Minutes
Town of Little Elm
100 W Eldorado Parkway
Little Elm, Texas 75068
214-975-0404
<http://www.littleelm.org>

SPECIAL TOWN COUNCIL MEETING TUESDAY MAY 11, 2021 - 6:00 p.m.

Present: Mayor David Hillock; Mayor Pro Tem Neil Blais; Council Member Tony Singh; Council Member Nick Musteen; Council Member Lisa Norman; Council Member Michael McClellan

Absent: Council Member Curtis Cornelious

Staff Present: Joe Florentino, Assistant Town Manager; Matt Mueller, Town Manager; Doug Peach, Deputy Town Manager; Jennette Espinosa, EDC Executive Director; Kate Graham, Assistant to the Town Manager; Kelly Wilson, Chief Financial Officer; Robert Brown, Town Attorney; Rodney Harrison, Police Chief; Fred Gibbs, Development Services Director; Joe Florentino, Assistant Town Manager; Caitlan Biggs, Director of Administrative Services/Town Secretary

1. Call to Order at 6:00 p.m.

Meeting was called to order at 6:03 p.m.

2. Public Hearings.

- A. Continue Public Hearing to Preset, Discuss and Consider Action on **Ordinance No 1599 Accepting and Approving a Service and Assessment Plan and Improvements on Area #1 Assessment Roll for the Spiritas Ranch Public Improvement District.**

Continue Public Hearing:

Receive Public Comments:

Close Public Hearing:

Take Action on Ordinance No. 1599

Continue Public Hearing: 6:04 p.m.

Receive Public Comments: None

Close Public Hearing: 6:04 p.m.

Take Action on Ordinance No. 1599

Motion by Mayor Pro Tem Neil Blais, seconded by Council Member Tony Singh **to approve Ordinance No. 1599.**

Vote: 6 - 0 - Unanimously

- B. Continue Public Hearing to Present, Discuss and Consider Action on **Ordinance No. 1600 Accepting and Approving a Service and Assessment Plan and Major Improvements Area Assessment Roll for the Spiritas Ranch Public Improvement District.**

Continue Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1600

Continue Public Hearing: 6:05 p.m.
Receive Public Comments: None
Close Public Hearing: 6:05 p.m.
Take Action on Ordinance No. 1600

Motion by Council Member Michael McClellan, seconded by Council Member Lisa Norman ***to approve Ordinance No. 1600.***

Vote: 6 - 0 - Unanimously

3. Reports and Requests for Town Council Consideration.

- A. Present, Discuss, and Consider Action to Approve **Ordinance No. 1606 Authorizing the Issuance and Sales of the Town of Little Elm, Texas, Special Assessment Revenue Bonds, Series 2021. ((Spiritas Ranch Public Improvement District Area #1 Projects and Major Improvement Area Projects); and Approving and Authorizing Related Agreements.**

This item is authorizing the issuance of bonds for areas listed in 1599 and 1600.

Motion by Council Member Nick Musteen, seconded by Council Member Michael McClellan ***to approve Ordinance No. 1606.***

Vote: 6 - 0 - Unanimously

- B. Present, Discuss and Consider Action on **Resolution No. 0504202101 Canvassing the Returns and Declaring the Results of: a General and Special Election held on Saturday, May 1, 2021, for the Following Purposes: Elect Mayor for a Three (3) Year Term; Elect One (1) Town Council Member from Place 3 for a Three (3) Year Term; Elect One (1) Town Council Member from Place 5 for a Two (2) Year Term; Voting “For” or “Against” the Reauthorization of the Municipal Sales and Use Tax for Street Maintenance at the Rate of One-Fourth of One Percent, Pursuant to Chapter 327 of the Texas Tax Code, as Amended; and Voting “Yes” or “No” on Four Proposed Home- Rule Charter Amendments; and Declaring a Runoff Election if Needed; Making Other Declarations and Finding Other Matters in Connection with the Said Elections as Set Forth Herein; Entering an Order Finding the Charter Amendment Propositions Approved by a Majority Vote of the Voters of the Town of Little Elm, Texas, are Hereby Adopted, and are Effective upon Approval of this Resolution; Finding that All Matters Set Forth Herein are True and Correct; and Providing for an Immediate Effective Date.**

Motion by Council Member Michael McClellan, seconded by Council Member Lisa Norman ***to approve Resolution No. 0504202101.***

Vote: 6 - 0 - Unanimously

The official canvass reports from Denton County are attached.

- C. Present, Discuss, and Consider Action on **Ordinance No. 1609 Ordering a Runoff Election to be Held on June 5, 2021, for the Purpose of Electing a Mayor for a Three (3) Year Term and a Council Member for Place 5 for a Two (2) Year Term; Providing for the Appointment of Election Officers; Providing for the Designation of the Places and Manner of Holding Said Election; Providing for the Designation of the Early Voting Polling Places; Providing for the Designation of the Early Voting Clerk; Providing for the Posting and Publication of Notice; Providing a Severability and Conflicts Clause; and Providing for an Immediate Effective Date.**

Motion by Council Member Michael McClellan, seconded by Council Member Tony Singh **to approve Ordinance No. 1609.**

Vote: 6 - 0 - Unanimously

4. **Presentations.**

- A. Present and Issue the **Certificate of Election to Neil Blais for Council Member District 3.**

Mayor Hillock presented Mayor Pro Tem Neil Blais with the certificate of election.

- B. Present and Administer the **Statement of Officer and Oath of Office for Neil Blais, Council Member District 3.**

Director of Administrative Services/Town Secretary Caitlan Biggs administered the Statement of Officer and Oath of Office to Neil Blais for Town Council District 3.

5. **Convene in Executive Session pursuant to Texas Government Code:**

- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

Council convened into Executive Session at 6:13 p.m.

6. Reconvene into Open Session

Discussion and consideration to take any action necessary as the result of the Executive Session:

- COVID-19 Pandemic and the Town's response thereto, including the consideration of an emergency declaration ordinance.
- Section 551.071 for private consultation with the Town Attorney to discuss the COVID-19 pandemic and municipal authority to respond to the COVID-19 outbreak and to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the Town Attorney has a duty under the Texas Rules of Discipline and Professional conduct regarding confidential communication with the Town Council.
- Section 551.072 to discuss certain matters regarding real property.
- Section 551.074 of the Texas Government Code to discuss and deliberate personal matters to evaluate performance duties, of a public officer or employee(s).
- Section 551.076 to discuss security matters.
- Section 551.087 to discuss Economic Development.

Council reconvened into Open Session at 6:36 p.m. No action was taken.

7. Adjourn.

Meeting was adjourned at 6:36 p.m.

Respectfully,

Caitlan Biggs
Town Secretary

Passed and Approved this 18th day of May 2021



Date: 05/18/2021
Agenda Item #: 6. C.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve **Resolution No. 0518202103 Adopting a Revised Charter, as Approved and Amended by the Voters at the Election Held on May 1, 2021, through the Passage of Three (3) Home-Rule Charter Amendments.**

DESCRIPTION:

At the May 11, 2021, Special Town Council Meeting, Town Council approved Resolution No. 0511202101 which canvassed the official results from the May 1, 2021, General and Special Election. As part of this election, the voters approved three (3) home-rule charter amendments:

- Proposition B: Amendment to increase the compensation paid to the Mayor and each Council Member for each regular or special meeting of the Town Council from \$25 to \$100 per meeting for the Mayor, and from \$25 to \$50 per meeting for each Council Member, with such increases to be effective June 1, 2021
- Proposition C: Amendment to change the deadline for the Town Council to adopt an annual budget from September 15th of each fiscal year to September 30th of each fiscal year
- Proposition E: Amendment to add Section 10.5 to the Town Charter, which shall require the Town Council to adopt a strategic plan and review it at least once every two years, and provide that any changes to the strategic plan shall require at least five (5) affirmative votes

The attached resolution adopts the revised charter.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Resolution No. 05182020103 with revised charter

Town Charter - Redline with substantive changes

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 0518202103

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS, ADOPTING A REVISED CHARTER, AS APPROVED AND AMENDED BY THE VOTERS AT THE ELECTION HELD ON MAY 1, 2021, THROUGH THE PASSAGE OF THREE (3) HOME-RULE CHARTER AMENDMENTS.

WHEREAS, on May 1, 2021, the Town of Little Elm, Texas (“**Town**”), conducted an election which submitted to the qualified voters of the Town propositions for the adoption or rejection of certain proposed amendments to the Home-Rule Charter of the Town of Little Elm, Texas (“**Town Charter**”), pursuant to Section 9.004(a) of the Texas Local Government Code and Section 14.11 of the Town Charter; and

WHEREAS, as established by the canvassing of the election results, three (3) of the four (4) proposed Charter amendments were adopted by the voters, with the result being the amendment of the Town Charter to reflect the voter-approved changes and revisions; and

WHEREAS, the Town Council of the Town of Little Elm, through this Resolution, desires to formally approve the form of the Town Charter attached to this Resolution and to confirm that all changes, amendments and revisions approved by the voters are contained in the Town Charter attached hereto, which Town Charter shall be enrolled in the records of the Town Secretary.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS:

Section 1. Findings.

The facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct legislative findings and are adopted as part of this Resolution for all purposes.

Section 2. Amended Town Charter.

The Town Charter attached hereto is hereby confirmed and approved as containing all changes, amendments and revisions to the Town Charter as approved by the voters at the election on May 1, 2021. Town staff is hereby authorized and directed to make copies of the attached Town Charter available to the public. Town staff is further authorized to create a table of contents for the Town Charter and to print and publish the Town Charter in the form and format selected by the Town Manager.

PASSED AND APPROVED by the Town Council of the Town of Little Elm, Texas this the 18th day of May, 2021.

David Hillock, Mayor

ATTEST:

Caitlan Biggs, Town Secretary

APPROVED AS TO FORM:

Robert F. Brown, Town Attorney

HOME RULE CHARTER

TOWN OF LITTLE ELM, TEXAS



Adopted: May 5, 2001
Amended: May 7, 2005; May 9, 2009;
May 14, 2011; November 3, 2015;
May 1, 2021

Home Rule Charter Town of Little Elm, Texas

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CHAPTER ONE

INCORPORATION AND BOUNDARIES

SECTION 1.01 INCORPORATION

All inhabitants of the Town of Little Elm, Denton County, Texas, as the boundaries and limits of said Town have heretofore been established and now exist, or may hereafter be established, shall constitute a municipal body politic incorporated under and known by the name “Town of Little Elm” with such powers, rights, duties, privileges, and immunities as are herein provided.

SECTION 1.02 BOUNDARIES AND LIMITS

The boundaries and limits of the Town of Little Elm shall be those as established and described in ordinances duly passed by the Town Council of the Town of Little Elm in accordance with state law. The Town Secretary shall at all times keep a correct and complete description and official map of the Town’s boundaries on file, with recent annexations and disannexations being shown on said map.

SECTION 1.03 ANNEXATIONS AND DISANNEXATIONS

The Town may from time to time alter its boundaries by annexing or disannexing territory in any size or shape desired in any manner provided by state law, with or without consent of the owners of such territory or the inhabitants thereof. Any additional territory annexed to the Town shall be a part of the Town for all purposes, and the property situated therein shall bear its pro rata part of the taxes levied by the Town as provided by state law. The inhabitants thereof shall be entitled to all rights and privileges of all citizens and shall be bound by the acts, ordinances, and resolutions of the Town. Whenever, in the opinion of the Town Council, there exists within the corporate limits of the Town any territory, either inhabited or uninhabited, not suitable or necessary for Town purposes, or upon a petition signed by a majority of the qualified voters residing in said inhabited territory, the Council may, upon a public hearing and by ordinance duly passed, discontinue said territory as part of the Town. The Town shall comply with all applicable procedural rules and notice requirements set forth in state law.

CHAPTER TWO

FORM OF GOVERNMENT AND POWERS

SECTION 2.01 FORM OF GOVERNMENT

Municipal government for the Town of Little Elm shall be a “council-manager government.” Except as otherwise provided by this Charter and the Constitution and laws of the State of Texas, all powers conferred on the Town shall be exercised by a Town Council to be composed of a Mayor and six (6) Council Members in places 1, 2, 3, 4, 5 and 6 elected by qualified voters for a term of three (3) years, with the exception of Council Members in places 2, 3, 4 and 5, which shall be elected by the qualified voters of each of the respective Council districts as provided for in Chapter 3. The Mayor and Council Members in places 1 and 6 shall be elected by the qualified voters of the Town at-large. Beginning with the election in May, 2020, place 1 shall be for a term of two (2) years until the election in May, 2022, after which time place 1 shall be for a term of three (3) years from that election going forward. Beginning with the election in May, 2021, place 5 shall be for a term of two (2) years until the election in May, 2023, after which time place 5 shall be for a term of three (3) years from that election going forward.

SECTION 2.02 POWERS OF THE TOWN

The Town of Little Elm shall be a Home Rule Town under the Constitution and laws of the State of Texas and shall have all powers, functions, rights, privileges and immunities of every kind and nature granted to a Home Rule Town under Article XI, Section 5, of the Constitution of the State of Texas, known as the Home Rule Amendment, and all other laws passed by the Legislature of the State of Texas relating thereto, or which may hereafter be passed by said Legislature in relation to such matters including, but not limited to, the following powers:

- (1) To assess, levy, and collect taxes for general and special purposes on all lawful subjects of taxation.
- (2) To fix and regulate the rates of gas, water, electricity, and other utilities, and to regulate and fix the fares, tolls, and charges of local telephones and exchanges, public carriers and motor vehicles where they are transporting passengers, freight or baggage, and generally to fix and regulate the rates, tolls, or charges and the kind of service of all public utilities of every kind, unless otherwise required by state law.
- (3) To sue and be sued, to contract and be contracted with, to buy, sell, lease, mortgage, hold, manage, and control such property as its interests require.
- (4) To make and enforce all police, health, sanitary and other regulations, and pass such ordinances as may be expedient for maintaining and promoting the

peace, good government and welfare of the Town, for the performance of the functions thereof, for the order and security of its inhabitants, and to protect the peace, lives, health, and property of such inhabitants, and to provide suitable penalties for the violation of any ordinance enacted by the Town.

- (5) To borrow money on the faith and credit of the Town by the issue or sale of bonds, warrants, certificates of obligation, notes or other securities authorized by the laws of the State of Texas.
- (6) To acquire, by purchase, gift or devise, or by the exercise of the right of condemnation, and own, in fee simple or otherwise, either public or private property located inside or outside of the corporate limits of the Town, for the extension, improvement and enlargement of its waterworks system, including riparian rights, water supply reservoirs, stand pipes, watersheds, dams, the laying, building, maintenance and construction of water mains, rights-of-way in connection therewith, and the laying, erection, establishment or maintenance of any necessary appurtenance or facilities which will furnish to the inhabitants of the Town an abundant supply of wholesome water; for sewerage plants and systems; right-of-way for water and sewer lines; parks, playgrounds, fire stations, police stations, incinerators or other garbage disposal plants; streets, boulevards, and alleys or other public ways; municipal buildings, garages and parking facilities, or any rights-of-way needed in connection with any property used for any purpose hereinabove named; for the straightening or improving of the channel of any stream, branch or drain or for any other municipal purpose.
- (7) To institute and prosecute suits without giving security therefore, and appeal from judgments of the courts without giving supersedeas or cost bonds, other bonds or security whatever.
- (8) To have the exclusive right to erect, own, maintain and operate a waterworks and sanitary system for the use of said Town and its inhabitants and to regulate the same, including the right to prescribe rates for water and sanitary sewer services, and to make such rules and regulations as the Town Council may deem expedient, including the power to extend water and sanitary sewer lines and assess a portion or all of the cost therefore and affix a lien against the property and the owner thereof, and do anything whatsoever necessary to operate and maintain said waterworks and to compel the owners of all property and the agents of such owners to pay all charges for water and sanitary sewer services furnished.
- (9) To acquire property within or without its boundaries or within boundaries of other municipalities for any public purpose, in fee simple or lesser interest or estate, by purchase, gift, devise, lease or condemnation when necessary or desirable to carry out any of the powers conferred upon it by this Charter or by the Constitution and the laws of the State of Texas.

- (10) To lay out, open, close, establish, alter, widen, lower, extend, grade, supervise, maintain, and improve streets, alleys, and parks, and to regulate the use thereof and require removal of all obstructions or encroachments of every nature and character upon said public streets, sidewalks or other public property.
- (11) To create offices, determine the method for selection of officers, and prescribe the qualifications, duties, and tenure of office for officers.
- (12) To appropriate the money of the Town for all lawful purposes to create, provide for, construct, regulate and maintain public works, public improvements of any nature, economic development and to furnish municipal services as may be provided by resolution or ordinance of the Town Council, or as required by law.

SECTION 2.03 POWERS - GENERAL

The enumeration of particular powers in the Charter shall not be held or deemed to be exclusive, but in addition to the powers enumerated herein, implied thereby or appropriate to the exercise thereof, the Town shall have and may exercise all other powers that exist now or may be granted to municipalities by the Constitution and laws of the State of Texas, together with all of the implied powers necessary to carry into execution such powers.

CHAPTER THREE

TOWN COUNCIL

SECTION 3.01 MAYOR

The person elected Mayor shall be the presiding officer of all meetings of the Town Council. The Mayor shall be the official head of the Town government and be able to vote on all matters coming before the Council.

SECTION 3.02 QUALIFICATIONS

Each candidate for election to the Town Council or office of Mayor shall be a qualified voter of the Town, shall be not less than twenty-one (21) years of age, shall have resided in the Town not less than twelve (12) months immediately preceding election day, shall meet the requirements of the Texas Election Code, and shall not, after notice of any delinquency, be in arrears in the payment of any taxes or other liabilities due the Town. Each Council Member and the Mayor must continually reside within the Town during such officer's term of office, and any removal of the officer's residence from the Town during his or her term of office shall constitute a vacation of his or her office, and such vacancy shall be filled as provided in Section 3.05.

Candidates for Mayor and Council Members in Place 1 and Place 6 may be residents of any portion of the Town. Council Members for Place 2, 3, 4 and 5 must reside in, and be elected from the district for which the specific place applies. The Town Council, by ordinance, shall establish the district boundaries for Place 2, 3, 4 and 5. The district boundaries shall be equal in population as practical and reviewed and updated by the Town Council every four (4) years.

SECTION 3.03 LIMITATION ON SUCCESSIVE TERMS

No person shall serve as Mayor for more than three (3) successive terms, and no person shall serve as Council Member for more than three (3) successive terms. A term of office shall be for a period of three (3) years or any portion thereof.

SECTION 3.04 COMPENSATION

Members of the Town Council shall be entitled to reimbursement of all necessary and reasonable expenses incurred in the performance of their official Town Council duties as may be authorized by the Town Council. The Mayor and each Council Member shall receive compensation in the amount of \$25.00 for each regular or special meeting of the Town Council attended. Beginning in June, 2021, however, the Mayor shall receive compensation in the amount of \$100.00 for each regular or special meeting of the Town Council, and each Council Member shall receive compensation in the amount of \$50.00 for each regular or special meeting of the Town Council.

SECTION 3.05 VACANCIES IN THE TOWN COUNCIL; FILLING OF VACANCIES

- A. The office of a Council Member or office of the Mayor shall become vacant upon the official's death, resignation, or removal from office in any manner authorized by law, removal of the official's residence from the Town of Little Elm or forfeiture of the official's office.
- B. A Council Member or the Mayor shall forfeit his or her office if the official lacks at any time during the official's term of office any qualification for the office prescribed by this Charter or by State law, or if the official violates any express prohibition of this section or any other provision of this Charter, or if the official fails to attend three (3) consecutive regular Town Council meetings without being excused by the Town Council. The Town Council shall be the final judge in matters involving forfeiture of office by a Council Member or the Mayor.
- C. If there is a vacancy in the office of Mayor or Council Member, such vacancy shall be filled by special election within one hundred twenty (120) days after such vacancy occurs, in accordance with the Texas Constitution, and the Texas Election Code, as amended.

SECTION 3.06 MEETINGS; QUORUM

Regular meetings of the Town Council shall be held at such times as may be prescribed from time to time by resolution of the Town Council. Special meetings shall be called by the Town Secretary upon the written request of the Mayor, the Town Manager or two (2) Members of the Town Council. Notice of any regular or special meetings of the Town Council shall state the subject to be considered at the meeting. All official meetings of the Council and of all committees thereof shall be open to the public except as provided by state law. Those meetings involving an attorney and client relationship, and other matters that state law has provided may be discussed in closed session, need not be open to the public. Four (4) Members of the Town Council shall constitute a quorum for the purpose of transaction of business. No action of the Town Council, except as specifically provided in this Charter, shall be valid or binding unless adopted by the affirmative vote of a majority of the Town Council present and qualified to act. The Town Council shall determine its own rules of procedure, may punish its Members for misconduct, and may compel the attendance of absent Members. Should any number of Members of the Town Council be recalled pursuant to Chapter 13 of this Charter, and are no longer qualified to act, a majority of the remaining Members of the Town Council shall constitute a quorum for the purpose of transaction of business.

SECTION 3.07 ABSTENTION

Should any person on the Town Council choose to abstain from voting on any question before the Town Council, where no conflict of interest exists, the person's vote shall have the same effect as a negative vote.

SECTION 3.08 MAYOR PRO TEM

The Town Council shall elect one of its Members as Mayor Pro Tem, who shall perform the duties of Mayor in the case of the absence or inability of the Mayor to perform the duties of the Mayor's office, and who shall, during that time, be vested with all the powers belonging to the Mayor.

CHAPTER FOUR

TOWN MANAGER

SECTION 4.01 TOWN MANAGER - QUALIFICATIONS, APPOINTMENT AND REMOVAL; DUTIES; COMPENSATION

The Town Manager shall be the chief administrative and executive officer of the Town. The Town Manager is appointed by and serves at the will of the Town Council. The Town Manager shall be appointed solely on the basis of the Town Manager's administrative ability, experience, and training. The Town Manager shall administer the business of the Town, and

the Town Council shall ensure that such administration is efficient. The Town Council may by ordinance delegate to the Town Manager any additional powers or duties it considers proper for the efficient administration of Town affairs. The Town Manager shall execute a bond conditioned that the Town Manager will faithfully perform the duties of Town Manager. The amount of such bond shall be as prescribed by ordinance adopted by the Town Council. The Town Council shall be authorized to enter into a Contract of Employment with the Town Manager and to prescribe such compensation therein as it may fix. The action of the Town Council in suspending or removing the Town Manager shall be final, it being the intention of this Charter to vest all authority and responsibility for such suspension or removal in the Town Council.

SECTION 4.02 TOWN MANAGER - DIRECTION AND SUPERVISION OF EMPLOYEES, NONINTERFERENCE BY COUNCIL; APPOINTMENTS AND REMOVALS OF DEPARTMENT HEADS

Except for the purpose of inquiries and investigations as provided by this Charter or otherwise by law, the Town Council or its Members shall deal with Town officers and employees who are subject to the direction and supervision of the Town Manager solely through the Town Manager, and no Member of the Town Council shall give orders to any subordinate of the Town Manager, either publicly or privately. Neither the Town Council nor any of its Members shall direct or request the appointment of any person to, or his or her removal from, office by the Town Manager or by any of the Town Manager's subordinates. Except as otherwise provided for in this Charter, the Town Manager shall be responsible for, and have the power to appoint, suspend, and/or remove all or any one of the directors of the departments of the Town with the concurrence of the Town Council.

SECTION 4.03 TOWN MANAGER - SPECIFIC POWERS AND DUTIES

The Town Manager shall be responsible to the Town Council for the proper administration of the affairs of the Town and shall have the power and duty to:

- 1) Exercise control over all departments and subdivisions thereof created by this Charter or by ordinance.
- 2) Prepare and recommend items for inclusion in the official agenda of all Town Council meetings and meetings of the Boards and Commissions as established by this Charter or ordinance.
- 3) Prepare and submit to the Town Council the annual budget and capital program, and administer the budget as adopted by the Town Council.
- 4) Be responsible for the proper administration of all Town affairs placed in his or her hands.

- 5) See that all terms and conditions imposed in favor of the Town or its inhabitants in any public utility franchise are faithfully kept and performed.
- 6) See that all laws and ordinances are enforced.
- 7) Keep the Town Council at all times fully advised as to the financial condition and needs of the Town, and prepare and submit to the Town Council an annual report on the finances and administrative activities of the Town.
- 8) Appoint, suspend, and/or remove employees not otherwise provided for in this Charter. Appointments made by the Town Manager shall be on the basis of executive and administrative experience and ability, and of training fitness and efficiency of such appointees in the work which they are to administer.
- 9) Attend all Town Council meetings and take part in the discussion of any Town business.
- 10) Recommend to the Town Council for adoption such measures as the Town Manager may deem necessary or expedient; to execute deeds, deeds of trust, easements, releases, contracts, and all other legal instruments on behalf of the Town when authorized by ordinance or resolution of the Town Council.
- 11) Perform such other duties as are specified in this Charter, or as may be required by the Town Council by ordinance or resolution, not inconsistent with this Charter.

CHAPTER FIVE

TOWN SECRETARY

SECTION 5.01 APPOINTMENT; REMOVAL; COMPENSATION

The Town Council shall appoint, suspend, and/or remove the Town Secretary. The Town Secretary shall receive such compensation as shall be fixed by the Town Council.

SECTION 5.02 DUTIES OF THE TOWN SECRETARY

The Town Secretary shall:

- 1) Attend all meetings of the Town Council and keep accurate records of all actions taken by the Council;
- 2) Maintain the official records and files of the Town;

- 3) Administer oaths as required by law;
- 4) Attest contracts, assessment certificates, ordinances, resolutions, and other legal instruments when executed by the authorized officers of the Town;
- 5) Serve as the election official for all Town elections;
- 6) Hold and maintain the Town Seal and affix it to all appropriate documents as required;
- 7) Perform such other duties as may be required by the Town Council, this Charter, or the laws of the State of Texas.

CHAPTER SIX

MUNICIPAL COURT

SECTION 6.01 CREATION

The Town Council shall, by ordinance, create and provide for a Municipal Court to be known as the Municipal Court of the Town of Little Elm, Texas, and may appoint one or more Municipal Judges to serve in such Court. The Court shall have all the powers and duties as are now or as may hereafter be prescribed by the laws of the State of Texas in connection with the trial of misdemeanor offenses within its jurisdiction.

SECTION 6.02 MUNICIPAL COURT JUDGE

The Judge of the Municipal Court, and all alternates, shall be competent, duly qualified, and licensed attorneys in the State of Texas. The Judge of the Municipal Court shall be appointed to a term of two (2) years and may be appointed to additional and consecutive terms at the will and pleasure of the Town Council. The Judge shall receive such compensation as may be determined by the Town Council. This compensation shall be fixed, and be commensurate with the duties performed by the Judge.

SECTION 6.03 CLERK OF THE COURT

There shall be a Clerk of the Municipal Court appointed by the Town Manager. The Clerk of the Court and any Deputies appointed by the Town Manager shall have the power to administer oaths and affidavits, make certificates, affix the seal of said Court as necessary and as required by law, and in general, do and perform any and all acts usual and necessary to be performed by clerks and deputy clerks of municipal courts of the State of Texas.

SECTION 6.04 JURISDICTION, POWER, AND FINES

The Municipal Court shall have jurisdiction:

- 1) Over the forfeiture and collection of bonds given in proceedings therein, and to order the forfeiture of cash acceptance bonds upon the failure of the defendant to appear, and to accept the same in lieu of a fine;
- 2) Concurrent with the appropriate state Court on all criminal cases arising under the criminal laws of the state where the offense is committed within the Town limits and the penalty does not exceed that which is established for Municipal Courts by state law;
- 3) Over all criminal cases arising under the ordinances of the Town within the Town limits and outside the Town limits to the extent authorized by state law;
- 4) Punish for contempt, admit to bail, and forfeit bonds under such circumstances and as provided by law;
- 5) Enforce all process of the Courts in accordance with state law and Town ordinances, punish witnesses for failing to obey subpoenas, and compel their attendance by process of attachment.

SECTION 6.05 COST, FINES, AND PENALTIES

All cost, fines, and penalties imposed by the Municipal Court shall be paid into the Town Treasury for the use and benefit of the Town, as may be consistent with present and future state laws.

CHAPTER SEVEN

TOWN ATTORNEY

SECTION 7.01 APPOINTMENT

The Town Council shall appoint a competent licensed attorney, practicing law in the State of Texas, of recognized ability who shall be known as the Town Attorney. The Town Attorney serves at the pleasure of the Town Council and may be removed, without cause, by an affirmative vote of a majority of the full membership of the Town Council.

SECTION 7.02 COMPENSATION

The Town Attorney shall receive for his or her services such compensation as may be fixed by the Town Council at the time of the Town Attorney's appointment, and from time to time by appropriate resolution.

SECTION 7.03 DUTIES OF TOWN ATTORNEY

The Town Attorney shall be the legal adviser of, and attorney for, all of the offices and departments of the Town, and shall represent the Town in all litigation and legal proceedings, provided however, that the Town Council may retain special counsel at any time it deems appropriate and necessary. The Town Attorney shall perform other duties prescribed by the Charter, by ordinance or resolution of the Town Council.

CHAPTER EIGHT

TOWN DEPARTMENTS AND FISCAL MATTERS

SECTION 8.01 ADMINISTRATIVE DEPARTMENTS

There shall be such administrative departments as are established by this Charter and as may be established by ordinance and, except as otherwise provided in this Charter, such administrative departments shall be under the direction and supervision of the Town Manager. The Town Council may discontinue, re-designate, or combine any of the department and/or administrative offices of the Town. The head of each department shall be a director who shall be appointed by the Town Manager with the concurrence of the Council, and such director shall have supervision and control over that director's department. The same individual may head two (2) or more departments, and the Town Manager may head one (1) or more departments.

SECTION 8.02 POLICE AND FIRE DEPARTMENTS

There is hereby created a Police Department of the Town of Little Elm, at the head of which shall be the Chief of Police. There is hereby created a Fire Department of the Town of Little Elm, at the head of which shall be a Fire Chief. The head of each department shall be a director who shall be appointed by the Town Manager with the concurrence of the Council, and such director shall have supervision and control over the director's department. The duties of the Chief of Police and Fire Chief and the other officers and personnel of such departments shall be as provided by ordinance.

SECTION 8.03 TAX ADMINISTRATION

- A. There shall be a department of taxation to assess and collect taxes, the director of which shall be the Town Tax Assessor and Collector who shall be appointed by the Town Manager with concurrence of the Town Council. The Tax Assessor and Collector shall provide a bond with such sureties and in such amount as the Council may require, and the premiums on such bond shall be paid by the Town. The Town Council may provide for such services by contract.
- B. The Town Council shall have the power, and is hereby authorized to levy, assess, and collect annual taxes not to exceed the maximum limit set by the Constitution and laws of the State of Texas, as they now exist or as they may be amended, on each one hundred dollars (\$100.00) assessed valuation of all property having a location within the corporate limits of the Town and not exempt from taxation by the Constitution and laws of the State of Texas.
- C. All taxes due the Town shall be payable at the office of the Town Assessor and Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which completion and approval shall be not later than October 1. Taxes shall be paid before February 1 of each year succeeding the year for which the taxes are levied, and all such taxes not paid prior to such date shall be deemed delinquent and shall be subject to such penalty and interest as may be provided by law. Failure to levy and assess taxes through omission in preparation of the approved tax rolls shall not relieve the person, firm or corporation so omitted from the obligation to pay such current or past due taxes shown to be payable by recheck of the rolls and receipts for the years in questions, unless otherwise provided by law.
- D. All property having its location in the Town on the first day of January of each year shall stand charged with a lien in favor of the Town from said date for the taxes due thereon. The lien provided hereby shall be superior to all other liens except other tax liens, regardless of when such other liens were created. All persons purchasing any of said property on or after the first day of January in any year shall take the same subject to the lien herein provided. In addition to the lien herein provided on the first day of January of any year, the owner of property subject to taxation by the Town shall be personally liable for the taxes due thereon for such year. The Town shall have the power to sue for and recover personal judgment for taxes without foreclosure, or to foreclose its lien or liens, or to recover both personal judgment and foreclosure. In such suit where it appears that the description of any property in the Town assessment rolls is insufficient to identify such property, the Town shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien and/or for personal judgment against the owner for such taxes as such ownership and property appears on the approved tax rolls furnished by the Denton Central Appraisal District.

SECTION 8.04 FINANCE DEPARTMENT

There shall be a Department of Finance, the director of which shall be appointed by the Town Manager with concurrence of the Town Council, The head of the Department of Finance shall be known as the Finance Director who shall also be the Town Treasurer. The Finance Director shall provide a bond with such surety and in such amount as the Council may require and the premiums on such bond shall be paid by the Town. The Finance Director shall have knowledge of municipal accounting and taxation and shall have experience in budgeting and financial control. The Finance Director shall have the custody of all public monies, funds, notes, bonds, and other securities belonging to the Town. The Finance Director, under the direction of the Town Manager, shall oversee the financial operations and procedures that are implemented in each of the Town's departments. The Finance Director shall make payments out of Town funds upon order of the Town Council or other authorized Town Officer as provided herein. The Finance Director shall render a full and accurate statement to the Town Manager and the Town Council of his or her receipts and payments at such times as the Town Manager or Town Council may require. The Finance Director shall perform other such acts and duties as the Town Council may prescribe.

SECTION 8.05 FISCAL YEAR

The fiscal year of the Town shall begin on the first day of October and end on the following September 30th, but the fiscal year may be changed by the Town Council by ordinance.

SECTION 8.06 ANNUAL BUDGET

It shall be the duty of the Town Manager to submit an annual budget not later than thirty (30) days prior to the end of the current fiscal year to the Town Council for its review, consideration and revision. The Town Council shall call a public hearing or hearings on the budget. The Town Council may adopt a budget with or without amendments. The Town Council may increase or decrease amounts or programs and may delete any programs or amounts except expenditures required by law or for a debt service, provided that no amendment shall increase the authorized expenditures to an amount greater than the total of the estimated-income for the current fiscal year plus funds available from prior years. At the close of each fiscal year, the unencumbered balance of each appropriation shall revert to the fund from which it was appropriated and shall be subject to future appropriations, but appropriations may be made in furtherance of improvements or other objects of work of the Town which will not be completed within the current year.

SECTION 8.07 FAILURE TO ADOPT ANNUAL BUDGET

If the Town Council fails to adopt the budget by the 30th of September, the amounts appropriated for the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month to month basis with all items in it prorated accordingly until such time as the Town

Council adopts a budget for the ensuing fiscal year. The property tax levy will be set to equal the total current fiscal year tax receipts, unless the ensuing fiscal year budget is approved by September 30th of the current fiscal year.

SECTION 8.08 BONDS AND OTHER EVIDENCES OF INDEBTEDNESS

The Town shall have the right and power to borrow money on the credit of the Town for public purposes by whatsoever method it may deem to be in the public interest. The Town shall further have the power to borrow money on the credit of the Town and to issue general obligation bonds and other evidences of indebtedness for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas. The Town shall further have the power to borrow money for the purpose of constructing, acquiring, improving, extending or repairing or public utilities, recreational facilities or any other self-liquidating municipal functions not prohibited by the Constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligations created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds of the Town shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas. The Town shall have the power to borrow money for public improvements or any public purpose in any other manner provided by law, including certificates of obligation as authorized by Chapter 271 of the Texas Local Government Code or other applicable laws. All bonds and evidences of indebtedness of the Town having been approved by the Attorney General and registered by the Comptroller of Public Accounts shall thereafter be incontestable in any court or other forum for any reason, and shall be valid and binding obligations of the Town in accordance with their terms for all purposes.

SECTION 8.09 PURCHASING

- A. The Town Council may by ordinance give the Town Manager general authority to contract for expenditures without further approval of the Town Council for all budgeted items not exceeding limits set by the Town Council within the ordinance.
- B. All contracts for expenditures or purchases involving more than the limits must be expressly approved in advance by the Town Council. All contracts or purchases involving more than the limits set by the Town Council shall be awarded by the Town Council, in accordance with state law.
- C. Emergency contracts as authorized by law and this Charter may be negotiated by the Town Council or Town Manager if given authority by the Town Council, without competitive bidding, and in accordance with state law. Such

emergency shall be declared by the Town Manager and approved by the Town Council, or may be declared by the Town Council.

CHAPTER NINE

BOARDS AND COMMISSIONS

SECTION 9.01 PLANNING AND ZONING COMMISSION

The Town Council shall create a Planning and Zoning Commission of the Town of Little Elm and shall appoint seven (7) members and two (2) alternate members, each member of the Planning and Zoning Commission shall be a citizen of Town of Little Elm. Members shall be appointed for three (3) year staggered terms; provided, however, that members of the Planning and Zoning Commission serve at the pleasure of the Town Council and may be removed, without cause, by an affirmative vote of the majority of the full membership of the Town Council. Such appointees shall serve without compensation and may not hold any elective office of the State of Texas or any other political subdivision thereof during their terms. A vacancy in an unexpired term shall be filled by the Town Council for the remainder of the term. The majority of the appointed members shall constitute a quorum, and decisions may only be made with the affirmative vote of a majority of these members present and voting. The Planning and Zoning Commission shall select from any of its members a Chairman and Vice Chairman.

SECTION 9.02 BOARD OF ADJUSTMENTS

The Town Council shall appoint a Board of Adjustments comprising of five (5) regular members and two (2) alternate members for two (2) year staggered terms, all Members of which shall be citizens of the Town of Little Elm. The Board of Adjustments shall be governed by Chapter 211, Texas Local Government Code, or other applicable laws, and have such additional duties as maybe prescribed by ordinance or applicable state law. A vacancy on the board shall be filled by Town Council for the unexpired term.

SECTION 9.03 OTHER BOARDS AND COMMISSIONS

The Town Council shall have the power and is hereby authorized to create, abolish, establish, and appoint such other Town and corporate boards, commissions and committees, which shall be composed of the citizens of the Town of Little Elm except as otherwise required by law, as the Town Council deems necessary to carry out the functions of the Town, and to prescribe the purpose, functions, and tenure of each board, commission, or committee.

CHAPTER TEN

ORDINANCES

SECTION 10.01 PROCEDURE FOR PASSING ORDINANCES AND RESOLUTIONS

The Town Council shall evidence its official actions by written ordinances, resolutions, or oral motions. The style of all ordinances shall be: "Be it ordained by the Town Council of The Town of Little Elm, Texas" and the style of all resolutions shall be "Be it resolved by the Town Council of the Town of Little Elm, Texas." Each proposed ordinance shall not be amended or repealed except by adoption of another ordinance. All ordinances and resolutions passed by the Town Council shall become effective immediately from and after passage except where publication of a caption is required or where the ordinance, state law, or other provisions of this Charter provide otherwise, in which case the effective date shall be as prescribed in the ordinances.

SECTION 10.02 PUBLICATION OF ORDINANCES

The descriptive caption or title of each ordinance containing a penalty shall be published at least once in the official newspaper of the Town, unless otherwise provided by state law or this Charter.

SECTION 10.03 CODE OF ORDINANCES

The Town Council shall have the power to cause the ordinances of the Town to be printed, in code form, and shall have the same arranged and digested as often as the Town Council may deem advisable, provided that failure to print the ordinances as herein provided shall not affect the validity of the same.

SECTION 10.04 ORDINANCES AND RESOLUTIONS NOW IN EFFECT

All ordinances, portions thereof, resolutions, contracts, bonds, obligations, rules and regulations now in force under the Town government of the Town of Little Elm, and not in conflict with the provisions of this Charter, shall remain in force under this Charter until altered, amended, or repealed by the Town Council in the manner required by law.

SECTION 10.05 THE TOWN'S STRATEGIC PLAN

The Town Council shall enact, adopt, and maintain, by ordinance, a strategic plan that sets forth the Town's strategic vision, goals, and objectives. The Town Council shall review the strategic plan at least once every two years and re-adopt the strategic plan with

those changes to the strategic plan, if any, determined by Town Council to be appropriate. Adoption of any changes to the strategic plan shall require at least five (5) affirmative votes of the Town Council.

CHAPTER ELEVEN

ELECTIONS

SECTION 11.01 TOWN ELECTIONS

Beginning on the 1st Saturday in May 2002, each qualified voter shall be entitled to vote for the offices of Council Members for Places 1, 2, 4 and 6. The Council Members elected in single member district places 2 and 4 shall serve for an initial term of two (2) years, or until the regular election in May 2004. The Council Members elected in at-large places 1 and 6 shall serve for a term of three (3) years. The Mayor and Council Members in single member district Places 3 and 5 will be elected in May, 2003, for a term of three (3) years. Thereafter, all Council Members shall be elected for a term of three (3) years. All qualified voters of the state who reside within the Town of Little Elm shall have the right to vote in the Town elections.

Beginning with the election in May, 2020, the Council Member elected in at-large place 1 shall serve for a term of two (2) years until the election in May, 2022, after which time the Council Member elected in at-large place 1 shall serve a term of three (3) years from that election going forward. Beginning with the election in May, 2021, the Council Member elected in single member district place 5 shall serve for a term of two (2) years until the election in May, 2023, after which time the Council Member elected in single member district place 5 shall serve a term of three (3) years from that election going forward.

SECTION 11.02 SPECIAL ELECTIONS

The Town Council, by ordinance or resolution, may call such special elections as are authorized by the state law or this Charter, fix the time and place of holding the same, and provide all means for holding such special elections, provided that every special election shall be called and held as nearly as practicable according to the provisions governing regular elections.

SECTION 11.03 REGULATION OF ELECTIONS

All Town elections shall be governed by the Constitution of the State of Texas, general laws of the state, this Charter, and by ordinance of the Town regulating the holding of municipal elections. The Town Council shall appoint the election judges and other election officials and shall provide for the compensation of all election officials in Town elections and for all other expenses in holding said elections.

SECTION 11.04 CANDIDATES: FILING FOR OFFICE

Any qualified person as prescribed by Section 3.02 may make application to have his/her name placed on the official ballot for the position of Council Member or Mayor. The application shall be made in accordance with all applicable laws and shall state that the candidate agrees to serve if qualified and elected. Each candidate shall execute such oath and other official form of affidavit as may be required by the Town Secretary pursuant to Texas Election Code. The Town Secretary shall review the application and notify the candidate whether or not the application satisfies the requirements of this Charter and the Texas Election Code. If an application is insufficient, the Town Secretary shall return it immediately to the candidate with a statement of such insufficiency. The candidate may file a new application within the regular time for filing applications. The Town Secretary shall keep on file all applications found sufficient at least until the expiration of the term of office for which such candidates filed.

SECTION 11.05 OFFICIAL BALLOT

The order on the ballot of the names of the candidates shall be determined by the Town Secretary in accordance with the procedures set out in the Texas Election Code. The name of each candidate seeking an elective office, except those who have withdrawn, died, or become ineligible prior to the time permitted for withdrawal, shall be printed on the official ballot in the name designated by the candidate in accordance with the Texas Election Code. Provision for early and absentee voting shall be made as provided by the Texas Election Code.

SECTION 11.06 CANVASSING AND ELECTION RESULTS

Returns of every municipal election shall be delivered forthwith by the Election Judges to the Town Secretary, with a copy of the returns being sent to the Mayor. The Town Council shall canvass the returns, investigate the qualifications of the candidates and declare the official results of the election not less than two (2) days nor more than six (6) days after the date of the election, or as may be otherwise provided by the Texas Election Code.

SECTION 11.07 RUNOFF ELECTION

- A. The candidates for Mayor and Council Members in Places 1, 2, 3, 4, 5 and 6 receiving a majority of all votes cast for the office of Mayor and Council Members for Places 1, 2, 3, 4, 5 and 6 shall be declared elected.
- B. In the event a candidate for the office of Mayor or Council Member in Places 1, 2, 3, 4, 5 or 6 fails to receive a majority of all votes cast for that office, a runoff election for that office shall be conducted. If more than two (2) candidates tie for the highest number of votes for either the office of the Mayor or Council Members, the tied candidates shall draw by lots to determine which two (2) are to be in a run off election. The Town Secretary shall supervise the drawing of lots under

this section.

- C. Not later than the fifth (5) day after the date of counting of the returns, the Town Council shall order a runoff election to be held consistent with the Texas Election Code.

CHAPTER TWELVE

FRANCHISES

SECTION 12.01 POWER TO GRANT FRANCHISE

The Town Council shall have the power, subject to the provisions hereof, by ordinance to confer upon any person, firm, corporation, or other legal entity the franchise or right to use the public property of the Town for the purpose of furnishing to the public any general public service or benefit, including, but not limited to, heat, light, power, telephone service, transportation, or other telecommunication providers for compensation or hire. No franchise shall be granted by the Town to any person, firm, corporation, or other legal entity to own, control or operate a waterworks therein. The Town shall have the power by ordinance to grant, renew, and extend all franchises of all public utilities of every character operating within the Town. No such franchise shall be granted until after a public meeting shall have been called and held and until such ordinance shall have been passed and accepted by the franchisee. No such ordinance shall become effective until thirty (30) days after its passage.

SECTION 12.02 TRANSFER OF FRANCHISE

No public utility or other franchise shall be transferable except with the approval of the Town Council, expressed by ordinance. This restriction shall not be construed to prevent the franchise holder from pledging the franchise as security for a valid debt.

SECTION 12.03 OWNERSHIP, USE AND CONTROL OF STREETS

No franchise or easement involving the right to use the same either along, over, across, under, or upon the streets, alleys, highways, parks, and public ways shall be valid unless granted in compliance with the terms of this chapter. No granting of a franchise by ordinance pursuant to this chapter shall convey any ownership or interest in any property of the Town other than the right to use the public property for purposes of such franchisee's operations as expressed in the ordinance granting such franchise.

SECTION 12.04 RIGHT OF REGULATION

In granting, amending, renewing and extending public service and utility franchises, the Town shall retain the right to:

- (1) Repeal such franchise by ordinance for failure to comply with the terms thereof, such power to be exercised only after due notice and hearing;
- (2) Require an adequate extension of plant and service as is necessary to provide adequate service to the public, and maintenance of the plant and fixtures at the highest reasonable standard of efficiency;
- (3) Establish reasonable standards of service and quality of products and prevent unjust discrimination in service or rates;
- (4) Impose regulations to ensure safe, efficient and continuous service to the public. The franchise holder in opening and refilling all earth openings shall re-lay the pavement and do all other work necessary to complete restoration of streets, sidewalks or grounds to a condition equally as good as or better than when disturbed; and
- (5) To regulate, locate, or prohibit the erection of any and all poles, wires, or other utility equipment, conveyance, or structure, on the streets, alleys and public places of said Town, and to cause the same to be changed, removed, altered, increased, diminished, placed underground, or be supported by poles of such material, kind, quality and class as may be determined by the Town Council, whether the same be telegraph, telephone, electric, cable television or otherwise, and to enforce the provisions hereof by appropriate action in any court of competent jurisdiction.

SECTION 12.05 COMPENSATION FOR FRANCHISE

All persons, corporations, or association of persons, to whom a franchise or privilege may hereafter be granted shall pay to the Town for such privilege such compensation as may be fixed by the Town Council in the grant of such franchise or privilege. Such compensation as fixed by contract or provided by any Texas statute or statutes and any amendments thereto shall become due and payable at such time as the Town Council shall fix in the grant of such franchise or privilege. The failure of any franchisee to pay compensation to the Town when due shall result in forfeiture of the franchise or privilege.

SECTION 12.06 COUNCIL TO FIX AND REGULATE CHARGES, FARES, OR RATES

If applicable state law so provides, the Town Council shall determine, fix, and regulate the charges, fares or rates of any person, firm, or corporation enjoying a franchise or privilege granted under the provisions of this chapter, and shall prescribe the kind of service to be furnished to the public by such person, firm or corporation, and the manner in which it shall be rendered and may, from time to time, alter or change such rules, regulations, and compensation after reasonable notice and public hearing, provided that the rates, charges and fares so fixed shall at all times be reasonable and permit a reasonable net return on the actual value of the physical properties and equipment of such utilities. In this connection, the Town Council may require any utility or franchise holder to furnish such financial reports and information as the Town Council may request, including reports of actual operating costs and the financial condition of its operations within the Town, and the Town Council may employ, at the expense of such franchisee, necessary outside experts to examine and audit the accounts and records of the franchisee to determine the reasonableness of such charges, fares, and rates.

CHAPTER THIRTEEN

INITIATIVE, REFERENDUM, AND RECALL

SECTION 13.01 SCOPE OF RECALL

Any elected Town official shall be subject to recall and removal from office by the qualified voters of the Town of Little Elm on grounds of incompetency, misconduct, or malfeasance in office.

SECTION 13.02 PETITIONS FOR RECALL

Before the question of recall of such officer shall be submitted to the qualified voters of the Town of Little Elm, a petition demanding such questions to be submitted shall first be filed with the Town Secretary. If recall is sought for a Council Member in Place 2, 3, 4, or 5, the petition must be signed by qualified voters in the specific district equal to ten (10%) percent of the qualified voters in the specific district, or sixty five (65%) percent of the votes cast at the last general election for the specific place; whichever is greater. If recall is sought for the Mayor or Council Member in Place 1 or 6, the petition must be signed by qualified voters of the Town equal to ten (10%) percent of the qualified voters in the Town, or sixty five (65%) percent of the votes cast at the last general election for such office, whichever is greater.

Each signer of such recall petition shall personally sign his or her name thereto in ink or indelible pencil, and shall write after signer's name his or her place of residence, giving the name of the street and number, or place of residence, and shall also write thereon the day, the month, and the year his or her signature was affixed.

SECTION 13.03 FORM OF RECALL PETITION

The recall petition mentioned above must be addressed to the Council of the Town of Little Elm, must be distinctly and specifically pointed to the grounds upon which such petition for removal is predicated, and, if there is more than one ground, said petition shall specifically state each ground with such certainty as to give the officer sought to be removed notice of the matters and things with which the officer is charged. The signature shall be verified by oath in the following form:

“State of Texas”

County of _____

I, _____, being first duly sworn, on oath depose and say that I am one of the signers of the above petition, and that the statements made therein are true, and that each signature appearing thereon was made in my presence on the day and date it purports to have been made, and I solemnly swear that the same is the genuine signature of the person it purports to be.

Signature

Sworn and subscribed before me this ____ day of _____, 2____.

Signed _____
Notary Public in and for the State
of Texas

SECTION 13.04 VARIOUS PAPERS CONSTITUTING PETITION

The petition may consist of one or more copies, or subscription lists, circulated separately, and the signatures thereto may be upon the paper or papers containing the form of petition, or upon other paper attached thereto. Verifications provided for in the preceding section of this Chapter may be made by one or more petitioners, and the several parts of copies of the petition may be filed separately and by different persons, but no signatures to such petition shall remain effective to be counted which were placed thereon more than forty-five (45) days prior to the filing of such petition or petitions with the Town Secretary. All papers comprising a recall petition shall be filed with the Town Secretary who shall immediately notify, in writing, the officer sought to be removed, by mailing such notice to the officer's Little Elm address.

SECTION 13.05 PRESENTATION OF PETITION TO THE COUNCIL

Within seven (7) days after the date of the filing of the papers constituting the recall petition, the Town Secretary shall present such petition to the Council of the Town of Little Elm.

SECTION 13.06 PUBLIC HEARING TO BE HELD

The officer whose removal is sought may, within seven (7) days after such recall petition has been presented to the Council, request that a public hearing be held to permit the officer to present the facts pertinent to the charges specified in the recall petition. In this event, the Town Council shall order such public hearing to be held, not less than five (5) days nor more than fifteen (15) days after receiving such request for a public hearing.

SECTION 13.07 CALLING OF RECALL ELECTION

If the officer whose removal is sought does not resign, then the Town Council shall order an election and set the date for holding such a recall election. The date selected for the recall election shall be in accordance with the Texas Election Code. If after the recall election is established, the officer vacates his or her position, the election shall be cancelled. Any election order so issued shall comply fully with the Texas Election Code.

SECTION 13.08 BALLOTS IN RECALL ELECTION

Ballots used at recall elections shall conform to the following requirements:

- (A) With respect to each person whose removal is sought, the question shall be submitted:

"Shall _____ be removed from the office of
_____ by recall?"

- (B) Immediately below each such question there shall be printed the following words, one above the other, in the order indicated:

"Yes"
"No"

SECTION 13.09 RESULT OF RECALL ELECTION

If a majority of the votes cast at a recall election shall be "No," that is against the recall of the person named on the ballot, the officer shall continue in office for the remainder of the officer's unexpired term, subject to recall as before. If a majority of the votes cast at such election be "Yes," that is for the recall of the person named on the ballot, the officer shall,

regardless of any technical defects in the recall petition, be deemed removed from office and the vacancy be filled by the Town Council as provided in this Charter.

SECTION 13.10 RECALL, RESTRICTIONS THEREON

No recall petition shall be filed against any officer of the Town of Little Elm within three (3) months after the officer's election, no more than twice within an officer's term, and not within three (3) months after an election for such officer's recall.

SECTION 13.11 FAILURE OF THE COUNCIL TO CALL AN ELECTION-RECALL

If all the requirements of this Charter shall have been met and the Town Council shall fail or refuse to receive the recall petition, or order such recall election, or discharge any other duties imposed on the Town Council by the provisions of this Charter with reference to such recall, then any petitioning citizen may file with the appropriate court for a writ of mandamus to force the Town to call the election.

SECTION 13.12 GENERAL POWER OF INITIATIVE AND REFERENDUM

The qualified voters of the Town of Little Elm, Texas, in addition to the method of legislation herein before provided, shall have the power to direct legislation by the initiative and referendum.

- (A) Initiative: Such power shall not extend to the budget or capital program or any ordinance not subject to initiative as provided by state law, relating to appropriation of money, issuing of bonds, levy of taxes or salaries of Town officers or employees.
- (B) Referendum: Such power shall not extend to the budget, or capital program, or any emergency ordinance, or ordinance not subject to referendum as provided by state law, relating to appropriation of money, issuing of bonds, levy of taxes, or zoning.

SECTION 13.13 INITIATIVE

Qualified voters of the Town of Little Elm may initiate legislation by submitting a petition addressed to the Town Council which requests the submission of a proposed ordinance to a vote of the qualified voters of the Town. Said petition must be signed by qualified voters of the Town equal to ten (10%) percent of the qualified voters in the Town, or sixty-five (65%) percent of the votes cast at the last municipal general election, whichever is greater and each copy of the petition shall have attached to it a copy of the proposed legislation. The petition shall be signed in the same manner as recall petitions are signed, as provided in this Chapter, and shall be verified by oath in the manner and form provided for recall petitions in this

Chapter. The petition may consist of one or more copies as permitted for recall petitions. Such petition shall be filed with the Town Secretary. Within seven (7) days after filing of such petition, the Town Secretary shall present said petition and proposal ordinance to the Council. Upon presentation to it, it shall become the duty of the Council, within ten (10) days after the receipt thereafter, at which the qualified voters of the Town of Little Elm shall vote on the question of adopting or rejecting the proposed legislation. However, if any other municipal election is to be held within sixty (60) days after the filing of the petition, the question may be voted on at such election. Any election order so issued shall comply fully with the Texas Election Code.

SECTION 13.14 REFERENDUM

Qualified voters of the Town of Little Elm may require that any ordinance, with the exception of ordinances appropriating money or levying of taxes, passed by the Town Council be submitted to the voters of the Town for approval or disapproval, by submitting a petition for this purpose within thirty (30) days after final passage of said ordinance or resolution, or within thirty (30) days after its publication. Said petition shall be addressed, signed, and verified as required in Section 13.13 of this Charter and shall be submitted to the Town Secretary. Immediately upon the filing of such petition, the Town Secretary shall present said petition to the Town Council. Thereupon, the Town Council shall immediately reconsider such ordinance and, if the Town Council does not entirely repeal the same, shall submit it to popular vote as provided in Section 13.07 of this Charter. Pending the holding of such election, each ordinance shall be suspended from taking effect and shall not later take effect unless a majority of the qualified voters thereon at such election shall vote in favor thereof.

SECTION 13.15 VOLUNTARY SUBMISSION OF LEGISLATION BY THE COUNCIL

The Council, upon its own motion and by a majority vote of its Members, may submit to popular vote at any election for adoption or rejection any proposed ordinance or resolution or measure, or may submit for repeal any existing ordinance in the same manner and the with same force and effect as provided in this Chapter for submission of petition, and may at its discretion call a special election for this purpose.

SECTION 13.16 FORM OF BALLOTS

The ballots used when voting such referred ordinance shall set forth their nature sufficiently to identify them and shall also set forth upon separate lines the words:

"For the Ordinance" or

"Against the Ordinance"

SECTION 13.17 PUBLICATION OF PROPOSED ORDINANCES

The Town Secretary of the Town of Little Elm shall publish at least twice in the official newspaper of the Town the proposed or referred ordinance within fifteen (15) days before the date of the election, and shall give other such notices and do other such things relative to said election as required in the general municipal election or by the ordinance or resolution calling said election.

SECTION 13.18 ADOPTION OF ORDINANCES

If a majority of the qualified voters voting on any proposed ordinance shall vote in favor thereof, it shall thereupon or any time fixed therein, become effective as a law or as a mandatory order of the Council.

SECTION 13.19 INCONSISTENT ORDINANCES

If the provisions of two or more proposed ordinances approved at the same election are inconsistent, the ordinance receiving the highest number of votes shall prevail.

SECTION 13.20 ORDINANCES PASSED BY POPULAR VOTE, REPEAL, OR AMENDMENT

No ordinance which may have been passed by the Town Council upon a petition or adopted by popular vote under the provisions of this Chapter shall be repealed or amended except by the Town Council in response to a referendum petition or by submission as provided by Section 13.15 of this Charter.

SECTION 13.21 FURTHER REGULATIONS BY THE COUNCIL

The Town Council may pass ordinances providing further regulations for carrying out the provisions of this Chapter consistent herewith.

SECTION 13.22 FRANCHISE ORDINANCES

Nothing contained in this Chapter shall be construed to be in conflict with any of the provisions of this Charter, pertaining to ordinances granting franchises when valuable rights shall have accrued thereunder.

SECTION 13.23 FAILURE OF THE COUNCIL TO CALL AN ELECTION - INITIATIVE OR REFERENDUM

If all the requirements of this Charter shall have been met and the Town Council shall fail or refuse to receive the initiative or referendum petition, or order such initiative or referendum election, or discharge any other duties imposed on the Town Council by the provisions of this Charter with reference to such initiative or referendum, then any petitioning citizen may file with the appropriate court for a writ of mandamus to force the Town to call the election.

CHAPTER FOURTEEN

GENERAL AND TRANSITIONAL PROVISIONS

SECTION 14.01 EFFECT OF CHARTER ON EXISTING LAW

All ordinances, resolutions, rules and regulations in force in the Town on the effective date of this Charter and not in conflict with this Charter shall remain in full force and effect until altered, amended, or repealed. All taxes, assessments, liens, encumbrances, obligations and demands of or against the Town, fixed or established before such date, shall be valid if properly fixed or established either under the law in force at the time of such proceedings or under the law after the adoption of this Charter.

SECTION 14.02 CONTINUATION OF PRESENT OFFICES

All persons holding administrative offices at the time this Charter takes effect shall continue in office and in the performance of their duties in the capacities to which they have been appointed until provision shall have been made in accordance with the terms of this Charter for the performance of such duties or the discontinuance of such office, if any. The powers conferred and the duties imposed upon any office, department or agency of the Town by the laws of the state shall, if such office, department or agency be abolished by this Charter or under its authority, be thereafter exercised and discharged by the office, department or agency designated by the Council, unless otherwise provided herein.

SECTION 14.03 NEPOTISM

No officer of the Town of Little Elm shall appoint, vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity or within the third degree by consanguinity to any Member of the Town Council or Mayor, when the salary, fees, or compensation of such appointee is to be paid for, directly or indirectly, out of or from public funds or fees of office of any kind or character whatsoever. However, this provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously

employed in any such office, position, clerkship, employment or duty for at least thirty (30) days, if the officer is appointed, or at least six (6) months, if the officer is elected.

When a person is allowed to continue in any such position, the officer related shall not participate in the deliberation or voting upon the appointment, reappointment, employment, confirmation, re-employment, change in status, compensation, or dismissal of such person, unless such action is taken with respect to a bona fide class or category of employees.

SECTION 14.04 OFFICIAL NEWSPAPER

The Town Council shall have the power to designate by resolution a newspaper of general circulation in the Town as the Town's official newspaper. All ordinances, captions of ordinances, notices and other matters required to be published by this Charter, by ordinance, or by state law, shall be published in the official newspaper.

SECTION 14.05 JUDICIAL NOTICE

This Charter shall be recorded in the Town Secretary's office in a book kept for that purpose. As soon as practicable after its adoption, an authenticated copy of the Charter shall be certified to the Secretary of State of Texas, the Charter becomes a public act. Such Charter provisions may be read in evidence without pleading or proof of their provisions, and judicial notice shall be taken thereof in all courts and places.

SECTION 14.06 CLAIMS FOR DAMAGE OR INJURY

The Town of Little Elm shall never be liable for any personal injury or death or for claims for damages or injury to real or personal property alleged to have been caused by the negligent act or omission of any officer, agent or employee of the Town unless the person who has been injured, the person whose property has been injured or damaged, or someone on his behalf, shall file a claim in writing with the Town Secretary within six (6) months after said injury, death or damage has occurred, stating specifically when, where, and how the injury, death or damage occurred, the full extent thereof, the amount of damages claimed or asserted, and the basis claimed for liability on the part of the Town. The person giving notice under this section shall give the address of every place that said person has resided at during the last six (6) months prior to the injury, death or damage and shall subscribe his or her name thereto. Neither the Town Mayor, Town Council Member, Town Manager, Town Secretary, Town Attorney, or any other officer or employee of the Town shall have authority to waive any of the provisions of this section, but the same may be waived only by resolution of the Town Council made and passed before the expiration of said six (6) month period.

SECTION 14.07 PROPERTY NOT SUBJECT TO GARNISHMENT AND EXECUTION

No property owned or held by the Town shall be subject to any garnishment or execution of any kind or nature except as specifically provided by state law.

SECTION 14.08 CONFLICT OF INTEREST

No Member of the Town Council, the Mayor, or any other officer, whether elected, appointed, paid or unpaid, who exercises responsibilities beyond those that are advisory in nature, shall participate in a vote or decision on a matter involving a business entity in which such officer has a substantial interest if it is reasonably foreseeable that an action on the matter would confer an economic benefit on the business entity. If the officer or a person related to the officer within the second degree of affinity or consanguinity has a substantial interest in the business entity that would be pecuniary affected by an official action of the Town Council, the officer, if a Member of the Town Council, shall file an affidavit stating the nature and extent of the interest and abstain from further participation in the matter.

SECTION 14.09 PUBLIC MEETINGS AND RECORDS

All meetings of the Town Council and all boards appointed by the Town Council shall be governed by the provisions of Chapter 551 of the Texas Government Code and any amendments thereto with regard to the posting of agenda and the holding of public meetings. All public records of every office, department or agency of the Town shall be open to inspection by any citizen at all reasonable business hours, provided that records excepted from public disclosure by Chapter 552 of the Texas Government Code and any amendments thereto shall be closed to the public and not considered public records for the purpose of this section.

SECTION 14.10 INDEMNIFICATION OF OFFICERS

The Town Council shall, by appropriate ordinance, provide for the indemnification and defense of the officers and employees of the Town, including the Members of the Town Council, or any board, commission, or committee, including volunteers, against any loss, cost, or expense, including court costs and attorney's fees, to the extent allowed by law, arising out of any claim, suit, or judgment or settlement thereof, resulting from any alleged negligent act or omission of such officer, employee, member, or volunteer during the discharge of his/her duties and within the scope of his/ her office, employment, membership, or assigned voluntary position with the Town, or in any other case where the Town is directed or authorized by law to do so. Provided, however, that such indemnification will not be provided for any act arising out of the intentional or knowing violation of any penal statute or ordinance or arising out of any conduct determined by final judgment to be an act of fraud or to have been taken with the intent to deceive or defraud, or for any personal or private business of such officer, employee, member, or volunteer, or for the gross negligence or official misconduct, or willful or wrongful act, or omission of such officer, employee, member, or volunteer.

SECTION 14.11 AMENDMENT OF CHARTER

Amendments to this Charter may be submitted by the Town Council to the qualified voters of the Town for their approval at an election, no more often than once every two (2) years, held in accordance with Chapter 9, Texas Local Government Code.

SECTION 14.12 BOND OR SECURITY NOT REQUIRED

It shall not be necessary in any action, suit or proceeding in which the Town is a party, for any bond, undertaking, or security to be executed on behalf of said Town, that all such actions, suits, appeals, or proceedings shall be conducted in the same manner as if such bond, undertaking, or security had been given, and said Town shall be liable as if such obligation had been duly given and executed.

SECTION 14.13 SEVERABILITY CLAUSE

If any chapter, section, paragraph, sentence, clause or phrase of this Charter shall be held unconstitutional or invalid for any reason by a court of competent jurisdiction, such holding shall not affect the remainder of this Charter nor the context in which such provision so held invalid may appear, except to the extent that an entire chapter, section, paragraph, or sentence may be inseparably connected in meaning and effect with the provision to which such holding shall apply directly.

SECTION 14.14 MEANING OF WORDS

The provisions of this Charter shall be liberally construed for the purpose of effecting the objects and ends thereof. Unless some other meaning is manifest, the word "Town" shall be construed to mean the "Town of Little Elm," and the word "and" may be read "or" or the "or" may be read "and" if the sense requires. Words in the present tense include future tense and, except when a more restrictive meaning is manifest, singular may mean plural. The word "Council" shall be construed to mean the Town Council of the Town of Little Elm. The gender of the wording as contained in this Charter shall always be interpreted to mean either sex.

SECTION 14.15 EFFECTIVE DATE

This Charter shall take effect immediately following adoption by the voters and entry of the official order by the Town Council declaring the same adopted as soon as practicable. After adoption, the Town Mayor shall certify to the Secretary of State an authenticated copy of the Charter under the Town's seal showing approval by the voters. The Town Secretary shall record the Charter in a book kept for that purpose and keep and maintain the same as the official record of the Town.

CHAPTER FIFTEEN

ADOPTION OF CHARTER

SECTION 15.01 SUBMISSION AND ELECTION

- A. This Charter Shall be submitted to the qualified voters of the Town of Little Elm for adoption or rejection on the 5th day of May, 2001, at which election, if a majority of the qualified voters voting in such election shall vote in favor of the adoption of this Charter, it shall then immediately become the governing law of the Town of Little Elm, Texas, until amended or repealed.
- B. It being impracticable to submit this Charter so that each subject may be voted on separately, it is hereby prescribed that the form of ballot to be used in such election shall be as follows, to wit:

“FOR”

ADOPTION OF CHARTER

“AGAINST”

This Home Rule Charter for the Town of little Elm, Texas, is respectfully submitted to the Town Council of the Town of Little Elm for the purpose of calling an election on the question of adoption of the Home Rule Charter this 22nd day of February, 2001. This proposed Charter represents the recommendation of the majority of the members of the Home Rule Charter Commission, whose membership and signatures are evidenced below.

SECTION 15.02. CHARTER REVIEW COMMITTEE

- A. The Town Council shall establish and appoint a Charter Review Committee to review and make recommendations regarding the Town Charter. The Charter Review Committee shall be composed of not fewer than seven (7) residents of the Town, and shall be established and appointed by Town Council at least every two (2) years from the date that the prior Charter Review Committee concluded its operations. The Charter Review Committee shall be established and appointed not less than nine (9) months before the selected election date at which any proposed Charter amendments may be considered.
- B. It shall be the duty of the Charter Review Committee to do the following:
 - 1. Inquire into the operation of the Town government under the Charter provisions and determine whether any such provisions require revision. To this end, public hearings may be held; and the Charter Review

Committee shall have the power to compel the attendance of any officer or employee of the Town and to require the submission of any non-privileged and non-confidential Town records which the Charter Review Committee may determine is necessary to conduct such hearings.

2. Propose any recommendations to the Town Manager and Town Council that the Charter Review Committee may determine are desirable to ensure compliance with the provisions of this Charter by the Town's departments.
 3. Propose amendments to the Charter to improve the effective application of the Charter to current conditions.
 4. Report the Charter Review Committee's findings and present its proposed amendments, if any, to the Town Council. Any report of the Charter Review Committee shall be delivered to the Town Attorney at least fifteen (15) days prior to its presentation to the Town Council. Within such time, and no later than ten (10) days prior to its presentation to the Town Council, the Town Attorney shall advise the Charter Review Committee in writing of any changes in proposed amendments which the Town Attorney deems necessary or desirable. A copy of the Town Attorney's recommendations shall be attached to the report of the Charter Review Committee at the time of its presentation to the Town Council.
- C. The Town Council shall receive any Charter Review Committee report and have published in a newspaper of general circulation in the Town all proposed amendments recommended by the final report of the Charter Review Committee.
- D. The term of office of the Charter Review Committee shall not exceed nine (9) months. If during such term, no report is presented to the Town Council, then all records of the proceedings of the Charter Review Committee shall be filed with the Town Secretary.

{Signatures of Home Rule Charter Commission
Members omitted}

HOME RULE CHARTER

TOWN OF LITTLE ELM, TEXAS



Adopted: May 5, 2001
Amended: May 7, 2005; May 9, 2009;
May 14, 2011; November 3, 2015;
May 1, 2021

Home Rule Charter Town of Little Elm, Texas

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CHAPTER ONE

INCORPORATION AND BOUNDARIES

SECTION 1.01 INCORPORATION

All inhabitants of the Town of Little Elm, Denton County, Texas, as the boundaries and limits of said Town have heretofore been established and now exist, or may hereafter be established, shall constitute a municipal body politic incorporated under and known by the name “Town of Little Elm” with such powers, rights, duties, privileges, and immunities as are herein provided.

SECTION 1.02 BOUNDARIES AND LIMITS

The boundaries and limits of the Town of Little Elm shall be those as established and described in ordinances duly passed by the Town Council of the Town of Little Elm in accordance with state law. The Town Secretary shall at all times keep a correct and complete description and official map of the Town’s boundaries on file, with recent annexations and disannexations being shown on said map.

SECTION 1.03 ANNEXATIONS AND DISANNEXATIONS

The Town may from time to time alter its boundaries by annexing or disannexing territory in any size or shape desired in any manner provided by state law, with or without consent of the owners of such territory or the inhabitants thereof. Any additional territory annexed to the Town shall be a part of the Town for all purposes, and the property situated therein shall bear its pro rata part of the taxes levied by the Town as provided by state law. The inhabitants thereof shall be entitled to all rights and privileges of all citizens and shall be bound by the acts, ordinances, and resolutions of the Town. Whenever, in the opinion of the Town Council, there exists within the corporate limits of the Town any territory, either inhabited or uninhabited, not suitable or necessary for Town purposes, or upon a petition signed by a majority of the qualified voters residing in said inhabited territory, the Council may, upon a public hearing and by ordinance duly passed, discontinue said territory as part of the Town. The Town shall comply with all applicable procedural rules and notice requirements set forth in state law.

CHAPTER TWO

FORM OF GOVERNMENT AND POWERS

SECTION 2.01 FORM OF GOVERNMENT

Municipal government for the Town of Little Elm shall be a “council-manager government.” Except as otherwise provided by this Charter and the Constitution and laws of the State of Texas, all powers conferred on the Town shall be exercised by a Town Council to be composed of a Mayor and six (6) Council Members in places 1, 2, 3, 4, 5 and 6 elected by qualified voters for a term of three (3) years, with the exception of Council Members in places 2, 3, 4 and 5, which shall be elected by the qualified voters of each of the respective Council districts as provided for in Chapter 3. The Mayor and Council Members in places 1 and 6 shall be elected by the qualified voters of the Town at-large. Beginning with the election in May, 2020, place 1 shall be for a term of two (2) years until the election in May, 2022, after which time place 1 shall be for a term of three (3) years from that election going forward. Beginning with the election in May, 2021, place 5 shall be for a term of two (2) years until the election in May, 2023, after which time place 5 shall be for a term of three (3) years from that election going forward.

SECTION 2.02 POWERS OF THE TOWN

The Town of Little Elm shall be a Home Rule Town under the Constitution and laws of the State of Texas and shall have all powers, functions, rights, privileges and immunities of every kind and nature granted to a Home Rule Town under Article XI, Section 5, of the Constitution of the State of Texas, known as the Home Rule Amendment, and all other laws passed by the Legislature of the State of Texas relating thereto, or which may hereafter be passed by said Legislature in relation to such matters including, but not limited to, the following powers:

- (1) To assess, levy, and collect taxes for general and special purposes on all lawful subjects of taxation.
- (2) To fix and regulate the rates of gas, water, electricity, and other utilities, and to regulate and fix the fares, tolls, and charges of local telephones and exchanges, public carriers and motor vehicles where they are transporting passengers, freight or baggage, and generally to fix and regulate the rates, tolls, or charges and the kind of service of all public utilities of every kind, unless otherwise required by state law.
- (3) To sue and be sued, to contract and be contracted with, to buy, sell, lease, mortgage, hold, manage, and control such property as its interests require.
- (4) To make and enforce all police, health, sanitary and other regulations, and pass such ordinances as may be expedient for maintaining and promoting the

peace, good government and welfare of the Town, for the performance of the functions thereof, for the order and security of its inhabitants, and to protect the peace, lives, health, and property of such inhabitants, and to provide suitable penalties for the violation of any ordinance enacted by the Town.

- (5) To borrow money on the faith and credit of the Town by the issue or sale of bonds, warrants, certificates of obligation, notes or other securities authorized by the laws of the State of Texas.
- (6) To acquire, by purchase, gift or devise, or by the exercise of the right of condemnation, and own, in fee simple or otherwise, either public or private property located inside or outside of the corporate limits of the Town, for the extension, improvement and enlargement of its waterworks system, including riparian rights, water supply reservoirs, stand pipes, watersheds, dams, the laying, building, maintenance and construction of water mains, rights-of-way in connection therewith, and the laying, erection, establishment or maintenance of any necessary appurtenance or facilities which will furnish to the inhabitants of the Town an abundant supply of wholesome water; for sewerage plants and systems; right-of-way for water and sewer lines; parks, playgrounds, fire stations, police stations, incinerators or other garbage disposal plants; streets, boulevards, and alleys or other public ways; municipal buildings, garages and parking facilities, or any rights-of-way needed in connection with any property used for any purpose hereinabove named; for the straightening or improving of the channel of any stream, branch or drain or for any other municipal purpose.
- (7) To institute and prosecute suits without giving security therefore, and appeal from judgments of the courts without giving supersedeas or cost bonds, other bonds or security whatever.
- (8) To have the exclusive right to erect, own, maintain and operate a waterworks and sanitary system for the use of said Town and its inhabitants and to regulate the same, including the right to prescribe rates for water and sanitary sewer services, and to make such rules and regulations as the Town Council may deem expedient, including the power to extend water and sanitary sewer lines and assess a portion or all of the cost therefore and affix a lien against the property and the owner thereof, and do anything whatsoever necessary to operate and maintain said waterworks and to compel the owners of all property and the agents of such owners to pay all charges for water and sanitary sewer services furnished.
- (9) To acquire property within or without its boundaries or within boundaries of other municipalities for any public purpose, in fee simple or lesser interest or estate, by purchase, gift, devise, lease or condemnation when necessary or desirable to carry out any of the powers conferred upon it by this Charter or by the Constitution and the laws of the State of Texas.

- (10) To lay out, open, close, establish, alter, widen, lower, extend, grade, supervise, maintain, and improve streets, alleys, and parks, and to regulate the use thereof and require removal of all obstructions or encroachments of every nature and character upon said public streets, sidewalks or other public property.
- (11) To create offices, determine the method for selection of officers, and prescribe the qualifications, duties, and tenure of office for officers.
- (12) To appropriate the money of the Town for all lawful purposes to create, provide for, construct, regulate and maintain public works, public improvements of any nature, economic development and to furnish municipal services as may be provided by resolution or ordinance of the Town Council, or as required by law.

SECTION 2.03 POWERS - GENERAL

The enumeration of particular powers in the Charter shall not be held or deemed to be exclusive, but in addition to the powers enumerated herein, implied thereby or appropriate to the exercise thereof, the Town shall have and may exercise all other powers that exist now or may be granted to municipalities by the Constitution and laws of the State of Texas, together with all of the implied powers necessary to carry into execution such powers.

CHAPTER THREE

TOWN COUNCIL

SECTION 3.01 MAYOR

The person elected Mayor shall be the presiding officer of all meetings of the Town Council. The Mayor shall be the official head of the Town government and be able to vote on all matters coming before the Council.

SECTION 3.02 QUALIFICATIONS

Each candidate for election to the Town Council or office of Mayor shall be a qualified voter of the Town, shall be not less than twenty-one (21) years of age, shall have resided in the Town not less than twelve (12) months immediately preceding election day, shall meet the requirements of the Texas Election Code, and shall not, after notice of any delinquency, be in arrears in the payment of any taxes or other liabilities due the Town. Each Council Member and the Mayor must continually reside within the Town during such officer's term of office, and any removal of the officer's residence from the Town during his or her term of office shall constitute a vacation of his or her office, and such vacancy shall be filled as provided in Section 3.05.

Candidates for Mayor and Council Members in Place 1 and Place 6 may be residents of any portion of the Town. Council Members for Place 2, 3, 4 and 5 must reside in, and be elected from the district for which the specific place applies. The Town Council, by ordinance, shall establish the district boundaries for Place 2, 3, 4 and 5. The district boundaries shall be equal in population as practical and reviewed and updated by the Town Council every four (4) years.

SECTION 3.03 LIMITATION ON SUCCESSIVE TERMS

No person shall serve as Mayor for more than three (3) successive terms, and no person shall serve as Council Member for more than three (3) successive terms. A term of office shall be for a period of three (3) years or any portion thereof.

SECTION 3.04 COMPENSATION

Members of the Town Council shall be entitled to reimbursement of all necessary and reasonable expenses incurred in the performance of their official Town Council duties as may be authorized by the Town Council. The Mayor and each Council Member shall receive compensation in the amount of \$25.00 for each regular or special meeting of the Town Council attended. **Beginning in June, 2021, however, the Mayor shall receive compensation in the amount of \$100.00 for each regular or special meeting of the Town Council, and each Council Member shall receive compensation in the amount of \$50.00 for each regular or special meeting of the Town Council.**

SECTION 3.05 VACANCIES IN THE TOWN COUNCIL; FILLING OF VACANCIES

- A. The office of a Council Member or office of the Mayor shall become vacant upon the official's death, resignation, or removal from office in any manner authorized by law, removal of the official's residence from the Town of Little Elm or forfeiture of the official's office.
- B. A Council Member or the Mayor shall forfeit his or her office if the official lacks at any time during the official's term of office any qualification for the office prescribed by this Charter or by State law, or if the official violates any express prohibition of this section or any other provision of this Charter, or if the official fails to attend three (3) consecutive regular Town Council meetings without being excused by the Town Council. The Town Council shall be the final judge in matters involving forfeiture of office by a Council Member or the Mayor.
- C. If there is a vacancy in the office of Mayor or Council Member, such vacancy shall be filled by special election within one hundred twenty (120) days after such vacancy occurs, in accordance with the Texas Constitution, and the Texas Election Code, as amended.

SECTION 3.06 MEETINGS; QUORUM

Regular meetings of the Town Council shall be held at such times as may be prescribed from time to time by resolution of the Town Council. Special meetings shall be called by the Town Secretary upon the written request of the Mayor, the Town Manager or two (2) Members of the Town Council. Notice of any regular or special meetings of the Town Council shall state the subject to be considered at the meeting. All official meetings of the Council and of all committees thereof shall be open to the public except as provided by state law. Those meetings involving an attorney and client relationship, and other matters that state law has provided may be discussed in closed session, need not be open to the public. Four (4) Members of the Town Council shall constitute a quorum for the purpose of transaction of business. No action of the Town Council, except as specifically provided in this Charter, shall be valid or binding unless adopted by the affirmative vote of a majority of the Town Council present and qualified to act. The Town Council shall determine its own rules of procedure, may punish its Members for misconduct, and may compel the attendance of absent Members. Should any number of Members of the Town Council be recalled pursuant to Chapter 13 of this Charter, and are no longer qualified to act, a majority of the remaining Members of the Town Council shall constitute a quorum for the purpose of transaction of business.

SECTION 3.07 ABSTENTION

Should any person on the Town Council choose to abstain from voting on any question before the Town Council, where no conflict of interest exists, the person's vote shall have the same effect as a negative vote.

SECTION 3.08 MAYOR PRO TEM

The Town Council shall elect one of its Members as Mayor Pro Tem, who shall perform the duties of Mayor in the case of the absence or inability of the Mayor to perform the duties of the Mayor's office, and who shall, during that time, be vested with all the powers belonging to the Mayor.

CHAPTER FOUR

TOWN MANAGER

SECTION 4.01 TOWN MANAGER - QUALIFICATIONS, APPOINTMENT AND REMOVAL; DUTIES; COMPENSATION

The Town Manager shall be the chief administrative and executive officer of the Town. The Town Manager is appointed by and serves at the will of the Town Council. The Town Manager shall be appointed solely on the basis of the Town Manager's administrative ability, experience, and training. The Town Manager shall administer the business of the Town, and

the Town Council shall ensure that such administration is efficient. The Town Council may by ordinance delegate to the Town Manager any additional powers or duties it considers proper for the efficient administration of Town affairs. The Town Manager shall execute a bond conditioned that the Town Manager will faithfully perform the duties of Town Manager. The amount of such bond shall be as prescribed by ordinance adopted by the Town Council. The Town Council shall be authorized to enter into a Contract of Employment with the Town Manager and to prescribe such compensation therein as it may fix. The action of the Town Council in suspending or removing the Town Manager shall be final, it being the intention of this Charter to vest all authority and responsibility for such suspension or removal in the Town Council.

SECTION 4.02 TOWN MANAGER - DIRECTION AND SUPERVISION OF EMPLOYEES, NONINTERFERENCE BY COUNCIL; APPOINTMENTS AND REMOVALS OF DEPARTMENT HEADS

Except for the purpose of inquiries and investigations as provided by this Charter or otherwise by law, the Town Council or its Members shall deal with Town officers and employees who are subject to the direction and supervision of the Town Manager solely through the Town Manager, and no Member of the Town Council shall give orders to any subordinate of the Town Manager, either publicly or privately. Neither the Town Council nor any of its Members shall direct or request the appointment of any person to, or his or her removal from, office by the Town Manager or by any of the Town Manager's subordinates. Except as otherwise provided for in this Charter, the Town Manager shall be responsible for, and have the power to appoint, suspend, and/or remove all or any one of the directors of the departments of the Town with the concurrence of the Town Council.

SECTION 4.03 TOWN MANAGER - SPECIFIC POWERS AND DUTIES

The Town Manager shall be responsible to the Town Council for the proper administration of the affairs of the Town and shall have the power and duty to:

- 1) Exercise control over all departments and subdivisions thereof created by this Charter or by ordinance.
- 2) Prepare and recommend items for inclusion in the official agenda of all Town Council meetings and meetings of the Boards and Commissions as established by this Charter or ordinance.
- 3) Prepare and submit to the Town Council the annual budget and capital program, and administer the budget as adopted by the Town Council.
- 4) Be responsible for the proper administration of all Town affairs placed in his or her hands.

- 5) See that all terms and conditions imposed in favor of the Town or its inhabitants in any public utility franchise are faithfully kept and performed.
- 6) See that all laws and ordinances are enforced.
- 7) Keep the Town Council at all times fully advised as to the financial condition and needs of the Town, and prepare and submit to the Town Council an annual report on the finances and administrative activities of the Town.
- 8) Appoint, suspend, and/or remove employees not otherwise provided for in this Charter. Appointments made by the Town Manager shall be on the basis of executive and administrative experience and ability, and of training fitness and efficiency of such appointees in the work which they are to administer.
- 9) Attend all Town Council meetings and take part in the discussion of any Town business.
- 10) Recommend to the Town Council for adoption such measures as the Town Manager may deem necessary or expedient; to execute deeds, deeds of trust, easements, releases, contracts, and all other legal instruments on behalf of the Town when authorized by ordinance or resolution of the Town Council.
- 11) Perform such other duties as are specified in this Charter, or as may be required by the Town Council by ordinance or resolution, not inconsistent with this Charter.

CHAPTER FIVE

TOWN SECRETARY

SECTION 5.01 APPOINTMENT; REMOVAL; COMPENSATION

The Town Council shall appoint, suspend, and/or remove the Town Secretary. The Town Secretary shall receive such compensation as shall be fixed by the Town Council.

SECTION 5.02 DUTIES OF THE TOWN SECRETARY

The Town Secretary shall:

- 1) Attend all meetings of the Town Council and keep accurate records of all actions taken by the Council;
- 2) Maintain the official records and files of the Town;

- 3) Administer oaths as required by law;
- 4) Attest contracts, assessment certificates, ordinances, resolutions, and other legal instruments when executed by the authorized officers of the Town;
- 5) Serve as the election official for all Town elections;
- 6) Hold and maintain the Town Seal and affix it to all appropriate documents as required;
- 7) Perform such other duties as may be required by the Town Council, this Charter, or the laws of the State of Texas.

CHAPTER SIX

MUNICIPAL COURT

SECTION 6.01 CREATION

The Town Council shall, by ordinance, create and provide for a Municipal Court to be known as the Municipal Court of the Town of Little Elm, Texas, and may appoint one or more Municipal Judges to serve in such Court. The Court shall have all the powers and duties as are now or as may hereafter be prescribed by the laws of the State of Texas in connection with the trial of misdemeanor offenses within its jurisdiction.

SECTION 6.02 MUNICIPAL COURT JUDGE

The Judge of the Municipal Court, and all alternates, shall be competent, duly qualified, and licensed attorneys in the State of Texas. The Judge of the Municipal Court shall be appointed to a term of two (2) years and may be appointed to additional and consecutive terms at the will and pleasure of the Town Council. The Judge shall receive such compensation as may be determined by the Town Council. This compensation shall be fixed, and be commensurate with the duties performed by the Judge.

SECTION 6.03 CLERK OF THE COURT

There shall be a Clerk of the Municipal Court appointed by the Town Manager. The Clerk of the Court and any Deputies appointed by the Town Manager shall have the power to administer oaths and affidavits, make certificates, affix the seal of said Court as necessary and as required by law, and in general, do and perform any and all acts usual and necessary to be performed by clerks and deputy clerks of municipal courts of the State of Texas.

SECTION 6.04 JURISDICTION, POWER, AND FINES

The Municipal Court shall have jurisdiction:

- 1) Over the forfeiture and collection of bonds given in proceedings therein, and to order the forfeiture of cash acceptance bonds upon the failure of the defendant to appear, and to accept the same in lieu of a fine;
- 2) Concurrent with the appropriate state Court on all criminal cases arising under the criminal laws of the state where the offense is committed within the Town limits and the penalty does not exceed that which is established for Municipal Courts by state law;
- 3) Over all criminal cases arising under the ordinances of the Town within the Town limits and outside the Town limits to the extent authorized by state law;
- 4) Punish for contempt, admit to bail, and forfeit bonds under such circumstances and as provided by law;
- 5) Enforce all process of the Courts in accordance with state law and Town ordinances, punish witnesses for failing to obey subpoenas, and compel their attendance by process of attachment.

SECTION 6.05 COST, FINES, AND PENALTIES

All cost, fines, and penalties imposed by the Municipal Court shall be paid into the Town Treasury for the use and benefit of the Town, as may be consistent with present and future state laws.

CHAPTER SEVEN

TOWN ATTORNEY

SECTION 7.01 APPOINTMENT

The Town Council shall appoint a competent licensed attorney, practicing law in the State of Texas, of recognized ability who shall be known as the Town Attorney. The Town Attorney serves at the pleasure of the Town Council and may be removed, without cause, by an affirmative vote of a majority of the full membership of the Town Council.

SECTION 7.02 COMPENSATION

The Town Attorney shall receive for his or her services such compensation as may be fixed by the Town Council at the time of the Town Attorney's appointment, and from time to time by appropriate resolution.

SECTION 7.03 DUTIES OF TOWN ATTORNEY

The Town Attorney shall be the legal adviser of, and attorney for, all of the offices and departments of the Town, and shall represent the Town in all litigation and legal proceedings, provided however, that the Town Council may retain special counsel at any time it deems appropriate and necessary. The Town Attorney shall perform other duties prescribed by the Charter, by ordinance or resolution of the Town Council.

CHAPTER EIGHT

TOWN DEPARTMENTS AND FISCAL MATTERS

SECTION 8.01 ADMINISTRATIVE DEPARTMENTS

There shall be such administrative departments as are established by this Charter and as may be established by ordinance and, except as otherwise provided in this Charter, such administrative departments shall be under the direction and supervision of the Town Manager. The Town Council may discontinue, re-designate, or combine any of the department and/or administrative offices of the Town. The head of each department shall be a director who shall be appointed by the Town Manager with the concurrence of the Council, and such director shall have supervision and control over that director's department. The same individual may head two (2) or more departments, and the Town Manager may head one (1) or more departments.

SECTION 8.02 POLICE AND FIRE DEPARTMENTS

There is hereby created a Police Department of the Town of Little Elm, at the head of which shall be the Chief of Police. There is hereby created a Fire Department of the Town of Little Elm, at the head of which shall be a Fire Chief. The head of each department shall be a director who shall be appointed by the Town Manager with the concurrence of the Council, and such director shall have supervision and control over the director's department. The duties of the Chief of Police and Fire Chief and the other officers and personnel of such departments shall be as provided by ordinance.

SECTION 8.03 TAX ADMINISTRATION

- A. There shall be a department of taxation to assess and collect taxes, the director of which shall be the Town Tax Assessor and Collector who shall be appointed by the Town Manager with concurrence of the Town Council. The Tax Assessor and Collector shall provide a bond with such sureties and in such amount as the Council may require, and the premiums on such bond shall be paid by the Town. The Town Council may provide for such services by contract.
- B. The Town Council shall have the power, and is hereby authorized to levy, assess, and collect annual taxes not to exceed the maximum limit set by the Constitution and laws of the State of Texas, as they now exist or as they may be amended, on each one hundred dollars (\$100.00) assessed valuation of all property having a location within the corporate limits of the Town and not exempt from taxation by the Constitution and laws of the State of Texas.
- C. All taxes due the Town shall be payable at the office of the Town Assessor and Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which completion and approval shall be not later than October 1. Taxes shall be paid before February 1 of each year succeeding the year for which the taxes are levied, and all such taxes not paid prior to such date shall be deemed delinquent and shall be subject to such penalty and interest as may be provided by law. Failure to levy and assess taxes through omission in preparation of the approved tax rolls shall not relieve the person, firm or corporation so omitted from the obligation to pay such current or past due taxes shown to be payable by recheck of the rolls and receipts for the years in questions, unless otherwise provided by law.
- D. All property having its location in the Town on the first day of January of each year shall stand charged with a lien in favor of the Town from said date for the taxes due thereon. The lien provided hereby shall be superior to all other liens except other tax liens, regardless of when such other liens were created. All persons purchasing any of said property on or after the first day of January in any year shall take the same subject to the lien herein provided. In addition to the lien herein provided on the first day of January of any year, the owner of property subject to taxation by the Town shall be personally liable for the taxes due thereon for such year. The Town shall have the power to sue for and recover personal judgment for taxes without foreclosure, or to foreclose its lien or liens, or to recover both personal judgment and foreclosure. In such suit where it appears that the description of any property in the Town assessment rolls is insufficient to identify such property, the Town shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien and/or for personal judgment against the owner for such taxes as such ownership and property appears on the approved tax rolls furnished by the Denton Central Appraisal District.

SECTION 8.04 FINANCE DEPARTMENT

There shall be a Department of Finance, the director of which shall be appointed by the Town Manager with concurrence of the Town Council, The head of the Department of Finance shall be known as the Finance Director who shall also be the Town Treasurer. The Finance Director shall provide a bond with such surety and in such amount as the Council may require and the premiums on such bond shall be paid by the Town. The Finance Director shall have knowledge of municipal accounting and taxation and shall have experience in budgeting and financial control. The Finance Director shall have the custody of all public monies, funds, notes, bonds, and other securities belonging to the Town. The Finance Director, under the direction of the Town Manager, shall oversee the financial operations and procedures that are implemented in each of the Town's departments. The Finance Director shall make payments out of Town funds upon order of the Town Council or other authorized Town Officer as provided herein. The Finance Director shall render a full and accurate statement to the Town Manager and the Town Council of his or her receipts and payments at such times as the Town Manager or Town Council may require. The Finance Director shall perform other such acts and duties as the Town Council may prescribe.

SECTION 8.05 FISCAL YEAR

The fiscal year of the Town shall begin on the first day of October and end on the following September 30th, but the fiscal year may be changed by the Town Council by ordinance.

SECTION 8.06 ANNUAL BUDGET

It shall be the duty of the Town Manager to submit an annual budget not later than thirty (30) days prior to the end of the current fiscal year to the Town Council for its review, consideration and revision. The Town Council shall call a public hearing or hearings on the budget. The Town Council may adopt a budget with or without amendments. The Town Council may increase or decrease amounts or programs and may delete any programs or amounts except expenditures required by law or for a debt service, provided that no amendment shall increase the authorized expenditures to an amount greater than the total of the estimated-income for the current fiscal year plus funds available from prior years. At the close of each fiscal year, the unencumbered balance of each appropriation shall revert to the fund from which it was appropriated and shall be subject to future appropriations, but appropriations may be made in furtherance of improvements or other objects of work of the Town which will not be completed within the current year.

SECTION 8.07 FAILURE TO ADOPT ANNUAL BUDGET

If the Town Council fails to adopt the budget by the ~~15th~~ 30th of September, the amounts appropriated for the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month to month basis with all items in it prorated accordingly until such time as the

Town Council adopts a budget for the ensuing fiscal year. The property tax levy will be set to equal the total current fiscal year tax receipts, unless the ensuing fiscal year budget is approved by September ~~15th~~ 30th of the current fiscal year.

SECTION 8.08 BONDS AND OTHER EVIDENCES OF INDEBTEDNESS

The Town shall have the right and power to borrow money on the credit of the Town for public purposes by whatsoever method it may deem to be in the public interest. The Town shall further have the power to borrow money on the credit of the Town and to issue general obligation bonds and other evidences of indebtedness for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas. The Town shall further have the power to borrow money for the purpose of constructing, acquiring, improving, extending or repairing or public utilities, recreational facilities or any other self-liquidating municipal functions not prohibited by the Constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligations created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds of the Town shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas. The Town shall have the power to borrow money for public improvements or any public purpose in any other manner provided by law, including certificates of obligation as authorized by Chapter 271 of the Texas Local Government Code or other applicable laws. All bonds and evidences of indebtedness of the Town having been approved by the Attorney General and registered by the Comptroller of Public Accounts shall thereafter be incontestable in any court or other forum for any reason, and shall be valid and binding obligations of the Town in accordance with their terms for all purposes.

SECTION 8.09 PURCHASING

- A. The Town Council may by ordinance give the Town Manager general authority to contract for expenditures without further approval of the Town Council for all budgeted items not exceeding limits set by the Town Council within the ordinance.
- B. All contracts for expenditures or purchases involving more than the limits must be expressly approved in advance by the Town Council. All contracts or purchases involving more than the limits set by the Town Council shall be awarded by the Town Council, in accordance with state law.
- C. Emergency contracts as authorized by law and this Charter may be negotiated by the Town Council or Town Manager if given authority by the Town Council, without competitive bidding, and in accordance with state law. Such

emergency shall be declared by the Town Manager and approved by the Town Council, or may be declared by the Town Council.

CHAPTER NINE

BOARDS AND COMMISSIONS

SECTION 9.01 PLANNING AND ZONING COMMISSION

The Town Council shall create a Planning and Zoning Commission of the Town of Little Elm and shall appoint seven (7) members and two (2) alternate members, each member of the Planning and Zoning Commission shall be a citizen of Town of Little Elm. Members shall be appointed for three (3) year staggered terms; provided, however, that members of the Planning and Zoning Commission serve at the pleasure of the Town Council and may be removed, without cause, by an affirmative vote of the majority of the full membership of the Town Council. Such appointees shall serve without compensation and may not hold any elective office of the State of Texas or any other political subdivision thereof during their terms. A vacancy in an unexpired term shall be filled by the Town Council for the remainder of the term. The majority of the appointed members shall constitute a quorum, and decisions may only be made with the affirmative vote of a majority of these members present and voting. The Planning and Zoning Commission shall select from any of its members a Chairman and Vice Chairman.

SECTION 9.02 BOARD OF ADJUSTMENTS

The Town Council shall appoint a Board of Adjustments comprising of five (5) regular members and two (2) alternate members for two (2) year staggered terms, all Members of which shall be citizens of the Town of Little Elm. The Board of Adjustments shall be governed by Chapter 211, Texas Local Government Code, or other applicable laws, and have such additional duties as maybe prescribed by ordinance or applicable state law. A vacancy on the board shall be filled by Town Council for the unexpired term.

SECTION 9.03 OTHER BOARDS AND COMMISSIONS

The Town Council shall have the power and is hereby authorized to create, abolish, establish, and appoint such other Town and corporate boards, commissions and committees, which shall be composed of the citizens of the Town of Little Elm except as otherwise required by law, as the Town Council deems necessary to carry out the functions of the Town, and to prescribe the purpose, functions, and tenure of each board, commission, or committee.

CHAPTER TEN

ORDINANCES

SECTION 10.01 PROCEDURE FOR PASSING ORDINANCES AND RESOLUTIONS

The Town Council shall evidence its official actions by written ordinances, resolutions, or oral motions. The style of all ordinances shall be: "Be it ordained by the Town Council of The Town of Little Elm, Texas" and the style of all resolutions shall be "Be it resolved by the Town Council of the Town of Little Elm, Texas." Each proposed ordinance shall not be amended or repealed except by adoption of another ordinance. All ordinances and resolutions passed by the Town Council shall become effective immediately from and after passage except where publication of a caption is required or where the ordinance, state law, or other provisions of this Charter provide otherwise, in which case the effective date shall be as prescribed in the ordinances.

SECTION 10.02 PUBLICATION OF ORDINANCES

The descriptive caption or title of each ordinance containing a penalty shall be published at least once in the official newspaper of the Town, unless otherwise provided by state law or this Charter.

SECTION 10.03 CODE OF ORDINANCES

The Town Council shall have the power to cause the ordinances of the Town to be printed, in code form, and shall have the same arranged and digested as often as the Town Council may deem advisable, provided that failure to print the ordinances as herein provided shall not affect the validity of the same.

SECTION 10.04 ORDINANCES AND RESOLUTIONS NOW IN EFFECT

All ordinances, portions thereof, resolutions, contracts, bonds, obligations, rules and regulations now in force under the Town government of the Town of Little Elm, and not in conflict with the provisions of this Charter, shall remain in force under this Charter until altered, amended, or repealed by the Town Council in the manner required by law.

SECTION 10.05 THE TOWN'S STRATEGIC PLAN

The Town Council shall enact, adopt, and maintain, by ordinance, a strategic plan that sets forth the Town's strategic vision, goals, and objectives. The Town Council shall review the strategic plan at least once every two years and re-adopt the strategic plan with

those changes to the strategic plan, if any, determined by Town Council to be appropriate. Adoption of any changes to the strategic plan shall require at least five (5) affirmative votes of the Town Council.

CHAPTER ELEVEN

ELECTIONS

SECTION 11.01 TOWN ELECTIONS

Beginning on the 1st Saturday in May 2002, each qualified voter shall be entitled to vote for the offices of Council Members for Places 1, 2, 4 and 6. The Council Members elected in single member district places 2 and 4 shall serve for an initial term of two (2) years, or until the regular election in May 2004. The Council Members elected in at-large places 1 and 6 shall serve for a term of three (3) years. The Mayor and Council Members in single member district Places 3 and 5 will be elected in May, 2003, for a term of three (3) years. Thereafter, all Council Members shall be elected for a term of three (3) years. All qualified voters of the state who reside within the Town of Little Elm shall have the right to vote in the Town elections.

Beginning with the election in May, 2020, the Council Member elected in at-large place 1 shall serve for a term of two (2) years until the election in May, 2022, after which time the Council Member elected in at-large place 1 shall serve a term of three (3) years from that election going forward. Beginning with the election in May, 2021, the Council Member elected in single member district place 5 shall serve for a term of two (2) years until the election in May, 2023, after which time the Council Member elected in single member district place 5 shall serve a term of three (3) years from that election going forward.

SECTION 11.02 SPECIAL ELECTIONS

The Town Council, by ordinance or resolution, may call such special elections as are authorized by the state law or this Charter, fix the time and place of holding the same, and provide all means for holding such special elections, provided that every special election shall be called and held as nearly as practicable according to the provisions governing regular elections.

SECTION 11.03 REGULATION OF ELECTIONS

All Town elections shall be governed by the Constitution of the State of Texas, general laws of the state, this Charter, and by ordinance of the Town regulating the holding of municipal elections. The Town Council shall appoint the election judges and other election officials and shall provide for the compensation of all election officials in Town elections and for all other expenses in holding said elections.

SECTION 11.04 CANDIDATES: FILING FOR OFFICE

Any qualified person as prescribed by Section 3.02 may make application to have his/her name placed on the official ballot for the position of Council Member or Mayor. The application shall be made in accordance with all applicable laws and shall state that the candidate agrees to serve if qualified and elected. Each candidate shall execute such oath and other official form of affidavit as may be required by the Town Secretary pursuant to Texas Election Code. The Town Secretary shall review the application and notify the candidate whether or not the application satisfies the requirements of this Charter and the Texas Election Code. If an application is insufficient, the Town Secretary shall return it immediately to the candidate with a statement of such insufficiency. The candidate may file a new application within the regular time for filing applications. The Town Secretary shall keep on file all applications found sufficient at least until the expiration of the term of office for which such candidates filed.

SECTION 11.05 OFFICIAL BALLOT

The order on the ballot of the names of the candidates shall be determined by the Town Secretary in accordance with the procedures set out in the Texas Election Code. The name of each candidate seeking an elective office, except those who have withdrawn, died, or become ineligible prior to the time permitted for withdrawal, shall be printed on the official ballot in the name designated by the candidate in accordance with the Texas Election Code. Provision for early and absentee voting shall be made as provided by the Texas Election Code.

SECTION 11.06 CANVASSING AND ELECTION RESULTS

Returns of every municipal election shall be delivered forthwith by the Election Judges to the Town Secretary, with a copy of the returns being sent to the Mayor. The Town Council shall canvass the returns, investigate the qualifications of the candidates and declare the official results of the election not less than two (2) days nor more than six (6) days after the date of the election, or as may be otherwise provided by the Texas Election Code.

SECTION 11.07 RUNOFF ELECTION

- A. The candidates for Mayor and Council Members in Places 1, 2, 3, 4, 5 and 6 receiving a majority of all votes cast for the office of Mayor and Council Members for Places 1, 2, 3, 4, 5 and 6 shall be declared elected.
- B. In the event a candidate for the office of Mayor or Council Member in Places 1, 2, 3, 4, 5 or 6 fails to receive a majority of all votes cast for that office, a runoff election for that office shall be conducted. If more than two (2) candidates tie for the highest number of votes for either the office of the Mayor or Council Members, the tied candidates shall draw by lots to determine which two (2) are to be in a run off election. The Town Secretary shall supervise the drawing of lots under

this section.

- C. Not later than the fifth (5) day after the date of counting of the returns, the Town Council shall order a runoff election to be held consistent with the Texas Election Code.

CHAPTER TWELVE

FRANCHISES

SECTION 12.01 POWER TO GRANT FRANCHISE

The Town Council shall have the power, subject to the provisions hereof, by ordinance to confer upon any person, firm, corporation, or other legal entity the franchise or right to use the public property of the Town for the purpose of furnishing to the public any general public service or benefit, including, but not limited to, heat, light, power, telephone service, transportation, or other telecommunication providers for compensation or hire. No franchise shall be granted by the Town to any person, firm, corporation, or other legal entity to own, control or operate a waterworks therein. The Town shall have the power by ordinance to grant, renew, and extend all franchises of all public utilities of every character operating within the Town. No such franchise shall be granted until after a public meeting shall have been called and held and until such ordinance shall have been passed and accepted by the franchisee. No such ordinance shall become effective until thirty (30) days after its passage.

SECTION 12.02 TRANSFER OF FRANCHISE

No public utility or other franchise shall be transferable except with the approval of the Town Council, expressed by ordinance. This restriction shall not be construed to prevent the franchise holder from pledging the franchise as security for a valid debt.

SECTION 12.03 OWNERSHIP, USE AND CONTROL OF STREETS

No franchise or easement involving the right to use the same either along, over, across, under, or upon the streets, alleys, highways, parks, and public ways shall be valid unless granted in compliance with the terms of this chapter. No granting of a franchise by ordinance pursuant to this chapter shall convey any ownership or interest in any property of the Town other than the right to use the public property for purposes of such franchisee's operations as expressed in the ordinance granting such franchise.

SECTION 12.04 RIGHT OF REGULATION

In granting, amending, renewing and extending public service and utility franchises, the Town shall retain the right to:

- (1) Repeal such franchise by ordinance for failure to comply with the terms thereof, such power to be exercised only after due notice and hearing;
- (2) Require an adequate extension of plant and service as is necessary to provide adequate service to the public, and maintenance of the plant and fixtures at the highest reasonable standard of efficiency;
- (3) Establish reasonable standards of service and quality of products and prevent unjust discrimination in service or rates;
- (4) Impose regulations to ensure safe, efficient and continuous service to the public. The franchise holder in opening and refilling all earth openings shall re-lay the pavement and do all other work necessary to complete restoration of streets, sidewalks or grounds to a condition equally as good as or better than when disturbed; and
- (5) To regulate, locate, or prohibit the erection of any and all poles, wires, or other utility equipment, conveyance, or structure, on the streets, alleys and public places of said Town, and to cause the same to be changed, removed, altered, increased, diminished, placed underground, or be supported by poles of such material, kind, quality and class as may be determined by the Town Council, whether the same be telegraph, telephone, electric, cable television or otherwise, and to enforce the provisions hereof by appropriate action in any court of competent jurisdiction.

SECTION 12.05 COMPENSATION FOR FRANCHISE

All persons, corporations, or association of persons, to whom a franchise or privilege may hereafter be granted shall pay to the Town for such privilege such compensation as may be fixed by the Town Council in the grant of such franchise or privilege. Such compensation as fixed by contract or provided by any Texas statute or statutes and any amendments thereto shall become due and payable at such time as the Town Council shall fix in the grant of such franchise or privilege. The failure of any franchisee to pay compensation to the Town when due shall result in forfeiture of the franchise or privilege.

SECTION 12.06 COUNCIL TO FIX AND REGULATE CHARGES, FARES, OR RATES

If applicable state law so provides, the Town Council shall determine, fix, and regulate the charges, fares or rates of any person, firm, or corporation enjoying a franchise or privilege granted under the provisions of this chapter, and shall prescribe the kind of service to be furnished to the public by such person, firm or corporation, and the manner in which it shall be rendered and may, from time to time, alter or change such rules, regulations, and compensation after reasonable notice and public hearing, provided that the rates, charges and fares so fixed shall at all times be reasonable and permit a reasonable net return on the actual value of the physical properties and equipment of such utilities. In this connection, the Town Council may require any utility or franchise holder to furnish such financial reports and information as the Town Council may request, including reports of actual operating costs and the financial condition of its operations within the Town, and the Town Council may employ, at the expense of such franchisee, necessary outside experts to examine and audit the accounts and records of the franchisee to determine the reasonableness of such charges, fares, and rates.

CHAPTER THIRTEEN

INITIATIVE, REFERENDUM, AND RECALL

SECTION 13.01 SCOPE OF RECALL

Any elected Town official shall be subject to recall and removal from office by the qualified voters of the Town of Little Elm on grounds of incompetency, misconduct, or malfeasance in office.

SECTION 13.02 PETITIONS FOR RECALL

Before the question of recall of such officer shall be submitted to the qualified voters of the Town of Little Elm, a petition demanding such questions to be submitted shall first be filed with the Town Secretary. If recall is sought for a Council Member in Place 2, 3, 4, or 5, the petition must be signed by qualified voters in the specific district equal to ten (10%) percent of the qualified voters in the specific district, or sixty five (65%) percent of the votes cast at the last general election for the specific place; whichever is greater. If recall is sought for the Mayor or Council Member in Place 1 or 6, the petition must be signed by qualified voters of the Town equal to ten (10%) percent of the qualified voters in the Town, or sixty five (65%) percent of the votes cast at the last general election for such office, whichever is greater.

Each signer of such recall petition shall personally sign his or her name thereto in ink or indelible pencil, and shall write after signer's name his or her place of residence, giving the name of the street and number, or place of residence, and shall also write thereon the day, the month, and the year his or her signature was affixed.

SECTION 13.03 FORM OF RECALL PETITION

The recall petition mentioned above must be addressed to the Council of the Town of Little Elm, must be distinctly and specifically pointed to the grounds upon which such petition for removal is predicated, and, if there is more than one ground, said petition shall specifically state each ground with such certainty as to give the officer sought to be removed notice of the matters and things with which the officer is charged. The signature shall be verified by oath in the following form:

“State of Texas”

County of _____

I, _____, being first duly sworn, on oath depose and say that I am one of the signers of the above petition, and that the statements made therein are true, and that each signature appearing thereon was made in my presence on the day and date it purports to have been made, and I solemnly swear that the same is the genuine signature of the person it purports to be.

Signature

Sworn and subscribed before me this ____ day of _____, 2____.

Signed _____
Notary Public in and for the State
of Texas

SECTION 13.04 VARIOUS PAPERS CONSTITUTING PETITION

The petition may consist of one or more copies, or subscription lists, circulated separately, and the signatures thereto may be upon the paper or papers containing the form of petition, or upon other paper attached thereto. Verifications provided for in the preceding section of this Chapter may be made by one or more petitioners, and the several parts of copies of the petition may be filed separately and by different persons, but no signatures to such petition shall remain effective to be counted which were placed thereon more than forty-five (45) days prior to the filing of such petition or petitions with the Town Secretary. All papers comprising a recall petition shall be filed with the Town Secretary who shall immediately notify, in writing, the officer sought to be removed, by mailing such notice to the officer's Little Elm address.

SECTION 13.05 PRESENTATION OF PETITION TO THE COUNCIL

Within seven (7) days after the date of the filing of the papers constituting the recall petition, the Town Secretary shall present such petition to the Council of the Town of Little Elm.

SECTION 13.06 PUBLIC HEARING TO BE HELD

The officer whose removal is sought may, within seven (7) days after such recall petition has been presented to the Council, request that a public hearing be held to permit the officer to present the facts pertinent to the charges specified in the recall petition. In this event, the Town Council shall order such public hearing to be held, not less than five (5) days nor more than fifteen (15) days after receiving such request for a public hearing.

SECTION 13.07 CALLING OF RECALL ELECTION

If the officer whose removal is sought does not resign, then the Town Council shall order an election and set the date for holding such a recall election. The date selected for the recall election shall be in accordance with the Texas Election Code. If after the recall election is established, the officer vacates his or her position, the election shall be cancelled. Any election order so issued shall comply fully with the Texas Election Code.

SECTION 13.08 BALLOTS IN RECALL ELECTION

Ballots used at recall elections shall conform to the following requirements:

- (A) With respect to each person whose removal is sought, the question shall be submitted:

"Shall _____ be removed from the office of
_____ by recall?"

- (B) Immediately below each such question there shall be printed the following words, one above the other, in the order indicated:

"Yes"
"No"

SECTION 13.09 RESULT OF RECALL ELECTION

If a majority of the votes cast at a recall election shall be "No," that is against the recall of the person named on the ballot, the officer shall continue in office for the remainder of the officer's unexpired term, subject to recall as before. If a majority of the votes cast at such election be "Yes," that is for the recall of the person named on the ballot, the officer shall,

regardless of any technical defects in the recall petition, be deemed removed from office and the vacancy be filled by the Town Council as provided in this Charter.

SECTION 13.10 RECALL, RESTRICTIONS THEREON

No recall petition shall be filed against any officer of the Town of Little Elm within three (3) months after the officer's election, no more than twice within an officer's term, and not within three (3) months after an election for such officer's recall.

SECTION 13.11 FAILURE OF THE COUNCIL TO CALL AN ELECTION-RECALL

If all the requirements of this Charter shall have been met and the Town Council shall fail or refuse to receive the recall petition, or order such recall election, or discharge any other duties imposed on the Town Council by the provisions of this Charter with reference to such recall, then any petitioning citizen may file with the appropriate court for a writ of mandamus to force the Town to call the election.

SECTION 13.12 GENERAL POWER OF INITIATIVE AND REFERENDUM

The qualified voters of the Town of Little Elm, Texas, in addition to the method of legislation herein before provided, shall have the power to direct legislation by the initiative and referendum.

- (A) Initiative: Such power shall not extend to the budget or capital program or any ordinance not subject to initiative as provided by state law, relating to appropriation of money, issuing of bonds, levy of taxes or salaries of Town officers or employees.
- (B) Referendum: Such power shall not extend to the budget, or capital program, or any emergency ordinance, or ordinance not subject to referendum as provided by state law, relating to appropriation of money, issuing of bonds, levy of taxes, or zoning.

SECTION 13.13 INITIATIVE

Qualified voters of the Town of Little Elm may initiate legislation by submitting a petition addressed to the Town Council which requests the submission of a proposed ordinance to a vote of the qualified voters of the Town. Said petition must be signed by qualified voters of the Town equal to ten (10%) percent of the qualified voters in the Town, or sixty-five (65%) percent of the votes cast at the last municipal general election, whichever is greater and each copy of the petition shall have attached to it a copy of the proposed legislation. The petition shall be signed in the same manner as recall petitions are signed, as provided in this Chapter, and shall be verified by oath in the manner and form provided for recall petitions in this

Chapter. The petition may consist of one or more copies as permitted for recall petitions. Such petition shall be filed with the Town Secretary. Within seven (7) days after filing of such petition, the Town Secretary shall present said petition and proposal ordinance to the Council. Upon presentation to it, it shall become the duty of the Council, within ten (10) days after the receipt thereafter, at which the qualified voters of the Town of Little Elm shall vote on the question of adopting or rejecting the proposed legislation. However, if any other municipal election is to be held within sixty (60) days after the filing of the petition, the question may be voted on at such election. Any election order so issued shall comply fully with the Texas Election Code.

SECTION 13.14 REFERENDUM

Qualified voters of the Town of Little Elm may require that any ordinance, with the exception of ordinances appropriating money or levying of taxes, passed by the Town Council be submitted to the voters of the Town for approval or disapproval, by submitting a petition for this purpose within thirty (30) days after final passage of said ordinance or resolution, or within thirty (30) days after its publication. Said petition shall be addressed, signed, and verified as required in Section 13.13 of this Charter and shall be submitted to the Town Secretary. Immediately upon the filing of such petition, the Town Secretary shall present said petition to the Town Council. Thereupon, the Town Council shall immediately reconsider such ordinance and, if the Town Council does not entirely repeal the same, shall submit it to popular vote as provided in Section 13.07 of this Charter. Pending the holding of such election, each ordinance shall be suspended from taking effect and shall not later take effect unless a majority of the qualified voters thereon at such election shall vote in favor thereof.

SECTION 13.15 VOLUNTARY SUBMISSION OF LEGISLATION BY THE COUNCIL

The Council, upon its own motion and by a majority vote of its Members, may submit to popular vote at any election for adoption or rejection any proposed ordinance or resolution or measure, or may submit for repeal any existing ordinance in the same manner and the with same force and effect as provided in this Chapter for submission of petition, and may at its discretion call a special election for this purpose.

SECTION 13.16 FORM OF BALLOTS

The ballots used when voting such referred ordinance shall set forth their nature sufficiently to identify them and shall also set forth upon separate lines the words:

"For the Ordinance" or

"Against the Ordinance"

SECTION 13.17 PUBLICATION OF PROPOSED ORDINANCES

The Town Secretary of the Town of Little Elm shall publish at least twice in the official newspaper of the Town the proposed or referred ordinance within fifteen (15) days before the date of the election, and shall give other such notices and do other such things relative to said election as required in the general municipal election or by the ordinance or resolution calling said election.

SECTION 13.18 ADOPTION OF ORDINANCES

If a majority of the qualified voters voting on any proposed ordinance shall vote in favor thereof, it shall thereupon or any time fixed therein, become effective as a law or as a mandatory order of the Council.

SECTION 13.19 INCONSISTENT ORDINANCES

If the provisions of two or more proposed ordinances approved at the same election are inconsistent, the ordinance receiving the highest number of votes shall prevail.

SECTION 13.20 ORDINANCES PASSED BY POPULAR VOTE, REPEAL, OR AMENDMENT

No ordinance which may have been passed by the Town Council upon a petition or adopted by popular vote under the provisions of this Chapter shall be repealed or amended except by the Town Council in response to a referendum petition or by submission as provided by Section 13.15 of this Charter.

SECTION 13.21 FURTHER REGULATIONS BY THE COUNCIL

The Town Council may pass ordinances providing further regulations for carrying out the provisions of this Chapter consistent herewith.

SECTION 13.22 FRANCHISE ORDINANCES

Nothing contained in this Chapter shall be construed to be in conflict with any of the provisions of this Charter, pertaining to ordinances granting franchises when valuable rights shall have accrued thereunder.

SECTION 13.23 FAILURE OF THE COUNCIL TO CALL AN ELECTION - INITIATIVE OR REFERENDUM

If all the requirements of this Charter shall have been met and the Town Council shall fail or refuse to receive the initiative or referendum petition, or order such initiative or referendum election, or discharge any other duties imposed on the Town Council by the provisions of this Charter with reference to such initiative or referendum, then any petitioning citizen may file with the appropriate court for a writ of mandamus to force the Town to call the election.

CHAPTER FOURTEEN

GENERAL AND TRANSITIONAL PROVISIONS

SECTION 14.01 EFFECT OF CHARTER ON EXISTING LAW

All ordinances, resolutions, rules and regulations in force in the Town on the effective date of this Charter and not in conflict with this Charter shall remain in full force and effect until altered, amended, or repealed. All taxes, assessments, liens, encumbrances, obligations and demands of or against the Town, fixed or established before such date, shall be valid if properly fixed or established either under the law in force at the time of such proceedings or under the law after the adoption of this Charter.

SECTION 14.02 CONTINUATION OF PRESENT OFFICES

All persons holding administrative offices at the time this Charter takes effect shall continue in office and in the performance of their duties in the capacities to which they have been appointed until provision shall have been made in accordance with the terms of this Charter for the performance of such duties or the discontinuance of such office, if any. The powers conferred and the duties imposed upon any office, department or agency of the Town by the laws of the state shall, if such office, department or agency be abolished by this Charter or under its authority, be thereafter exercised and discharged by the office, department or agency designated by the Council, unless otherwise provided herein.

SECTION 14.03 NEPOTISM

No officer of the Town of Little Elm shall appoint, vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity or within the third degree by consanguinity to any Member of the Town Council or Mayor, when the salary, fees, or compensation of such appointee is to be paid for, directly or indirectly, out of or from public funds or fees of office of any kind or character whatsoever. However, this provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously

employed in any such office, position, clerkship, employment or duty for at least thirty (30) days, if the officer is appointed, or at least six (6) months, if the officer is elected.

When a person is allowed to continue in any such position, the officer related shall not participate in the deliberation or voting upon the appointment, reappointment, employment, confirmation, re-employment, change in status, compensation, or dismissal of such person, unless such action is taken with respect to a bona fide class or category of employees.

SECTION 14.04 OFFICIAL NEWSPAPER

The Town Council shall have the power to designate by resolution a newspaper of general circulation in the Town as the Town's official newspaper. All ordinances, captions of ordinances, notices and other matters required to be published by this Charter, by ordinance, or by state law, shall be published in the official newspaper.

SECTION 14.05 JUDICIAL NOTICE

This Charter shall be recorded in the Town Secretary's office in a book kept for that purpose. As soon as practicable after its adoption, an authenticated copy of the Charter shall be certified to the Secretary of State of Texas, the Charter becomes a public act. Such Charter provisions may be read in evidence without pleading or proof of their provisions, and judicial notice shall be taken thereof in all courts and places.

SECTION 14.06 CLAIMS FOR DAMAGE OR INJURY

The Town of Little Elm shall never be liable for any personal injury or death or for claims for damages or injury to real or personal property alleged to have been caused by the negligent act or omission of any officer, agent or employee of the Town unless the person who has been injured, the person whose property has been injured or damaged, or someone on his behalf, shall file a claim in writing with the Town Secretary within six (6) months after said injury, death or damage has occurred, stating specifically when, where, and how the injury, death or damage occurred, the full extent thereof, the amount of damages claimed or asserted, and the basis claimed for liability on the part of the Town. The person giving notice under this section shall give the address of every place that said person has resided at during the last six (6) months prior to the injury, death or damage and shall subscribe his or her name thereto. Neither the Town Mayor, Town Council Member, Town Manager, Town Secretary, Town Attorney, or any other officer or employee of the Town shall have authority to waive any of the provisions of this section, but the same may be waived only by resolution of the Town Council made and passed before the expiration of said six (6) month period.

SECTION 14.07 PROPERTY NOT SUBJECT TO GARNISHMENT AND EXECUTION

No property owned or held by the Town shall be subject to any garnishment or execution of any kind or nature except as specifically provided by state law.

SECTION 14.08 CONFLICT OF INTEREST

No Member of the Town Council, the Mayor, or any other officer, whether elected, appointed, paid or unpaid, who exercises responsibilities beyond those that are advisory in nature, shall participate in a vote or decision on a matter involving a business entity in which such officer has a substantial interest if it is reasonably foreseeable that an action on the matter would confer an economic benefit on the business entity. If the officer or a person related to the officer within the second degree of affinity or consanguinity has a substantial interest in the business entity that would be pecuniary affected by an official action of the Town Council, the officer, if a Member of the Town Council, shall file an affidavit stating the nature and extent of the interest and abstain from further participation in the matter.

SECTION 14.09 PUBLIC MEETINGS AND RECORDS

All meetings of the Town Council and all boards appointed by the Town Council shall be governed by the provisions of Chapter 551 of the Texas Government Code and any amendments thereto with regard to the posting of agenda and the holding of public meetings. All public records of every office, department or agency of the Town shall be open to inspection by any citizen at all reasonable business hours, provided that records excepted from public disclosure by Chapter 552 of the Texas Government Code and any amendments thereto shall be closed to the public and not considered public records for the purpose of this section.

SECTION 14.10 INDEMNIFICATION OF OFFICERS

The Town Council shall, by appropriate ordinance, provide for the indemnification and defense of the officers and employees of the Town, including the Members of the Town Council, or any board, commission, or committee, including volunteers, against any loss, cost, or expense, including court costs and attorney's fees, to the extent allowed by law, arising out of any claim, suit, or judgment or settlement thereof, resulting from any alleged negligent act or omission of such officer, employee, member, or volunteer during the discharge of his/her duties and within the scope of his/ her office, employment, membership, or assigned voluntary position with the Town, or in any other case where the Town is directed or authorized by law to do so. Provided, however, that such indemnification will not be provided for any act arising out of the intentional or knowing violation of any penal statute or ordinance or arising out of any conduct determined by final judgment to be an act of fraud or to have been taken with the intent to deceive or defraud, or for any personal or private business of such officer, employee, member, or volunteer, or for the gross negligence or official misconduct, or willful or wrongful act, or omission of such officer, employee, member, or volunteer.

SECTION 14.11 AMENDMENT OF CHARTER

Amendments to this Charter may be submitted by the Town Council to the qualified voters of the Town for their approval at an election, no more often than once every two (2) years, held in accordance with Chapter 9, Texas Local Government Code.

SECTION 14.12 BOND OR SECURITY NOT REQUIRED

It shall not be necessary in any action, suit or proceeding in which the Town is a party, for any bond, undertaking, or security to be executed on behalf of said Town, that all such actions, suits, appeals, or proceedings shall be conducted in the same manner as if such bond, undertaking, or security had been given, and said Town shall be liable as if such obligation had been duly given and executed.

SECTION 14.13 SEVERABILITY CLAUSE

If any chapter, section, paragraph, sentence, clause or phrase of this Charter shall be held unconstitutional or invalid for any reason by a court of competent jurisdiction, such holding shall not affect the remainder of this Charter nor the context in which such provision so held invalid may appear, except to the extent that an entire chapter, section, paragraph, or sentence may be inseparably connected in meaning and effect with the provision to which such holding shall apply directly.

SECTION 14.14 MEANING OF WORDS

The provisions of this Charter shall be liberally construed for the purpose of effecting the objects and ends thereof. Unless some other meaning is manifest, the word "Town" shall be construed to mean the "Town of Little Elm," and the word "and" may be read "or" or the "or" may be read "and" if the sense requires. Words in the present tense include future tense and, except when a more restrictive meaning is manifest, singular may mean plural. The word "Council" shall be construed to mean the Town Council of the Town of Little Elm. The gender of the wording as contained in this Charter shall always be interpreted to mean either sex.

SECTION 14.15 EFFECTIVE DATE

This Charter shall take effect immediately following adoption by the voters and entry of the official order by the Town Council declaring the same adopted as soon as practicable. After adoption, the Town Mayor shall certify to the Secretary of State an authenticated copy of the Charter under the Town's seal showing approval by the voters. The Town Secretary shall record the Charter in a book kept for that purpose and keep and maintain the same as the official record of the Town.

CHAPTER FIFTEEN

ADOPTION OF CHARTER

SECTION 15.01 SUBMISSION AND ELECTION

- A. This Charter Shall be submitted to the qualified voters of the Town of Little Elm for adoption or rejection on the 5th day of May, 2001, at which election, if a majority of the qualified voters voting in such election shall vote in favor of the adoption of this Charter, it shall then immediately become the governing law of the Town of Little Elm, Texas, until amended or repealed.
- B. It being impracticable to submit this Charter so that each subject may be voted on separately, it is hereby prescribed that the form of ballot to be used in such election shall be as follows, to wit:

“FOR”

ADOPTION OF CHARTER

“AGAINST”

This Home Rule Charter for the Town of little Elm, Texas, is respectfully submitted to the Town Council of the Town of Little Elm for the purpose of calling an election on the question of adoption of the Home Rule Charter this 22nd day of February, 2001. This proposed Charter represents the recommendation of the majority of the members of the Home Rule Charter Commission, whose membership and signatures are evidenced below.

SECTION 15.02. CHARTER REVIEW COMMITTEE

- A. The Town Council shall establish and appoint a Charter Review Committee to review and make recommendations regarding the Town Charter. The Charter Review Committee shall be composed of not fewer than seven (7) residents of the Town, and shall be established and appointed by Town Council at least every two (2) years from the date that the prior Charter Review Committee concluded its operations. The Charter Review Committee shall be established and appointed not less than nine (9) months before the selected election date at which any proposed Charter amendments may be considered.
- B. It shall be the duty of the Charter Review Committee to do the following:
 - 1. Inquire into the operation of the Town government under the Charter provisions and determine whether any such provisions require revision. To this end, public hearings may be held; and the Charter Review

Committee shall have the power to compel the attendance of any officer or employee of the Town and to require the submission of any non-privileged and non-confidential Town records which the Charter Review Committee may determine is necessary to conduct such hearings.

2. Propose any recommendations to the Town Manager and Town Council that the Charter Review Committee may determine are desirable to ensure compliance with the provisions of this Charter by the Town's departments.
 3. Propose amendments to the Charter to improve the effective application of the Charter to current conditions.
 4. Report the Charter Review Committee's findings and present its proposed amendments, if any, to the Town Council. Any report of the Charter Review Committee shall be delivered to the Town Attorney at least fifteen (15) days prior to its presentation to the Town Council. Within such time, and no later than ten (10) days prior to its presentation to the Town Council, the Town Attorney shall advise the Charter Review Committee in writing of any changes in proposed amendments which the Town Attorney deems necessary or desirable. A copy of the Town Attorney's recommendations shall be attached to the report of the Charter Review Committee at the time of its presentation to the Town Council.
- C. The Town Council shall receive any Charter Review Committee report and have published in a newspaper of general circulation in the Town all proposed amendments recommended by the final report of the Charter Review Committee.
- D. The term of office of the Charter Review Committee shall not exceed nine (9) months. If during such term, no report is presented to the Town Council, then all records of the proceedings of the Charter Review Committee shall be filed with the Town Secretary.

{Signatures of Home Rule Charter Commission
Members omitted}



Town Council Meeting

Date: 05/18/2021
Agenda Item #: 6. D.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Consider Action to Approve **Ordinance No. 1610 Amending the FY 2020-2021 Annual Budget in Accordance with Existing Statutory Requirements; Appropriating the Various Amounts Herein; Repealing All Prior Ordinances and Actions in Conflict Herewith; and Providing for an Effective Date.**

DESCRIPTION:

The city charter requires that when budgets are amended that the amendment be by ordinance. This budget amendment addresses several items discussed below.

“The legal level of budgetary control is at the fund level. The Town Manager is authorized to transfer budgeted amounts between departments within any fund. Any revisions that increases the total expenditures of any fund greater than the original budget must be approved by ordinance of Town Council.”

General Fund:

- Library received a grant to support during the pandemic reaching out to library users with digital resources including online databases, downloadable e-books and e-audiobooks and with virtual program and meeting. The grant amount award provided Little Elm Library \$17,000 to provide such resources. This budget amendment reflects the grant proceeds along with the qualified expenditures from this grant.
- Police received a grant to provide rifle resistant body armor that has allowed our Police Officers to get 26 vests to help provide more protection. This budget amendment reflects the grant proceeds along the expenditures to purchase the body armor.
- Street signals and signs experience damage from liability claims. The Town reports such claims through our insurance carrier (TML). The Town receives insurance proceeds to be able to put the signs and signals back to the current state less the Town’s deductible. This budget amendment reflects the insurance proceeds less deductible and expenditures related to the claim.
- The Town experienced damage during the February 2021 winter storm. The Town will be filing an insurance claim to offset the expenses due to the damage from broken pipes, etc. This budget amendment reflects the costs associated with facilities damages related to the storm.
- The Police Department received a donation for a drone. This budget amendment reflects the receipt of this donation and the cost to purchase a drone.
- The General Fund had exceeded projections that is reflected in the audited FY 2019-2020 financial statements.

This budget amendment is moving these funds to the Capital Improvement Fund for future projects.

VERF Fund:

- With Enterprise on-board handling the Town's fleet, they have made recommendations to replace units earlier than our fleet replacement schedule. This has allowed the Town to capitalize on resale gain of over \$350,000. This budget amendment reflects the auction proceeds along with insurance proceeds due to fleet that were totaled and increased expenditure costs related to purchase of replaced units.

BUDGET IMPACT:

See Exhibit A for impacts to the General Fund and VERF Fund.

RECOMMENDED ACTION:

Staff recommends approval of Ordinance No. 1610 amending the FY 2020-2021 Annual Budget for appropriations as presented.

Attachments

Ordinance No. 1610

Exhibit A Budget Amendment Support

ORDINANCE NO. 1610

AN ORDINANCE OF THE TOWN COUNCIL OF LITTLE ELM, TEXAS ("TOWN"), AUTHORIZING CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2020-2021 BUDGET; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town is required by the Town Charter to approve a budget amendment by ordinance and upon approval such amendment shall become an attachment to the original budget; and

WHEREAS, a budget amendment has been prepared for certain appropriations and expenditures in the FY 2020-2021 Budget and submitted to the Town Council for approval and a true and correct copy is attached as Exhibit A.

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

SECTION 1. Pursuant to the Town Charter requirements of the Town of Little Elm, Texas, in the year 2020-2021, a Budget Amendment attached as Exhibit A is hereby authorized and approved.

SECTION 2. This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

PASSED AND APPROVED by the Town Council of the Town of Little Elm, Texas this the 18th day of May, 2021.

APPROVED:

David Hillock
Mayor

ATTEST:

Caitlan Biggs
Town Secretary

EXHIBIT "A"
BUDGET AMENDMENT
FISCAL YEAR 2020-2021
May 18, 2021

General Fund		Original Budget	Current Budget	Amended Budget	Increase (Decrease)
Revenue:					
All Revenue Sources		\$ 39,048,323	\$ 39,048,323	\$ 39,172,658	\$ 124,335
Total Revenue		\$ 39,048,323	\$ 39,048,323	\$ 39,172,658	\$ 124,335
Expenditures:					
Total Expenditures		\$ 42,710,527	\$ 42,810,164	\$ 44,976,499	\$ 2,166,335
Total Expenditures		\$ 42,710,527	\$ 42,810,164	\$ 44,976,499	\$ 2,166,335
VERF Fund		Original Budget	Current Budget	Amended Budget	Increase (Decrease)
Revenue:					
All Revenue Sources		\$ 1,478,848	\$ 1,478,848	\$ 1,927,386	\$ 448,538
Total Revenue		\$ 1,478,848	\$ 1,478,848	\$ 1,927,386	\$ 448,538
Expenditures:					
Capital Expenditures		\$ 981,163	\$ 981,163	\$ 1,449,063	\$ 467,900
Total Transfers Out		-	-	-	-
Total Expenditures		\$ 981,163	\$ 981,163	\$ 1,449,063	\$ 467,900
Governmental CIP Fund (871)		Original Budget	Current Budget	Amended Budget	Increase (Decrease)
Revenue:					
All Revenue Sources		\$ 6,790,000	\$ 7,670,025	\$ 9,670,025	\$ 2,000,000
Total Revenue		\$ 6,790,000	\$ 7,670,025	\$ 9,670,025	\$ 2,000,000
Expenditures:					
General Government		\$ 855,000	\$ 968,825	\$ 968,825	\$ -
Public Safety		-	-	-	-
Community Services		-	-	-	-
Streets/Signs/Signals		4,015,000	4,885,048	4,885,048	-
Culture and Recreation		3,040,000	4,076,636	4,076,636	-
Transfer Out		-	-	-	-
Total Expenditures		\$ 7,910,000	\$ 9,930,509	\$ 9,930,509	\$ -

Total Revenue	\$ 2,572,873
Total Expenditures	\$ 2,634,235
Net Effect All Funds	\$ (61,362)



Date: 05/18/2021
Agenda Item #: 6. E.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Consider Action to Approve **Resolution No. 0518202101 the Town of Little Elm Denying CoServ Gas, Ltd.'s Requested Rate Increase; Requiring the Company to Reimburse the Town's Reasonable Ratemaking Expenses.**

DESCRIPTION:

On November 13, 2020, CoServ Gas, Ltd. ("CoServ" or "Company"), pursuant to Subchapter C of Chapter 104 of the Gas Utility Regulatory Act, filed its Statement of Intent to change gas rates at the Railroad Commission of Texas ("RRC") and in all municipalities exercising original jurisdiction within its service area, effective March 14, 2021.

In a prior Town action, CoServ's rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law. This time period has permitted the Town, through its participation in the Steering Committee of Cities Served by CoServ, Ltd. ("CoServ Gas Cities"), to determine that the proposed rate increase and consolidation are unreasonable. Consistent with the recommendations of experts engaged by CoServ Gas Cities, CoServ's request for a rate increase and consolidation of service areas should be denied.

BUDGET IMPACT:

There is no budget impact to the Town.

RECOMMENDED ACTION:

Staff recommends approval of this resolution.

Attachments

Resolution No 0518202101

RESOLUTION NO. 0518202101

**RESOLUTION OF THE TOWN OF LITTLE ELM DENYING
COSERV GAS, LTD.'S REQUESTED RATE INCREASE;
REQUIRING THE COMPANY TO REIMBURSE THE
TOWN'S REASONABLE RATEMAKING EXPENSES;
FINDING THAT THE MEETING AT WHICH THIS
RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS
REQUIRED BY LAW; REQUIRING NOTICE OF THIS
RESOLUTION TO THE COMPANY AND THE TOWN'S
LEGAL COUNSEL**

WHEREAS, the Town of Little Elm, Texas ("Town") is a gas utility customer of CoServ Gas Ltd. ("CoServ" or "Company"), and is a regulatory authority under the Gas Utility Regulatory Act ("GURA"), and under Chapter 104, § 104.001 et seq. of GURA has exclusive original jurisdiction over CoServ's rates, operations, and services within the Town; and

WHEREAS, the Town cooperated with a coalition of similarly situated cities served by the Company that have joined together to facilitate the review and response to natural gas issues affecting rates charged in CoServ's service area ("CoServ Gas Cities" or "Steering Committee of Cities Served by CoServ Gas, Ltd."); and

WHEREAS, on or about November 13, 2020 the Company filed a Statement of Intent to increase rates on a system-wide basis by \$9.6 million per year, and by \$8,113,409 in all municipalities exercising original jurisdiction within its service area; and

WHEREAS, CoServ proposed March 14, 2021 as the effective date for its requested increase in rates; and

WHEREAS, the Town passed Resolution No. 1215202002 to suspend the effective date of CoServ's requested rate increase for 90 days, the maximum period allowed by law; and

WHEREAS, the CoServ Gas Cities hired and directed legal counsel and consultants to prepare a common response to the Company's requested system-wide rate increase and proposed consolidation of service areas, which resulted in a conclusion that CoServ's rates are not reasonable, the proposed consolidation of services areas is not reasonable, and a recommendation that the rate request and consolidation be denied; and

WHEREAS, the GURA § 103.022 provides that costs incurred by CoServ Gas Cities in ratemaking activities are to be reimbursed by the regulated utility.

**THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN
OF LITTLE ELM, TEXAS:**

SECTION 1. That the rates proposed by CoServ to be recovered through its gas rates charged to customers located within the Town limits are hereby found to be unreasonable and shall be denied.

SECTION 2. That CoServ shall continue to charge its existing rates to customers within the Town and that said existing rates are reasonable.

SECTION 3. That the Town's reasonable rate case expenses shall be reimbursed by the Company.

SECTION 4. That it is hereby officially found and determined that the meeting at which this Resolution is passed 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.

SECTION 5. A copy of this Ordinance shall be sent to CoServ, care of Charles Harrell, CoServ Gas, Ltd. 7701 South Stemmons Freeway, Corinth, Texas 76210 (CHarrell@coserv.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

PASSED AND APPROVED this 18th day of May 2021.

Mayor, Town of Little Elm

ATTEST:

Town Secretary

APPROVED AS TO FORM:

Town Attorney



Town Council Meeting

Date: 05/18/2021
Agenda Item #: 6. F.
Department: Development Services
Strategic Goal: Ensure excellence in public services while keeping up with the growth in the community
Staff Contact: Wesley Brandon, Town Engineer

AGENDA ITEM:

Consider Action to Approve **Amendment #2 to the Professional Services Agreement with Cobb-Fendley & Associates Regarding Development Plan Review Services.**

DESCRIPTION:

In October 2020, a professional services agreement (PSA) was executed with Cobb-Fendley & Associates to provide plan review services related to new development applications. These services have ensured that these project applications are thoroughly reviewed and meet the processing timelines established by the Development Services Department and the Texas Local Government Code.

As of April 2021, approximately thirty new development projects have been reviewed, and most of the costs have been passed through to each applicant. This proposed amendment would increase the maximum contract amount by \$35,000, which is the estimated cost needed to cover the anticipated number of development projects remaining for this fiscal year.

BUDGET IMPACT:

Funding for these services is allocated in General Fund Account No. 112-6214-16.

\$ 30,000	Original Contract Amount
\$ 20,000	Amendment #1
\$ 35,000	Proposed Amendment #2
\$ 85,000	Final Contract Amount

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Professional Services Agreement

Amendment No. 2
Town of Little Elm, Texas
Standard Professional Services Agreement

This Agreement is made by and between the Town of Little Elm, Texas, a Texas home-rule municipality (hereinafter referred to as the "Owner") and Cobb, Fendley & Associates, Inc., (hereinafter referred to as the "Consultant") for Development Plan Reviews, (hereinafter referred to as the "Project"). In consideration of the premises, covenants and mutual promises contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and the Consultant hereby agree as follows:

ARTICLE I: CONTRACT & CONTRACT DOCUMENTS

1.1 THE CONTRACT

The Contract between the Owner and the Consultant, of which this Agreement is a part, consists of the Contract Documents. It shall be effective on the date this Agreement is executed by the last Party to execute it.

1.2. THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, the Solicitation, Requirements and Instructions to Bidders/Proposers, the Specifications, terms and conditions, Attachments, Maps, Drawings, Scope of Service, Time Line, all Change Orders issued hereafter, any other amendments hereto executed by the parties hereafter, together with the following (if any):

Documents not enumerated in this Paragraph 1.2.1 are not Contract Documents and do not form part of this Agreement.

ARTICLE 2: RECITALS

- 2.1 The Town desires to have the Consultant develop the program and provide necessary services to develop the same ("PROJECT"); and
- 2.2 The Consultant has the knowledge, ability and expertise to provide such services; and
- 2.3 The Town desires to engage the services of Consultant, as an independent Consultant and not as an employee, to provide services as set forth herein.

ARTICLE 3: TERM / TERMINATION

3.1 TERM

The term of this Agreement shall begin on the date of its execution by all Parties. This Agreement shall continue until Consultant completes the services required herein to the satisfaction of the Town, unless sooner terminated as provided herein.

3.2 TERMINATION

This Agreement may be suspended or terminated by either Party with or without cause at any time by giving written notice to the other Party. In the event suspension or termination is without cause, payment to the Consultant, in accordance with the terms of this Agreement, will be made on the basis of services reasonably determined by Town to be satisfactorily performed to the date of suspension or termination. Such payment will be due upon delivery of all instruments of service to Town.

In the event that the Town requires a modification of this Agreement with Consultant, and in the event the Parties fail to agree upon a modification of this Agreement, the Parties shall have the option of terminating this Agreement. Payment to Consultant shall be made by the Town in accordance with

the terms of this Agreement, for the services mutually agreed upon by the Parties to be properly performed by the Consultant prior to such termination date.

ARTICLE 4: SCOPE OF SERVICES

4.1 SCOPE

The following services, when authorized in writing by a Notice to Proceed from the Town, shall be performed by Consultant in accordance with the Town's requirements:

Review residential and commercial development plans submitted to the Town by Developers / Engineers for compliance with Town and State design codes.

If there is a conflict between the above quoted subjects and Exhibit A, then such conflict shall be resolved pursuant to the provisions of Section 10.9, below.

4.2 AUTHORIZED AGENT

All work performed by the Consultant will be performed under this Agreement, signed by a duly authorized agent of the Town as approved by resolution of the Town Council of the Town of Little Elm, Texas, and the designated authorized agent for the Consultant.

ARTICLE 5: COMPENSATION / PAYMENT TERMS AND CONDITIONS

5.1 Compensation for the performance of Professional Services described herein shall be paid to Consultant by the Town. The original contract agreement began on October 1, 2020 in a total amount not to exceed **Thirty thousand** dollars (\$30,000). Amendment No. 1 was executed on January 21, 2021 in the amount of Twenty thousand dollars (\$20,000). This Amendment is to increase the compensation in the amount of Thirty-five thousand dollars (\$35,000) which shall accrue and be payable as provided in Sections 5.1 and 5.2 hereof.

5.2 Work will be performed at the rates set forth in Exhibit A: 2020 Standard Rate Schedule, which is attached hereto and incorporated herein by reference, or as otherwise provided in negotiated fee schedules approved within this Agreement, if any.

5.3 Consultant payment for work under this Agreement shall be made in installments billed not more frequently than once each month upon receipt of invoices from the Consultant. If the Town fails to make any payment due the Consultant within thirty (30) days after receipt of Consultant's invoice, the amounts due the Consultant will be increased at the rate of 1.5% per month from said thirtieth day, unless there is a good faith refusal by the Town to pay. Payment shall be remitted to Consultant by Town as instructed on invoices.

ARTICLE 6: TIME FOR COMPLETION

6.1 The Consultant's services and compensation under this Agreement have been agreed to in anticipation of orderly and continuous progress of the Assigned Project(s) through completion of the project(s).

6.2 If the Town fails to give prompt written authorization to proceed with any phase of services after completion of the immediately preceding phase, the Consultant shall be entitled to equitable adjustment of rates and amounts of compensations to reflect reasonable costs incurred by Consultant as a result of the delay or changes in the various elements that comprise such rates of compensation, but in no event shall such compensation exceed the scope of services schedule of maximum payment unless a written amendment to this Agreement is executed between the Parties.

ARTICLE 7: INDEMNIFICATION

7.1 THE CONSULTANT AGREES, TO THE FULLEST EXTENT PERMITTED BY LAW, TO INDEMNIFY AND HOLD HARMLESS THE TOWN, ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES (HEREINAFTER COLLECTIVELY REFERRED TO AS "INDEMNITEES") FROM AND AGAINST SUITS, ACTIONS, CLAIMS, LOSSES, ANY DAMAGE,

LIABILITY, AND FROM AND AGAINST ANY COSTS AND EXPENSES, INCLUDING, IN PART, ATTORNEY'S FEES INCIDENTAL TO THE DEFENSE OF SUCH SUITS, ACTIONS CLAIMS, LOSSES, DAMAGES OR LIABILITY ON ACCOUNT OF INJURY, DISEASE, SICKNESS, INCLUDING DEATH, TO ANY PERSON OR DAMAGE TO PROPERTY INCLUDING, IN PART, THE LOSS OF USE RESULTING THEREFROM, ARISING FROM ANY NEGLIGENT ACT, ERROR OR OMISSION OF THE CONSULTANT, ITS OFFICERS, EMPLOYEES, SERVANTS, AGENTS OR SUBCONTRACTORS, OR ANYONE ELSE UNDER THE CONSULTANT'S DIRECTION AND CONTROL, AND ARISING OUT OF, RESULTING FROM, OR CAUSED BY THE PERFORMANCE OR FAILURE OF PERFORMANCE OF ANY WORK OR SERVICES UNDER THIS AGREEMENT, OR FROM CONDITIONS CREATED BY THE PERFORMANCE OR NON-PERFORMANCE OF SAID WORK OR SERVICES. IN THE EVENT ONE OR MORE OF THE INDEMNITEES IS DETERMINED BY A COURT OF LAW TO BE JOINTLY OR DERIVATIVELY NEGLIGENT OR LIABLE FOR SUCH DAMAGE OR INJURY, THE CONSULTANT SHALL BE OBLIGATED TO INDEMNIFY INDEMNITEES AS PROVIDED HEREIN ON A PROPORTIONATE BASIS IN ACCORDANCE WITH THE FINAL JUDGMENT, AFTER ALL APPEALS ARE EXHAUSTED, DETERMINING SUCH JOINT OR DERIVATIVE NEGLIGENCE OR LIABILITY. THIS INDEMNIFICATION IS SUBJECT TO THE LIMITATIONS IN TEXAS LOCAL GOVERNMENT CODE, § 271.904(A) AND TEXAS CIVIL PRACTICE AND REMEDIES CODE, § 130.002(B), AS SAME MAY BE APPLICABLE TO CONSULTANT AS A MATTER OF LAW.

7.02 NOTHING CONTAINED HEREIN SHALL CONSTITUTE A WAIVER OF GOVERNMENTAL IMMUNITY IN FAVOR OF ANY PARTY.

7.03 CONSULTANT AGREES THAT IT IS AN INDEPENDENT CONTRACTOR AND NOT AN AGENT OF THE TOWN, AND THAT CONSULTANT IS SUBJECT, AS AN EMPLOYER, TO ALL APPLICABLE UNEMPLOYMENT COMPENSATION STATUTES, SO FAR AS TO RELIEVE THE TOWN OF ANY RESPONSIBILITY OR LIABILITY FROM TREATING CONSULTANT'S EMPLOYEES AS EMPLOYEES OF TOWN FOR THE PURPOSE OF KEEPING RECORDS, MAKING REPORTS OR PAYMENTS OF UNEMPLOYMENT COMPENSATION TAXES OR CONTRIBUTIONS. CONSULTANT FURTHER AGREES TO INDEMNIFY AND HOLD THE TOWN HARMLESS AND REIMBURSE IT FOR ANY EXPENSES OR LIABILITY INCURRED UNDER SAID STATUTES IN CONNECTION WITH EMPLOYEES OF CONSULTANT.

7.04 CONSULTANT SHALL DEFEND AND INDEMNIFY AND HOLD THE TOWN HARMLESS FROM ANY AND ALL CLAIMS, SUITS OR LIENS BASED UPON OR ALLEGED TO BE BASED UPON THE NON-PAYMENT OF LABOR, TOOLS, MATERIALS, EQUIPMENT, SUPPLIES, TRANSPORTATION AND MANAGEMENT COSTS INCURRED BY CONSULTANT IN PERFORMING THIS AGREEMENT.

ARTICLE 8: INSURANCE

8.1 Insurance

The Consultant shall provide and maintain insurance as listed in the insurance requirements document.

ARTICLE 9: DEFAULT

In the event Consultant fails to comply or becomes disabled and unable to comply with the provisions of this Agreement as to the quality or character of the service or time of performance, and the failure is not corrected within thirty (30) days after written notice by Town to Consultant, Town may, at its sole discretion without prejudice to any other right or remedy.

- (a) Terminate this Agreement and be relieved of the payment of any further consideration to Consultant except for all work determined by the Town to be satisfactorily completed prior to termination. Payment for work satisfactorily completed shall be for actual costs, including reasonable salaries and travel expenses of Consultant to and from meetings called by the Town at which Consultant is required to attend, but shall not include any loss of profit of Consultant. In the event of such termination, the Town may proceed to complete the services in any manner deemed proper by the Town, either by the use of its own forces or by resubmitting to others. Consultant agrees that any costs incurred to complete the services herein provided for may be deducted and paid by the Town out of such monies as may be due or that may thereafter become due to Consultant under and by virtue of this Agreement.

- (b) The Town may, without terminating this Agreement or taking over the services, furnish the necessary materials, equipment, supplies and/or help necessary to remedy the situation, at the expense of Consultant.

ARTICLE 10: MISCELLANEOUS

10.1 Reuse of Documents:

All documents including Maps, Plans and Specifications provided or furnished by the Consultant pursuant to this Agreement are instruments of service; and Consultant shall retain ownership and property interest therein whether or not the work is completed. The Town may make and retain copies of any plans or specifications provided under this Agreement for the use by Town and others; such documents are not intended or suitable for reuse by Town or others on extension of the Project or on any other Project. Any such reuse without written approval or adaptation by the Consultant for the specific purpose intended will be at the Town's sole risk and without liability to the Consultant.

10.2 Entire Agreement.

This Agreement constitutes the sole and only Agreement of the Parties and supersedes any prior understandings or written or oral agreements between the Parties with respect to this subject matter.

10.3 Assignment.

Neither this Agreement nor any duties or obligations under it shall be assignable by Consultant without the prior written consent of the Town. In the event of an assignment by Consultant to which the Town has consented, the assignee or the assignee's legal representative shall agree in writing with the Town to personally assume, perform, and be bound by all the covenants, obligations, and agreements contained in this Agreement.

10.4 Adjustments in Services/Amendment.

This Agreement may be amended by the mutual written agreement of the Parties. Consultant shall not make any claims for extra services, additional services or changes in the services without a written agreement with the Town prior to the performance of such services.

10.5 Governing law.

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be in Denton County, Texas.

10.6 Notices.

All notices required by this Agreement shall be in writing and addressed to the following, or such other Party or address as either Party designates in writing, by certified mail, postage prepaid or by hand delivery:

Town of Little Elm

Purchasing
100 W. Eldorado Pkwy
Little Elm, TX 75068
214-975-0411
purchasing@littleelm.org

Cobb, Fendley & Associates, Inc.

Ted B. Sugg, Principal
2801 Network Blvd, Suite 800
Frisco, TX 75034
972-335-3214
tsugg@cobbhendley.com

10.7 Legal construction.

In the event any one or more of the provisions contained in this Agreement shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

10.8 Successors and Assigns.

- (a) The Town and Consultant each is hereby bound and the partners, successors, executors, administrators, legal representatives and assigns of Town and Consultant are hereby bound to the other Party to this Agreement and to the partners, successors, executors, administrators, legal representatives and assigns of such other Party in respect of all covenants and obligations of this Agreement.
- (b) Neither the Town nor the Consultant may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other Party, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- (c) Nothing in this Agreement shall be construed to create, impose or give rise to any duty owed by the Consultant to any Consultant, subcontractor, supplier, other person or entity, or to any surety for or employee of any of them, or give any rights in or benefits under this Agreement to anyone other than the Town and the Consultant.

10.9 Conflict.

If a conflict exists between this Agreement, and an Exhibit, the Solicitation, and/or the Response, then such conflicts shall be resolved as follows:

- (a) If a conflict exists between this Agreement and an Exhibit, the Solicitation, or the Response, then this Agreement shall control.
- (b) If a conflict exists between the Response and an Exhibit, the Exhibit shall control.
- (c) If a conflict exists between the Response and the Solicitation, the Solicitation shall control.

10.10 Severability

Any provision or part of this Agreement that is held to be void or unenforceable under any law or regulation or by a court of competent jurisdiction shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the Town and the Consultant, who agree that this Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.11 Captions

The captions used in this Agreement are for convenience only and shall not affect in any way the meaning or interpretations of the provisions set forth herein.

10.12 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on this the ____ day of _____, 2020.

TOWN OF LITTLE ELM

CONSULTANT

Matt Mueller, Town Manager

Exhibit A: 2020 Standard Rate Schedule



2020 Standard Rate Schedule

Senior Engineer V or Principal.....	\$290.00/HR
Senior Engineer IV or Project Manager V.....	\$270.00/HR
Senior Engineer III or Project Manager IV	\$235.00/HR
Senior Engineer II or Project Manager III.....	\$220.00/HR
Senior Engineer I or Project Manager II.....	\$195.00/HR
Engineer III or Project Manager I	\$170.00/HR
Engineer II	\$150.00/HR
Engineer I	\$125.00/HR
Graduate Engineer.	\$105.00/HR
Senior Technician III (GIS, Telecom, Utility, CAD, Field).....	\$165.00/HR
Senior Technician II (GIS, Telecom, Utility, CAD, Field).....	\$145.00/HR
Senior Technician I (GIS, Telecom, Utility, CAD, Field).....	\$125.00/HR
Technician III (GIS, Telecom, Utility, CAD, Field).....	\$100.00/HR
Technician II (GIS, Telecom, Utility, CAD, Field).....	\$80.00/HR
Technician I (GIS, Telecom, Utility, CAD, Field).....	\$60.00/HR
Licensed State Land Surveyor.....	\$235.00/HR
Senior Registered Professional Land Surveyor.	\$210.00/HR
Registered Professional Land Surveyor	\$170.00/HR
4 Person Survey Crew.....	\$190.00/HR
3 Person Survey Crew.....	\$170.00/HR
2 Person Survey Crew.....	\$145.00/HR
1 Person Survey Crew.....	\$105.00/HR
2 Person Hy-Drone Crew.....	\$340.00/HR
2 Person UAV Drone Crew	\$235.00/HR
Construction Manager III.....	\$280.00/HR
Construction Manager II.....	\$230.00/HR
Construction Manager I.....	\$185.00/HR
Construction Observer III	\$155.00/HR
Construction Observer II	\$130.00/HR
Construction Observer I.....	\$110.00/HR
Sr. Right-of-Way Agent III or ROW Project Manager III.....	\$250.00/HR
Sr. Right-of-Way Agent II or ROW Project Manager II.....	\$200.00/HR
Sr. Right-of-Way Agent I or ROW Project Manager I.....	\$180.00/HR
Right-of-Way Agent III or ROW Attorney	\$160.00/HR
Right-of-Way Agent II.....	\$140.00/HR
Right-of-Way Agent I	\$110.00/HR
Right-of-Way Technician.....	\$100.00/HR
Administrative	\$105.00/HR
Clerical	\$80.00/HR
Field Data Device	\$40.00/HR/unit



Date: 05/18/2021
Agenda Item #: 6. G.
Department: Administrative Services
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Consider Action to Approve a **Dedication Agreement for Right of Way Property between MM Little Elm 548, LLC and the Town of Little Elm.**

DESCRIPTION:

Several of the builders that are taking down lots in the Spiritas development do not have access from US 380 or FM 720 due to where their lots are located on the site plan. Without access from the future road of Ryan Spiritas Parkway, they would be stranded. This agreement would allow the road to be dedicated to the Town to ensure that the builders have access.

A final version of the agreement will be presented at the meeting.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Draft Dedication Agreement for ROW Property - Spiritas

DEDICATION AGREEMENT FOR RIGHT OF WAY PROPERTY

THIS DEDICATION AGREEMENT FOR RIGHT OF WAY PROPERTY (this “Agreement”) is entered into by and between MM Little Elm 548, LLC, a Texas limited liability company (“MMLE”) and Town of Little Elm, Texas (“Town”) and.

RECITALS

WHEREAS, MMLE is the owner of the real property located in the Town of Little Elm, Denton County, Texas, as more particularly described in **EXHIBIT A** attached hereto and made a part hereof for all purposes (the “MMLE Tract”)

WHEREAS, MMLE desires to dedicate a portion of the MMLE Tract to Town for a future right of way (the “Dedicated Parcel”), as more particularly described in **EXHIBIT B** attached hereto and made a part hereof for all purposes.

WHEREAS, Town is willing to accept the dedication of the Dedicated Parcel from MMLE conditioned upon MMLE’s performance of its agreements and obligations set forth herein.

AGREEMENT

NOW, THEREFORE, for and in consideration of Ten Dollars (\$10.00), the mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged, MMLE and Town agree to the terms and provisions hereinafter set forth.

1. MMLE will dedicate, by written dedication deed (the “Deed”) in the form as set forth in **EXHIBIT C** attached hereto and made a part hereof for all purposes, the Dedicated Parcel to Town conditioned upon MMLC performing the following obligations:
 - A. MMLE agrees that it will construct the road and related infrastructure located within the Dedicated Parcel at its sole cost and expense.
 - B. MMLE agrees to indemnify and agrees to hold Town harmless from all liability loss or damage of any nature, including legal fees, and expenses sustained or incurred as a result of this Agreement, the Deed, and the Dedicated Parcel, which Town may sustain or incur resulting from any and all claims by any third parties, from the effective date of this Agreement until the last to occur of completion of the construction of the road and related infrastructure in the Dedicated Parcel and acceptance of the road and related infrastructure by Town in the Dedicated Parcel. This obligation shall survive any acceptance of the road by the Town for those claims that arose during the covered period described in this indemnity.
 - C. MMLE agrees that Town shall have the right to delay the recording of the final

plat of any portion of the MMLE Tract until such time as Town accepts the road and related infrastructure improvements from MMLE.

D. MMLE shall provide a title commitment to Town that demonstrates the Dedicated Parcel is free and clear of all liens and other encumbrances.

2. The Deed dedicating will contain restrictions limiting Town's use of the Dedicated Parcel to public right of way and ancillary facilities only. Town may not use the Dedicated Parcel for any other uses and may not sell or transfer it. The Deed shall contain a reservation of a temporary access and construction easement by MMLE for the purposes of construction the road and related infrastructure in the Dedicated Parcel and for the purposes of providing access to the rest of the MMLE Tract, which rights of access may be assigned by MMLE to future owners of any part of the MMLE Tract.
3. Miscellaneous. (a) Any notice or communication required or permitted hereunder shall be deemed to be delivered and received when actually received by the intended recipient or, whether actually received or not, when (a) deposited in the United States mail, postage fully prepaid, registered or certified mail, return receipt requested, addressed to the intended recipient at the address shown below, (b) deposited with a nationally recognized overnight delivery service (i.e. Federal Express), service fully paid for, addressed to the intended recipient at the address shown below, or (c) transmitted by facsimile (with confirmed transmission) to the intended recipient at the facsimile number shown below.

If to MMLE: MM Little Elm 548, LLC
 1800 Valley View Lane, Suite 300
 Farmers Branch, Texas 75234
 Attention: Mehrdad Moayed
 Telephone: (469) 892-7200
 Facsimile: (469) 892-7201
 Email: c/o laura@centurionamerican.com

With a copy to: MM Little Elm 548, LLC
 1800 Valley View Lane, Suite 300
 Farmers Branch, Texas 75234
 Attention: Travis Boghetich
 Telephone: (469) 892-7200
 Facsimile: (469) 892-7201
 Email: travis@centurionamerican.com

If to Town: Town of Little Elm, Texas
 Attn: _____

 Telephone: _____
 Facsimile: _____
 Email: _____

(b) This Agreement contains all the covenants, agreements and understandings between the parties and shall supersede all prior covenants, conditions, agreement and understandings between MMLE and Town with respect to all other matters contained in this Agreement.

(c) This Agreement may not be altered, amended, modified or waived in any respect unless the same shall be in writing and executed by all of the parties hereto.

(d) This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto, their respective heirs, legal representatives, successors and assigns.

(e) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

(f) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute but one instrument. Facsimile signatures shall be deemed original signatures for all purposes.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

Executed and Effective on the _____ day of _____, 2021.

MM LITTLE ELM 548, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

TOWN OF LITTLE ELM, TEXAS

By: _____
Name: _____
Title: _____

Exhibit A
MMLE Tract

Exhibit B
Dedication Parcel

Exhibit C
Form of Deed

AFTER RECORDING RETURN TO:

Town of Little Elm

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DEDICATION DEED

STATE OF TEXAS

§

§

KNOW ALL BY THESE PRESENTS THAT:

COUNTY OF DENTON

§

THAT **MM LITTLE ELM 548, LLC**, a Texas limited liability company ("**Grantor**") DEDICATES, GIFTS and CONVEYS, with full intention, the property herein described, unto **TOWN OF LITTLE ELM** ("**Grantee**") as a dedication of real property in fee simple. Grantor retains no reversionary right or interest in and to the property, except as to the Temporary Construction Easement and the Temporary Access Easement. Grantor hereby DEDICATES, GRANTS AND CONVEYS unto Grantee all of Grantor's right, title and interest in and to that certain tracts and lots of real property located in Denton County, Texas, as more particularly described on **Exhibit "A"** attached hereto and incorporated herein by reference for all purposes, together with all improvements thereon, and all rights, benefits, privileges, tenements, hereditaments, rights of way, easements, appendages and appurtenances relating thereto (collectively referred to as the "**Property**").

Grantor reserves a Temporary Construction Easement (herein so called) on, over and across the Property for each of the following uses and purposes:

- (i) access, ingress and egress in furtherance of the construction of street and paving improvements and ancillary improvements within the Property; and
- (ii) the temporary placement of excavated material and storage of construction equipment, vehicles and materials as necessary to construct the street and paving improvements and ancillary improvements.

This Temporary Construction Easement is a temporary easement only and will automatically expire upon the earlier of: (i) 48 months after the effective date of this document, or (ii) completion of all street and paving improvements and ancillary improvements work on the Property and acceptance of those improvements by the Grantee.

Grantor reserves a Temporary Access Easement (herein so called) on, over and across the

Property for each of the following uses and purposes:

(i) vehicular and pedestrian ingress and egress to and from Grantor's adjacent property (the "Grantor's Property") as more particularly described on **Exhibit "B"** attached hereto and incorporated herein by reference for all purposes; and

(ii) installation of temporary improvements in the Temporary Access Easement to permit easier ingress and egress to the Grantor's Property during the term hereof.

This Temporary Access Easement is a temporary easement only and will automatically expire upon the earlier of: (i) 48 months after the effective date of this document, or (ii) completion of all street and paving improvements and ancillary improvements work on the Property and acceptance of those improvements by the Grantee.

Upon the Effective Date of this Deed, Grantee agrees that, if required by law to do so, Grantee will timely advise the applicable taxing authority of the change in ownership of the Property to Grantee.

This conveyance is made and accepted subject to (a) zoning laws and regulations and ordinances of municipal and other governmental authorities, if any, affecting the Property, and (b) all matters affecting the Property and filed of record in the real property records of Denton County, Texas (hereinafter collectively referred to as the "**Permitted Exceptions**").

TO THE MAXIMUM EXTENT PERMITTED BY LAW, AND SUBJECT TO THE ABOVE EXPRESSED PROVISIONS OF THIS DEED, GRANTEE IS ACCEPTING THE PROPERTY IN AN "AS IS," "WHERE IS," CONDITION "WITH ALL FAULTS," SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, OF ANY KIND, ORAL OR WRITTEN, EXPRESS, IMPLIED, OR STATUTORY, FROM OR ON BEHALF OF THE GRANTOR, CONCERNING THE PROPERTY OR THIS DEED.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereof in anywise belonging unto Grantee, its successors and assigns forever, and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular such premises unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under the Grantor, but not otherwise.

EXECUTED as of this ____ day of _____ 2021.

GRANTOR:

MM Little Elm 548, LLC,
a Texas limited liability company

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

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

By: _____
Name: Mehrdad Moayed
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of _____, 20____, by Mehrdad Moayed, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Little Elm 548, LLC, a Texas limited liability company on behalf of said company.

Notary Public, State of Texas



Date: 05/18/2021
Agenda Item #: 7. A.
Department: Finance
Strategic Goal: Ensure excellence in public services while keeping up with the growth in the community
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Hold a Public Hearing to **Consider Testimony Related to Rudman Tract Public Improvement District Service and Assessment Plan, Including the Phase #2 Direct Improvement Assessment Roll.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:

DESCRIPTION:

The Town Council will conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final, updated Rudman Tract Public Improvement District Service and Assessment Plan, including the Phase #2 Direct Improvement assessment roll; making a finding of special benefit to property within Phase #2 of the Rudman Tract Public Improvement District; levying special assessments against such property and establishing a lien on such property; and providing for the method of assessment and the payment of the assessments levied against the assessed property in accordance with Chapter 372 of the Texas Local Government Code, as amended.

Phase # 2 allows for the development of improvements in the amount of \$9,160,000 reference in the final Service and Assessment Plan. Such public improvements may include:

- Roadway Improvements including Right-of Way \$4,351,483
- Water distribution system improvements \$673,280
- Sanitary sewer collection system improvements \$1,931,897
- Storm drainage collection system improvements \$1,108,974
- Other soft and miscellaneous costs \$1,196,250

Such levy assessments through the acceptance of the Service and Assessment Plan allow for billing and collection of installments to service the direct public improvements in this District. For purposes of calculating and allocating the assessments, the Assessed Property has been classified in one of two Lot Types. Below is a table referencing the proposed development for Phase #2.

- 50 Ft Lots - 125 units with estimated average unit value \$393,000
- 60 Ft Lots - 81 units with estimated average unit value \$452,000

Table D-11
Assessment per Unit – Phase #2 (for Phase #2 Direct Improvements)

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
<u>Residential</u>						
Lot Type 1	81	\$48,274.04	1.00	\$48,274.04	per dwelling unit	\$3,910,198
Lot Type 2	125	\$48,274.04	0.87	\$41,998.42	per dwelling unit	\$5,249,802
Total	206					\$9,160,000

BUDGET IMPACT:
 There is no budget impact to the Town for this item.

RECOMMENDED ACTION:
 Staff recommends holding such Public Hearing to allow for testimony related to this development.





Date: 05/18/2021
Agenda Item #: 7. B.
Department: Development Services
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Fred Gibbs, Director of Development Services

AGENDA ITEM:

Continue a Public Hearing, Present, Discuss, and Consider Action to **Rezone Approximately 4.4 acres of Land from Lakefront (LF) w/ Specific Use Permit for Child Care Center to Planned Development-Lakefront (PD-LF) to Allow for the Use of Mixed-Use and Commercial with Modified Development Standards, Generally Located at the Southwest Corner of Eldorado Parkway and Hillside Drive, within Little Elm's Town Limits.**

Public Hearing Continued:

Receive Public Comments:

Close Public Hearing:

Take Action:

DESCRIPTION:

At the January 5, 2021 Town Council meeting, Town Council directed the applicant to provide the following:

- More detailed information associated with the proposed elevations regarding materials and color pallets for garages along with additional details regarding exterior and interior finish materials.
- Additions to the proposed landscape plan providing additional tree plantings along the western boundary to mitigate visibility between Eldorado Parkway and the western facing garages.
- A POA document formed and executed for the property including language for shared use of dumpsters.

At the February 2, 2021 Town Council meeting, Council voted to continue the item to the February 16, 2021 Town Council meeting as the applicant had provided updated plans to staff but had not yet formed and executed the above-mentioned POA document. At this time, the applicant is still in the process of forming and executing the POA document.

UPDATE: May 12, 2021:

The applicant has provided additional details required from Council from the January 5 meeting. Attached you will find the new PD, and all the associated documents that Council requested.

- New Planned Development Ordinance
- Garage Door elevations
- Appliance package
- New Landscaping Plan
- Site Plan
- Condo Interior Layouts
- New Detail Elevations
- 4 interior finish out options

The applicant has expressed that some items, specifically the interior layouts may change some due to the fact that they haven't finalized the building plans for the development.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff requests direction from Council.

Attachments

Planned Development Ordinance

ORDINANCE NO. 1581

AN ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS, HEREOF AMENDED, BY REZONING APPROXIMATELY 4.4 ACRES OF LAND FROM LAKEFRONT (LF) WITH SPECIFIC USE PERMIT FOR CHILD CARE CENTER TO PLANNED DEVELOPMENT-LAKEFRONT (PD-LF) WITH SPECIFIC USE PERMIT FOR CHILD CARE CENTER, TO ALLOW FOR THE USE OF COMMERCIAL AND MIXED USE WITH MODIFIED DEVELOPMENT STANDARDS, GENERALLY LOCATED AT THE SOUTHWEST CORNER OF HILLSIDE DRIVE AND ELDORADO PARKWAY; CORRECTING THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE, PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Little Elm ("Town") is a home rule municipal corporation organized and existing by virtue of the Constitution and laws of the State of Texas and by its Charter adopted on May 1, 2001; and

WHEREAS, the Town possesses all the rights, powers, and authorities possessed by all home rule municipalities, including the authority to regulate land uses under Chapter 211 of the Texas Local Government Code; and

WHEREAS, the Town Council, in 2003, reclassified the base zoning district and rezoned the property for commercial uses; and

WHEREAS, the applicant, Matt Mahdi Shekari, has requested to rezone the subject property, more specifically described on the attached Location Map, to allow for commercial and mixed use with modified development standards; and

WHEREAS, the Town Council and the Planning and Zoning Commission, in accordance with state law and the applicable ordinances of the Town, have given the required notices and held the required public hearings regarding the request to rezone the subject property contained in this Ordinance; and

WHEREAS, and after due deliberations and consideration of the recommendation of the Planning and Zoning Commission and any other information and materials received at the public hearing, the Town Council of the Town of Little Elm, Texas, has determined that the requested zoning would be in the interest of public health, safety and welfare of the citizens of the Town of Little Elm.

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

SECTION 1. INCORPORATION OF PREMISES. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2. ZONING AMENDMENT. The Comprehensive Zoning Ordinance of the Town, is hereby amended by providing for a Planned Development district (PD) on approximately 4.4 acres of land, to allow for the use of commercial and mixed use with modified development standards, generally located at the southwest corner of Hillside Drive and Eldorado Parkway, a tract of land more particularly described on Location Map, attached hereto, subject to all of the terms and conditions set forth herein, and all other applicable ordinances, laws, rules, regulations, and standards.

SECTION 3. CONDITIONS. The following special ordinance provisions shall apply to the subject property:

The permitted uses and standards shall be in accordance with the Lakefront (LF) zoning district, and other applicable site development standards as laid out in the Town's Zoning Ordinance, as amended, unless otherwise specified herein:

- 1) **Changes to the adopted plans** – the project shall develop according to the updated site plan, landscape plan, and mixed-use structure elevations adopted within this ordinance.
- 2) **Block Face Requirement** - as approved by Town Council on July 5, 2017, development within this PD District is exempt from this requirement
- 3) **Dumpsters** - an off-site dumpster for proposed Lot 3 is permitted as shown on proposed Lot 1R on the site plan exhibit adopted with this PD. A shared use dumpster agreement shall be executed and noted on the plat associated with the future proposed subdivision prior to the plat being recorded with Denton County.
- 4) **Accessory Structures** – proposed accessory structures within this District shall be reviewed at the discretion of the Development Services Director. Appeals to the Director's decision shall go before the Planning & Zoning Commission, appeals to the Commission's decision shall go before Town Council for final consideration.
- 5) **Future Building & Construction Permits**
 - a. Interior layouts associated with this PD are attached and within the DA.
 - b. Future construction and building permit applications are subject to meeting relative International Codes and Engineering Design Standards, as amended.
 - c. Potential changes to plans may also be subject to additional review and approval by USACE and/or TXDOT.

SECTION 4. SAVINGS. This Ordinance shall be cumulative of all other ordinances of the Town, and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the

provisions of this Ordinance; provided, however, that any complaint, notice, action, cause of action, or claim which prior to the effective date of this Ordinance has been initiated or has arisen under or pursuant to such other ordinance(s) shall continue to be governed by the provisions of that ordinance or those ordinances, and for that purpose that ordinance or those ordinances shall be deemed to remain and shall continue in full force and effect.

SECTION 5. ZONING MAP. The official zoning map of the Town shall be amended to reflect the change in zoning made by this ordinance.

SECTION 6. PENALTY. Any person, firm, or corporation violating any of the provision of this ordinance shall be punished by a penalty of a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense and each and every day such offense shall continue shall be deemed to constitute a separate offense.

SECTION 7. SEVERABILITY. The sections, paragraphs, sentences, phrases, and words of this Ordinance are severable, and If any section or provision of this ordinance or the application of that section or provision to any person, firm, corporation, situation or circumstance is for any reason judged invalid or unconstitutional, the adjudication shall not affect any other section or provision of this ordinance or the application of any other section or provision to any person, firm, corporation, situation or circumstance, nor shall adjudication affect any other section or provision of the Comprehensive Zoning Ordinance of the Town of Little Elm, Texas, and the Town Council hereby declares that it would have adopted the valid portions and applications of the ordinance without the valid parts and to this end the provisions of this ordinance shall remain in full force and effect.

SECTION 8. REPEALER. That all ordinances of the Town of Little Elm in conflict with the provisions of this ordinance be and the same are hereby repealed to the extent of that conflict.

SECTION 9. EFFECTIVE DATE. Upon adoption, this Ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by law and the Town Charter.

PASSED AND APPROVED by the Town Council of the Town of Little Elm, Texas on the 15th day of December, 2020.

ATTEST:

The Town of Little Elm, Texas

Kathy Phillips, Town Secretary

David Hillock, Mayor



Subject Property

Source: Google imagery Date: 9/7/2019

Location Map



Legend

Subject Property

Town Limits

**Lakeshore Plaza
Block A/Lot 1**



LITTLE ELM
Town of Little Elm
Denton County, TX
Date: 10/22/2020



0 0.025 0.05 Miles

This map is the property of the Town of Little Elm, and is not to be reproduced by any means, mechanical or digital, without written consent of the Town.

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Colors



TRUE WHITE (TW)



ALMOND (AL)



WICKER TAN (WK)



SANDSTONE (ST)



TERRATONE (TT)



DARK BROWN (DN)



GOLDEN OAK (OG)†



WALNUT (NT)†



MAHOGANY (MT)†

Amarr steel doors are pre-painted;
for custom colors, exterior latex paint
must be used.

Visit amarr.com for instructions on
painting. Actual paint colors may vary
from samples shown.

† Price upcharge applies.



SOJOURN

CASTLE HILLS



**36-inch Wide Side-by-Side Counter
Depth Refrigerator with StoreRight™
Dual Cooling System—23 cu. ft.**

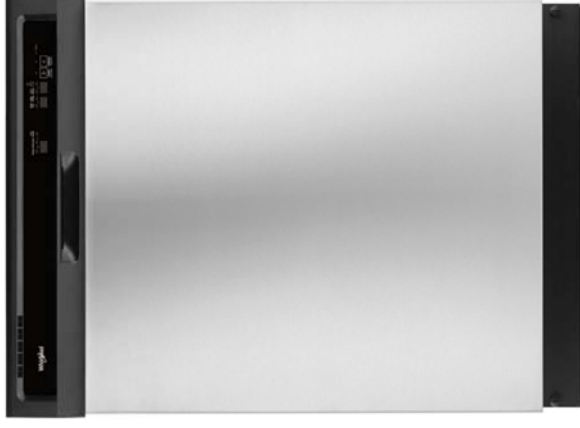


1.7 cu. ft. Microwave Hood Combination with Electronic Controls



**4.8 Cu. Ft. Freestanding Electric Range
with FlexHeat™ Dual Radiant Element**

Whirlpool®
Appliance Package



**Heavy-Duty Dishwasher with 1-Hour
Wash Cycle**

Note: Subject to change based on availability

REQUIRED POINTS FOR THIS SITE	20 POINTS
Enhanced Hardscape Paving	5 POINTS
Enhanced Landscaping	5 POINTS
Enhanced Sign Canopy	5 POINTS
Enhanced Streetscape Elements	5 POINTS

INTERIOR LANDSCAPE REQUIREMENTS:

- GROSS VEHICULAR USE AREA (PAVEMENT) = 40,254.0 SF
- 10% OF GROSS VEHICULAR USE AREA = 4,025.40 SF
- INTERIOR LANDSCAPE REQUIRED = 4,025.40 SF
- INTERIOR LANDSCAPE PROVIDED = 24,340.5F (BUFFERS N.L.)
- SURPLUS INTERIOR LANDSCAPE PROVIDED = 21,315.1 SF

REQUIRED TREES: 10 TREES

REQUIRED: 20' LANDSCAPE BUFFER ADJACENT TO PUBLIC R.O.W.
PROVIDED: 20' LANDSCAPE BUFFER ADJACENT TO PUBLIC R.O.W. (5,800 SF)
REQUIRED: 10' LANDSCAPE BUFFER BETWEEN ADJACENT PROPERTIES
PROVIDED: 10' LANDSCAPE BUFFER ALONG WEST PROPERTY LINE (1,917 SF)
REQUIRED TREES IN 20' LANDSCAPE BUFFER: 13 CANOPY TREE/30 (1) 2167/70
PROVIDED TREES IN 20' LANDSCAPE BUFFER: 13 CANOPY TREE/30 (1) = 12 TREES

A. The owner, tenant, and two agents, if any, shall be jointly and severally responsible for the maintenance of all landscaping. All employee landscaping shall be maintained in a neat and orderly manner at all times. This shall include mowing, edging, pruning, fertilizing, watering, weeding, and such activities common to the maintenance of landscaping.

are. All shipments will maintain viability as approved by the Director. All postage refundable for express control will be maintained. The Town may request reimbursement to prevent erosion or slippage.

H. Required handpumped gear areas and distal end areas will be completely covered by living plant material, per the Landscape Criteria.

4. **Quality.** Patent materials used in compliance with the provisions of this ordinance shall conform to the standards of the American Standard for Primary Colours, or related standards. Colors used, but not part of the standard, shall be approved by the City Engineer. Colors used, but not part of the standard, shall be chosen and reasonably free of shades and tints of red, orange and yellow.

[illegible]

5. Time usually will be a minimum 20 minutes but is often with generally average lengths and widths.

E. Virus. Virus should be a minimum of two (2) mg (2 mg) immediately after printing and may be used in conjunction with therm, acetone, or each in combination. The amount of virus used should be determined by the user. Specific formulae in this chapter may be approved to achieve certain images.

Fit/Measure: Horizontal landscape elements, where required, should utilize similar vertical step forms, where appropriate.

with the approved seedbed plan.

Bar Oak	Shumard Red Oak	Cedar Elm	Chinese Pistache	Ford Cypress	Ulmus parviflora 'Dwarf'
Mexican Fiddleglossa	Dead Man's Maple	Lambert	Vine Tree	Mexican Green Mountain yucca	
Spanish Lavender	Spinesc Pinyon Pear Cactus	Ruth	Santolina chamaecristarubra	Large Moss Bouleaux	Yucca filamentosa 'Color Breaker'
Red Oaks					

UNITED STATES OF AMERICA
O. R. D. C. T.
GARZA-LITTLE ELM DAM & RESERVOIR
VOL. 592, PG. 537.

1. All landscape areas are to be removed within 1" of proposed finish grade and free from trash and debris.

Technology and till into the top 3" of the existing soil. Install all shrubs 1" above finish grade and fertilize with Agri-Farm slow release fertilizer tablets at the manufacturer's recommended rates of application. Top dress all planting beds with a 2" layer of shredded hardwood mulch.

4. All planting beds not formed by a concrete curb or sidewalk are to be edged with Steel Edging (1/8" x 4" painted green) or an approved equivalent. All additional materials to be installed for the borders of shrub areas.

otherwise noted on the plan.

- Hydromulch with Bermudagrass seed at a rate of two (2) pounds per one thousand (1,000) square feet. If installation occurs between September 1 and April 1, all hydromulch areas to be Winter Ryegrass at a rate of four (4) pounds per thousand square feet. Contractor shall be required to re-hydrumulch with Bermudagrass the following growing season.

Water at soil thoroughly.

11. All turf and planting beds to be zoned separately. All planting bed heads to be on 12" pop-up risers. All turf equipment to be pop-up risers. All valves to be plastic valves. All equipment to be Rainbird or approved equal.

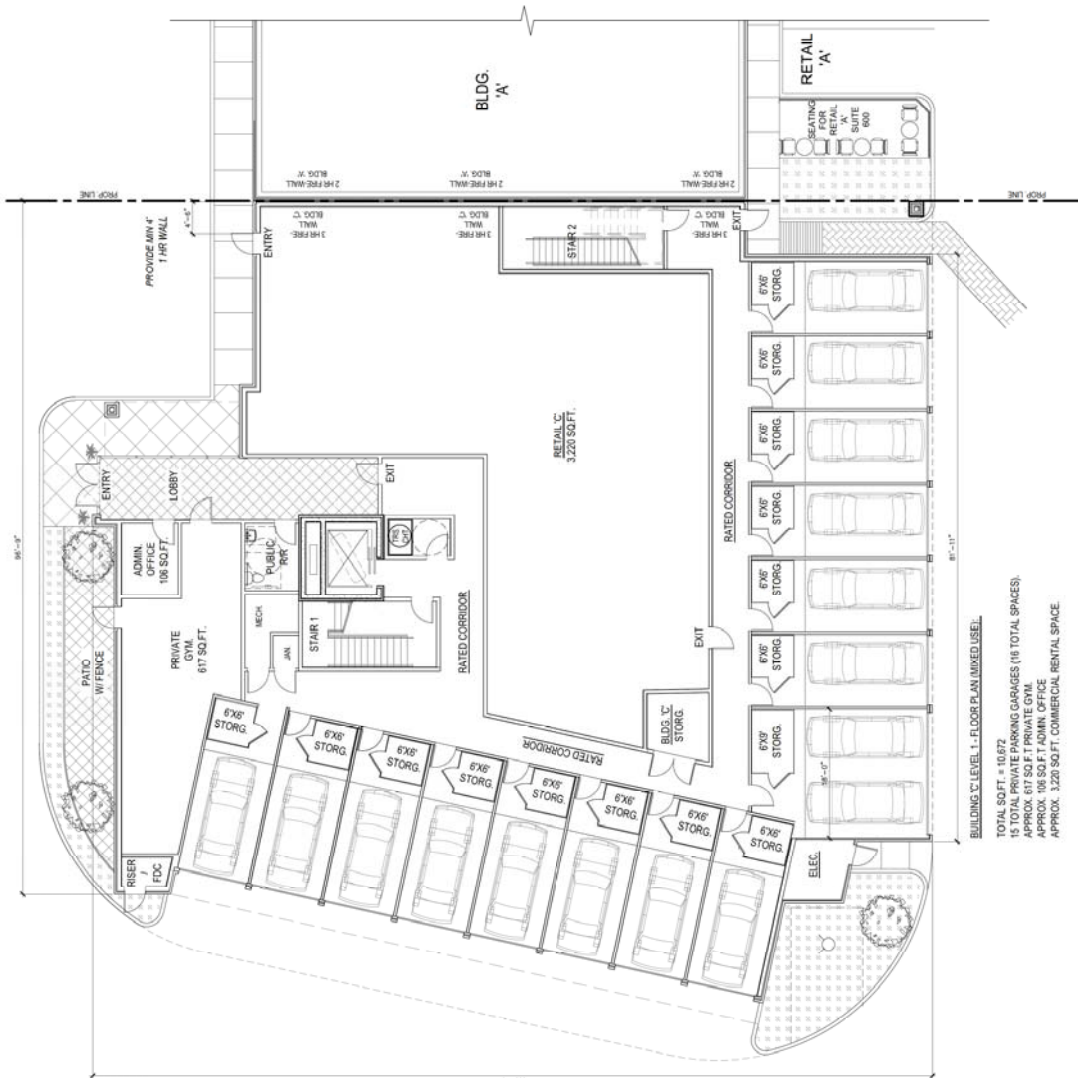
IRRIGATION NOTES:

1. All landscaped areas shall be irrigated with an automatic irrigation system capable of providing the proper amount of water for the particular type of plant material used. Irrigation will be provided regardless of quantities designated in plant list.

3. Areas of open space which contain preserved trees need not be irrigated if the City Arborist determines irrigation would be harmful to the preserved trees.



ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED



BUILDING 'C' LEVEL 1 - FLOOR PLAN MIXED USE.
TOTAL SQ. FT. = 10,672
15 TOTAL PRIVATE PARKING GARAGES (16 TOTAL SPACES)
APPROX. 617 SQ. FT. PRIVATE GYM
APPROX. 108 SQ. FT. ADMIN. OFFICE
APPROX. 3,220 SQ. FT. COMMERCIAL RENTAL SPACE

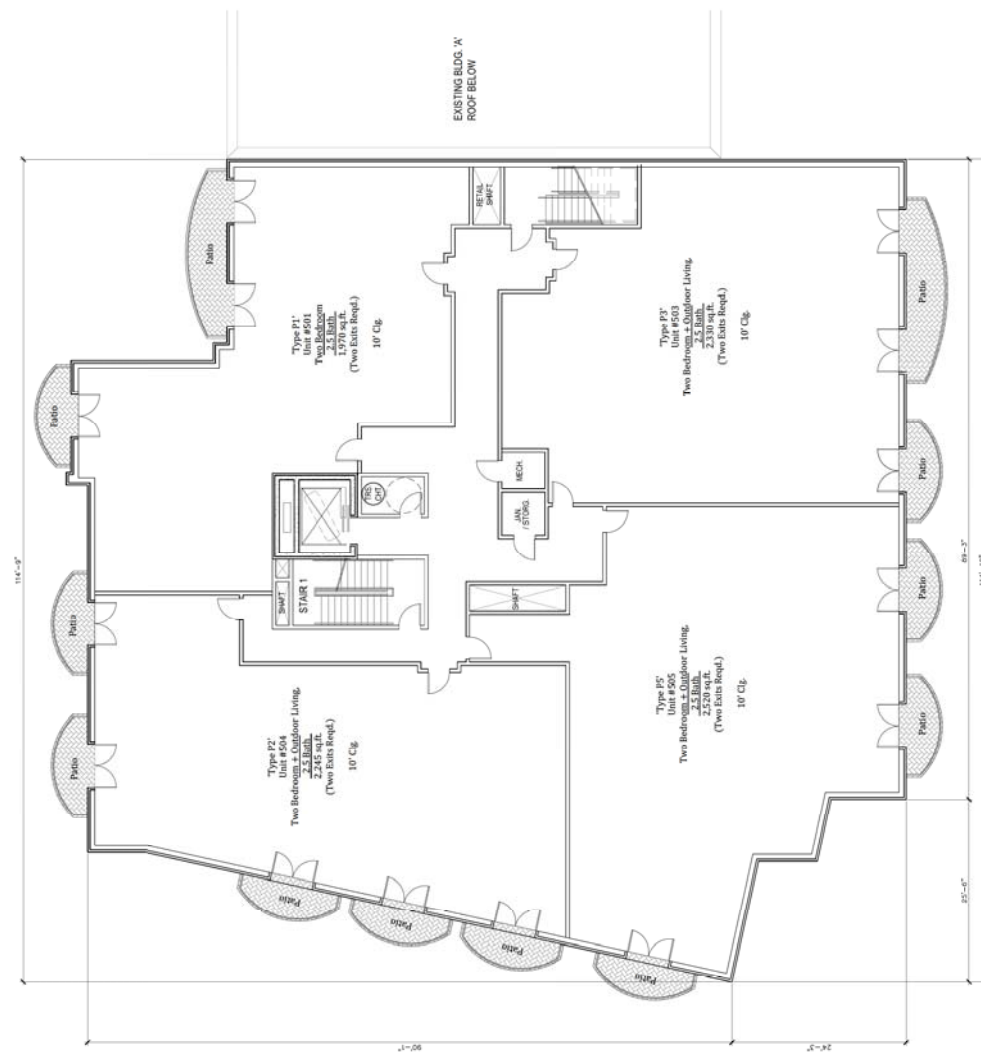


Level 1 - Overall
01
1/8" = 1'-0"

UNIT MATRIX		BEDROOM COUNT	SIZE	DESCRIPTION	%
TYPE	COUNT				
1	3	ONE BR	975 LIVING	STREET-FACING	12%
2	3	ONE BR	920 LIVING	STREET-FACING	12%
3	3	TWO BR	1058 LIVING	LAKE-FACING	12%
4	3	ONE BR	970 LIVING	STREET-FACING	12%
5	3	TWO BR	1050 LIVING	LAKE-FACING	12%
7	3	TWO BR	1050 LIVING	LAKE-FACING	12%
8	3	TWO BR	1170 LIVING	STREET & LAKE-VIEWS	12%
P1	1	TWO BR	1970 LIVING	STREET-FACING	4%
P2	1	TWO BR	2245 LIVING	STREET & LAKE-VIEWS	4%
P3	1	TWO BR	2330 LIVING	LAKE-FACING	4%
P5	1	TWO BR	2520 LIVING	LAKE-FACING	4%
25		9X1 16X1 2BR			100%

(36% 1 BR / 64% 2 BR)

TOTAL



Level 5

01

1/8" = 1'-0"

PLAN NORTH

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED

BUILDING LEVEL 5 - FLOOR PLAN (PENTHOUSE LIVING UNITS)
 GRAND TOTAL SQ. FT. = 11,250 (NOT INCLUDING PATIOS)
 TOTAL CIRCULATION / SUPPORT = 2,114
 TOTAL UNIT SQ. FT. = 9,065 SQ. FT.
 4 TOTAL 2-BEDROOM UNITS

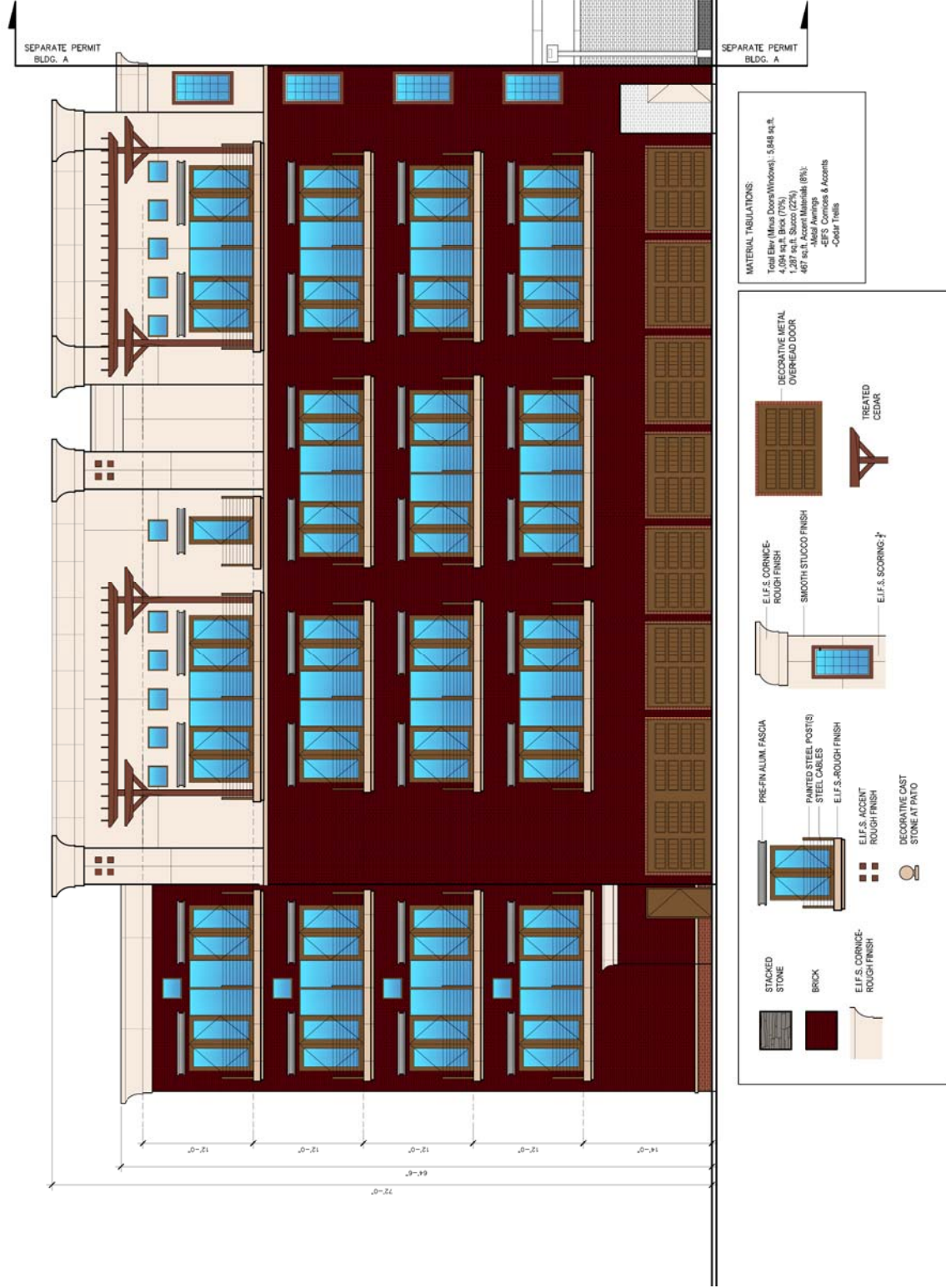
UNIT MATRIX		BEDROOM COUNT		SIZE		DESCRIPTION		%	
TYPE	COUNT								
1	3	ONE BR		975 LIVING		STREET-FACING		12%	
2	3	ONE BR		920 LIVING		STREET-FACING		12%	
3	3	TWO BR		1595 LIVING		LAKE-FACING		12%	
4	3	ONE BR		970 LIVING		STREET-FACING		12%	
5	3	TWO BR		1550 LIVING		LAKE-FACING		12%	
7	3	TWO BR		1550 LIVING		LAKE-FACING		12%	
8	3	TWO BR		1470 LIVING		STREET & LAKE-VIEWS		12%	
P1	1	TWO BR		1970 LIVING		STREET-FACING		4%	
P2	1	TWO BR		2245 LIVING		STREET & LAKE-VIEWS		4%	
P3	1	TWO BR		2330 LIVING		LAKE-FACING		4%	
P5	1	TWO BR		2520 LIVING		LAKE-FACING		4%	
TOTAL		9X 1 BR / 16X 2BR						100%	
								(36% 1 BR / 64% 2 BR)	

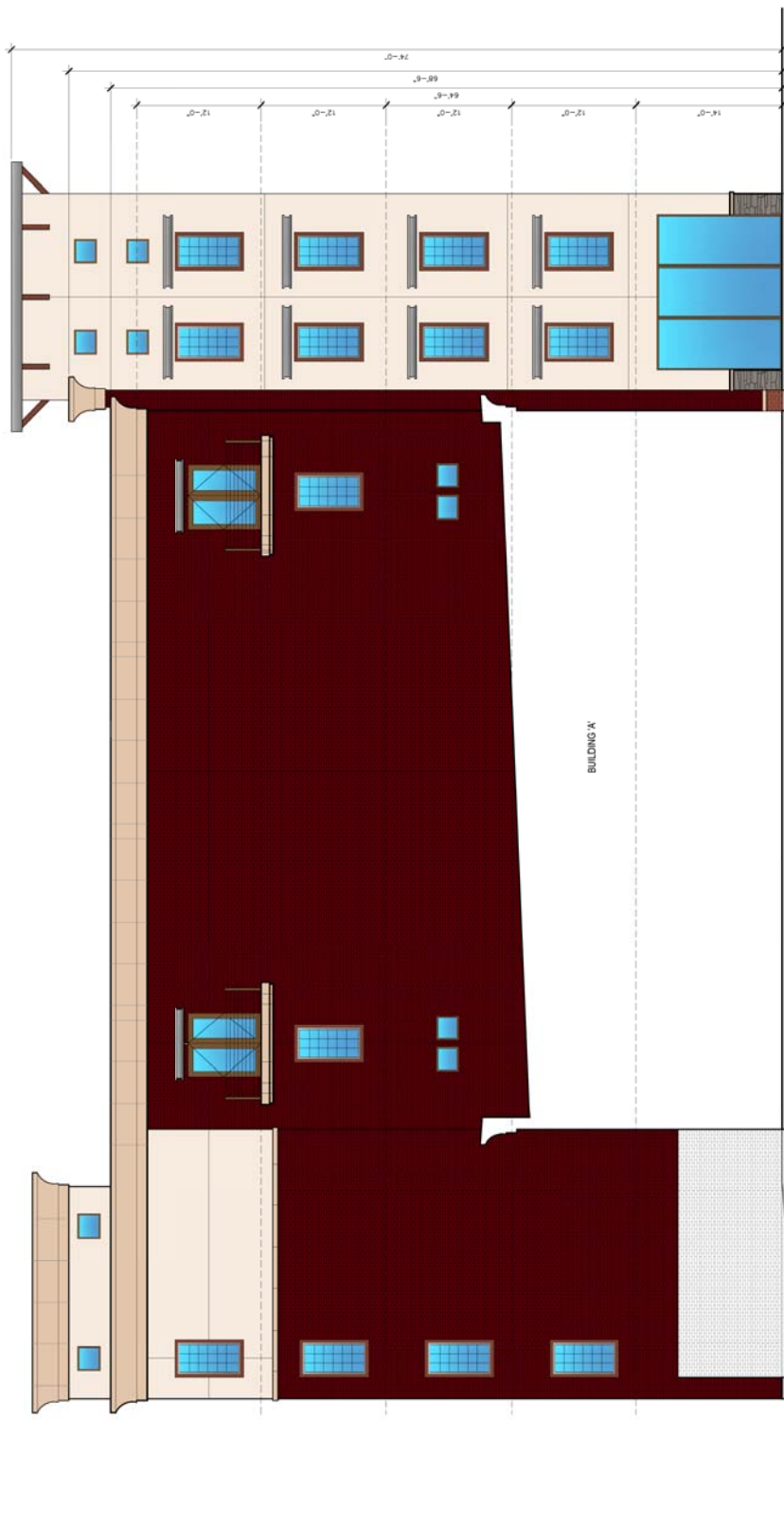


01 Front Elevation-Building 'C' (North)
3/16" = 1'-0"

$$\frac{3/16'' = 1'-0''}{\text{any } \phi \text{ (in)}}$$

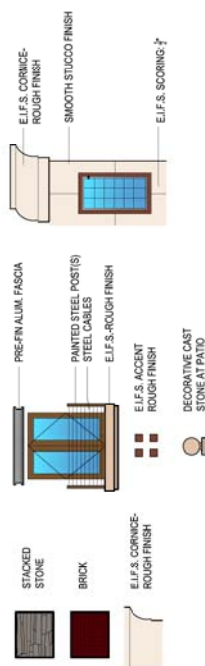
ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED





MATERIAL TABULATION\$:

Total Eler (Minus Doors/Windows): 5,507 sq.ft.
 3,305 sq.ft. Brick (60%)
 1,707 sq.ft. Stucco (31%)
 165 sq.ft. Stacked Stone (3%)
 330 sq.ft. Accent Materials (6%):
 -Metal Awnings
 -EFS Cornices & Accents



"LAKESHORE LOFT #1" - DARK MODERN CABINETS, INTRICATE COUNTER, WARM GRAYS *FINISHES AND FIXTURES ARE SUBJECT TO CHANGE BASED ON AVAILABILITY

COLOR PALETTE



WALL
SHERWIN WILLIAMS
FUNCTIONAL GREY



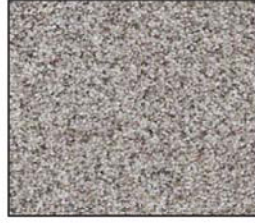
TRIM
SHERWIN WILLIAMS
ALABASTER



ACCENT
SHERWIN WILLIAMS
URBANE BRONZE
*REFERENCE ONLY
NOT USED IN UNIT



LVT
NUCORE
LIGHT GRAY PLANK



CARPET
SHAW FLOORS
OUR HOME III - DOWNTOWN



CEILING FAN
KITCHLER 330002NI
VASSAR 52" BRUSHED NICKEL



FIRE RATED RECESSED CAN FIXTURE
RP LIGHTING



ISLAND ACCENT LIGHTING
ELAN LIGHTING 84021ZIN
9.75" HANGING GLOBE

LIGHTING FIXTURES

FLOORING

LIGHTING FIXTURES

BATH



BATH/VANITY LIGHT
AFX LIGHTING-CHARLOTTE LED
VANITY 4.5"H x 3.375"W x 41.25"



MANHATTAN SLAB
SLATE



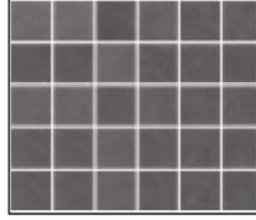
HARDWARE
#1600-96 CKP BRAND
LINEAR - BRUSHED NICKEL



GRANITE COUNTERTOP
MSI STONE
LUNA PEARL



WALL TILE
FLORIDA TILE - EDGE
CARBON - BRICK LAY



SHOWER FLOOR TILE
FLORIDA - EDGE MOSAIC
CARBON



BATH FAUCET
MOEN GENTA
SINGLE-HANDLE



BATH SINK
KOHLER CAXTON
RECTANGLE UNDERMOUNT

BATH

KITCHEN



FRAMED MIRROR
QUIOZEL LOCKPORT
24X36 BRUSHED NICKEL



HARDWARE
TOWEL RACK/RING
BRUSHED NICKEL



MANHATTAN SLAB
SLATE



HARDWARE
#1600-96 CKP BRAND
LINEAR - BRUSHED NICKEL



GRANITE COUNTERTOP
MSI STONE
LUNA PEARL



BACKSPLASH
FLORIDA -PIECE OF MIND
BALANCE BEIGE - 11.75X11.75

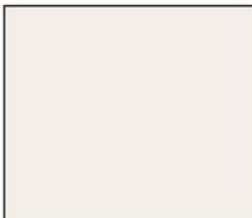
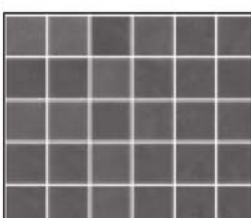
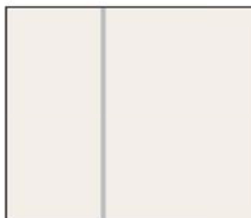


KITCHEN FAUCET
KOHLER SIMPLICE
SINGLE-HANDLE - BRUSHED



KITCHEN SINK
KOHLER VAULT
DUAL-MOUNT - STAINLESS

'LAKESHORE LOFT #2'- LIGHT MODERN CABINETS, LIGHT COUNTER, LIGHT/DARK CONTRASTS *FINISHES AND FIXTURES ARE SUBJECT TO CHANGE BASED ON AVAILABILITY

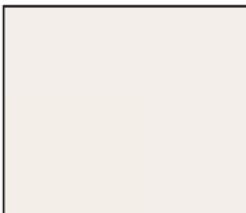
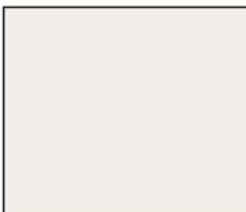
COLOR PALETTE			FLOORING		LIGHTING FIXTURES		
							
WALL SHERWIN WILLIAMS FUNCTIONAL GREY			LVT NUCORE LIGHT GRAY PLANK		CEILING FAN KITCHLER 330002NI VASSAR 52" BRUSHED NICKEL		ISLAND ACCENT LIGHTING KITCHLER 43853NI 10" W x 9.25" H BRUSHED NICKEL
TRIM SHERWIN WILLIAMS ALABASTER			ACCENT SHERWIN WILLIAMS URBANE BRONZE *REFERENCE ONLY NOT USED IN UNIT		FIRE RATED RECESSED CAN FIXTURE RP LIGHTING		
LIGHTING FIXTURES			BATH				
							
BATH/VANITY LIGHT AFX LIGHTING-CHARLOTTE LED VANITY 4.5"H x 3.375"W x 41.25"		GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE		WALL TILE FLORIDA - STREAMLINE ARCTIC MATTE - BRICK LAY		BATH FAUCET DELTA TRINSIC SINGLE-HANDLE	
MANHATTAN SLAB MATTE WHITE		HARDWARE #489-3 CKP BRAND LINEAR - BLACK		KITCHEN			
							
FRAMED MIRROR QUIOZEL LOCKPORT 24X36 BRUSHED NICKEL		HARDWARE TOWEL RACK/RING BLACK		BACKSPLASH FLORIDA -PEACE OF MIND BALANCE BEIGE 11.75X11.75		KITCHEN FAUCET KOHLER SIMPLEX SINGLE-HANDLE - BRUSHED	
MANHATTAN SLAB MATTE WHITE		HARDWARE #489-3 CKP BRAND LINEAR - BLACK		KITCHEN SINK KOHLER VAULT DUAL-MOUNT - STAINLESS			

'LAKESHORE COTTAGE #1'- LIGHT CABINETS, LIGHT COUNTER, WHITE/BLACK CONTRASTS

COLOR PALETTE

FLOORING

LIGHTING FIXTURES

							
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WALL SHERWIN WILLIAMS ALABASTER	TRIM SHERWIN WILLIAMS ALABASTER	ACCENT SHERWIN WILLIAMS INKWELL *REFERENCE ONLY NOT USED IN UNIT	LVT NUCORE COFFEE OAK PLANK	CARPET SHAW FLOORS OUR HOME III - SUNBLEACHED	CEILING FAN KITCHLER 330002WH 52" VASAR CEILING FAN WHITE	FIRE RATED RECESSED CAN FIXTURE RP LIGHTING	ISLAND ACCENT LIGHTING ANP LIGHTING W516-BLC BLACK SHADE 16" PENDANT
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LIGHTING FIXTURES

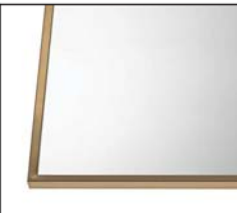
BATH

							
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BATH/VANITY LIGHT KITCHLER 454580Z 14.75"W x 10" H BRONZE	SHAKER MATTE WHITE	HARDWARE #55277 AMEROCK PULL GOLDEN CHAMPAGNE	GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE	WALL TILE FLORIDA - STREAMLINE ARCTIC MATTE - BRICK LAY	SHOWER FLOOR TILE FLORIDA - EDGE MOSAIC SILVER	BATH FAUCET DELTA TRINISC SINGLE HOLE - CHAMPAGNE	BATH SINK KOHLER CAXTON RECTANGLE UNDERMOUNT
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BATH

KITCHEN

						
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FRAMED MIRROR QUIJAZEL LOCKPORT 24X36 ANTIQUE BRASS	HARDWARE TOWEL RACK/RING BLACK BRONZE	SHAKER MATTE WHITE	HARDWARE #55277 AMEROCK PULL BLACK BRONZE	BACKSPLASH FLORIDA - PRECIOUS HDP CALACATTA - HERRINGBONE	KITCHEN FAUCET KOHLER SIMPLE SINGLE-HANDLE - BLACK	KITCHEN SINK KOHLER VAULT DUAL-MOUNT - STAINLESS
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COLOR PALETTE			FLOORING		LIGHTING FIXTURES		
WALL SHERWIN WILLIAMS REPOSE GRAY		TRIM SHERWIN WILLIAMS ALABASTER	LVT NUCORE COFFEE OAK PLANK		CEILING FAN KITCHLER 330002WH 52" VASAR CEILING FAN WHITE		ISLAND ACCENT LIGHTING KITCHLER 44217CLP INDUSTRIAL FRAMES PENDANT
ACCENT SHERWIN WILLIAMS SW GAUNTLET GRAY *REFERENCE ONLY NOT USED IN UNIT		BATH					
LIGHTING FIXTURES			BATH				
BATH/VANITY LIGHT KITCHLER 459730Z AVERY 24"W x 9.25" H BRONZE			KITCHEN				
SHAKER SLATE			GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE		SHOWER FLOOR TILE FLORIDA-MOSAIC ART WHITE		
HARDWARE #55277 AMEROCK PULL BLACK BRONZE			WALL TILE ERGON TREND GRAY-5X10		BATH FAUCET DELTA TRINSIC SINGLE HOLE - CHAMPAGNE		
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Date: 05/18/2021
Agenda Item #: 8. A.
Department: Development Services
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Fred Gibbs, Director of Development Services

AGENDA ITEM:

Present, Discuss, and Consider Action to Approve the **Development Agreement for the Lakeshore Plaza Planned Development between the Town of Little Elm and Matt Mahdi Shekari with Lakeshore Plaza and authorize the Town Manager to Execute Amendment for the Same Subject to the Planned Development Ordinance being Approved.**

DESCRIPTION:

As part of the PD process, we approve Developers Agreement to ensure compliance with the PD details. In addition, Council directed staff to ensure the following items was attached to a new developers' agreement. Below are the items that are attached to the new agreement that has been executed by the developer.

- New Planned Development Ordinance
- Garage Door elevations
- Appliance package
- New Landscaping Plan
- Site Plan
- Condo Interior Layouts
- New Detail Elevations
- 4 interior finish out options
- Shared Access and Use Agreement for the dumpsters
- Condominium Declaration
- Recorded Condominium Association

The applicant has expressed that some items, specifically the interior layouts may change some due to the fact that they haven't finalized the building plans for the development.

BUDGET IMPACT:

There is no budget impact with this item.

RECOMMENDED ACTION:

Staff requests direction from Council.

Attachments

Developers Agreement

STATE OF TEXAS §
 §
COUNTY OF DENTON §

**DEVELOPMENT AGREEMENT
FOR LAKESHORE PLAZA PD**

This Development Agreement for the Lakeshore Plaza Planned Development (“**Agreement**”) is entered into between Lake Shore Plaza, LLC with Lake Shore Plaza (“**Developer**”), whose address for purposes of this Agreement is 3899 Adams Lane, Frisco, TX, and the Town of Little Elm, Texas (“**Town**”), whose address for purposes of this Agreement is 100 W. Eldorado Parkway, Little Elm, TX 75068. Developer and the Town are sometimes referred herein together as the “**Parties**” and individually as a “**Party**.”

Recitals:

1. Developer is the owner of approximately 4.4 acres located at the southwest corner of Hillside Drive and Eldorado Parkway, in the Town of Little Elm, Texas (the “**Property**”), which Property is more particularly described in **Exhibit A** attached hereto.
2. In furtherance of the development of the Property, the Parties have negotiated certain matters regarding the Property as set forth in this Agreement.
3. The Parties seek to memorialize these negotiated matters and to include them in this contractually-binding Agreement.

NOW, THEREFORE, for and in consideration of the above and foregoing premises, the benefits to each of the Parties from this Agreement, and other good and valuable consideration, the sufficiency of which is hereby acknowledged and agreed, the Parties do hereby agree as follows:

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

Section 2. Term. This Agreement shall be effective as of the date of execution of this Agreement by the last of the Parties to do so (“**Effective Date**”). This Agreement shall remain in full force and effect from the Effective Date until terminated by the mutual agreement of all of the Parties in writing, or until all obligations in the Agreement have been fulfilled (“**Term**”).

Section 3. Agreements. The Parties agree as follows:

- A. The negotiated and agreed upon zoning and development standards contained in the Lakeshore Plaza PD Ordinance, which incorporate by reference the general zoning regulations of the Town’s zoning ordinance, are hereby adopted and incorporated into this Agreement as contractually-binding obligations of the Developer.**
- B. All exhibits attached to this agreement.**
- C. Shared access and use agreement.**
- D. Formation of Condominium Association.**
- E. Maintain ceiling heights to at least 10 feet.**
- F. Signage that reference condominiums.**

Section 4. Miscellaneous.

A. Applicability of Town Ordinances. When the Property is developed, Developer shall construct all structures on the Property, in accordance with all applicable Town ordinances and building/construction codes, whether now existing or arising prior to such construction in the future.

B. Default/Mediation. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. If either Party is in default under this Agreement, the other Party shall have the right to enforce the Agreement in accordance with applicable law, provided, however, in no event shall any Party be liable for consequential or punitive damages. In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

C. Venue. This Agreement and any dispute arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to its conflict of law rules. In the event of any dispute or action under this Agreement, venue for any and all disputes or actions shall be instituted and maintained in Denton County, Texas.

D. Relationship of Parties. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership, joint venture, joint enterprise, or other relationship between or among the Parties.

E. Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

F. Cumulative Rights and Remedies. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either Party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the Parties may have by law statute, ordinance, or otherwise. The failure by any Party to exercise any right, power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by such Party of its rights at any time thereafter to require exact and strict compliance with all the terms hereof. Any rights and remedies any Party may have with respect to the other

arising out of this Agreement shall survive the cancellation, expiration or termination of this Agreement, except as otherwise expressly set forth herein.

G. Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

H. Surviving Rights. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination or expiration of this Agreement shall survive termination or expiration.

I. Applicable Laws. This Agreement is made subject to the existing provisions of the Charter of the Town of Little Elm, its present rules, regulations, procedures and ordinances, and all applicable laws, rules, and regulations of the State of Texas and the United States.

J. Authority to Execute. The undersigned officers and/or agents of the Parties hereto are the properly authorized persons and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

K. Amendments. This Agreement may be only amended or altered by written instrument signed by the Parties.

L. Headings. The headings and captions used in this Agreement are for the convenience of the Parties only and shall not in any way define, limit or describe the scope or intent of any provisions of this Agreement.

M. Entire Agreement. This Agreement is the entire agreement between the Parties with respect to the subject matters covered in this Agreement. There are no other collateral oral or written agreements between the Parties that in any manner relates to the subject matter of this Agreement, except as provided or referenced in this Agreement.

N. Filing in Deed Records. This Agreement shall be recorded in the real property records of Denton County, Texas. This Agreement and all of its terms, conditions, and provisions is and shall constitute a restriction and condition upon the development of the Property and all portions thereof and a covenant running with the Property and all portions thereof, and is and shall be binding upon Developer and all of Developer's heirs, successors, and assigns and the future owners of the Property and any portion thereof; provided, however, this Agreement shall not constitute an obligation of or be deemed a restriction or encumbrance with respect to any final platted residential lot upon which a completed home has been constructed.

O. Notification of Sale or Transfer; Assignment of Agreement. Developer shall notify the Town in writing of any sale or transfer of all or any portion of the Property, within ten (10) business days of such sale or transfer. Developer has the right (from time to time without the consent of the Town, but upon written notice to the Town) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Developer under this Agreement, to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property or that is an entity that is controlled by or under common control with Developer. Each assignment shall be in writing executed by Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement with respect to the portion of the Property transferred to

Assignee. If the Property is transferred or owned by multiple parties, this Agreement shall only apply to, and be binding on, such parties to the extent of the Property owned by such successor owner, and if the Developer or any Assignee is in default under this Agreement, such default shall not be an event of default for any non-defaulting Assignee which owns any portion of the Property separate from the defaulting Developer or Assignee. A copy of each assignment shall be provided to the Town within ten (10) business days after execution. Provided that the successor developer assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement with respect to the Property transferred to the successor developer, the assigning party will be released from any rights and obligations under this Agreement as to the Property that is the subject of such assignment, effective upon receipt of the assignment by the Town. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment. Developer shall maintain true and correct copies of all assignments made by Developer to Assignees, including a copy of each executed assignment and the Assignee's Notice information.

P. Sovereign Immunity. The Parties agree that the Town has not waived its sovereign immunity from suit by entering into and performing its obligations under this Agreement.

Q. Exactions/Infrastructure Costs. Developer has been represented by legal counsel, or has had an opportunity to do so, in the negotiation of this Agreement, and been advised, or has had the opportunity to have legal counsel review this Agreement and advise Developer, regarding Developer's rights under Texas and federal law. Developer hereby waives any requirement that the Town retain a professional engineer, licensed pursuant to Chapter 1001 of the Texas Occupations Code, to review and determine that the exactions required by the Town in this Agreement are roughly proportional or roughly proportionate to the proposed development's anticipated impact. Developer specifically reserves its right to appeal the apportionment of municipal infrastructure costs in accordance with § 212.904 of the Texas Local Government Code; however, notwithstanding the foregoing, Developer hereby releases the Town from any and all liability under § 212.904 of the Texas Local Government Code, as amended, regarding or related to the cost of those municipal infrastructure requirements imposed by this Agreement.

R. Waiver of Texas Government Code § 3000.001 et seq. With respect to the improvements constructed on the Property pursuant to this Agreement, Developer hereby waives any right, requirement or enforcement of Texas Government Code §§ 3000.001-3000.005.

S. Rough Proportionality. Developer hereby waives any federal constitutional claims and any statutory or state constitutional takings claims under the Texas Constitution with respect to infrastructure requirements imposed by this Agreement. Developer and the Town further agree to waive and release all claims one may have against the other related to any and all rough proportionality and individual determination requirements mandated by the United States Supreme Court in *Dolan v. City of Tigard*, 512 U.S. 374 (1994), and its progeny, as well as any other requirements of a nexus between development conditions and the projected impact of the terms of this Agreement, with respect to infrastructure requirements imposed by this Agreement.

T. No Israel Boycott. In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does

not apply to (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this contract on behalf of Developer verifies by Developer's signature on this Agreement that the company does not boycott Israel and will not boycott Israel during the term of this contract

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

DEVELOPER

a Lakeshore Plaza company

By: Mahdi Matt Shekar,

Date: 05/12/2021

TOWN OF LITTLE ELM, TEXAS

By: _____
Matt Mueller
Town Manager

Date: _____

ATTEST:

By: _____
Caitlan Biggs
Town Secretary

STATE OF TEXAS §
 §
COUNTY OF DENTON §

Before me, the undersigned authority, on this ____ day of _____, 202_, personally appeared MATT MUELLER, Town Manager of the Town of Little Elm, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

[Seal]

By: Bitā Esmāeili
Notary Public, State of Texas

My Commission Expires: 6.19.2024

STATE OF TEXAS §
 §
COUNTY OF Denton §

Before me, the undersigned authority, on this 12 day of May, 2021, personally appeared Matt Shekari, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity of a duly authorized representative of Lake Stone Plaza.

[Seal]

By: Bitā Esmāeili
Notary Public, State of Texas

My Commission Expires: 6.19.2024

[Handwritten signature]

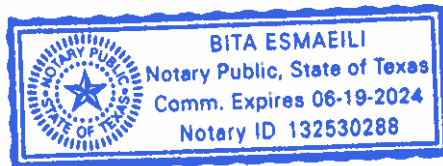


EXHIBIT A

LEGAL DESCRIPTION OF LAND

A portion of Lot 1, Block A, of Lakeshore Plaza, an Addition to the Town of Little Elm, Denton County, Texas, according to the Plat thereof recorded in Document No. 2016- 2091, Plat Records, Denton County, Texas.

[TO BE UPDATED UPON FILING OF REPLAT]

ORDINANCE NO. 1581

AN ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS, HEREOF AMENDED, BY REZONING APPROXIMATELY 4.4 ACRES OF LAND FROM LAKEFRONT (LF) WITH SPECIFIC USE PERMIT FOR CHILD CARE CENTER TO PLANNED DEVELOPMENT-LAKEFRONT (PD-LF) WITH SPECIFIC USE PERMIT FOR CHILD CARE CENTER, TO ALLOW FOR THE USE OF COMMERCIAL AND MIXED USE WITH MODIFIED DEVELOPMENT STANDARDS, GENERALLY LOCATED AT THE SOUTHWEST CORNER OF HILLSIDE DRIVE AND ELDORADO PARKWAY; CORRECTING THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE, PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Little Elm ("Town") is a home rule municipal corporation organized and existing by virtue of the Constitution and laws of the State of Texas and by its Charter adopted on May 1, 2001; and

WHEREAS, the Town possesses all the rights, powers, and authorities possessed by all home rule municipalities, including the authority to regulate land uses under Chapter 211 of the Texas Local Government Code; and

WHEREAS, the Town Council, in 2003, reclassified the base zoning district and rezoned the property for commercial uses; and

WHEREAS, the applicant, Matt Mahdi Shekari, has requested to rezone the subject property, more specifically described on the attached Location Map, to allow for commercial and mixed use with modified development standards; and

WHEREAS, the Town Council and the Planning and Zoning Commission, in accordance with state law and the applicable ordinances of the Town, have given the required notices and held the required public hearings regarding the request to rezone the subject property contained in this Ordinance; and

WHEREAS, and after due deliberations and consideration of the recommendation of the Planning and Zoning Commission and any other information and materials received at the public hearing, the Town Council of the Town of Little Elm, Texas, has determined that the requested zoning would be in the interest of public health, safety and welfare of the citizens of the Town of Little Elm.

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

SECTION 1. INCORPORATION OF PREMISES. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2. ZONING AMENDMENT. The Comprehensive Zoning Ordinance of the Town, is hereby amended by providing for a Planned Development district (PD) on approximately 4.4 acres of land, to allow for the use of commercial and mixed use with modified development standards, generally located at the southwest corner of Hillside Drive and Eldorado Parkway, a tract of land more particularly described on Location Map, attached hereto, subject to all of the terms and conditions set forth herein, and all other applicable ordinances, laws, rules, regulations, and standards.

SECTION 3. CONDITIONS. The following special ordinance provisions shall apply to the subject property:

The permitted uses and standards shall be in accordance with the Lakefront (LF) zoning district, and other applicable site development standards as laid out in the Town's Zoning Ordinance, as amended, unless otherwise specified herein:

- 1) **Changes to the adopted plans** – the project shall develop according to the updated site plan, landscape plan, and mixed-use structure elevations adopted within this ordinance.
- 2) **Block Face Requirement** - as approved by Town Council on July 5, 2017, development within this PD District is exempt from this requirement
- 3) **Dumpsters** - an off-site dumpster for proposed Lot 3 is permitted as shown on proposed Lot 1R on the site plan exhibit adopted with this PD. A shared use dumpster agreement shall be executed and noted on the plat associated with the future proposed subdivision prior to the plat being recorded with Denton County.
- 4) **Accessory Structures** – proposed accessory structures within this District shall be reviewed at the discretion of the Development Services Director. Appeals to the Director's decision shall go before the Planning & Zoning Commission, appeals to the Commission's decision shall go before Town Council for final consideration.
- 5) **Future Building & Construction Permits**
 - a. Interior layouts associated with this PD are attached and within the DA.
 - b. Future construction and building permit applications are subject to meeting relative International Codes and Engineering Design Standards, as amended.
 - c. Potential changes to plans may also be subject to additional review and approval by USACE and/or TXDOT.

SECTION 4. SAVINGS. This Ordinance shall be cumulative of all other ordinances of the Town, and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the

provisions of this Ordinance; provided, however, that any complaint, notice, action, cause of action, or claim which prior to the effective date of this Ordinance has been initiated or has arisen under or pursuant to such other ordinance(s) shall continue to be governed by the provisions of that ordinance or those ordinances, and for that purpose that ordinance or those ordinances shall be deemed to remain and shall continue in full force and effect.

SECTION 5. ZONING MAP. The official zoning map of the Town shall be amended to reflect the change in zoning made by this ordinance.

SECTION 6. PENALTY. Any person, firm, or corporation violating any of the provision of this ordinance shall be punished by a penalty of a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense and each and every day such offense shall continue shall be deemed to constitute a separate offense.

SECTION 7. SEVERABILITY. The sections, paragraphs, sentences, phrases, and words of this Ordinance are severable, and If any section or provision of this ordinance or the application of that section or provision to any person, firm, corporation, situation or circumstance is for any reason judged invalid or unconstitutional, the adjudication shall not affect any other section or provision of this ordinance or the application of any other section or provision to any person, firm, corporation, situation or circumstance, nor shall adjudication affect any other section or provision of the Comprehensive Zoning Ordinance of the Town of Little Elm, Texas, and the Town Council hereby declares that it would have adopted the valid portions and applications of the ordinance without the valid parts and to this end the provisions of this ordinance shall remain in full force and effect.

SECTION 8. REPEALER. That all ordinances of the Town of Little Elm in conflict with the provisions of this ordinance be and the same are hereby repealed to the extent of that conflict.

SECTION 9. EFFECTIVE DATE. Upon adoption, this Ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by law and the Town Charter.

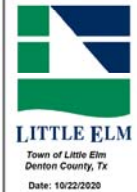
PASSED AND APPROVED by the Town Council of the Town of Little Elm, Texas on the 15th day of December, 2020.

ATTEST:

The Town of Little Elm, Texas

Kathy Phillips, Town Secretary

David Hillock, Mayor



**Lakeshore Plaza
Block A/Lot 1**



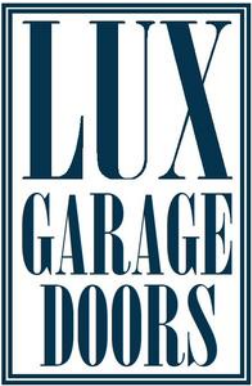
Legend

-  Subject Property
-  Town Limits



This map is the property of the Town of Little Elm, and is not to be reproduced by any means, mechanical or digital, without written consent of the Town.

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Colors

					
TRUE WHITE (TW)	ALMOND (AL)	WICKER TAN (WK)	SANDTONE (ST)	TERRATONE (TT)	DARK BROWN (DN)
			Amarr steel doors are pre-painted; for custom colors, exterior latex paint must be used. Visit amarr.com for instructions on painting. Actual paint colors may vary from samples shown. ‡ Price upcharge applies.		
GOLDEN OAK (OK)‡	WALNUT (NT)‡	MAHOGANY (MY)‡			

SOJOURN
CASTLE HILLS



**36-inch Wide Side-by-Side Counter
Depth Refrigerator with StoreRight™
Dual Cooling System—23 cu. ft.**



**1.7 cu. ft. Microwave Hood Combi-
nation with Electronic Controls**



**4.8 Cu. Ft. Freestanding Electric Range
with FlexHeat™ Dual Radiant Element**

Whirlpool®
Appliance Package



**Heavy-Duty Dishwasher with 1-Hour
Wash Cycle**

Note: Subject to change based on availability

PLANT TABULATION				
QUANTITY	COMMON NAME	BOTANICAL NAME	SIZE	NOTES
	DRAKE ELM	Ulmus parviflora 'Drake'	4" CAL	SINGLE TRUNK
	BURR OAK	Quercus macrocarpa	4" CAL	SINGLE TRUNK
	CHINESE PISTACHIO	Pistacia chinensis	4" CAL	SINGLE TRUNK
	SHUMARD RED OAK	Quercus shumardii	4" CAL	SINGLE TRUNK
	CEDAR ELM	Ulmus crassifolia	4" CAL	SINGLE TRUNK
	POND CYPRESS	Taxodium ascendens	4" CAL	SINGLE TRUNK
	VITEK	Vitex agnus-castus	4" CAL	MULTI-TRUNK; 3 CANES MINIMUM; 6HL
	DWARF WAX MYRTLE	Myrica pusilla	5 GAL	FULL - 36"OC (2117 SF)
	MEXICAN FEATHERGRASS	Nassella tenuissima	1 GAL	FULL - 24"OC (2494 SF)
	RED YUCCA	Hesperaloe parviflora	3 GAL	FULL - 24"OC (631 SF ALL OTHER BEDS)
	GOLDEN SWORD YUCCA	Yucca filamentosa 'Gold Sword'	3 GAL	FULL - 24"OC
	GREY SANTOLINA	Santolina chamaecyparissus	1 GAL	FULL - 18"OC
	GREEN SANTOLINA	Santolina rosmarinifolia	1 GAL	FULL - 18"OC
	SPINELESS PRICKLY PEAR CACTUS	Opuntia elisiana	5 GAL	FULL - 30"OC
	MAIDEN GRASS 'MORNING LIGHT'	Miscanthus sinensis 'Morning Light'	5 GAL	FULL - 36"OC
	BERMUDA GRASS	Cynodon dactylon	SQ FT	HYDROMULCH (if season allows)
	COLORADO RIVER ROCK		SQ FT	

	Burr Oak		Mexican Feathergrass		Spanish Lavender
	Shumard Red Oak		Dwarf Wax Myrtle		Spineless Prickly Pear Cactus
	Cedar Elm		Lantana		Bush
	Chinese Pistachio		Vitex Tree		Santolina chamaecyparissus
	Pond Cypress		Maiden Grass 'Morning Light'		Large Moss Boulders
	Ulmus parvifolia 'Drake'				Yucca filamentosa 'Gold Sword'
					Red Yucca

REQUIRED POINTS FOR THIS SITE	20 POINTS
Enhanced Hardscape Paving	5 POINTS
Enhanced Landscaping	5 POINTS
Enhanced Site Canopy	5 POINTS
Enhanced Streetscape Elements	5 POINTS

GROSS VEHICULAR USE AREA(PAVEMENT)= 40,254.0 SF
10% OF GROSS VEHICULAR USE AREA = 4,025.40 SF
INTERIOR LANDSCAPE REQUIRED = 4,025.40 SF
INTERIOR LANDSCAPE PROVIDED = 24,240 SF (BUFFERS N.I.C.)
SURPLUS INTERIOR LANDSCAPE PROVIDED = 20,214.6 SF (20 %)
(PROVIDE 1 LARGE CANOPY TREE/400 SF OF INTERIOR LANDSCAPE REQUIRED)

(PARKING LOTS SHALL CONTAIN PLANTED ISLANDS AT MINIMUM OF 9'x 18' OR 162 SF)
(PLANTED ISLANDS SHALL CONTAIN 1 LARGE CANOPY TREE. THESE TREES CAN BE COUNTED
TOWARDS THE REQUIRED NUMBER OF INTERIOR TREES.)

REQUIRED: 20' LANDSCAPE BUFFER ADJACENT TO PUBLIC R.O.W.
 PROVIDED: 20' LANDSCAPE BUFFER ADJACENT TO PUBLIC R.O.W. (5,890 SF)
 REQUIRED: 10' LANDSCAPE BUFFER BETWEEN ADJACENT PROPERTIES
 PROVIDED: 10' LANDSCAPE BUFFER ALONG WEST PROPERTY LINE (1,917 SF)

REQUIRED TREES IN 10' LANDSCAPE BUFFER: (1 CANOPY TREE/50 LF) 237'/50 = 5
PROVIDED TREES IN 10' LANDSCAPE BUFFER: (1 CANOPY TREE/50 LF) = 6 TREES

6. **Compliance Letter:** Prior to issuance of a CO, a letter must be submitted to the Director from the Landscape Architect indicating the site is in compliance with the approved landscape plan.

1. All landscape areas are to be received within .1" of proposed finish grade and free from all trash and debris.
2. All trees are to be planted in pits twice the diameter of the tree and to be set in the pits with the roots spread out. Carefully all roots are to be cut back to the trunk. All trees are to be planted with the trunk sides prior to planting. All trees are to be planted plumb and at or slightly above finish grade. All tree pits are to have a 3" watering saucer formed around the perimeter of the pit. All tree pits are to be top dressed with a 2" layer of shredded hardwood mulch. Stake and / or guy trees only at the direction of the landscape architect.
3. To elevate the existing grade to the proposed grade of all planting beds to 6". Add a 3" layer of premium compost as supplied by Living Earth Technology and till into the top 3" of the existing soil. Install all shrubs 1" above finish grade and fertilize with Agri-form slow release fertilizer tablets at the manufacturer's recommended rates of application.
4. Top dress all planting beds with a 2" layer of shredded hardwood mulch.
5. All planting beds not formed by a concrete curb or sidewalk are to be edged with Steel Edging (1/8"x4" painted green) or an approved equivalent. All edging stakes are to be placed to the inside of the bed and the top of the edging is to be no less than 1" and no more than 1.5" above the proposed finish grade.
6. All turf areas are to be hydromulch Bermudagrass, unless otherwise noted on the plan.
7. Hydromulch with Bermudagrass seed at a rate of two (2) pounds per one thousand (1,000) square feet. If installation occurs between September 1 and April 1, all hydromulch areas to be Winter Ryegrass seed at a rate of four (4) pounds per thousand square feet. Contractor to be required to re-hydromulch with Bermudagrass the following growing season.

2. Automatic underground irrigation system shall be equipped with freeze guard set at 38 degrees F.
3. Areas of open space which contain preserved trees need not be irrigated if the City Arborist determines irrigation would be harmful to the preserved trees.

UNITED STATES OF AMERICA
D. R. D. C. T.
GARZA-LITTLE ELM DAM & RESERVOIR
VOL. 392, PG. 337,

SHEET

W. ELDORADO PARKWAY - F. M. ROAD NO. 720
(R. O. W. VARIES)

STATE OF TEXAS
VOL. 647, PG. 312,
D. R. D. C. T.

972-383-6155
www.triunearchitectureplc.com



Lakeshore Plaza
Mixed Use

Eldorado Pkwy.
and Hillside Dr.
Little Elm, TX
75206

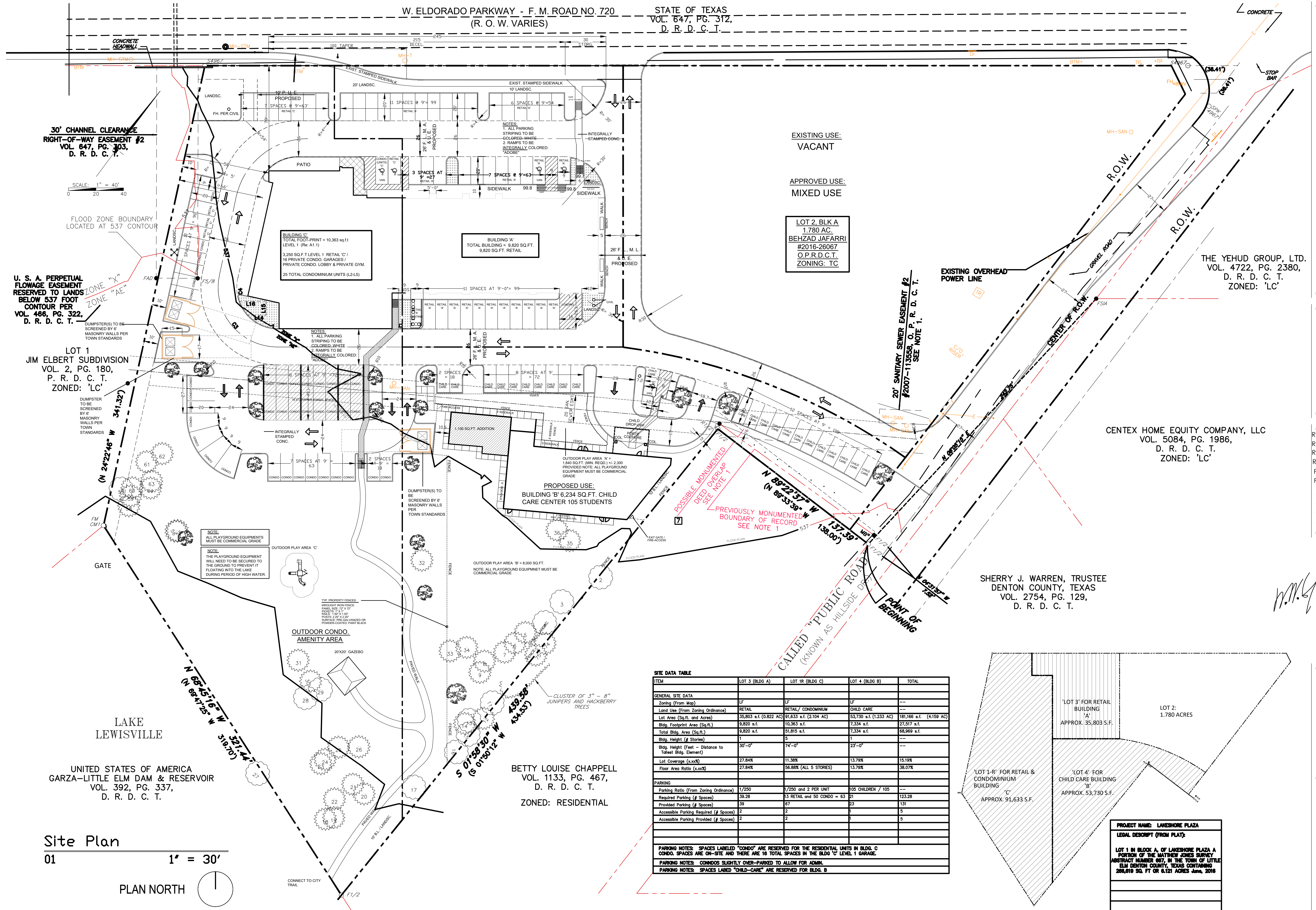
R1: 06-29-18
R2: 09-19-18
R3: 12-19-18 (MSTR.-SITE)
R4: 01-17-20 ('B'-SITE)
PD SUBMITTAL 05-20-20
PD SUBMITTAL 11-20-20



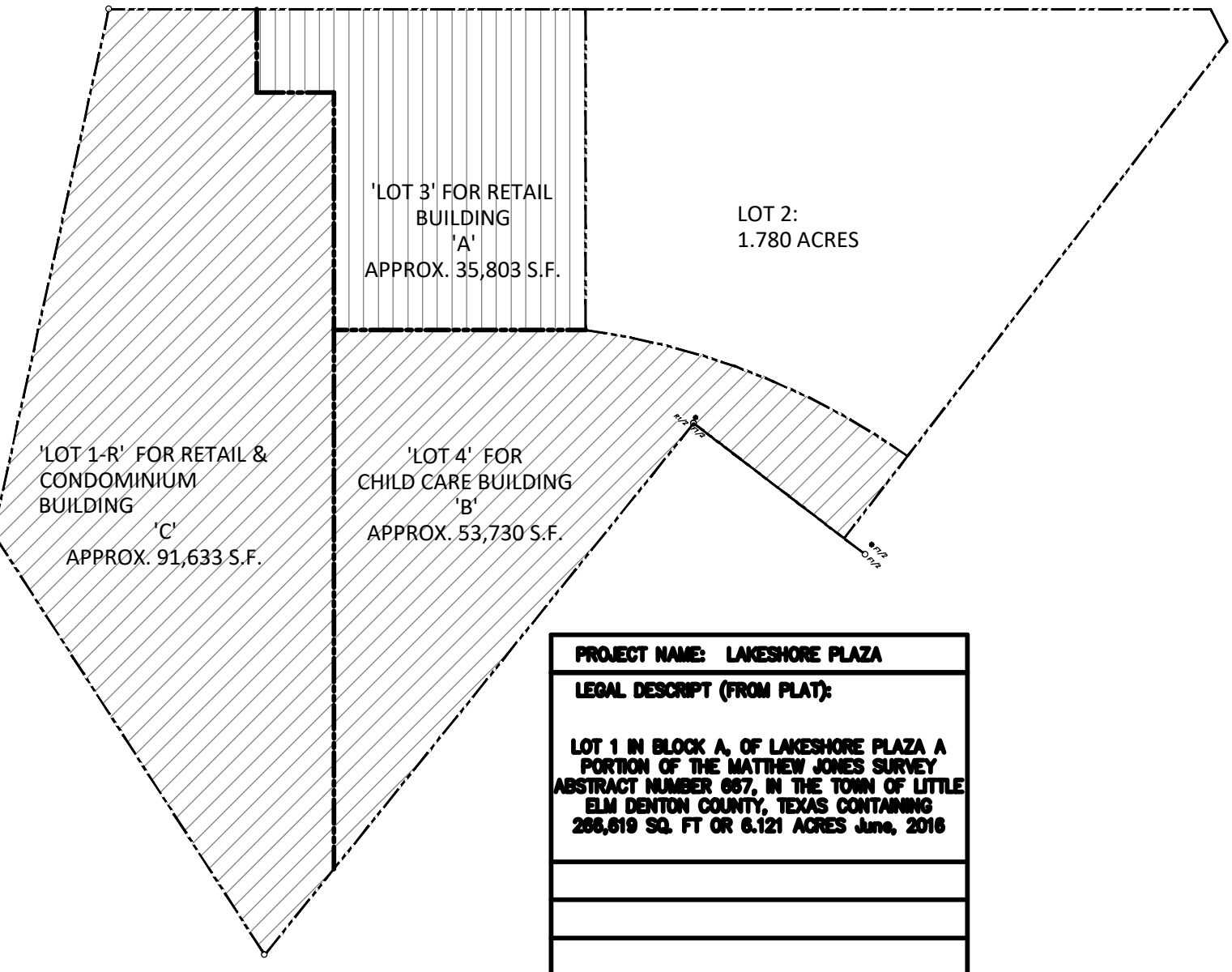
11-11-20
PERMIT ONLY
Project #: 2003.00

SITE
MASTER
PLAN

A0.1
10-23-20

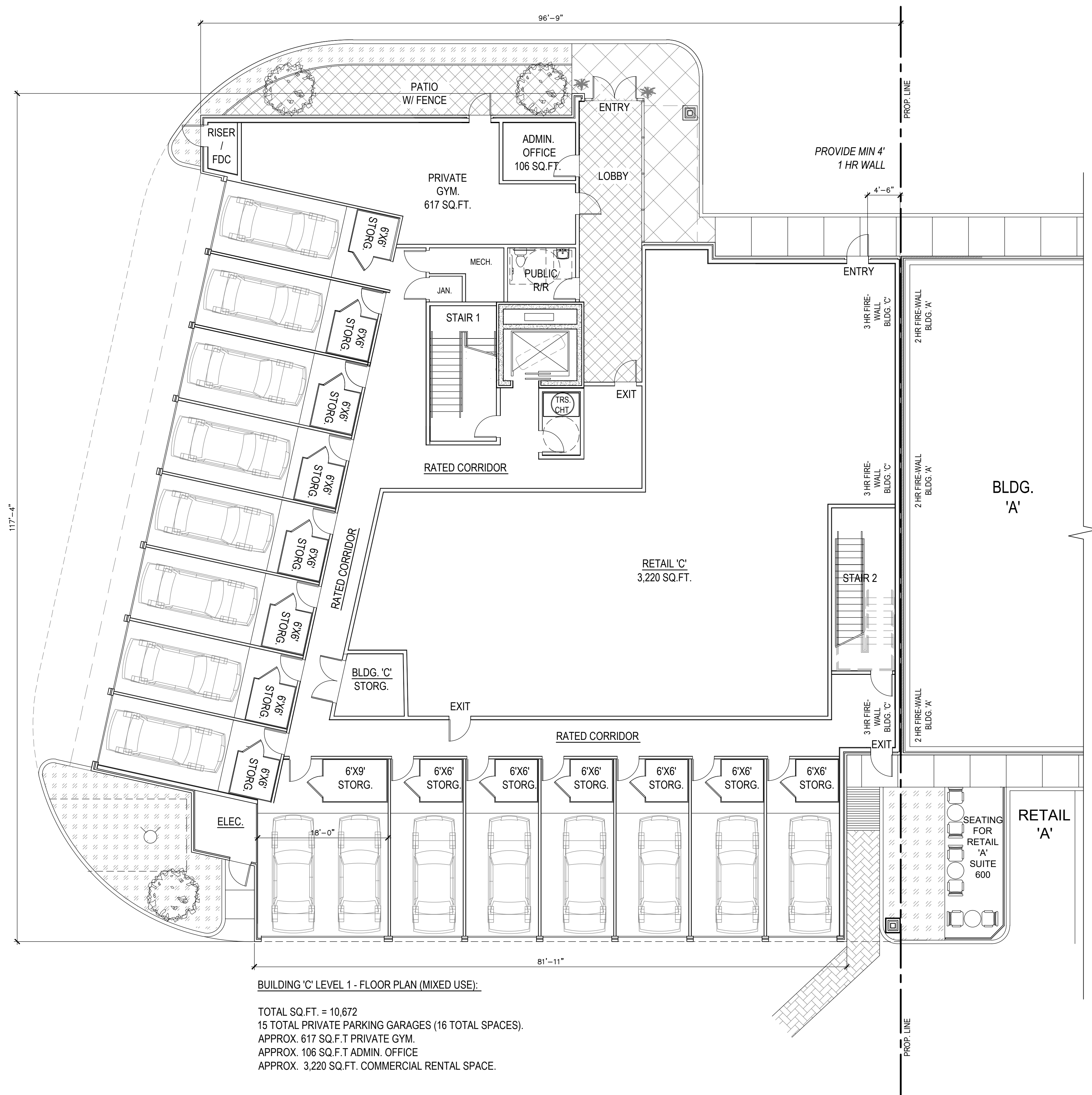


SITE DATA TABLE				
ITEM	LOT 3 (BLDG A)	LOT 1R (BLDG C)	LOT 4 (BLDG B)	TOTAL
GENERAL SITE DATA				
Zoning (From Map)	LF	LF	LF	---
Land Use (From Zoning Ordinance)	RETAIL	RETAIL/ CONDOMINIUM	CHILD CARE	---
Lot Area (Sq.ft. and Acres)	35,803 s.f. (0.822 AC)	91,633 s.f. (2.104 AC)	53,730 s.f. (1.233 AC)	181,166 s.f. (4.159 AC)
Bldg. Footprint Area (Sq.ft.)	9,820 s.f.	10,363 s.f.	7,334 s.f.	27,517 s.f.
Total Bldg. Area (Sq.ft.)	9,820 s.f.	51,815 s.f.	7,334 s.f.	68,969 s.f.
Bldg. Height (# Stories)	1	5	1	---
Bldg. Height (Feet - Distance to Tallest Bldg. Element)	30'-0"	74'-0"	23'-0"	---
Lot Coverage (x.x%)	27.84%	11.38%	13.79%	15.19%
Floor Area Ratio (x.x%)	27.84%	56.88% (ALL 5 STORIES)	13.79%	38.07%
PARKING				
Parking Ratio (From Zoning Ordinance)	1/250	1/250 and 2 PER UNIT	105 CHILDREN / 105	---
Required Parking (# Spaces)	39.28	13 RETAIL and 50 CONDO = 63	21	123.28
Provided Parking (# Spaces)	39	67	23	131
Accessible Parking Required (# Spaces)	2	2	1	5
Accessible Parking Provided (# Spaces)	2	2	1	5
PARKING NOTES: SPACES LABELED "CONDO" ARE RESERVED FOR THE RESIDENTIAL UNITS IN BLDG. C CONDO. SPACES ARE ON-SITE AND THERE ARE 16 TOTAL SPACES IN THE BLDG "C" LEVEL 1 GARAGE.				
PARKING NOTES: CONDOS SLIGHTLY OVER-PARKED TO ALLOW FOR ADJN.				
PARKING NOTES: SPACES LABELED "CHILD-CARE" ARE RESERVED FOR BLDG. B				



PROJECT NAME: LAKESHORE PLAZA
LEGAL DESCRPT (FROM PLAT):
LOT 1 IN BLOCK A, OF LAKESHORE PLAZA A
PORTION OF THE MATTHEW JONES SURVEY
ABSTRACT NUMBER 687, IN THE TOWN OF LITTLE
ELM DENTON COUNTY, TEXAS CONTAINING
288,619 SQ. FT OR 6.121 ACRES June, 2016

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED



Level 1 – Overall
 01 1/8" = 1'-0"

PLAN NORTH

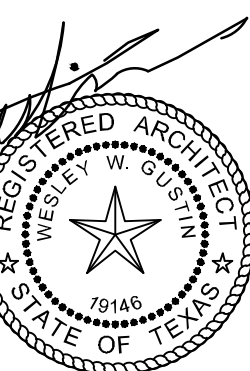
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Lakeshore Plaza
 Bldg. 'C'

Eldorado Pkwy.
 and Hillside Dr.
 Little Elm, TX
 75206

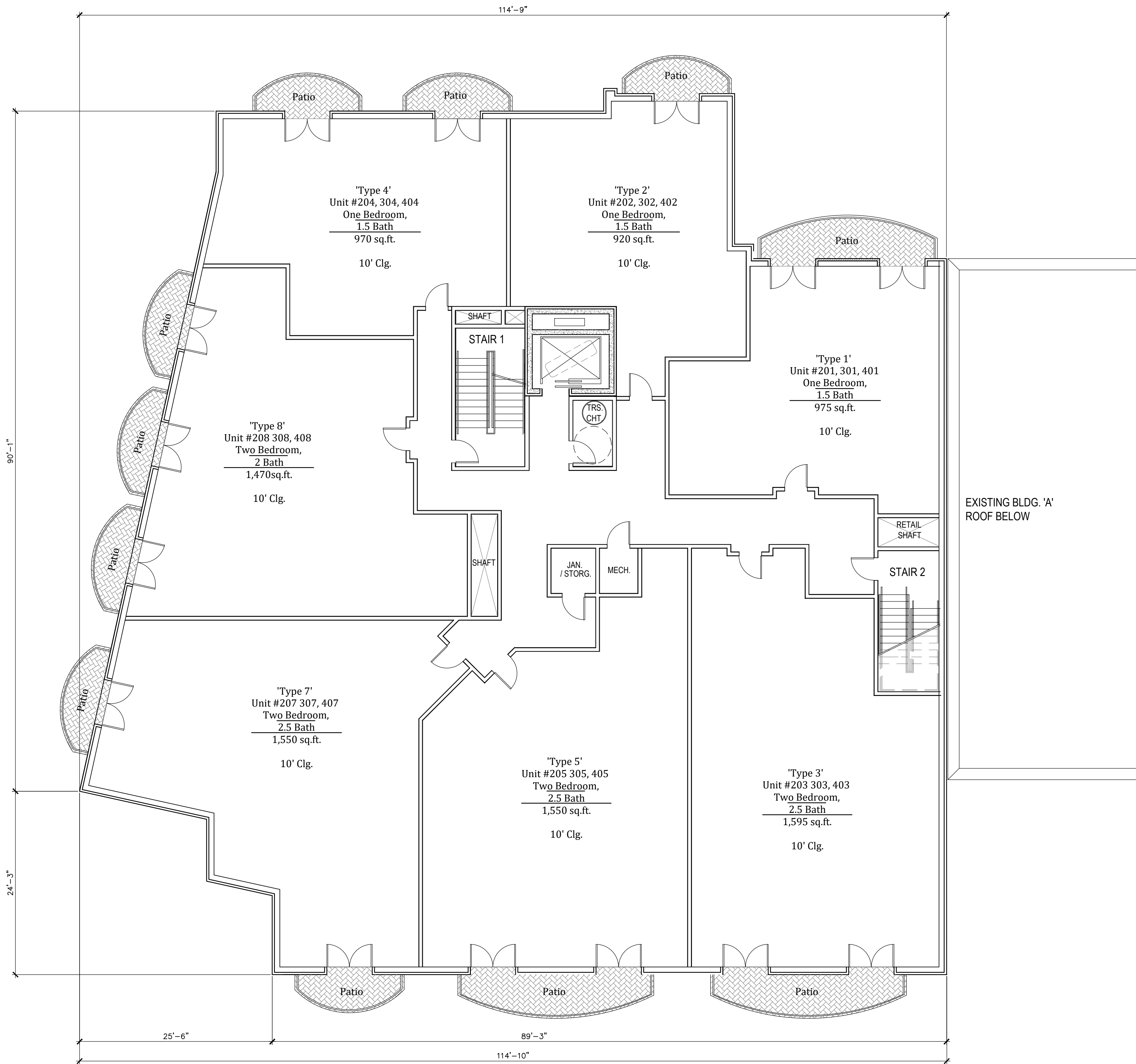


05-10-21
 PERMIT ONLY

Project #: 2003.00

Level 1
 Overall
 Floor Plan +
 Unit Matrix

A1.1



BUILDING 'C' LEVEL 2,3,4 - FLOOR PLAN (LIVING UNITS):

GRAND TOTAL SQ.FT. = 11,259 (NOT INCLUDING PATIOS)
TOTAL CIRCULATION / SUPPORT = 2,220
TOTAL UNIT SQ.FT. = 9,030 SQ.FT.:
3 TOTAL 1 BEDROOM UNITS
4 TOTAL 2-BEDROOM UNITS
7 TOTAL UNITS

Level 2, 3 & 4
01 1/8" = 1'-0"



UNIT MATRIX					
'TYPE'	COUNT	BEDROOM COUNT	SIZE	DESCRIPTION	%
1	3	ONE BR	975 LIVING	STREET-FACING	12%
2	3	ONE BR	920 LIVING	STREET-FACING	12%
3	3	TWO BR	1595 LIVING	LAKE-FACING	12%
4	3	ONE BR	970 LIVING	STREET-FACING	12%
5	3	TWO BR	1550 LIVING	LAKE-FACING	12%
7	3	TWO BR	1550 LIVING	LAKE-FACING	12%
8	3	TWO BR	1470 LIVING	STREET & LAKE-VIEWS	12%
P1	1	TWO BR	1970 LIVING	STREET-FACING	4%
P2	1	TWO BR	2245 LIVING	STREET & LAKE-VIEWS	4%
P3	1	TWO BR	2330 LIVING	LAKE-FACING	4%
P5	1	TWO BR	2520 LIVING	LAKE-FACING	4%
TOTAL	25	9X 1 BR / 16X 2BR			100%
(36% 1 BR / 64% 2 BR)					



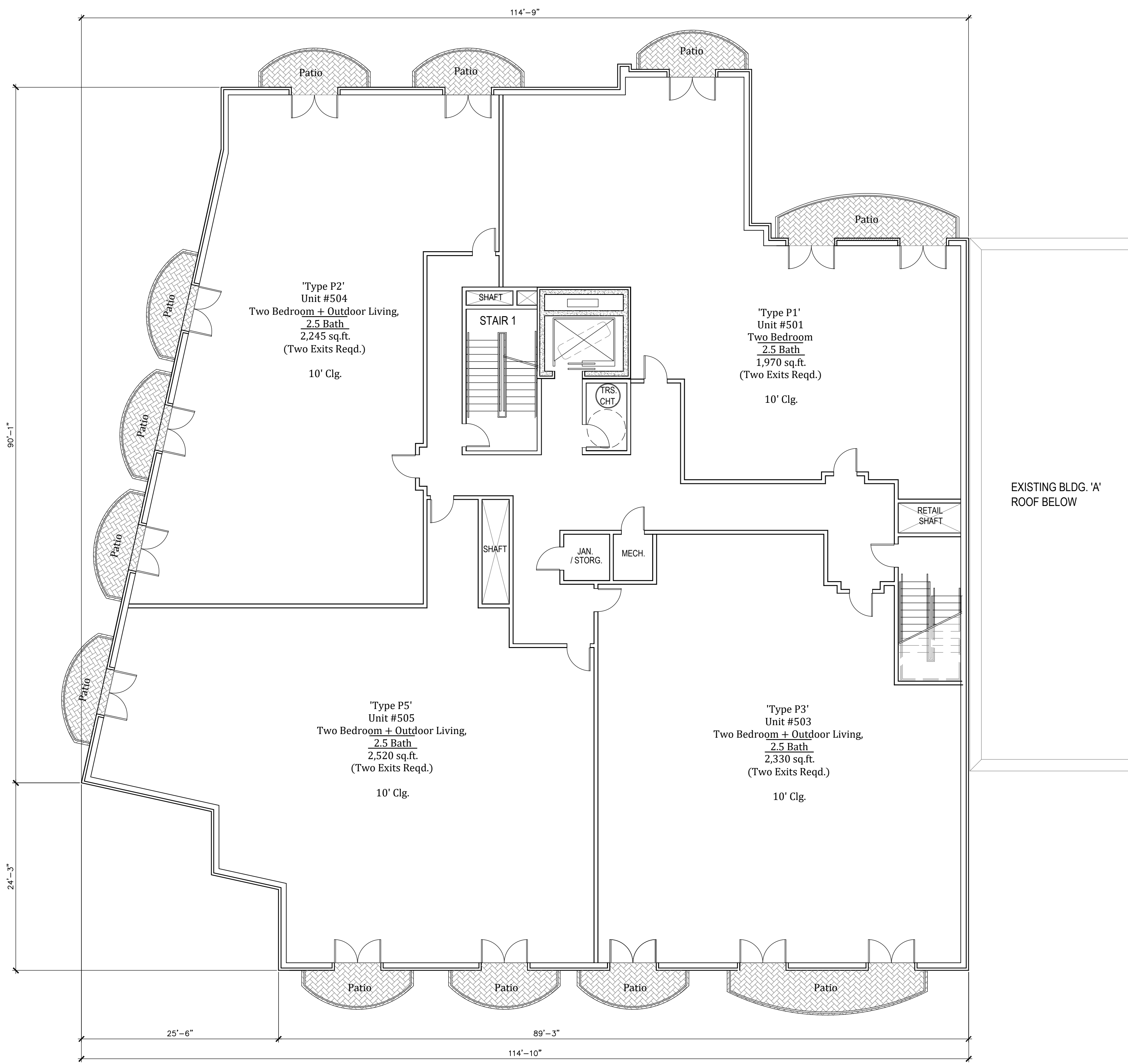
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Project #: 2003.00

Level 2,3,
& 4

A1.2

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED



BUILDING 'C' LEVEL 5 - FLOOR PLAN (PENTHOUSE LIVING UNITS):

GRAND TOTAL SQ.FT. = 11,259 (NOT INCLUDING PATIOS)
TOTAL CIRCULATION / SUPPORT = 2,194
TOTAL UNIT SQ.FT.: = 9,065 SQ.FT.:
4 TOTAL 2-BEDROOM UNITS

Level 5
01 1/8" = 1'-0"



UNIT MATRIX					
'TYPE'	COUNT	BEDROOM COUNT	SIZE	DESCRIPTION	%
1	3	ONE BR	975 LIVING	STREET-FACING	12%
2	3	ONE BR	920 LIVING	STREET-FACING	12%
3	3	TWO BR	1595 LIVING	LAKE-FACING	12%
4	3	ONE BR	970 LIVING	STREET-FACING	12%
5	3	TWO BR	1550 LIVING	LAKE-FACING	12%
7	3	TWO BR	1550 LIVING	LAKE-FACING	12%
8	3	TWO BR	1470 LIVING	STREET & LAKE-VIEWS	12%
P1	1	TWO BR	1970 LIVING	STREET-FACING	4%
P2	1	TWO BR	2245 LIVING	STREET & LAKE-VIEWS	4%
P3	1	TWO BR	2330 LIVING	LAKE-FACING	4%
P5	1	TWO BR	2520 LIVING	LAKE-FACING	4%
TOTAL	25	9X 1 BR / 16X 2BR			100%
(36% 1 BR / 64% 2 BR)					



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Project #: 2003.00

Level 5

A1.3

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED



STACKED
STONE

BRICK

EIFS. CORNICE-
ROUGH FINISH

PRE-FIN ALUM. FASCIA

PAINTED STEEL POST(S)
STEEL CABLES

EIFS.-ROUGH FINISH

EIFS. ACCENT
ROUGH FINISH

DECORATIVE CAST
STONE AT PATIO

MATERIAL TABULATIONS:

Total Elev (Minus Doors/Windows): 5,210 sq.ft.
2,709 sq.ft. Brick (52%)
1,250 sq.ft. Stucco (24%)
834 sq.ft. Stacked Stone (16%)
417 sq.ft. Accent Materials (8%):
-Metal Awnings
-EIFS Cornices & Accents

Front Elevation-Building 'C' (North)

01

3/16" = 1'-0"

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED

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Lakeshore Plaza
Bldg. 'C'

Eldorado Pkwy.
and Hillside Dr.
Little Elm, TX
75206

R1: 06-29-18
R2: 09-19-18
R3: 12-19-18 (MSTR.-SITE)
R4: 01-17-20 ('B'-SITE)
PD SUBMITTAL 05-20-20
PD SUBMITTAL 11-20-20
PD SUBMITTAL 01-19-21



01-19-21
PERMIT ONLY

Project #: 2003.00

EXTERIOR
ELEVATION

A2.1





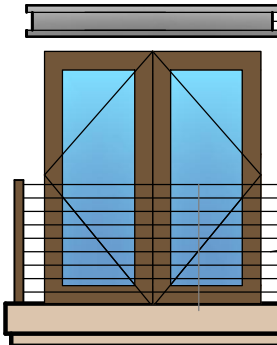
STACKED
STONE



BRICK



EIFS. CORNICE-
ROUGH FINISH



PRE-FIN ALUM. FASCIA

PAINTED STEEL POST(S)
STEEL CABLES

EIFS.-ROUGH FINISH



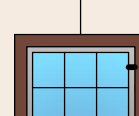
EIFS. ACCENT
ROUGH FINISH



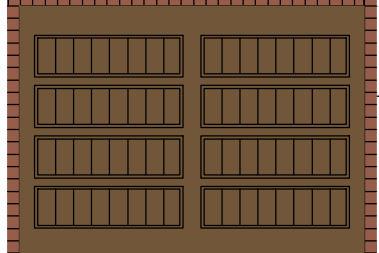
DECORATIVE CAST
STONE AT PATIO



EIFS. CORNICE-
ROUGH FINISH



EIFS. SCORING: 1/2"



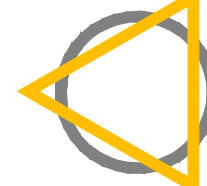
DECORATIVE METAL
OVERHEAD DOOR

MATERIAL TABULATIONS:

Total Elev (Minus Doors/Windows): 5,719 sq.ft.
2,345 sq.ft. Brick (41%)
1,659 sq.ft. Stucco (29%)
1,315 sq.ft. Stacked Stone (23%)
400 sq.ft. Accent Materials (7%):
-Metal Awnings
-EIFS Cornices & Accents

Side Elevation-Building 'C' (West)
01 3/16" = 1'-0'

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED

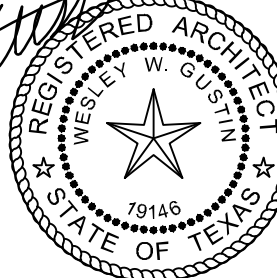


TRIUNE
ARCHITECTURE

Lakeshore Plaza
Bldg. 'C'

Eldorado Pkwy.
and Hillside Dr.
Little Elm, TX
75206

R1: 06-29-18
R2: 09-19-18
R3: 12-19-18 (MSTR.-SITE)
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PD SUBMITTAL 05-20-20
PD SUBMITTAL 11-20-20
PD SUBMITTAL 01-19-21



01-19-21
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EXTERIOR
ELEVATION

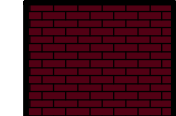
A2.2

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STACKED STONE



BRICK



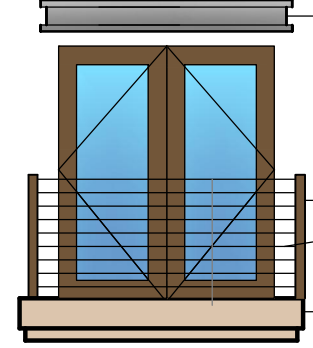
EIFS CORNICE-ROUGH FINISH



EIFS ACCENT ROUGH FINISH



DECORATIVE CAST STONE AT PATIO



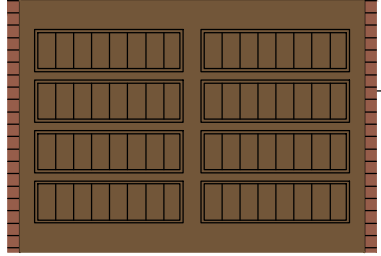
PRE-FIN ALUM. FASCIA
PAINTED STEEL POST(S)
STEEL CABLES
EIFS-ROUGH FINISH



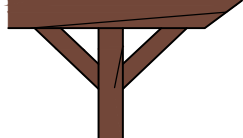
EIFS CORNICE-ROUGH FINISH



EIFS SCORING: $\frac{1}{2}$ "



DECORATIVE METAL OVERHEAD DOOR



TREATED CEDAR

MATERIAL TABULATIONS:

Total Elev (Minus Doors/Windows): 5,848 sq.ft.
4,094 sq.ft. Brick (70%)
1,287 sq.ft. Stucco (22%)
467 sq.ft. Accent Materials (8%):
-Metal Awnings
-EIFS Cornices & Accents
-Cedar Trellis

Rear Elevation-Building 'C' (South)
01 3/16" = 1'-0"

ANY MATERIALS OR METHODS
CONTAINING OR USING ASBESTOS
ARE PROHIBITED

Lakeshore Plaza
Bldg. 'C'

Eldorado Pkwy.
and Hillside Dr.
Little Elm, TX
75206

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R4: 01-17-20 ('B'-SITE)
PD SUBMITTAL 05-20-20
PD SUBMITTAL 11-20-20
PD SUBMITTAL 01-19-21

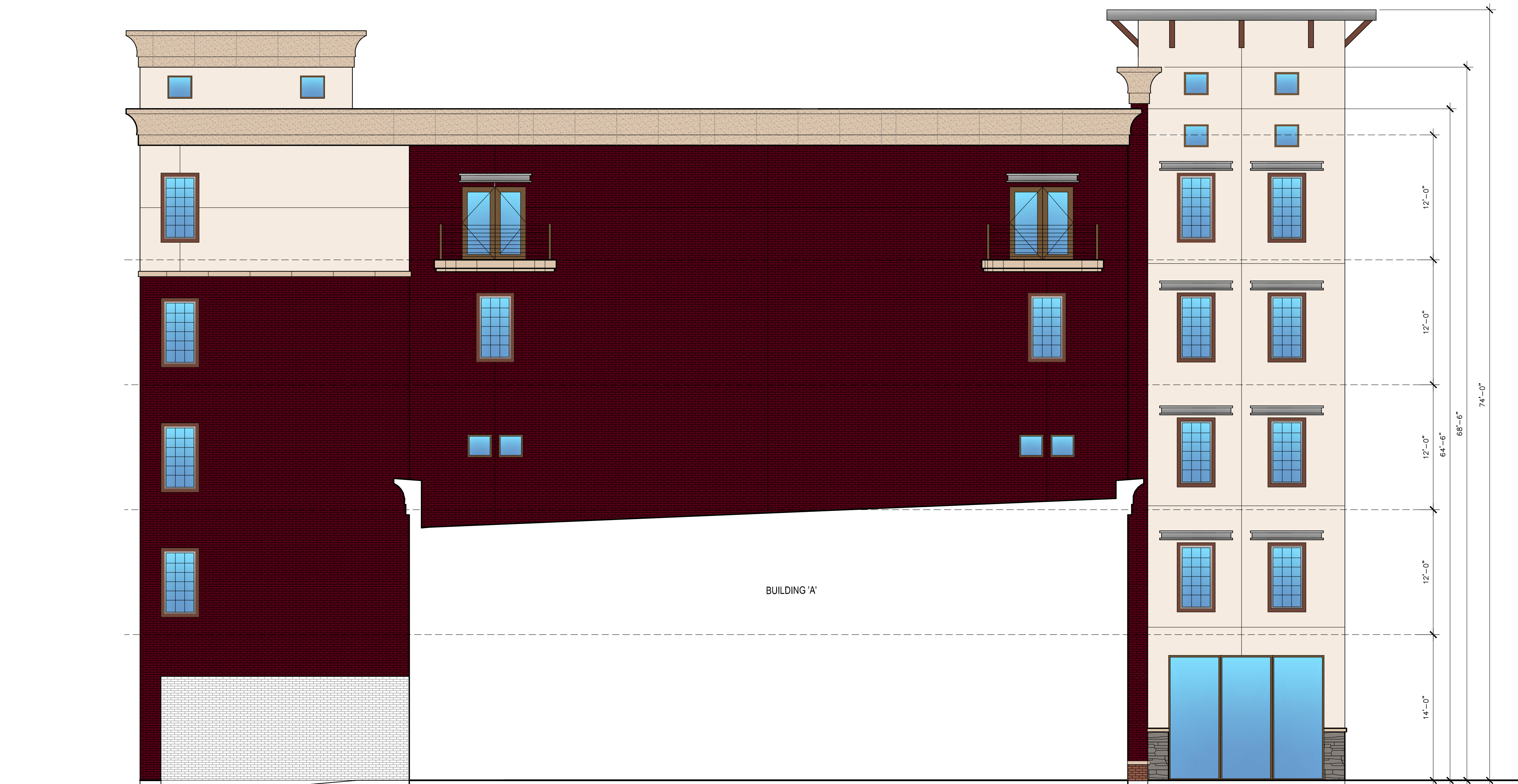


01-19-21
PERMIT ONLY

Project #: 2003.00

EXTERIOR
ELEVATION

A2.3



STACKED STONE

BRICK

EIFS. CORNICE-ROUGH FINISH

PRE-FIN ALUM. FASCIA

PAINTED STEEL POST(S)
STEEL CABLES

EIFS.-ROUGH FINISH

EIFS. ACCENT
ROUGH FINISH

DECORATIVE CAST
STONE AT PATIO

EIFS. CORNICE-
ROUGH FINISH

SMOOTH STUCCO FINISH

EIFS. SCORING: $\frac{1}{8}$ "

MATERIAL TABULATIONS:

Total Elev (Minus Doors/Windows): 5,507 sq.ft.
3,305 sq.ft. Brick (60%)
1,707 sq.ft. Stucco (31%)
165 sq.ft. Stacked Stone (3%)
330 sq.ft. Accent Materials (6%):
-Metal Awnings
-EIFS Cornices & Accents

Side Elevation-Building 'C' (East)
01 3/16" = 1'-0'

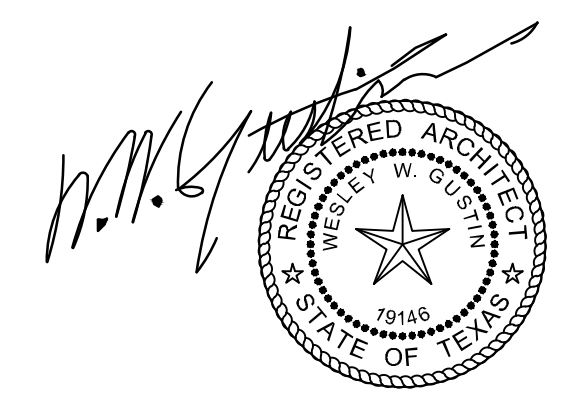
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Lakeshore Plaza
Bldg. 'C'

Eldorado Pkwy.
and Hillside Dr.
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75206

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R3: 12-19-18 (MSTR.-SITE)
R4: 01-17-20 ('B'-SITE)
PD SUBMITTAL 05-20-20
PD SUBMITTAL 11-20-20
PD SUBMITTAL 01-19-21

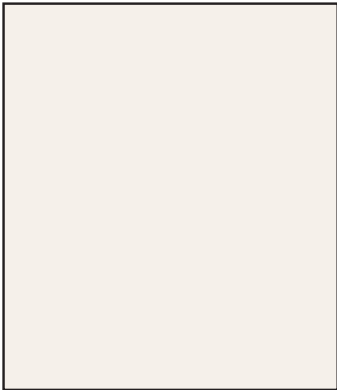
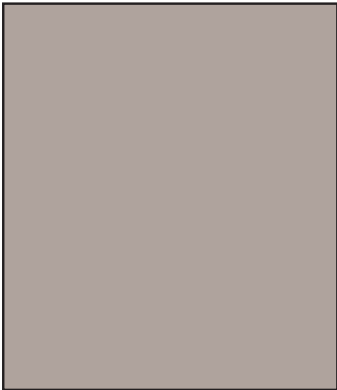


01-19-21
PERMIT ONLY
Project #: 2003.00

EXTERIOR
ELEVATION

A2.4

COLOR PALETTE



WALL
SHERWIN WILLIAMS
FUNCTIONAL GREY

TRIM
SHERWIN WILLIAMS
ALABASTER

ACCENT
SHERWIN WILLIAMS
URBANE BRONZE
*REFERENCE ONLY
NOT USED IN UNIT

FLOORING



LVT
NUCORE
LIGHT GRAY PLANK

CARPET
SHAW FLOORS
OUR HOME III - DOWNTOWN

LIGHTING FIXTURES



CEILING FAN
KITCHLER 330002NI
VASSAR 52" BRUSHED NICKEL

FIRE RATED RECESSED
CAN FIXTURE
RP LIGHTING

ISLAND ACCENT LIGHTING
ELAN LIGHTING 84021-ZIN
9.75" HANGING GLOBE

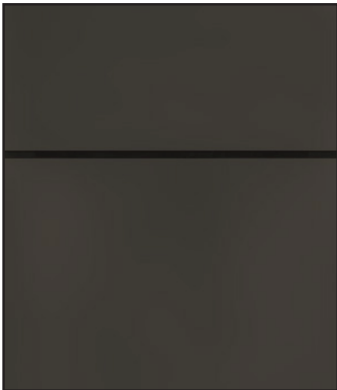
LIGHTING FIXTURES

BATH/VANITY LIGHT



BATH/VANITY LIGHT
AFX LIGHTING-CHARLOTTE LED
VANITY 4.5"H x 3.375"W x 41.25"

MANHATTAN SLAB



MANHATTAN SLAB
SLATE

HARDWARE



HARDWARE
#1600-96 CKP BRAND
LINEAR - BRUSHED NICKEL

GRANITE COUNTERTOP



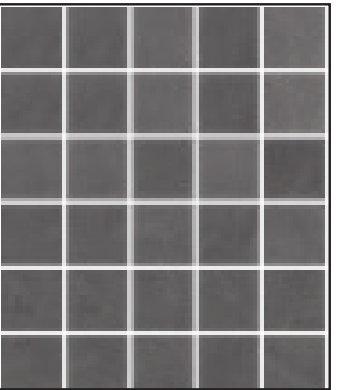
GRANITE COUNTERTOP
MSI STONE
LUNA PEARL

WALL TILE



WALL TILE
FLORIDA TILE - EDGE
CARBON - BRICK LAY

SHOWER FLOOR TILE



SHOWER FLOOR TILE
FLORIDA - EDGE MOSAIC
CARBON

BATH FAUCET



BATH FAUCET
MOEN GENTA
SINGLE-HANDLE

BATH SINK



BATH SINK
KOHLER CAXTON
RECTANGLE UNDERMOUNT

BATH

FRAMED MIRROR



FRAMED MIRROR
QUIOZEL LOCKPORT
24X36 BRUSHED NICKEL

HARDWARE



HARDWARE
TOWEL RACK/RING
BRUSHED NICKEL

MANHATTAN SLAB



MANHATTAN SLAB
SLATE

HARDWARE



HARDWARE
#1600-96 CKP BRAND
LINEAR - BRUSHED NICKEL

GRANITE COUNTERTOP



GRANITE COUNTERTOP
MSI STONE
LUNA PEARL

BACKSPLASH



BACKSPLASH
FLORIDA -PIECE OF MIND
BALANCE BEIGE - 11.75X11.75

KITCHEN FAUCET

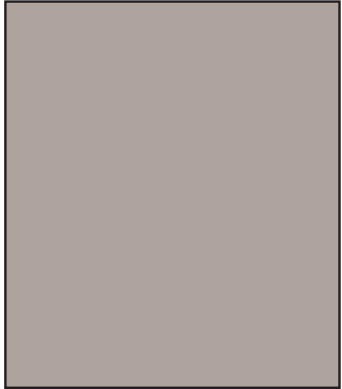
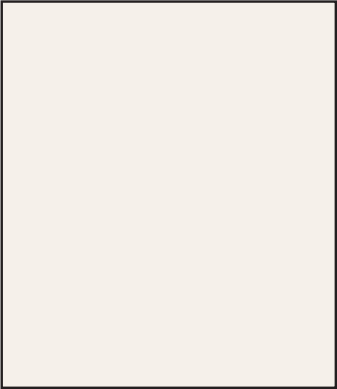
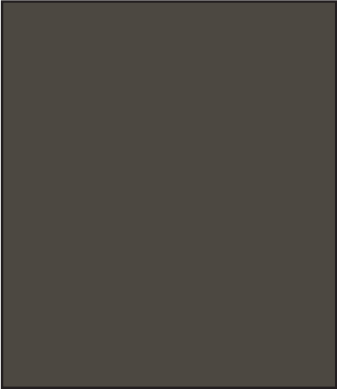
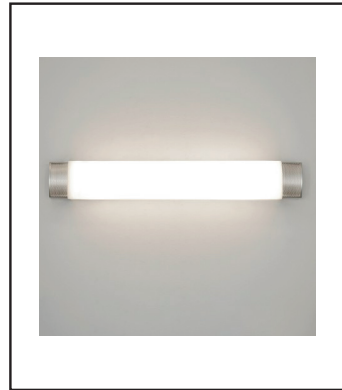
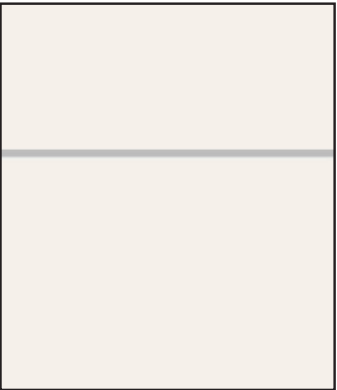
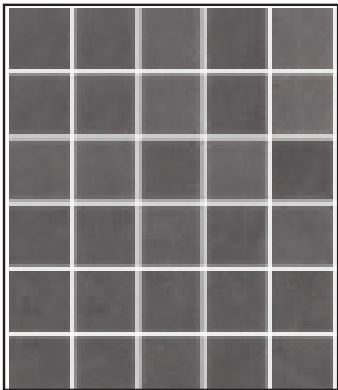
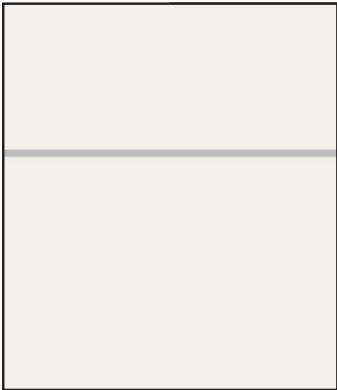
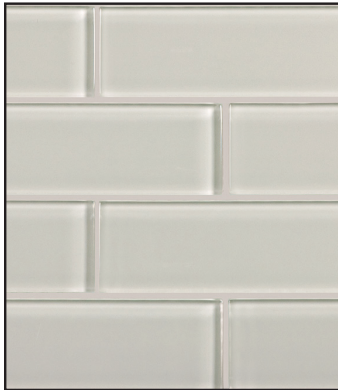


KITCHEN FAUCET
KOHLER SIMPLCE
SINGLE-HANDLE - BRUSHED

KITCHEN SINK

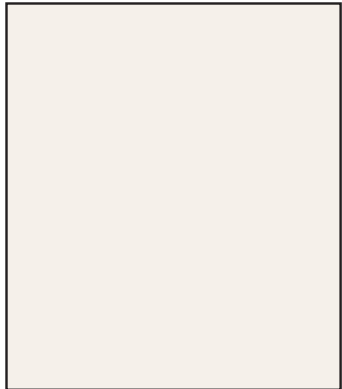


KITCHEN SINK
KOHLER VAULT
DUAL-MOUNT - STAINLESS

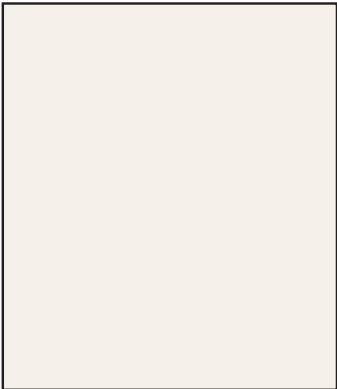
COLOR PALETTE			FLOORING		LIGHTING FIXTURES		
							
WALL SHERWIN WILLIAMS FUNCTIONAL GREY	TRIM SHERWIN WILLIAMS ALABASTER	ACCENT SHERWIN WILLIAMS URBANE BRONZE *REFERENCE ONLY NOT USED IN UNIT	LVT NUCORE LIGHT GRAY PLANK	CARPET SHAW FLOORS OUR HOME III - DOWNTOWN	CEILING FAN KITCHLER 330002NI VASSAR 52" BRUSHED NICKEL	FIRE RATED RECESSED CAN FIXTURE RP LIGHTING	ISLAND ACCENT LIGHTING KITCHLER 43853NI 10"W x 9.25" H BRUSHED NICKEL
LIGHTING FIXTURES			BATH				
							
BATH/VANITY LIGHT AFX LIGHTING-CHARLOTTE LED VANITY 4.5"H x 3.375"W x 41.25"	MANHATTAN SLAB MATTE WHITE	HARDWARE #489-3 CKP BRAND LINEAR - BLACK	GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE	WALL TILE FLORIDA - STREAMLINE ARCTIC MATTE - BRICK LAY	SHOWER FLOOR TILE FLORIDA - EDGE MOSAIC CARBON	BATH FAUCET DELTA TRINSIC SINGLE-HANDLE	BATH SINK KOHLER CAXTON RECTANGLE UNDERMOUNT
BATH		KITCHEN					
							
FRAMED MIRROR QUIOZEL LOCKPORT 24X36 BRUSHED NICKEL	HARDWARE TOWEL RACK/RING BLACK	MANHATTAN SLAB MATTE WHITE	HARDWARE #489-3 CKP BRAND LINEAR - BLACK	GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE	BACKSPLASH FLORIDA -PEACE OF MIND BALANCE BEIGE 11.75X11.75	KITCHEN FAUCET KOHLER SIMPLCE SINGLE-HANDLE - BRUSHED	KITCHEN SINK KOHLER VAULT DUAL-MOUNT - STAINLESS

'LAKESHORE COTTAGE #1'- LIGHT CABINETS, LIGHT COUNTER, WHITE/BLACK CONTRASTS
COLOR PALETTE

*FINISHES AND FIXTURES ARE SUBJECT TO CHANGE BASED ON AVAILABILITY
FLOORING
LIGHTING FIXTURES



WALL
SHERWIN WILLIAMS
ALABASTER



TRIM
SHERWIN WILLIAMS
ALABASTER



ACCENT
SHERWIN WILLIAMS
INKWELL
*REFERENCE ONLY
NOT USED IN UNIT



LVT
NUCORE
COFFEE OAK PLANK



CARPET
SHAW FLOORS
OUR HOME III - SUNBLEACHED



CEILING FAN
KITCHLER 330002WH
52" VASAR CEILING FAN
WHITE



FIRE RATED RECESSED
CAN FIXTURE
RP LIGHTING



ISLAND ACCENT LIGHTING
ANP LIGHTING W516-BLC
BLACK SHADE 16" PENDANT

LIGHTING FIXTURES



BATH/VANITY LIGHT
KITCHLER 45458OZ
14.75"W x 10" H BRONZE



SHAKER
MATTE WHITE



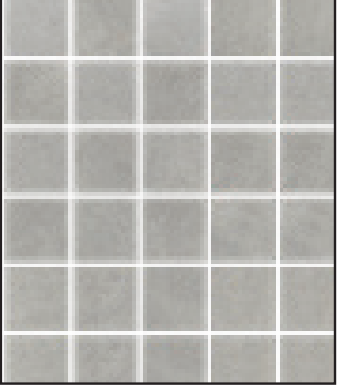
HARDWARE
#55277 AMEROCK PULL
GOLDEN CHAMPAGNE



GRANITE COUNTERTOP
REPUBLIC ELITE
WHITE ROSE



WALL TILE
FLORIDA - STREAMLINE
ARCTIC MATTE - BRICK LAY



SHOWER FLOOR TILE
FLORIDA - EDGE MOSAIC
SILVER



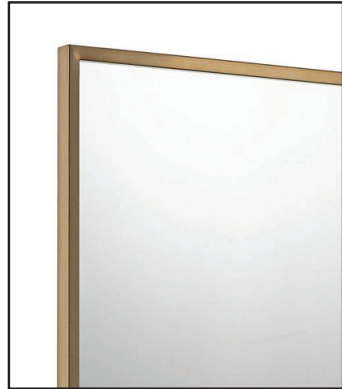
BATH FAUCET
DELTA TRINSIC
SINGLE HOLE - CHAMPAGNE



BATH SINK
KOHLER CAXTON
RECTANGLE UNDERMOUNT

BATH

KITCHEN



FRAMED MIRROR
QUIOZEL LOCKPORT
24X36 ANTIQUE BRASS



HARDWARE
TOWEL RACK/RING
BLACK BRONZE



SHAKER
MATTE WHITE



HARDWARE
#55277 AMEROCK PULL
BLACK BRONZE



GRANITE COUNTERTOP
REPUBLIC ELITE
WHITE ROSE



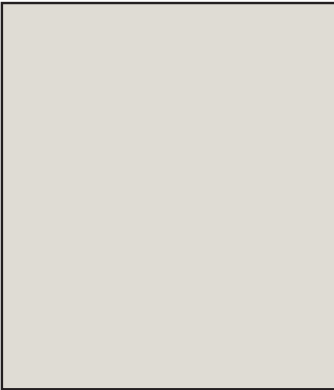
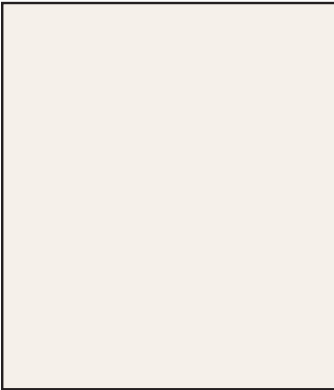
BACKSPLASH
FLORIDA - PRECIOUS HDP
CALACATTA - HERRINGBONE

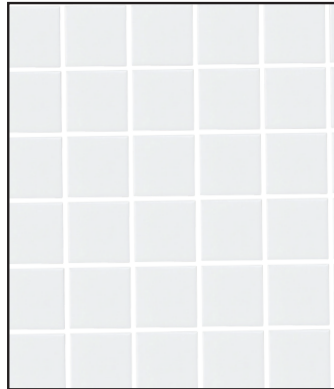


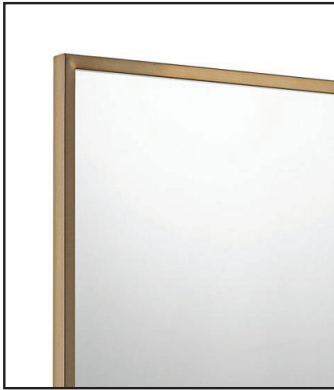
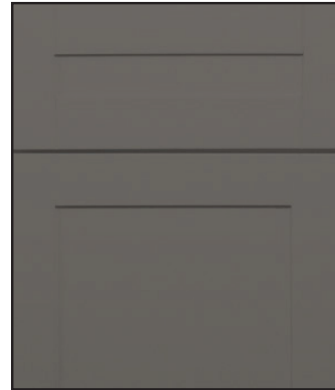
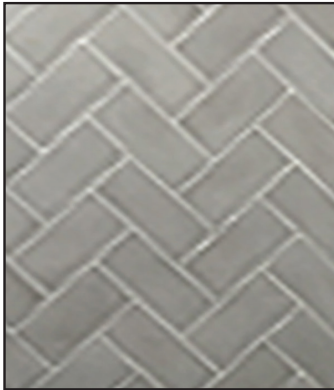
KITCHEN FAUCET
KOHLER SIMPLCE
SINGLE-HANDLE - BLACK



KITCHEN SINK
KOHLER VAULT
DUAL-MOUNT - STAINLESS

COLOR PALETTE			FLOORING		LIGHTING FIXTURES		
							
WALL SHERWIN WILLIAMS REPOSE GRAY	TRIM SHERWIN WILLIAMS ALABASTER	ACCENT SHERWIN WILLIAMS SW GAUNTLET GRAY *REFERENCE ONLY NOT USED IN UNIT	LVT NUCORE COFFEE OAK PLANK	CARPET SHAW FLOORS OUR HOME III - SUNBLEACHED	CEILING FAN KITCHLER 330002WH 52" VASAR CEILING FAN WHITE	FIRE RATED RECESSED CAN FIXTURE RP LIGHTING	ISLAND ACCENT LIGHTING KITCHLER 44217CLP INDUSTRIALFRAMES PENDANT
LIGHTING FIXTURES			BATH				

							
BATH/VANITY LIGHT KICHLER 45973OZ AVERY 24"W x 9.25" H BRONZE	SHAKER SLATE	HARDWARE #55277 AMEROCK PULL BLACK BRONZE	GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE	WALL TILE ERGON TREND GRAY-5X10	SHOWER FLOOR TILE FLORIDA-MOSAIC ART WHITE	BATH FAUCET DELTA TRINSIC SINGLE HOLE - CHAMPAGNE	BATH SINK KOHLER CAXTON RECTANGLE UNDERMOUNT

BATH		KITCHEN					
							
FRAMED MIRROR QUIOZEL LOCKPORT 24X36 ANTIQUE BRASS	HARDWARE TOWEL RACK/RING BLACK	SHAKER SLATE	HARDWARE #55277 AMEROCK PULL BLACK BRONZE	GRANITE COUNTERTOP REPUBLIC ELITE WHITE ROSE	BACKSPLASH FLORIDA TILE STREAMLINE DOVE GRAY- 3X6	KITCHEN FAUCET KOHLER SIMPLCE SINGLE-HANDLE - BLACK	KITCHEN SINK KOHLER VAULT DUAL-MOUNT - STAINLESS



TOWN OF LITTLE ELM

DEVELOPMENT SERVICES DEPARTMENT

100 West Eldorado Parkway
Little Elm, TX 75068

214-975-0471
developmentservices@littleelm.org
www.littleelm.org

April 15, 2021

Matt Shekari
Lake Shore Plaza

Re: Lake Shore Plaza Planned Development Town Council Comments

Please see comments below that are from the January 5, 2021 Town Council meeting. These items must be submitted and reviewed prior to continuing to the next Town Council meeting for consideration. If you have any questions, please feel free to reach out.

Lake Shore Plaza Comments:

- Label elevations correctly.
- Maintain ceiling heights to at least 10 feet.
- Signage that reference condominiums.
- Garage doors need to be wood finish or faux wood design, provide garage door details and examples for Council and need to be upgraded look.
- Some additional landscaping on the west side of the property.
- Mandatory Property Owners Association for shared and common areas
 - o Dumpsters
 - o Firelanes
 - o Landscaping
 - o Other infrastructure
- Provide three options for the finish out to be included in the Developers Agreement as indicated by the owner.

Note: Developers Agreement will include the refined Planned Development, Mandatory Property Owners Association document with all required shared areas and the three finish outs that will be offered for the units.

Regards

Fred Gibbs
Director of Development Services

DECLARATION OF ACCESS EASEMENT AND SHARED USE AGREEMENT

THIS DECLARATION OF ACCESS EASEMENT AND SHARED USE AGREEMENT (this “Agreement”) is made as of the ____ day of _____, 2021 (the “Effective Date”), by Lake Shore Plaza, LLC, a Texas limited liability company, whose address for notice is 3899 Adams Lane, Frisco, Texas 75034 (“Declarant”).

W I T N E S S E T H:

A. Declarant is the owner of those certain two tracts of real property situated in the Town of Little Elm, Denton County, Texas, more particularly described as follows:

Lot 1R (“Lot 1R”):

Lot 1R, Block A, of Lakeshore Plaza, an Addition to the Town of Little Elm, Denton County, Texas, according to the Replat thereof recorded under Instrument No. 2021-
_____, Plat Records, Denton County, Texas.

Lot 4 (“Lot 4”):

Lot 4, Block A, of Lakeshore Plaza, an Addition to the Town of Little Elm, Denton County, Texas, according to the Plat thereof recorded under Instrument No. 2021-
_____, Plat Records, Denton County, Texas.

B. Lot 4 is located immediately adjacent to Lot 1R. Lot 1R and Lot 4 are collectively referred to herein as, the “Property.”

C. Declarant desires to grant a non-exclusive perpetual easement over, across, and upon a portion of Lot 1R for access to and shared use of a dumpster located on Lot 1R for the benefit of Lot 4, as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the above premises and the provisions herein contained, Declarant hereby covenants and agrees as follows:

1. **Definitions.** For purposes hereof:

1.1 The term “Owner” shall mean the person or entity that holds fee title from time to time to each of the Lots or any portion thereof, and any and all successors or assigns of any such persons or entities who hold title thereto. The term “Owners” (unless the context otherwise dictates) shall collectively mean each present and/or future Owner of a Lot comprising the Property. Declarant shall be deemed to be the Owner of each Lot comprising the Property until such time as it conveys such Lot or any portion thereof to a person or entity not a party hereto.

1.2 The term “Permittees” shall mean the tenant(s) or occupant(s) of each Lot or any portion thereof, and the respective employees, agents, contractors, customers, invitees and licensees of: (i) the Owner of such Lot or any portion thereof, and/or (ii) such tenant(s) or occupant(s).

2. **Grant of Easement.** Declarant, for itself and all future Owners of the Property, or any portion thereof, hereby grants, establishes, covenants and agrees that Lot 1R shall be burdened by a non-exclusive perpetual easement (the “Easement”) over, across, and upon those portions of Lot 1R in the area depicted on Exhibit “A” attached hereto and incorporated herein (the “Easement Area”) for the benefit of Lot 4.

3. Purpose. The purpose of the Easement is for vehicular and pedestrian ingress and egress over and across the Easement Area to the area depicted on Exhibit "B" attached hereto and incorporated herein ("Dumpster Area"). The Dumpster Area may be used by the Owner and Permittees of Lot 4 on a non-exclusive basis, for the use of the dumpster and/or compactor located within the Dumpster Area; provided that such use does not interfere or disturb the free-flow and access of traffic within the Easement Area. The Easement Area may not be used by the Owner or any Permittee of Lot 4 for parking or any use other than vehicular and pedestrian access.

4. Construction and Maintenance for Exterior Improvements. Declarant will design and construct on the Property, among other things, the access driveway and trash collection area (the "Exterior Improvements"). After construction, Declarant, by and through the association managing Lot 1R from time to time pursuant to that certain "Condominium Declaration of Lakeshore Plaza Condominiums" recorded on , 2021, under Instrument No. 2021- , in the Official Public Records of Denton County, Texas, will be responsible for maintaining, repairing, and replacing the Exterior Improvements, including, without limitation, maintaining the surface of the access drives and maintaining the trash collection area and contracting for trash removal, and paying for the electricity connected to any of the Exterior Improvements, and any and all such other duties and obligations as are necessary to maintain such Exterior Improvements in a good, clean, safe and orderly condition.

5. Reimbursement of Maintenance Expenses. All actual, reasonable out-of-pocket costs necessarily and directly incurred in the maintenance, repair, and replacement of the Exterior Improvements, as provided in Section 5, along with reasonable administration fees or management fees are referred to as "Maintenance Expenses."

6. Contributions for Maintenance Expenses. From time to time at Declarant's discretion, Declarant will deliver to the Owners an itemized statement of Maintenance Expenses (with reasonable detail) incurred during the preceding period since the last period of reimbursement. Within 10 days of receipt of the itemized invoice, the Owners will reimburse the Declarant for their respective proportionate share of the Maintenance Expenses incurred (as provided below). The Maintenance Expenses shall be allocated among the Lots comprising the Property based on the square footage of the interior spaces of the buildings and shall be as follows:

Lot 1R: 80.3% (40,098 square feet)

Lot 4: 19.7% (9,820 square feet)

7. Assignment by Declarant. Declarant may assign its rights and responsibilities under Sections 4, 5, and 6 herein by filing of record an assignment and assumption of same, executed by Declarant and the party assuming such rights and responsibilities, in the Official Public Records of Denton County, Texas.

8. Miscellaneous.

8.1 Duration of Easement. The Easement shall be for a term commencing with the date hereof and continue perpetually.

8.2 Covenants to Run with Land. It is intended that each of the easements, covenants, conditions, restrictions, rights and obligations set forth herein shall run with the land and create equitable servitudes in favor of the real property benefited thereby, shall bind every person or entity having any fee, leasehold or other interest therein and shall inure to the benefit of the respective Owners and Permittees and their respective successors, assigns, heirs, and personal representatives.

8.3 Declarant's Right to Replat Property. Declarant expressly reserves the right to replat any one or more Lots from time to time so as to enlarge or reduce the size of any Lot owned by Declarant, or to combine any adjacent Lot owned by Declarant, provided that the resulting replat does not materially affect the express purpose and benefits derived from the access drives or does not otherwise materially interfere with the use and enjoyment of the other Lot comprising the Property.

8.4 Taxes and Assessments. Each Owner shall pay all taxes, assessments, or charges or any type levied or made by any governmental body or agency with respect to its Lot.

8.5 No Rights in Public; No Implied Easements. Nothing contained herein shall be construed as creating any rights in the general public or as dedicating for public use any portion of the Lots including, without limitation, the access driveway. No easements, except: (i) those expressly set forth in Paragraph 2 hereof, and/or (ii) an easement over, upon or across any Lot so as to enable the construction of the access driveway and other improvements required for the initial development of a Lot covered hereby, shall be implied by this Declaration; and in that regard, and without limiting the foregoing, no easements for storage, staging, signage, drainage or utilities are granted hereby or implied herein other than those expressly granted or referred to herein.

8.6 All Legal and Equitable Remedies Available. In the event of a breach or threatened breach by an Owner or its Permittees of any of the terms, easements, covenants, restrictions or conditions hereof, the other affected Owner(s) shall be entitled forthwith to full and adequate relief by injunction and/or all such other available legal and equitable remedies from the consequences of such breach, including payment of any damages or other amounts due and/or specific performance.

8.7 No Termination for Breach. Notwithstanding the foregoing to the contrary, no breach hereunder shall entitle any Owner to cancel, rescind, or otherwise terminate this Declaration. No breach hereunder shall defeat or render invalid the lien of any mortgage or deed of trust upon any Lot made in good faith for value, but the easements, covenants, conditions and restrictions hereof shall be binding upon and effective against any Owner of such Lot covered hereby whose title thereto is acquired by foreclosure, trustee's sale, or otherwise.

8.8 Amendment. Declarant hereby declares that the provisions of this Declaration may be modified or amended, in whole or in part, or terminated, only by the written consent of all record Owners of the Lots, evidenced by a document that has been fully executed and acknowledged by all such record Owners and recorded in the Official Public Records in Denton County.

8.9 Grantee's Acceptance. The grantee of fee title to any Lot, or any portion thereof, by acceptance of a deed conveying title thereto or the execution of a contract for the purchase thereof, whether from the Declarant or from a subsequent Owner of such Lot, shall accept such deed or contract upon and expressly subject to each and all of the easements, covenants, conditions, restrictions and obligations contained herein. By such acceptance, any such grantee shall for itself and its successors, assigns, heirs, and personal representatives, covenant, consent and agree to and with the other party, to keep, observe, comply with, and perform the obligations and declarations set forth herein with respect to the Lot so acquired by such grantee.

8.10 Separability. Each provision of this Declaration and the application thereof to the Property are hereby declared to be independent of and severable from the remainder of this Declaration. If any provision contained herein shall be held to be invalid or to be unenforceable or not to run with the land, such holding shall not affect the validity or enforceability of the remainder of this Declaration. In the event

the validity or enforceability of any provision of this Declaration is held to be dependent upon the existence of a specific legal description, the parties agree to promptly cause such legal description to be prepared. Ownership of one or more Lots by the same person or entity shall not terminate this Declaration not in any manner affect or impair the validity or enforceability of this Declaration.

8.11 Time of Essence. Time is of the essence of this Declaration.

8.12 Governing Law and Venue. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Declaration.

8.13 Attorney's Fees. Any party who is the prevailing party in any legal proceeding against any other party brought under or in connection with this Declaration or the subject matter hereof, is additionally entitled to recover reasonable attorney's fees, expert fees, and all other litigation expenses.

8.14 Notices. Any notice required or permitted under this Declaration must be in writing. Any notice required by this Declaration will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Declaration. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

8.15 No Joint Venture or Partnership. The parties do not intend by this Declaration to create a partnership or joint venture among themselves, but merely set forth the terms and conditions of the obligations set forth in this Declaration regarding the Lots, the development of same, and other related matters. No party to this Declaration is authorized to act as agent for any other party or to otherwise act on behalf of any other party.

8.16 Default. In the event of a breach, or attempted or threatened breach, by any owner of any portion of the Lots of any of the terms, covenants, and conditions hereof, any one or all of the other owners of the Lots shall be entitled forthwith to injunctive relief and/or all such other available legal and equitable remedies from the consequences of such breach. All costs and expenses incurred by an owner in any such suit or proceedings shall be assessed against the defaulting owner and shall constitute a lien against the defaulting owner's portion of the Lots effective upon recording notice thereof in the Office of the County Clerk of Denton County, Texas. The remedies of any one or all such Owners to the Lots shall be cumulative as to each Owner and as to all other remedies permitted at law or in equity.

[SIGNATURES ON FOLLOWING PAGE]

EXECUTED as of the date first written above.

DECLARANT:

LAKE SHORE PLAZA, LLC,
a Texas limited liability company

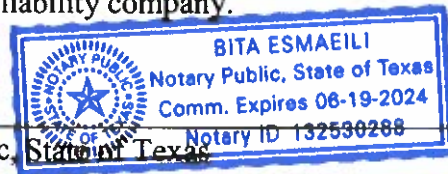
By: 
Mahdi Matt Shekari, Chief Executive Officer

STATE OF TEXAS §
 §
COUNTY OF Denton §

This instrument was acknowledged before me on the 12 day of May, 2021, by Mahdi Matt Shekari, as Chief Executive Officer of LAKE SHORE PLAZA, LLC, a Texas limited liability company, on behalf of said limited liability company.



Notary Public, State of Texas



[Remainder of Page Intentionally Left Blank]

CONSENT OF MORTGAGEE

The undersigned, being the owner and holder of a first lien Deed of Trust affecting the Property, does hereby CONSENT to all of the provisions, restrictions and obligations contained in this Declaration.

a _____

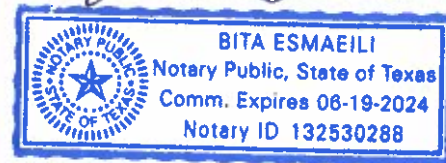
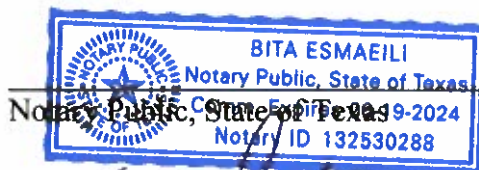
By: _____

Mahdi Matt Shekari

THE STATE OF TEXAS §

COUNTY OF Denton §

This instrument was acknowledged before me on the 12 day of May, 2021, by Bitan Esmaeili, its _____.

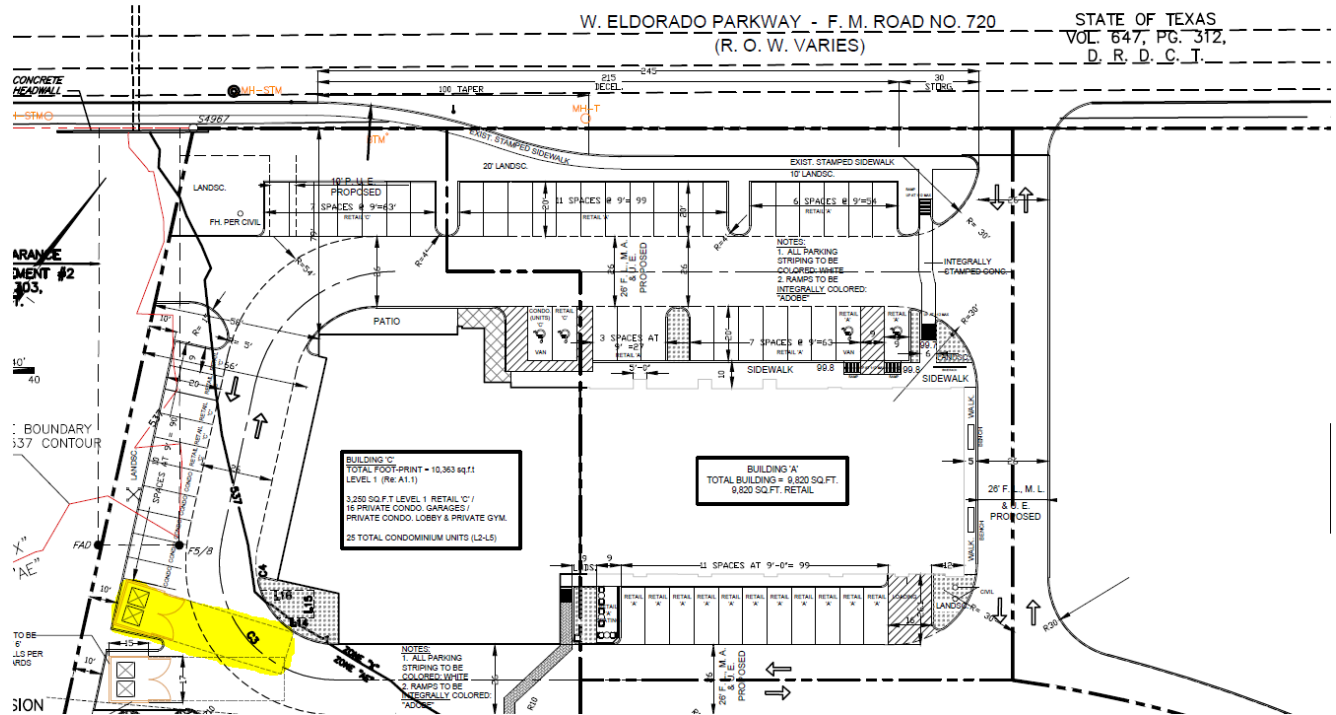


Depiction of Easement Area



Exhibit B

Depiction of Dumpster Area



CONDOMINIUM DECLARATION OF LAKE SHORE PLAZA CONDOMINIUMS

This Condominium Declaration is made and established to be effective as of _____, 2021, by Declarant.

RECITALS:

- A. Declarant is the fee simple owner of the Property.
- B. Declarant desires to create a Condominium pursuant to the provisions of the Act.
- C. Declarant intends hereby to establish a plan for the individual ownership of estates in real property consisting of Units and the appurtenant undivided interests in the Common Elements.

NOW, THEREFORE, Declarant does hereby submit the Property to the provisions of the Act and Condominium established hereby, and does hereby publish and declare that the following terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations and obligations are hereby established and shall be deemed to run with the Land and shall be a burden and benefit to Declarant, the Association, the Owners and their respective heirs, legal representatives, successors and assigns:

1. Definitions

1.1 Terms Defined. As used in this Declaration, the following terms shall have the meanings set forth below:

“Access Easement” means a perpetual, irrevocable and non-exclusive easement and right of access and entry on, over and across each Unit as may reasonably be necessary for: (i) the maintenance, repair or replacement of any of the Common Elements thereon or accessible therefrom; (ii) the making of emergency repairs therein necessary to prevent damage to the Common Elements or to any Unit; (iii) the evacuation of all or any part of the Property in the event of an emergency; and (iv) such other reasonable purposes as are deemed by the Association to be necessary for the performance of the obligations of the Association as described herein and in the Bylaws, and which is subject to the Access Easement and Shared Use Agreement.

“Access Easement and Shared Use Agreement” means the easement created under the Declaration of Access Easement and Shared Use Agreement.

“Declaration of Access Easement and Shared Use Agreement” means that certain Declaration of Access Easement and Shared Use Agreement recorded on _____, 2021, under Instrument No. _____ of the Official Public Records of Denton County, Texas.

“Act” means the Uniform Condominium Act, Texas Property Code, Chapter 82, Section 82.001 et seq., as amended from time to time.

“Allocated Interests” means the undivided interests in the Common Elements and the Common Expenses allocated to each Unit, as reflected on Exhibit C.

“Assessments” means monthly Assessments and Special Assessments, together with dues, fees, charges, interest, late fees, fines, collection costs, attorneys’ fees, and any other amount due to the Association by an Owner or levied against a Unit by the Association.

“Association” means Lake Shore Plaza Condominium Association, Inc., a Texas nonprofit corporation, to be organized under the Act and created for the purposes and possessing the rights, powers and authority set forth herein and in the Certificate.

“Board of Directors” means the board of directors of the Association named in the Certificate, and their successors as duly elected and qualified from time to time.

“Budget” means a budget prepared by the Association and delivered to all Owners that includes, among other things, the anticipated Common Expenses for the ensuing year and a statement setting forth each Owner’s monthly share thereof.

“Building” means any structure located on the Land, including all elements thereof, but excluding those elements otherwise within the definition of a Unit.

“Bylaws” means the bylaws of the Association adopted by the Board of Directors as amended from time to time.

“Center Wall Measurement Method” means the method of measurement of a Unit using the following boundary designations: (a) vertical boundary lines between Units and between a Unit and a Common Element hallway are the centerline of the wall between such Units, or the centerline of the wall between such Unit and the Common Element hallway, respectively, thereby including within each Unit all studs, lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, and any other materials constituting any part of the wall assembly located on that Unit’s side of the centerline; (b) vertical boundary between a Unit and the exterior wall of the building is the interior face of the exterior curtain wall glass, and the vertical boundary between a Unit and the concrete core is the greater of 6” of such core or such lesser amount if the core is less than 12” in which case the vertical boundary between a Unit and the concrete core is 1/2 of the width of such concrete core, thereby including within the Unit all studs, lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, and any other materials constituting any part of the finished surface of the wall or core; and (c) horizontal boundary lines of the Units are from the top of the unfinished surface of the floor to the bottom of the ceiling joist, including within the Unit all carpets, carpet pads, wood or tile flooring or subflooring on the floors and all lath, furring, wallboard, plasterboard, plaster, paint, and any other materials constituting any part of the ceiling (or false ceiling).

“Certificate” means the certificate of formation of the Association to be filed with the Secretary of State of Texas.

“Commercial Unit” means the Unit designated for commercial purposes, as more particularly described in Subsection 2.2 (a) of this Declaration, and as shown on the Map.

“Common Elements” means all portions of the Condominium, including both the General Common Elements and the Limited Common Elements, but excluding the Units.

“Common Elements Easement” means a perpetual, irrevocable and non-exclusive easement over the General Common Elements for ingress to and egress from each Unit together

with the non-exclusive right to access, use and enjoy the Limited Common Elements appurtenant to such Owner's Unit (subject to the rights of other Owners to use and enjoy such Limited Common Elements if appurtenant to more than one Unit).

"Common Expenses" means all costs and expenses, including Working Capital Contributions, reserves, or financial liabilities of the Association that are incurred pursuant to the provisions of the Declaration, the Bylaws or a resolution duly adopted by the Board of Directors or the Owners.

"Condominium" means the form of real property established by this Declaration with respect to the Property, in which portions of the Property are designated for individual ownership or occupancy and the remainder of the Property is designated for common ownership or occupancy solely by the owners of such remainder, and containing a maximum of twenty-six Units, being the one Commercial Unit and twenty-five Residential Units.

"Condominium Information Statement" means the condominium information statement prepared by Declarant in accordance with the provisions of the Act.

"County" means Denton County, Texas.

"Declarant" means Lake Shore Plaza, LLC, a Texas limited liability company, whose address for notice is 3899 Adams Lane, Frisco, Texas 75034, and any assignee of Declarant evidenced by a written instrument filed for record in the Official Public Records of the County, assigning the rights, powers, privileges and prerogatives of Declarant hereunder.

"Declarant Control" means the period commencing on the date of the Declaration and continuing until the date that is 120 days after the date that deeds to not less than 75% of the combined square footage of the Units that may be created have been recorded in the Official Public Records of the County.

"Declaration" means this Condominium Declaration for Lakeshore Plaza Condominiums and all recorded amendments thereto, which shall be recorded in the Official Public Records of the County.

"Development Rights" means a right or combination of rights to: (i) add real property to the Condominium; (ii) create Units, General Common Elements or Limited Common Elements within the Condominium; (iii) subdivide Units, combine Units, or convert Units into Common Elements; or (iv) withdraw real property from the Condominium. The Development Rights so reserved may be exercised by Declarant to the extent and only if permitted by the Act and at all times while Declarant owns any Unit or other real property interest in the Condominium, or for such lesser time as may be permitted by the Act.

"Easements" collectively, the Access Easement, the Common Elements Easement, the Parking Easement, the Support Easement, the Utility Easement, and the Vertical Access Easement and those easements described in Section 3 of this Declaration, which are subject to the Access Easement and Shared Use Agreement.

"Exceptions to Title" means the Governing Documents, and any and all matters encumbering or affecting title to the Condominium and/or the Land that are recorded in the Official Public Records of the County, but only to the extent same remain in full force and effect.

“General Common Elements” means all portions of the Common Elements that are not Limited Common Elements, including those more particularly described in Subsection 2.2(f) of this Declaration.

“Governing Documents” means this Declaration, the Certificate, the Bylaws, and the Regulations.

“Governmental Impositions” means all real estate and personal property taxes, charges, assessments, standby fees, excises and levies, and any interest, costs or penalties with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which at any time prior to or after the execution hereof, may be assessed, levied or imposed upon the Condominium or any Unit by any governmental agency or quasi-governmental agency.

“Individual Assessments” means the assessments levied by the Board of Directors against one of more but less than all Owners pursuant to Subsection 6.3 of this Declaration.

“Insurance Proceeds” means any and all proceeds that any Owner or the Association is entitled to receive from an insurance company as a result of a casualty or loss in connection with any Unit or the Common Elements, respectively.

“Improvements” means the Building, pavement, fencing, landscaping, recreational facilities, plumbing, electrical and telephone lines and computer cables and man-made objects of every type, existing or in the future placed on the Land including all cable television, telephone, cellular telephone, internet and other utility or communication installations or equipment.

“Land” means that certain real property located in the County and more particularly described in Exhibit A attached to this Declaration, together with all and singular the rights and appurtenances pertaining thereto.

“Legal Requirements” means any and all present and future judicial, statutes, rulings, rules, regulations, permits, certificates or ordinances of any federal, state or municipal authority in any way applicable to any Owner, any Unit or the Property, including all applicable restrictive covenants, zoning ordinances, subdivision and building codes, flood disaster laws and applicable architectural barrier, health and environmental laws and regulations.

“Lien Indebtedness” means any bona fide indebtedness, which is the result of an arm’s length negotiation, that is secured by a lien or encumbrance upon a Unit or any part thereof incurred by Declarant or any Owner, including any indebtedness extended in connection with the purchase, development, finish-out, construction, remodeling or rehabilitation of any Unit.

“Limited Common Elements” means those portions of the Common Elements that are allocated by this Declaration and the Map for the exclusive use of any Unit, as more particularly described in Subsections 2.2(b), (c), (d), and (e) of this Declaration.

“Maintenance Standard” means maintenance in good repair and in an attractive and clean condition, including the operation, upkeep, repair and restoration necessary to maintain the Condominium or Units, as applicable, in a condition reasonably suitable for its intended purpose.

“Manager” means any experienced and professional manager or management company with whom the Association contracts for the day-to-day management of the Property and/or the administration of the Association and the Condominium.

“Map” means the plats and plans described and/or depicted on Exhibit B, attached hereto and made a part hereof.

“Monthly Assessment” means the monthly assessment established pursuant to Subsection 6.1 of this Declaration by the Board of Directors to pay Common Expenses when due.

“Mortgagee” means any Person, which is the holder or insurer of Lien Indebtedness, and which has provided the Association with written notice of its name, address and description of the Owner’s Unit upon which it holds the Lien Indebtedness. Any required percentage of Mortgagees in this Declaration shall mean and refer to such percentage of the total of all outstanding Lien Indebtedness held by such Mortgagees and not the number of such Mortgagees.

“Owner” means any Person (including Declarant) owning fee title to a Unit, but does not include any Person having an interest in a Unit solely as security or an obligation.

“Paint to Paint Measurement Method” means the method of measurement of a Unit whereby the vertical boundary lines are measured from the interior painted surfaces of the walls that encompass the Unit’s interior living space and the horizontal boundary lines of the Units are measured from the interior painted surface of the ceiling to the interior concrete surface of the floor and consist solely of the volumetric air space between the walls, ceiling and floor.

“Parking Area” means the parking area of the Condominium as shown on the Map (exclusive of the Parking Spaces within the Limited Common Elements of the Residential Units) used for the parking of automobiles by the Owners, Tenants and other occupants.

“Parking Easement” means a perpetual, irrevocable and non-exclusive easement covering the Parking Area, as shown on the Map, for the purposes of maintenance, repair and security of and relating to such area.

“Parking Space” means a physical portion of the Condominium used exclusively for parking of automobiles by an Owner and which is a Limited Common Element appurtenant to a Unit (collectively, the “Parking Spaces”).

“Past Due Rate” means the maximum lawful rate of interest under Texas law or, if there is not a maximum lawful rate, the rate of 18% per annum.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association and any fiduciary acting in such capacity on behalf of any of the foregoing.

“Property” means the Land and the Improvements.

“Regulations” means the rules and regulations of the Association adopted by the Board of Directors and relating to the appearance, use and occupancy of the Property, including exterior appearance, use and occupancy of the Units and Common Elements, as amended from time to time.

“Rents” means any and all rental or other income received by any Owner in connection with the leasing of its Unit.

“Residential Units” means the twenty-five Units designated for residential purposes (each being a “Residential Unit”), as more particularly described in Subsection 2.2(c) of this Declaration, and as shown on the Map.

“Special Assessments” means assessments established by the Board of Directors under the provisions of Subsection 6.2 and Section 7 of this Declaration from time to time.

“Special Declarant Rights” means rights reserved for the benefit of Declarant to: (i) complete Improvements shown on the Map; (ii) exercise any Development Right; (iii) make the Condominium a part of a larger condominium of planned community; (iv) maintain signs advertising the Units of the Condominium; (v) use Easements through any Common Elements for the purpose of making improvements within the Condominium or the Property; (vi) appoint or remove any officer or board member of the Association during any period of Declarant Control; or (vii) exercise the rights and powers enumerated in Subsection 3.3.

“Structure” means all foundations, footings, columns, flat slabs, sheer walls, girders, support beams, post tension cables or rods, including any and all other structural members that support, uphold or are a part of the Building, as shown on the Map. A structure shall be deemed a single Structure hereunder, even though divided into separate Units.

“Support Easement” means a perpetual, irrevocable and non-exclusive easement for support of all foundations, footing, columns, girders, support beams and any and all other structural members that support, uphold or are a part of any Building.

“Systems” means all fixtures, equipment, pipes, lines, wires, computer cables, conduits, circuits, junction boxes, hangers, pull boxes, terminal points, electronic devices, air compressors, air handlers, chillers and other systems used in the production, heating, cooling, and/or transmission of air, water, gas, electricity, communications, wastewater, sewage, and audio and video signals.

“Taking” means the taking or threat of taking of all or a portion of the Property for any public or quasi-public use, by eminent domain proceedings or otherwise, by a governmental agency or quasi-governmental agency or by an action in the nature of eminent domain (whether permanent or temporary) or the sale or other transfer of the Property in lieu thereof.

“Tenant” means any Person having the right to occupy a Unit or a portion of a Unit pursuant to a lease granted by an Owner.

“Unit” means a physical portion of the Condominium that is designated for separate ownership or occupancy (the boundaries of which are depicted on the Map) with the unrestricted right of ingress thereto and egress therefrom, and which includes: (i) all Systems that exclusively serve such Unit though such Systems may exist outside the boundaries of such Unit, (ii) the finish materials, fixtures and appliances contained in the Unit, but excludes (x) any of the structural components of the Building in which such Unit is located and (y) Systems that serve more than one Unit, all as subject to and further described in Section 82.052 of the Act, and (iii) an undivided interest, appurtenant to the Unit, in and to the Common Elements, and (iv) the Parking Space that is part of each the Residential Unit.

“Utility Easement” means a perpetual and irrevocable easement for supplying utility service to any part of the Condominium.

“Vertical Access Easement” means a perpetual and irrevocable easement for access to the Condominium through the stairways located within the Building to use and enjoy the stairways.

“Working Capital Contribution” means an amount equal to one-half percent (0.5%) of the purchase price paid by an Owner in purchasing a Unit is to be contributed by each Owner (other than Declarant) into a fund maintained by the Association as provided in Subsection 9.3 of this Declaration.

1.2 Number and Gender. Whenever the context requires, references in this Declaration to the singular number shall include the plural, and, likewise, the plural number shall include the singular, and words denoting gender shall include the masculine, feminine, and neuter.

2. General Provisions

2.1 Creation of Units; Map.

(a) Units. The Property is hereby divided into fee simple estates composed of separately designated Units, and such Units’ undivided interest in and to the Common Elements. Each Unit, together with such Unit’s undivided interest in the Common Elements, is for all purposes a separate parcel of and estate in real property. The separate parcels of and estates in real property designated hereby shall be created on the date of filing of this Declaration in the Official Public Records of the County, and shall continue until this Declaration is revoked or terminated in the manner herein provided.

(b) Map. The Map sets forth, inter alia, the following: (1) a general description and diagrammatic plan of the Condominium; (2) the location and dimension of all real property subject to Declarant’s Development Rights; (3) all Improvements, including each Unit showing its Building location, floor, and number, and, by identifying Unit number as applicable, the Limited Common Elements appurtenant thereto; and (4) such other information as is desirable or required pursuant to Section 82.054 of the Act, including a certification as to compliance with Section 82.059 of the Act. The dimensions set forth on the Map as to each Unit were measured using vertical boundary lines described in the Paint to Paint Measurement Method. DECLARANT SHALL NOT BE LIABLE TO ANY OWNER AS A RESULT OF ANY DISCREPANCIES IN ACTUAL UNIT MEASUREMENT FROM THOSE SET FORTH ON THE MAP, AND EACH OWNER, BY ACCEPTING A DEED TO A UNIT, WAIVES ANY SUCH CLAIM OR CAUSE OF ACTION AGAINST DECLARANT.

2.2 Description of Units. Subject to the reservations and Easements created by Declarant in this Declaration, the Units shall include the following:

(a) Commercial Unit. The Commercial Unit consists of Unit 101 located on level 1 of the Building located on the Land as shown on the Map.

(b) Commercial Unit Limited Common Elements. The Limited Common Elements appurtenant to the Commercial Unit shall include the following:

(1) Exclusive Use Areas: all entrances, walls, floors, ceilings, hallways, and windows of the Building and Improvements that serve the Commercial Unit exclusively.

(2) Systems: all Systems serving the Commercial Unit exclusively.

(c) Residential Units. The Residential Units are comprised of Units 201, 202, 203, 204, 205, 207, and 208 located on level 2 of the Building, Units 301, 302, 303, 304, 305, 307, and 308 located on level 3 of the Building, Units 401, 402, 403, 404, 405, 407, and 408 located on level 4 of the Building, and Units 501, 503, 504, and 505 located on level 5 of the Building, as shown on the Map.

(d) Residential Units Limited Common Elements.

- (1) The Limited Common Elements appurtenant to Units 201, 202, 203, 204, 205, 207, and 208, shall include all hallways that serve Units 201, 202, 203, 204, 205, 207, and 208.
- (2) The Limited Common Elements appurtenant to Units 301, 302, 303, 304, 305, 307, and 308, shall include all hallways that serve Units 301, 302, 303, 304, 305, 307, and 308.
- (3) The Limited Common Elements appurtenant to Units 401, 402, 403, 404, 405, 407, and 408, shall include all hallways that serve Units 401, 402, 403, 404, 405, 407, and 408.
- (4) The Limited Common Elements appurtenant to Units 501, 503, 504, and 505, shall include all hallways that serve Units 501, 503, 504, and 505.
- (5) Systems: all Systems serving the Residential Units exclusively.

(e) Individual Unit Limited Common Elements. The Limited Common Elements appurtenant to each Unit shall include the following:

- (1) Exclusive Use Areas: all entrances, walls, floors, ceilings, hallways, balconies and windows that serve each Unit exclusively;
- (2) Systems: all Systems serving each Unit exclusively; and
- (3) Parking Space: Parking Space numbers that are reserved for each Unit as shown on the Map.

(f) General Common Elements. The General Common Elements shall include the Land, Structure, outdoor play area, outdoor amenity areas, walkways and trails, lobby, gym, the roof, including any rooftop amenity area, the sidewalks, landscaping, driveways, the Parking Area (exclusive of the Parking Spaces within the Limited Common Elements of the Residential Units), and all other walls, floors, ceilings, hallways and Systems that serve all Units, to the extent any such items are not otherwise designated as a Limited Common Element for any Unit or part of any Unit.

(g) Declarant's Intention. The detailed descriptions of the Units, the Limited Common Elements, and the General Common Elements provided in this Subsection 2.2 represent the general intention of Declarant. However, in the event of a discrepancy between the above descriptions and the Map, the Map shall control.

2.3 Alteration of Boundaries of Units. If one or more Owner(s) (including Declarant) own Units which adjoin horizontally (on the same floor), such Owner(s) shall have the right to relocate the boundaries

between such adjoining Units by removing and relocating all of any part of any intervening partition notwithstanding the fact that such partition may in whole or in part be a Common Element, so long as no portion of any bearing wall of bearing column is weakened or removed and no portion of any Common Element (other than the partition) is damaged, destroyed or endangered; provided, however, that the Owner(s) shall have the right to relocate certain Common Elements which are located within the said partition (such as pipes, flues, conduits, shafts, vents, ducts, wiring and the like) so long as such relocation is performed in a good and workmanlike manner by a capable and experienced workman and such Common Elements are fully operational upon the completion of such relocations. Notwithstanding the above, prior to the commencement of any such alterations, such Owner(s) shall submit to the Board of Directors for its approval full and complete plans and specifications relating to such alterations. The Board of Directors may request such additional information as it deems necessary to evaluate the alteration request. Within a reasonable period of time following its receipt of the plans and specifications and all such other requested information, the Board of Directors shall provide to the Owner(s) written acknowledgment of the Board of Director's receipt of the alteration request and the Board of Directors shall be deemed to have disapproved such plans and specifications if it fails to approve of such plans and specifications in writing within 15 business days after the Owner's receipt of the Board of Director's written acknowledgment of the receipt of request for alterations. If approved, the Association shall cause an appropriate instrument of amendment to this Declaration to be prepared, executed and recorded in the Official Public Records of the County. The instrument of amendment shall (i) contain such plats and floor plans as are necessary to show the boundaries between the Units involved, which shall be certified as to their accuracy by a registered architect or engineer, (ii) recite the occurrence of any conveyance between the Owners of the Units affected, (iii) specify any reasonable reallocation of the aggregate percentage ownership interest in the Common Elements pertaining to the Units affected, and (iv) specify any reallocation of Parking Spaces appurtenant to either of the Units affected. The Association hereby agrees to cooperate reasonably with such Owner(s) in effectuating such amendment to this Declaration, provided that all costs and expenses incurred by the Association in connection therewith including all professional fees such as architects', engineers' and attorneys' fees shall be paid exclusively by such Owner(s). In the event any damage is caused to any bearing wall, Common Element (other than the partition), or another Unit as a result of the exercise of the rights granted hereunder, all such damage shall be repaired at the sole cost and expense of the Owner(s) exercising such rights. The Board of Directors review and approval rights specified in this Subsection shall not be applicable to Declarant during the period of Declarant Control.

2.4 Allocation of Interests in Common Elements. The undivided interest of the Owners in and to the Common Elements shall be allocated based on the percentages set forth in the definition of "Allocated Interests" in Subsection 1.1, and was determined by dividing the area of each Unit measured in square feet using the vertical boundary lines described in the Center Wall Measurement Method by the total area of all Units measured in square feet using the vertical boundary lines as described in the Center Wall Measurement Method and shall be the Allocated Interests shown opposite the Unit numbers in Exhibit C. The Common Elements shall remain undivided.

2.5 Inseparability of Units; No Partition. Each Unit shall be inseparable, and shall be acquired, owned, conveyed, transferred, and encumbered only as an entirety. In no event shall a Unit held by more than one Owner be subject to physical partition and no Owner or Owners shall bring or be entitled to maintain an action for the partition or division of a Unit or the Common Elements. Any purported conveyance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in the Common Elements without the Unit to which such Common Elements are allocated is void ab initio.

2.6 Permissible Relationships; Description.

(a) Ownership of Unit. A Unit may be acquired and held by more than one Person in any form of ownership recognized by the laws of the State of Texas.

(b) Description of Unit. Any contract or other instrument relating to the acquisition, ownership, conveyance, transfer, lease or encumbrance of a Unit shall legally describe such Unit by its identifying Unit designation followed by the words "Lakeshore Plaza Condominiums, located in the City of Little Elm, Denton County, Texas" with further reference to the recording data for this Declaration (including the Map and any amendments to the Declaration). Each such description shall be good and sufficient for all purposes to acquire, own, convey, transfer, lease, encumber or otherwise deal with such Unit, and any such description shall be construed to include all incidents of ownership relating to a Unit.

2.7 Mortgage of a Unit. Any Owner shall be entitled from time to time to mortgage or encumber such Owner's Unit by creating a lien covering such Unit under the provisions of a deed of trust, but any lien created thereby shall be subject to the terms and provisions of this Declaration, and any mortgagee or other lienholder that acquires the Owner's Unit through judicial foreclosure, public sale or any other means shall be subject to the terms and provisions of this Declaration, except as specifically provided to the contrary herein.

3. Uses, Reservations, and Restrictions

3.1 Permitted Uses.

(a) Residential Units. The Residential Units shall be used or occupied solely for residential purposes and related uses; provided, however, that this restriction will not prohibit a Tenant or a Residential Unit Owner, from using such Tenant's apartment or such Residential Unit Owner's Unit for personal business or professional purposes so long as such use is in compliance with this Declaration, the Regulations, and all Legal Requirements.

(b) Commercial Unit. The Commercial Unit shall be used or occupied solely for general office use, bar and restaurant use, and for the sale of retail goods and services that shall be compatible with the operation of the Condominium as a high quality, multi-purpose commercial and residential project. Without limiting the foregoing, the following uses shall be prohibited in the Commercial Unit: (1) residential use; (2) dry cleaning plant; (3) intentionally deleted; (4) flea market, swap shop, second hand or "outlet store" selling merchandise that is used, damaged or discontinued (except vintage or upscale re-sale and the sale or swapping of second hand albums, which is expressly permitted); (5) sidewalk markets (except for special events); (6) meeting hall or place of worship; (7) pawn shop; (8) check cashing service; (9) intentionally omitted; (10) massage parlor (except for a in connection with the operation of a spa or a Massage Envy or similar establishment, which is not prohibited), pornographic materials store or the showing of hardcore pornographic films; (11) beauty or barber college; (11) health club (personal training studios permitted); (12) place of instruction or any operation catering primarily to students or trainees rather than to customers; (13) funeral parlor; (14) facility for the sale of paraphernalia for use with illicit drugs; (15) off-track betting parlor; (16) any use that emits an obnoxious odor that can be smelled outside of the Commercial Unit (normal smells associated with restaurant use are specifically allowed); (17) pet kennel; (18) any animal medical services establishment; or (19) any uses that are prohibited by any Legal Requirements.

(c) Leasing of Units. Units may be leased in accordance with the Regulations, as may be amended by the Board of Directors from time to time. No portion of the Commercial Unit shall be leased for residential purposes, and no portion of the Residential Units shall be leased for commercial purposes. No Residential Unit Owner may lease less than an entire Residential Unit. A copy of each lease shall be submitted to the Association promptly following execution (provided that the financial terms of a lease may be redacted from the copy submitted to the Association).

(d) Parking Spaces shall be used exclusively for parking purposes. The Parking Spaces designated on the Map as Limited Common Elements shall be designated as being appurtenant to a particular Residential Unit in each deed conveying a Residential Unit to an Owner and such Residential Unit Owner shall have the exclusive right to use such designated Parking Space.

(e) The Parking Area use by Owners, Tenants and other occupants of a Residential Unit shall be limited to one space per Residential Unit between the hours of 11:00 a.m. and 8 p.m.

(f) Smoking inside the Building is prohibited, including inside any Unit or indoor Common Element.

3.2 Architectural Control. Each Unit shall also be subject to limitations on use, occupancy, signage, architectural standards and such other matters as shall be determined by the Board of Directors and as set forth in the Regulations, which shall at all times be consistent and in compliance with applicable zoning and Legal Requirements.

3.3 Reservations by Declarant. To the extent and only if permitted by the Act, and at all times while Declarant owns any Unit or any other real property interest in the Condominium or for such lesser time as may be permitted by the Act, Declarant reserves, as a part of the Special Declarant Rights, the following rights: (i) to make and record corrections to the Map to conform the same to the actual location of the Improvements, the actual size and location of the Units and/or the proper designation of the elements of the Improvements as Units, General Common Elements or Limited Common Elements, including, without limitation, the right to record changes to the Map appropriate to reflect the exercise by Declarant of any Development Right; (ii) to establish, vacate, relocate and use the Easements as set forth in this Declaration; provided, however, that no modification of any Easement shall have the effect of altering or destroying a Unit or a Limited Common Element unless consented to by the Owner of such Unit or by the Owner to whose Unit such Limited Common Element is appurtenant, as well as by the Mortgagee of any such Unit; (iii) to include, in any instrument initially conveying a Unit, such additional reservations, exceptions and exclusions as it may deem consistent with and in the best interests of the Owners and the Association; (iv) to have and use an easement over, under and across any and all of the Common Elements to the extent that same may be necessary or useful in constructing, repairing or completing the Units and Common Elements or as may be reasonably necessary for the exercise of any Special Declarant Rights or the performance of any obligations of the Declarant; (v) to assign, sell or lease any Parking Spaces upon such terms as Declarant shall determine; and (vi) to exercise any Development Rights. Notwithstanding anything herein to the contrary, Declarant reserves and retains the right to unilaterally amend this Declaration and any exhibit in connection with the exercise of any of the foregoing Development Rights to the extent permitted by the Act.

3.4 Compliance with the Governing Documents. The Owners, by accepting or possessing title to a Unit and any Tenant having the right to occupy any portion of a Unit pursuant to a lease granted by any Owner, shall automatically be deemed to have agreed to strictly comply with the provisions of the Governing Documents and all Legal Requirements. A failure or refusal to so comply with the provisions of any such instrument, after written notice, shall be grounds for imposition of fines by the Association after due process and an action to recover damages or sums due, with interest thereon at the Past Due Rate, or for injunctive relief, or both, and for reimbursement of all attorneys' fees incurred in connection therewith, which action shall be maintainable by the Board of Directors or the Manager, if any, in the name of the Association on behalf of all of the owners or, in a proper case, by an aggrieved Owner. In addition, an Owner's voting rights in the Association and Owner's or Owner's lessee's right to use and enjoy the General Common Elements or receive services may by written notice be suspended by the Association during the period of such noncompliance.

3.5 Parking. The Parking Area shall be subject to the reasonable procedures and regulations adopted for the same from time to time by the Association. The Parking Area (exclusive of the Parking Spaces within the Limited Common Elements of the Residential Units) shall be used for automobile parking purposes and those uses appurtenant to parking purposes by the Owners and their respective Tenants, guests, invitees and employees.

3.6 Easements.

(a) Declarant hereby reserves the Parking Easement, Access Easement and Utility Easement for the benefit of all Units, Owners, the Association and its agents, employees and representatives, including the Manager and the Manager's agents and employees as the case may be, and reserves the Support Easement and Vertical Access Easement for the benefit of the Association and each Unit and Owner. Each Owner shall by virtue of this Declaration, accept the deed to such Unit subject to the Parking Easement, Access Easement and the Utility Easement and further subject to the Support Easement and Vertical Access Easement as may be applicable. Declarant hereby reserves for the benefit of each Owner, the Common Elements Easement and declares that by virtue of this Declaration the Common Elements shall be subject to the Common Elements Easement. Each Owner shall provide the Association with a key to its Unit which may be used in such Owner's absence for Access Easement purposes. Declarant may, in addition to the rights to relocate set forth in this Subsection 3.6, record an easement agreement or easement relocation agreement in the Official Public Records of the County, specifically locating or relocating the Utility Easement subsequent to the recordation of this Declaration, and the Owner of each Unit, by acceptance of the deed to a Unit, hereby grants Declarant during the period of Declarant Control and to the Association thereafter an irrevocable power of attorney, coupled with an interest, with full power and authority to relocate the Utility Easement. The Easements granted herein are subject to the Access Easement and Shared Use Agreement.

(b) Declarant hereby reserves for both the Declarant, prior to the termination of Declarant Control, and the Association, after the termination of Declarant Control, the right to grant easements for purpose of utilities over any and all of the Common Elements.

(c) The Association may dispense chemicals for the extermination of insects and pests within the Units and Common Elements. In the event that the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives and agents shall have an easement to enter Units for the purpose of dispensing chemicals for the exterminating of insects and pests within the Units and Common Elements. Neither the Association nor the Declarant shall be liable for any illness, damage, or injury caused by the dispensing of these chemicals for this purpose.

3.7 Encroachments. If, as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance, any portion of the Common Elements encroaches upon any Unit, an irrevocable and perpetual easement for such encroachment and for the maintenance of the same is hereby granted and conveyed to the Association by the Declarant. If, as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance, any portion of any Unit encroaches upon the Common Elements, or upon the other Unit, an irrevocable and perpetual easement for such encroachment and for the maintenance of the same is hereby granted to the Owner of the encroaching Unit. Such encroachments and easements shall not be considered or determined to be encumbrances either upon a Unit or upon the Common Elements.

3.8 Roof. The roof, including any amenity areas thereon, of the Building is a General Common Element of the Condominium. No Owner shall lease or license any portion of the roof for the purpose of installing any equipment that does not serve primarily the Building (for example, leases to cellular phone service providers are prohibited). No Owner shall have the right to use any portion of the roof (for example,

to install a satellite dish) unless such use is approved in writing by the Declarant or the Association in advance.

3.9 Signage Obligations. No Owner of a Residential Unit may install signs on the Building. The Commercial Unit Owner may install signage on the Building pursuant to the Regulations or pursuant to any other agreement between the Commercial Unit Owner and the Association. The Commercial Unit Owner shall, at its expense, be responsible for (i) obtaining and maintaining all necessary permits and approvals required, both under applicable Legal Requirements and otherwise, with respect to the erection and maintenance of the signs, (ii) keeping and maintaining the sign in good condition and repair, and (iii) keeping all lighting and other equipment in connection with such signage in good working order and condition. The Association may, as a Common Expense, temporarily remove signage, fixtures and/or improvements, as necessary, to maintain, repair, or replace the outside walls or may require the Commercial Owner to do so, with the cost to be paid by the Owners as a Common Expense. The Commercial Unit Owner shall be responsible for the cost of repairing Common Elements or Units if such repairs are necessitated by use or misuse of its rights to signage specified herein or in any other agreement between them. The Association does not insure fixtures or improvements installed pursuant to such rights to signage and is not liable to any Person for any loss or damage from any cause to the signage, fixtures or improvements installed.

4. Matters Regarding the Association.

4.1 General. The Association will be incorporated as a nonprofit corporation under the Texas Nonprofit Corporation Act. In addition to the powers conferred on the Association under the Governing Documents, the Association may take all actions authorized by Section 82.102 of the Act. Any and all actions taken by the Association pursuant to the Governing Documents are binding on all Owners.

4.2 Allocation of Votes in the Association. All Owners shall automatically be members of the Association and entitled to vote, as follows: The Owner (whether one or more) of each Residential Unit shall be entitled to cast one vote, and the Owner (whether one or more) of the Commercial Unit shall be entitled to cast three votes. Any matter described as requiring approval by a stated percentage or majority of Owners shall mean a stated percentage or a majority of the vote of the Owners. In the event of a tie, the Board of Directors shall have the authority to cast the deciding vote.

4.3 Board of Directors. The Board of Directors shall be initially established by Declarant as set forth in the Bylaws and shall consist of individuals who need not be Owners. Each member of the Board of Directors shall be entitled to one vote each and each vote shall be of equal weight and shall be cast in accordance with the provisions of the Bylaws and the Certificate of the Association.

4.4 Right of Action by Owners. Owners, acting collectively or individually, shall have the right to maintain actions against the Association or any other Owner for its failure to comply with the provisions hereof or to perform its duties and responsibilities hereunder.

5. Maintenance, Alterations, Insurance, Taxes, and Utilities.

5.1 Maintenance.

(a) Each Owner shall be responsible for and shall maintain and repair, at the Owner's sole cost and expense in accordance with the Maintenance Standard, such Owner's Unit including, and without limitation, all Systems that serve only or are a part of the Unit, fixtures and appliances therein contained, and all interior Unit doors and interior windows (but no exterior doors or windows which shall be

maintained and replaced by the Association) and the replacement thereof (including but not limited to hardware and glass). The Association shall be responsible for all structural repairs and repair and maintenance of the Parking Area. No Owner shall be required to directly pay the cost and expense of structural repairs to the Unit, the Parking Area, or to the Common Elements unless necessitated by the willful or negligent misuse thereof by the Owner, the occupants or the invitees of such Unit, in which event such costs and expenses shall constitute the sole obligation of the Owner whose occupants and/or invitees were guilty of such willful or negligent misuse. Any maintenance and repair work to a Unit done by or on behalf of the Owner shall be done in a good and workmanlike manner using materials of equal or better quality than the material removed and shall be done in such a manner as not to impair the structural soundness or integrity or to alter the exterior appearance of any Building or Unit. In the event an Owner fails to discharge the Owner's maintenance obligations hereunder, the Association shall be entitled (but not obligated) to cause such work to be done, and the cost and expense thereof shall be and constitute a lien upon such a Unit which lien may be enforced in the same method as is provided for the enforcement of Assessment liens pursuant to the provisions of Subsection 6.5 of this Declaration. Damage to the interior of any Unit resulting from such maintenance, repair and replacement activities by the Association, whether by reason of any emergency or otherwise, shall constitute a Common Expense and be payable by the Association; provided, however, that if such maintenance, repairs or replacement are the result of the misuse or negligence of any Owner, or its guests or invitees, then such Owner shall be responsible and liable for all such damage.

(b) Except as provided in (a) above, all Common Elements (exception only those portions of the Systems that serve only or are a part of an individual Unit) shall be maintained by Association in accordance with the Maintenance Standard, in good condition and repair, the cost and expense of which shall constitute a Common Expense and be payable by the Association. The Association shall establish and maintain an adequate reserve fund for such purposes, to be funded by Monthly Assessments rather than by Special Assessment. Nothing herein shall be deemed or construed as relieving any Owner from liability or responsibility for damage to the Common Elements caused by the negligence or misconduct of Owner or Owner's occupants or invitees. Notwithstanding the foregoing, the Association shall have no obligation to maintain alterations, additions or improvements made by an Owner to a Limited Common Element appurtenant to such Unit. No Owner may make such alterations, additions or improvements to Limited Common Elements without the prior written consent of the Association in accordance with Subsection 5.2 hereof.

(c) The Association shall not be liable for injury or damage to any Person or property caused by the elements or by the Owner of any Unit, or any other Person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to any Owner, Tenant or other occupant of any Unit, or any guest or family of same, for loss or damage, by theft or otherwise, of any property, which may be stored in or upon any Common Elements. The Association shall not be liable to any Owner, Tenant, or other occupant for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Subsection where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities.

(d) In the event a dispute shall arise among Owners as to the proper party to bear a maintenance cost or expense, the Board of Directors shall be entitled to resolve such dispute; provided, however, that nothing herein shall be deemed or construed as limiting an Owner's right to have the provisions of this Subsection interpreted by a court of competent jurisdiction; provided further, however, that any such cost or expense so disputed shall be paid in accordance with the determination of the Board of Directors pending final judgment in any such legal proceedings.

5.2 Alterations. No Owner shall be entitled to alter, add to or improve the Unit, or the Limited Common Elements appurtenant thereto, in a manner as will or might reasonably be expected to affect the structural soundness or integrity or the exterior appearance of any of the Improvements, any System that services more than one Unit, or any warranty in favor of the Association, without the prior written consent of the Association and being in compliance with all Regulations established by the Association. No Owner may alter the size or location of any Parking Space without the prior written consent of the Association. Further, no Owner shall be entitled to make any alteration, addition or improvement to a Limited Common Element appurtenant to more than the Unit unless (i) the prior written approval of all Owners having an interest in such Limited Common Element is obtained, and (ii) the plans and specifications for such alteration, addition or improvement to the Limited Common Element have been approved in writing by the Board of Directors. Once alterations, additions and improvements have been made to a Limited Common Element pursuant to plans and specifications approved in writing by the Board of Directors, neither the Association, the Board of Directors nor any Owner shall have the right to cause such alterations, additions or improvements to be removed or altered without the written consent of the Owner or Owners of the Unit or Units to which such Limited Common Element is appurtenant. Any alterations, additions and improvements made pursuant to this Subsection shall be made at the individual cost and expense of the Owner making such alteration, addition, or improvement. Each Owner, by acceptance or possession of a title to a Unit, indemnifies and holds harmless Declarant, the Association, Board of Directors, Manager, and their respective officers, employees, representatives, agents and successors from and against any and all claims, demands, judgments, losses, damages, liability, and costs and expenses, including reasonable attorneys' fees, directly or indirectly arising from or attributable to the review and approval of any alteration pursuant to this Subsection 5.2.

5.3 Mechanic's Liens; Indemnification. No labor performed or materials furnished and incorporated in a Unit with the consent or at the request of an Owner or an Owner's agents or representatives, shall be the basis for the filing of a lien against the Unit of any other Owner not expressly consenting to or requesting the same, or against the Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against all liabilities and obligations arising from the claim of any lien against the Unit of such other Owners or the Common Elements. All contracts for labor, services, and/or materials with respect any of the Units shall be in compliance with the provisions hereof.

5.4 Insurance.

(a) Commencing upon the first conveyance of any Unit to an Owner other than the Declarant, the Association shall obtain and maintain, as a Common Expense, insurance coverage required pursuant to Section 82.111 of the Act and such additional coverage as the Association deems appropriate.

(b) Insurance policies shall provide that:

(1) each Owner is an insured person under such policies with respect to liability arising out of the Owner's ownership of an undivided interest in the Common Elements or membership in the Association;

(2) insurance trust agreements will be recognized;

(3) any right of subrogation of the issuer against individual Owners is waived;

(4) the coverage of the policy is not prejudiced by any act or omission of an individual Owner to the extent that such act or omission is not within the collective control of all Owners;

(5) such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy;

(6) no action or omission by any Owner, unless validly exercised on behalf of the Association, will void the policy or be a condition to recovery under the policy;

(7) the policy may not lapse, be cancelled, or have renewal refused, or be materially modified, except after thirty days prior to the written notice to the Association and the Manager, if any, and fifteen days' prior written notice to each Mortgagee listed as such in such insurance policy, except in the case of non-payment of premium in which case ten days written notice of cancellation shall be given to the Association, the Manager, if any, and each listed Mortgagee.

(c) The Manager, if any, shall be reflected as additional insured on any commercial general liability insurance policy carried by the Association.

(d) The Board of Directors shall have the express authority, on behalf of the Association, to name as insured an authorized representative, including any trustee (or successor thereto) with whom the Association has entered into any insurance trust agreement, which authorized representative shall have exclusive authority to negotiate losses under any policy providing the property or liability insurance required to be provided herein.

(e) By acceptance of a deed to a Unit, each Owner shall be deemed to have irrevocably appointed the Association (which appointment shall be deemed a power coupled with an interest), together with any insurance trustee, successor trustee or authorized representative designated by the Association, as such Owner's attorney-in-fact for the purpose of purchasing and maintaining the insurance required hereunder as well as for submission of and adjustment of any claim for loss, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purpose. The Association or such trustee, successor trustee or authorized representative must receive, hold or otherwise properly dispose of any proceeds of insurance in trust for the Owners and the Mortgagees as their interests may appear based on the fair market value of the interests damaged or destroyed. Any proceeds paid under such policy shall be disbursed first for the repair or restoration of any damaged Common Elements and Units, and no Owner or Mortgagee or other lienholder shall receive payment of any portion of such proceeds unless a surplus remains after the Condominium has either been completely restored or the Condominium has been terminated.

(f) The Association shall be entitled to obtain and maintain such additional insurance coverages hereunder as the Board of Directors may deem necessary or appropriate including, without limitation, insurance covering all alterations, additions, betterments and improvements to Owners' Units, liability insurance for all officers, directors, trustees and employees of the Association. The premiums for all insurance coverages maintained by the Association pursuant to this Section shall constitute a Common Expense and be payable by the Association.

(g) Each Owner shall be obligated to obtain and maintain, at such Owner's sole cost and expense, a standard Texas insurance policy for betterments and improvements covering structural components related to such Owner's Unit to the extent not covered by insurance maintained by the Association and each Owner shall be required to furnish a copy of such insurance to the Association. If an Owner shall fail to provide evidence of such insurance, the Association may purchase such insurance on behalf of the Owner and assess the cost to the Owner as an Individual Assessment. Each Owner shall be responsible for obtaining and maintaining at such Owner's sole cost and expense such other insurance covering alterations, additions,

betterments and improvements to such Unit and all other personal property located at the Unit or constituting a part thereof and shall furnish the Association with a copy of such insurance. An Owner shall be responsible for obtaining and maintaining at such Owner's sole cost and expense such liability insurance as may be appropriate. Nothing herein shall be deemed or construed as prohibiting an Owner, at such Owner's sole cost and expense, from obtaining and maintaining such further and supplementary insurance coverages as such Owner may deem necessary or appropriate.

5.5 Taxes. Each Owner shall be responsible for and shall pay when due all taxes, assessments and other governmental impositions lawfully levied or assessed with respect to such Owner's Unit. Any taxes, assessments or other governmental impositions lawfully levied or assessed with respect to the Property not separately billed to the Owners shall constitute a Common Expense and be payable by the Association.

5.6 Utilities. Each Owner shall be responsible for and shall pay all water and wastewater usage, audio or visual communications, electricity, gas, and internet connectivity charges relating to such services used or consumed at or with respect to the occupancy of the Unit. To the extent such charges are separately metered by the respective utility companies or submetered by the Association, the amount payable by the Unit Owner shall be in accordance with the usage thereof as specified by the utility company or Association, as applicable. Any such charges not separately metered or submetered and charges relating to such services used in connection with the use and maintenance of the Common Elements, shall constitute a Common Expense and be payable by the Association.

6. Assessments

6.1 Monthly Assessments; Budget

(a) The Association shall possess the right, power, authority and obligation to establish a regular Monthly Assessment sufficient in the judgment of the Board of Directors to pay all Common Expenses when due. No consent or approval of the Owners shall be required for the establishment of the Monthly Assessments. Such Monthly Assessments so established shall be payable by the Owners on the first day of each calendar month, and shall be applied to the payment of charges for which the Association is responsible, including, without limitation, charges relating to maintenance and repair of elements of the Property not the responsibility of the Owners, care of the Common Elements, any common area expenses under any recorded declarations or easement agreements encumbering the Property, casualty, public liability and other insurance coverages required or permitted to be maintained by the Association, governmental impositions not separately levied and assessed, utilities relating to the Common Elements or not separately metered, professional services, such as management, accounting and legal, and such other costs and expenses as may reasonably relate to the property maintenance, care, operation and management of the Property, and the administration of the Association and the Condominium established hereby, including an adequate reserve fund for the periodic maintenance, repair and replacement of the Common Elements

(b) Prior to the commencement of each fiscal year of the Association, the Board of Directors shall prepare and deliver to all of the Owners a Budget setting forth the anticipated Common Expenses for the ensuing year. Such Budget shall be in sufficient detail so as to inform all Owners of the nature and extent of the Common Expenses anticipated to be incurred and shall be accompanied by a statement setting forth each Owner's monthly share thereof and the date as of which such Monthly Assessment commences to be payable. No further communication shall be necessary to establish the amount of each Owner's obligation regarding the Monthly Assessment payable hereunder, and the failure of the Board of Directors to timely deliver the Budget provided for herein shall in no event excuse or relieve any Owner from the payment of the Monthly Assessments contemplated hereby. Any Budget prepared and delivered to the

Owners as hereby contemplated may be amended as and to the extent reasonably necessary and the amount of each Owner's Monthly Assessment changed to correspond therewith. If the proposed Budget for a fiscal year increases more than ten percent above the Budget for the preceding fiscal year, such Budget must be approved by a majority of the Owners except as described in Subsection 6.1(c), below. Any funds collected by the Association pursuant to the Budget and not expended in any fiscal year shall be applied to reduce Monthly Assessments otherwise payable by Owners in the next fiscal year.

(c) If the Budget increases by more than ten percent as a result of an uncontrollable expense, the increase shall be allowed regardless of whether it is approved by the Board of Directors or all of the Owners. For purposes of this Declaration, an "uncontrollable expense" is an expense payable to a third party, the rates of which are not controlled by or reasonably capable of being controlled by, the Association or any Owner, such as taxes, insurance, and utilities. Further, if circumstances make additional or different security measures a necessary or desirable addition to or increase in the Budget, the cost of the additional security or the increased cost thereof shall also be an uncontrollable expense so long as such cost reflects a fair market price for the services rendered.

(d) Notwithstanding Subsections 6.1(a)-(c) above or any other provision of this Declaration to the contrary, it is acknowledged and agreed by the Owners that the initial Budget has been prepared and agreed to by a majority of the Owners at a point in time when the parties have limited operating history for the Property. There will be a transition period of approximately twenty-four months from the time the first Unit is conveyed by Declarant. During this transition period and until such time as 50% percent of the Residential Units have been conveyed by the Declarant (the "Base Period"), the ten percent caps described in Subsections 6.1(b) above shall not apply, it being the intention of the Owners to take into account actual operating expense increases and adjustments of every kind. After the Base Period, the Budget will be established for the year following the Base Period, using the Base Period numbers adjusted as reasonably required to take into account expected operating expenses increases and adjustments. Further, if an expense of the Base Period makes it reasonably clear that any line item should be re-allocated among the Owners, then the Owners shall in good faith determine the extent to which a reallocation is appropriate.

6.2 Special Assessments.

In addition to the Monthly Assessments contemplated by Subsection 6.1, the Association shall possess the right, power and authority to establish Special Assessments to pay non-recurring Common Expenses relating to the proper maintenance, care, alteration, improvement, operation and management of the Property, and the administration of the Association and the Condominium established hereby. Except as contemplated by Section 7, no consent or approval of the Owners shall be required for the establishment of a Special Assessment as contemplated by this Subsection, except for any Special Assessment relating to the alteration or improvement of any element of the Property or an expenditure in excess of \$10,000 per item or \$20,000 in the aggregate in any year, which in each case must be approved by an affirmative vote of a majority of Owners.

6.3 Individual Assessments. In addition to the Monthly Assessments and Special Assessments contemplated in Subsection 6.1 and Subsection 6.2, the Association shall possess the right, power and authority to establish or levy Individual Assessments in accordance with the provisions of this Declaration against an individual Owner of a Unit for charges properly borne solely by one or more but less than all Owners, such as (without limitation) charges for additional services, damages, fines or fees, Unit insurance, or insurance deductible payments. Individual Assessments shall be the personal obligation of the Owner against whom the Individual Assessment is assessed and shall constitute a lien against the Unit in the same

manner and with the same consequences as the Monthly Assessment and any duly authorized Special Assessment.

6.4 Obligation to Pay Assessments. Each Owner shall be personally obligated to pay their respective Assessments duly established pursuant to this Section 6 and Section 7. Unpaid Assessments due as of the date of the conveyance or transfer of a Unit shall not constitute a personal obligation of the new Owner (other than such new Owner's pro rata share of any reallocation thereof); however, the former Owner shall continue to be personally liable for such unpaid Assessment. No Owner shall be entitled to exemption from liability for the Owner's obligation to pay such Assessments by waiver of the use and enjoyment of the Common Elements, by an abandonment of the Owner's Unit or by any other action whatsoever. Any Assessment not paid within fifteen days of the date due shall bear interest at the Past Due Rate, and after written notice of the delinquency and an opportunity to cure within five additional days thereof is provided to the Owner, the Assessment shall be recoverable by the Association, together with interest as aforesaid and all costs and expenses of collection, including reasonable attorneys' fees, by suit in a court of competent jurisdiction sitting in the County. It shall be the responsibility of the Board of Directors to collect any such delinquent Assessment, the existence of which shall be made known by written notice delivered to the defaulting Owner and, where requested, the Owner's Mortgagee.

6.5 Lien to Secure Payment of Assessments.

Declarant hereby reserves and assigns to the Association a lien, pursuant to the provisions of Section 82.113 of the Act, against each Owner's Unit, the Rents, if any, payable to any Unit Owner and Insurance Proceeds to which a Unit Owner may be entitled, to secure the payment of all Assessments, which lien shall be and constitute a lien and encumbrance in favor of the Association, upon such Owner's Unit, the Rents, and any Insurance Proceeds. The liens established herein shall be prior and superior to all other liens and encumbrances subsequently created upon such Owner's Unit, Rents and Insurance Proceeds, regardless of how created, evidenced or perfected, other than the lien securing the payment of Lien Indebtedness (provided such lien was recorded prior to the date on which the Assessment became delinquent) and the liens for unpaid taxes, assessments and other governmental impositions. The liens and encumbrances created herein may be enforced by any means available at law or in equity, including a non-judicial foreclosure sale of the Unit of a defaulting Owner. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, of Section 51.002 of the Property Code or, if and to the extent such statute is not then in force, with the applicable requirements, at the time of the sale, of the successor statute or statutes, if any, governing sales of Texas real property under powers of sale conferred by deeds of trust or other contract liens. Each Unit Owner, by acquisition of such Owner's Unit grants to the Association a power of sale in connection with the Association's liens. By written resolution, the Board of Directors may appoint, from time to time, an officer, agent, trustee or attorney of the Association to exercise the power of sale on behalf of the Association. The Association may bid for and purchase the Owner's Unit, as a Common Expense, at any such foreclosure sale. The foreclosure by a Mortgagee of any Owner's Unit in order to satisfy Lien Indebtedness will extinguish the subordinate lien for any Assessments which became payable prior to the date of such foreclosure sale, provided that in no event shall a defaulting Owner be relieved from liability incurred for past Assessments.

6.6 Commencement of Obligation to Pay Assessments.

Each Owner shall be obligated to commence payment of all Assessments against their respective Unit on the date this Declaration is recorded in the Official Public Records of the County, or the date such Owner takes title to a Unit, whichever is later. If such date is other than the first day of a month, then such Owner shall be obligated to pay only a prorated share of the Assessment against such Owner's Unit based on the number of days during such month that the Owner will hold title to the Owner's Unit.

6.7 Notice of Default.

If the Owner of a Unit defaults in the Owner's monetary obligations to the Association, the Association may notify the other lien holders of the default and the Association's intent to foreclose its lien.

6.8 Alternative Actions.

Nothing contained in this Declaration shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien.

6.9 Statement of Common Expenses and Access to Records.

The Association shall promptly provide any Owner, contract purchaser, or Mortgagee so requesting the same in writing with a written statement of all unpaid Assessments for Common Expenses due with respect to such Unit. The Board of Directors may impose a reasonable charge for the preparation of such statement to the extent permitted by the Act. The Association shall make available during normal business hours for inspection, upon request by Owners, Mortgagees, Tenants, prospective purchasers, and any of their authorized agents, current copies of the books, records, and financial statements of the Association (including, if such is prepared, the most recent annual audited financial statement available). Any Owner or Mortgagee may have an audited statement of the Association prepared at its own expense.

7. Loss and Obsolescence.

7.1 Loss or Damage.

The following provisions shall govern in the event the Improvements, or any part thereof, are damaged or destroyed by fire or other casualty:

(a) Notice to Mortgagees. Prompt written notice of any such substantial damage or destruction shall be given to all Mortgagees.

(b) Restoration and Repair. Pursuant to Section 82.111(i) of the Act, the Association shall promptly proceed with the full restoration and repair of such damage or destruction unless (i) the Condominium is terminated; (ii) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (iii) Owners holding not less than 67% of the Allocated Interests (including each Owner of a Unit or assigned Limited Common Element that will not be rebuilt or repaired) vote not to rebuild.

(c) Special Assessment. The amount by which such restoration and repair costs exceed collectible Insurance Proceeds shall be and constitute a Special Assessment payable by the Owners within thirty days of the date notice of such Special Assessment is delivered by the Association.

(d) Excess Proceeds. Any excess Insurance Proceeds remaining after such restoration and repair, or any insurance or sales proceeds available absent such restoration and repair, shall be received and held in trust by the Association in separate accounts for each Owner according to the Allocated Interests of the Owners, and be applied, without contribution from one such account to another, as follows:

(1) first, to the payment of any taxes and special assessment liens or other governmental impositions in favor of any assessing entity having authority with respect to such Owner's Unit;

- (2) second, to the payment of the balance of the Lien Indebtedness of such Owner;
- (3) third, to the payment of any delinquent Assessment with respect to such Owner's Unit; and
- (4) the balance, if any, to such Owner or such other parties as shall be entitled thereto.

7.2 Damaged Units.

The following provisions shall govern if any Unit or any part thereof, is damaged or destroyed by fire or other casualty ("Damaged Unit"):

(a) Notice to Mortgagees. Prompt written notice of any such substantial damage or destruction shall be given to the Mortgagees of the Damaged Unit.

(b) Restoration and Repair. The Owner of the Damaged Unit shall promptly proceed with the full restoration and repair of such damage or destruction and shall pay all costs of such restoring, repairing, replacing or rebuilding in excess of the net proceeds of the collectible Insurance Proceeds unless: (i) the Condominium is terminated; (ii) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (iii) Owners holding not less than 67% of the Allocated Interests vote not to rebuild.

7.3 Matters Relating to Restoration and Repairs.

Any restoration and repair work undertaken by the Association pursuant to Subsection 7.1 shall be performed in a good and workmanlike manner with a view to restoring the Improvements to a condition similar to that existing prior to such damage or destruction; provided, however, that in no event shall the Association be responsible for restoring, repairing or replacing any improvements to a Unit made by any Owner, or the contents located in such Owner's Unit. All such restoration and repair work whether done by the Association or any Owner, shall be affected in a manner so as to observe all vertical and horizontal Unit boundaries existing prior to such damage or destruction.

7.4 Obsolescence of Common Elements.

If the Owners holding not less than 67% of the Allocated Interests shall vote, at a meeting of the Association duly called for purposes of considering same, that the Common Elements, or any part thereof, (including any Systems that serve only, or are a part of, individual Units), are obsolete, the Association shall promptly proceed with the necessary replacements and improvements thereto pursuant to a budget established for such purpose, and the cost thereof shall be and constitute a Special Assessment payable by each Owners within thirty days of the date notice of such Special Assessment is delivered to them by the Association.

7.5 Obsolescence of the Property.

If the Owners holding not less than 80% of the Allocated Interests shall determine, at a meeting of the Association duly called for purposes of considering same, that the Property is obsolete, the Association, after first obtaining the written consent of 51% of Mortgagees, shall promptly proceed with the sale thereof in its entirety. Any proceeds from such sale shall be received, held and applied for and on account of the Owners as provided in Subsection 7.1(b).

7.6 Association as Attorney-in-Fact.

Each Owner, by possession or acceptance of title to a Unit, hereby irrevocably makes, constitutes and appoints the Association, and each and every of its successors in interest hereunder, as their true and lawful attorney-in-fact, for and in such Owner's name, place and stead, upon the damage or destruction of the Property, or any part thereof, or upon any determination by the Owners made pursuant to this Section 7, to take any and all actions, and to execute and deliver any and all instruments, as the Board of Directors may, in its sole and absolute discretion, deem necessary or advisable to effect the intents and purposes of this Section 7, hereby gives and grants unto the Association full power and authority to do and perform all and every act whatsoever requisite or necessary to be done in and about the Property as fully, to all intents and purposes, as any Owner might or could do, hereby ratifying and confirming whatsoever the Association may do by virtue hereof. The Association is hereby authorized in the name and on behalf of all Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Section 7 as aforesaid, including, without limitation, the power and authority to make and settle claims under any insurance policies maintained by the Association, contract for and with respect to restoration and repair work, contract for and with respect to replacements and improvements to the Common Elements (to the extent authorized as contemplated by Subsection 7.4 of this Declaration), to contract for and with respect to a sale of the Property (to the extent contemplated by Subsection 7.5 of this Declaration), and to execute and deliver all instruments necessary or incidental to any such actions.

8. Condemnation

8.1 General Provisions

If all or any part of the Property is the subject of a Taking, the Board of Directors and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Board of Directors shall give such notice as it receives of the existence of such proceeding to all Owners and to all Mortgagees. The expense of participation in such proceedings by the Board of Directors shall be a Common Expense. The Board of Directors is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Board of Directors in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such Taking shall be deposited with the Board of Directors, acting as trustee, and in any case such damages or awards shall be applied or paid as herein provided. Any restoration or repair of the Property following a partial Taking shall be performed in accordance with the provisions of this Declaration and shall follow, as nearly as possible, the original plans and specifications for the Property, unless otherwise approved by 51% of Mortgagees.

8.2 Taking of One Unit.

If one Owner's Unit (or a substantial part thereof such that ownership, operation, or occupancy of the remaining portion of the Unit in accordance with the originally intended use of the Unit is impossible or undesirable), is the subject of a Taking, and such Owner shall vacate and abandon the Owner's Unit by virtue of such Taking, the Owner and any Mortgagee of such Owner shall be entitled to the award for such Taking, including the award for the value of such Owner's interest in the Common Elements, whether or not such Common Element interest is acquired, and after payment thereof, such Owner and Owner's Mortgagee shall be divested of all interest in the Property. The condemned Unit's entire Allocated Interest shall be automatically reallocated to the remaining Units in proportion to the respective Allocated Interest of those Units before the Taking. If any portion of any Owner's Unit is the subject of a Taking, such that ownership, operation, or occupancy of the remaining portion of the Unit may be continued in accordance with the originally intended use of the Unit, the Owner may not vacate the remaining portion of the Unit.

In such case, the Owner shall be entitled to the award for such Taking, and the Allocated Interest of the condemned Unit shall be reduced in proportion to the reduction in the size of the Unit. The portion of the Allocated Interest divested from the partially-acquired Unit shall be automatically reallocated to that Unit and the other Units in proportion to the respective Allocated Interests of the Units before the Taking, with the partially-acquired Unit participating in the reallocation on the basis of its reduced Allocated Interest. If any repair or rebuilding of the remaining portions of the Property is required as a result of such Taking, the remaining Owners shall determine by affirmative vote or written consent of the remaining Owners owning a majority of the re-allocated Allocated Interest either to rebuild or repair the Property or to take such other action as such remaining Owners may deem appropriate. If no repair or rebuilding shall be required, or if none be undertaken, the remaining portion of the Property shall be resurveyed, if necessary, and the Declaration shall be amended to reflect such Taking. The Declaration shall in all circumstances be amended to reflect the re-allocated Allocated Interests following the condemnation.

8.3 Taking of Common Elements.

If an action is brought to effect a Taking of the Common Elements together with or apart from any Unit, the Board of Directors, in addition to the general powers set out herein, shall have sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceeding unless the action involves a material portion of the Common Elements in which case the agreement of a majority of the Owners shall be required. With respect to any Taking of Common Elements only, all damages and awards shall be determined for such Taking as a whole and not for any Owner's interest therein. After the damages or awards for such Taking are determined, such damages or awards shall be held by the Board of Directors, acting as trustee for each Owner, or Owner's Mortgagee or Mortgagees, as their interests shall appear, in proportion to such Owner's percentage interest in the Common Elements, except that the portion of any such award attributable to the condemnation of a Limited Common Element shall be allocated among the Owners of the Units served by such Limited Common Elements, as such Owner's interests existed in the Limited Common Elements condemned. The Board of Directors may, if it deems advisable, call a meeting of the Owners, at which meeting the Owners, by the vote of a majority of the Owners, shall decide whether to replace or restore as far as possible the Common Elements taken or damaged. If it is determined that such Common Elements should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map attached hereto shall be duly amended by instrument executed by the Board of Directors on behalf of the Owners and duly recorded.

8.4 Taking of All Units.

If a Taking occurs that results in the Taking of all Units comprising less than two-thirds of the total square footage of the Land, then the damage and awards for such Taking shall be determined for each Unit and the following shall apply:

(a) The Board of Directors shall determine which of the Units damaged by such Taking may be operational or habitable for the purposes set forth in the Declaration, taking into account the nature of the Property and the reduced size of each Unit so damaged.

(b) The Board of Directors shall determine whether it is reasonably practicable to operate the remaining portions of the Units as a mixed-use condominium project in the manner provided in this Declaration.

(c) If the Board of Directors determines, with the consent of 51% of the Mortgagees, that it is not reasonably practicable to operate the remaining portions of the Units which can be made operational or habitable as a mixed use condominium project, then the Property shall be deemed to be regrouped and

merged into a single estate owned jointly in the undivided interest by all Owners, as tenants-in-common, in the percentage of the Allocated interest of each Owner.

(d) If the Board of Directors determines that it will be reasonably practicable to operate the portions of the Units which can be made operational or habitable as a condominium project, then the damages and awards made with respect to each Unit shall be applied to repair and reconstruct the Units or portions thereof so that they are made operational or habitable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Owners in accordance with their Allocated Interests. If the amount of the award exceeds the cost of such work, the excess portion of the award made with respect to each such Unit shall be paid to the Owners of such Units or their Mortgagees, as their interest may appear. The remaining portion of any Unit which cannot be made operational or habitable, if any, shall become a part of the Common Elements and repair and use of such portion shall be determined by the Board of Directors.

8.5 Taking of Entire Property.

If the entire Property is taken or damaged by such Taking, the proceeds received in relation to all damages and awards shall be held for the accounts of all Owners, and their respective Mortgagees, as their interests shall appear, as provided herein, in proportion to their Allocated Interests, and this Condominium shall automatically terminate upon payment of such proceeds to the Owners and their respective Mortgagees.

8.6 Payment of Awards and Damages.

Any damages or awards provided in this Section to be paid to or for the account of any Owner by the Board of Directors, acting as trustee, shall be applied first to the payment of any taxes or assessments by governmental authorities past due and unpaid with respect to that Unit; secondly, to amounts due under any mortgage instruments duly perfected; thirdly, to the payment of any Assessments charged to or made against the Unit and unpaid; and finally to the Owner.

9. Development Period

9.1 Initial Directors. The Board of Directors shall be initially established by Declarant as set forth in the Bylaws.

9.2 Period of Declarant Control.

(a) Except as is provided below, Declarant shall have the right to appoint and remove members of the Board of Directors during the period of Declarant Control. If Declarant voluntarily surrenders control prior to the termination of the period of Declarant Control, Declarant may require that specified actions of the Board of Directors be subject to Declarant approval until the expiration of the period of Declarant Control.

(b) Not later than 120 days after Declarant has conveyed to Owners other than Declarant title to 50% of the Units that may be created in the Condominium, an election shall be held by the Association, pursuant to the Bylaws, for the election of not less than 1/3 of the members of the Board of Directions by Unit Owners other than Declarant.

(c) At least thirty days prior to the termination of the period of Declarant Control, the Association shall elect a Board pursuant to the Bylaws, the terms of such directors to commence as of the date on which the period of Declarant Control terminates.

9.3 Working Capital Contribution. Each Owner shall, at the time such Owner purchases a Unit from Declarant or from a subsequent Owner of a Unit, contribute an amount to the Association equal to the Working Capital Contribution. Such amount shall be a contribution of working capital to the Association and shall not be considered as an advance payment of the Monthly Assessments.

10. Miscellaneous

10.1 Revocation or Termination of Declaration.

This Declaration may be revoked or the Condominium established hereby may be terminated, but only by an instrument in writing, duly approved, executed and acknowledged by those Owners holding not less than 80% of the Allocated Interests and not less than 51% vote of the Mortgagees or if the entire Property is Taken. Any such instrument of revocation or termination shall be duly filed of record in the County. If the Property is to be sold upon termination, the agreement effecting such termination shall also set forth the terms of such sale and comply with the provisions of Section 82.068(c) of the Act.

10.2 Amendment to Declaration.

This Declaration may be amended at a meeting of the Owners at which the amendment is approved by all Owners and by the vote of not less than 51% of the Mortgagees. Such amendment shall be evidenced by a written instrument executed and acknowledged by an officer of the Association on behalf of the Owners and by the consenting Mortgagees and filed of record in the County. Any such amendment so effected shall be binding upon all of the Owners and the Mortgagees.

10.3 Partial Invalidity.

In the event any provision of the Governing Documents shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall in no way impair or affect the validity or enforceability of the remainder of such instruments.

10.4 Conflicts.

If any of the provisions of the Governing Documents shall be in conflict with the provisions of the Act or the Texas Nonprofit Corporation Act or the Texas Business Corporation Act, the provisions of such statutes shall control. If a conflict exists between the provisions of the Governing Documents; the documents shall control in the following order:

1. This Declaration;
2. The Certificate;
3. The Bylaws; and
4. The Regulations

10.5 Captions and Exhibits.

Captions used in the various sections of this Declaration are for convenience only, and they are not intended to modify or affect the meaning of any of the substantive provisions hereof. All exhibits are incorporated in and made a part of this Declaration for all purposes. The exhibits attached to this Declaration are:

Exhibit A – Legal Description of Land

Exhibit B – Map

Exhibit C – Allocated Interests

10.6 Usury.

It is expressly stipulated and agreed to be the intent of the Declarant that at all times the terms of this Declaration, the Bylaws and the Regulations shall comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable under any provision of this Declaration, the Bylaws, or the Regulations. If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, taken, reserved or received pursuant to this Declaration, the Bylaws, the Regulations or any other communication or writing by or between the Association and the Owners related to the matters set forth in this Declaration, the Bylaws, or the Regulations or any other communication or writing by or between the Association and the Owners related to the matters set forth in this Declaration, the Bylaws, or the Regulations, then it is the express intent of Declarant that all amounts charged in excess of the maximum rate allowed by Texas law shall be automatically canceled, *ab initio*, and all amounts in excess of the maximum rate allowed by Texas law theretofore collected shall be refunded, and the provisions of this Declaration, Bylaws, or the Regulation shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law. Owners hereby agree that as a condition precedent to any claim seeking usury penalties against the Association or any billing Owner, any Owner will provide written notice to the Association or any billing Owner, advising the Association or any billing Owner in reasonable detail of the nature and amount of the violation, and the Association or any billing Owner shall have sixty days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to the Owner or crediting such excess interest against the obligation then owing by such Owner to the Association or any billing Owner.

10.7 Use of Number and Gender.

Whenever used herein, and unless the context shall otherwise provide, the singular number shall include the plural, the plural number shall include the singular, and the use of any gender shall include all genders.

10.8 Governing Law.

THE GOVERNING DOCUMENTS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. VENUE FOR ANY ACTION BROUGHT IN CONNECTION WITH THE CONDOMINIUM SHALL BE IN DENTON COUNTY, TEXAS.

10.9 Estoppel Certificates.

Each Owner, from time to time, but no more often than three times per calendar year, shall have the right to require the Association to deliver to the requesting Owner a written statement addressed to the requesting Owner and its Mortgagee or purchaser of its Unit, as applicable, without payment of any fee or reimbursement of any cost certifying:

(a) that this Declaration is unmodified and in full force and effect (or, if modified, that this Declaration as so modified is in full force and effect);

(b) that this Declaration attached to the certificate is a true and correct copy of this Declaration and all amendments hereto;

(c) that, to the knowledge of the certifying party, the requesting party is not in default of any of its obligations under this Declaration (or if the certifying party knows the requesting party to be in default, specifying the defaults and any remaining cure period, if any);

(d) that the certifying party holds no then existing liens against the requesting party's Unit;

(e) the date through which all Assessments have been paid by the requesting Owner; and

(f) such other matters as are reasonably requested by the requesting Owner.

10.10 Non-Liability of Association and Declarant for Security. Without limitation of any other provision of this Declaration, each Owner (by acceptance or possession of title to a Unit) and their Tenants and family (by occupancy and possession of the Unit), guests and invitees, covenant and agree with respect to any and all security services, systems and facilities provided directly or indirectly by the Association as follows:

(a) Security is the sole responsibility of local law enforcement agencies and individual Owners, their Tenants, and their respective guests and invitees. It is acknowledged that the Association has no obligation whatsoever to provide security. Security services, systems and facilities shall be provided at the sole discretion of the Board of Directors. The provision of any security services, systems and facilities at any time shall in no way prevent the Board from thereafter electing to discontinue or temporarily or permanently remove such security service, systems and facilities or any part thereof.

(b) Any third party providers of security services (including those providing maintenance and repair of security systems and facilities) shall be independent contractors, the acts or omissions of which shall not be imputed to the Association or its officers, directors, committee members, agents or employees.

(c) Providing of any security services, systems and facilities shall never be construed as an undertaking by the Association to provide personal security or as a guarantee or warranty that the presence of any security service, system or facilities will in any way increase personal safety or prevent personal injury or property damage due to negligence, criminal conduct or any other cause.

(d) EACH OWNER, BY ACCEPTANCE OF A DEED TO A UNIT, SHALL BE DEEMED TO HAVE WAIVED, ON BEHALF OF SUCH OWNER AND SUCH OWNER'S TENANTS, AND THEIR RESPECTIVE FAMILY MEMBERS, GUESTS AND INVITEES, ANY AND ALL CLAIMS, NOW OR HEREAFTER ARISING AGAINST THE DECLARANT AND THE ASSOCIATION AND THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, AGENTS AND EMPLOYEES ARISING OUT OF OR RELATING TO ANY INJURIES, LOSS OR DAMAGES WHATSOEVER, INCLUDING, WITHOUT LIMITATION ANY INJURY OR DAMAGES CAUSED BY

THEFT, BURGLARY, TRESPASS, ASSAULT, VANDALISM OR ANY OTHER CRIME, TO ANY PERSON OR PROPERTY ARISING, DIRECTLY OR INDIRECTLY, FROM THE PROVIDING OR FAILURE TO PROVIDE ANY SECURITY SERVICES, SYSTEMS AND FACILITIES, OR THE DISCONTINUATION, DISRUPTION, DEFECT, MALFUNCTION, OPERATION, REPAIR, REPLACEMENT OR USE OF ANY SECURITY SERVICES, SYSTEMS AND FACILITIES, WHETHER CAUSED OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF THE DECLARANT OR THE ASSOCIATION, OR THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, AGENTS, CONTRACTORS OR EMPLOYEES.

(e) To the extent the release in this Section is not deemed effective as to any Tenant, or any family member, guest or invitee of an Owner or Tenant of a Unit, the Owner of each Unit (by acceptance of a deed to a Unit), hereby indemnifies and agrees to defend and hold harmless the Declarant and the Association, and their respective officers, directors, committee members, agents, and employees from and against any and all claims, actions, suits, judgments, damages, costs and expenses (including attorney fees and court costs) arising from bodily injury (including, without limitation, mental anguish, emotional distress and death) and/or loss or damage to property suffered or incurred by any such Tenant of such Unit, or any family member, guest or invitee of the Owner or Tenant of such Unit, as a result of criminal activity within or in the vicinity of the Condominium, WHETHER CAUSED OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF THE DECLARANT, THE ASSOCIATION OR THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, AGENTS, CONTRACTORS OR EMPLOYEES.

(f) Any obligation or liability of the Association which is borne by the Association because of an Owner not abiding by such waiver, release and indemnity obligations under this Subsection 10.10 shall be assessed by the Association as an Individual Assessment against the Owner and the Unit of the Owner who failed to perform such obligation giving rise to such liability. Nothing herein shall make any Owner liable to the Association or any other Owner for any bodily injury and/or loss or damage to property of the Tenant, family member, guest or invitee of any other Owner.

10.11 Waiver. No failure of the Declarant or the Association to exercise any right or power under this Declaration, the Bylaws or the Regulations or to insist upon strict compliance therewith and no custom or practice not strictly in accordance with the terms of the Declaration, Bylaws or Regulations shall constitute a waiver of the right to thereafter demand strict compliance with the terms of the Declaration, Bylaws and Regulations.

10.12 Additional Disclosures. Declarant makes the following additional disclosures relating to the Unit and the Condominium:

(a) The Condominium is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved or widened in the future.

(b) The views and natural light from an Owner's Unit can change over time due to, among other things, additional development and the addition or removal of landscaping.

(c) No representations are made regarding the uses or zoning of adjacent property, or that the present uses of adjacent property may not change in the future.

(d) No representations are made regarding which schools may now or hereafter serve the Condominium.

(e) Any Unit Owner who is concerned about any representations regarding the Map should do its own investigation as to the dimensions, measurements and square footage of its Unit.

(f) Owners should expect that Assessments can and will increase over time due in part to inflation and increases in the cost of certain items beyond the control of the Association, such as the cost of insurance premiums.

(g) It is acknowledged that there may be conditions outside of the Condominium which an Owner or Tenant finds objectionable and that it shall be the sole responsibility of the Owners and Tenants to become acquainted with the neighborhood conditions which could affect their enjoyment of the Unit.

(h) Concrete surfaces in the Building are subject to cracking due to (1) water penetration, (2) expansion and contraction of the concrete with temperature changes, (3) building settlement, or (4) other causes.

(i) Condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows, glass and framing. If left unattended and not properly maintained by Owners and occupants, the condensation may result in staining, damage to surrounding seals, caulk, paint, wood work and sheetrock, and potentially, mildew and/or mold.

(j) No representations are made that the Systems in a Unit, including, by way of example only, heating and air conditioning and electrical systems, will operate or perform at the level or standard equal to or greater than the minimum specifications of the manufacturer of such Systems.

(k) Water may pond or puddle on various portions of the Common Elements, including without limitation, the Parking Area.

(l) EACH OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT SOUND AND IMPACT NOISE TRANSMISSION IN A MULTI-LEVEL BUILDING SUCH AS THE CONDOMINIUM IS VERY DIFFICULT TO CONTROL AND THAT NOISES FROM ADJOINING OR NEARBY UNITS AND/OR MECHANICAL EQUIPMENT CAN AND WILL BE HEARD IN UNITS. DECLARANT DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND OR IMPACT NOISE TRANSMISSION BETWEEN AND AMONG UNITS AND THE OTHER PORTIONS OF THE CONDOMINIUM, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND OR IMPACT NOISE TRANSMISSION.

(m) UNITS MAY INCLUDE ONE OR MORE COLUMNS RUNNING THROUGH THE INTERIOR AIRSPACE OF THE UNIT. EACH OWNER SHOULD CONFIRM THAT THE LOCATION OF ANY COLUMNS IN THE UNIT BEING PURCHASED WILL NOT INTERFERE WITH THE OWNER'S INTENDED OCCUPANCY AND USE OF THE UNIT.

(n) The Building has a low-sloping T.P.O. roof system. Rainwater and refuse may accumulate on various portions of the Building's roof system and possibly cause water intrusion and water penetrations and should be anticipated by the Owners and occupants.

(o) The Condominium is or may be in the future located in an area in which there are a number of entertainment venues including those offering live music and/or dancing and which may have late-night hours. This environment may create excessive noise, traffic and other conditions associated with such an entertainment district.

11. Mortgagee Protections

11.1 Notice to Mortgagees.

All Mortgagees shall be entitled to receive the following notices in writing from the Association or any Owner exercising rights granted to it under this Declaration, which notice shall be sent promptly following the occurrence of the applicable event:

(a) Notice of any proposed action which requires the consent of Mortgagees, which notice shall be given not less than thirty days prior to the desired effective date of such action;

(b) Notice of default by the Owner or grantor of a Lien Indebtedness on a Unit (the beneficial interest in which is held by that Mortgagee) in the performance of such Owner's or grantor's obligations, or delinquency in the payment of Assessments or charges owed by such Owner, which remains uncured for a period of thirty days;

(c) Notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained hereunder by the Association or by any Owner;

(d) Notice of any damage or destruction to or condemnation of any portion of the Condominium that affects either a material portion of the Property or the Unit securing a Mortgagee's Lien Indebtedness, which notice shall be given promptly upon the Association's obtaining knowledge of such damage or destruction; and

(e) Sixty days' notice prior to the Association instituting any foreclosure action on any Unit.

11.2 Cure Rights.

Any Mortgagee shall have the right, but not the obligation, at any time prior to the termination of this Declaration, and without payment of any penalty, to do any act or thing required of such Mortgagee's borrower; and to do any act or thing which may be necessary or proper to be done in the performance and observance of the agreements, covenants and conditions hereof. All payments so made and all things so done and performed by any Mortgagee shall be effective to prevent a default under this Declaration as the same would have been if made, done and performed by the Owner instead of by said Mortgagee. Any event of default under this Declaration that in the nature thereof cannot be remedied by Mortgagee shall be

deemed to be remedied if (i) within thirty days after receiving written notice from the non-defaulting party setting forth the nature of such event of default, or prior thereto, the Mortgagee shall have acquired the property owned by the defaulting party (the “Acquired Property”) or shall have commenced foreclosure or other appropriate proceedings in the nature thereof; (ii) the Mortgagee diligently prosecutes any such proceedings to completion; (iii) the Mortgagee shall have fully cured any default in the payment of any monetary obligations owed the non-defaulting party hereunder within such thirty day period and shall thereafter continue to perform faithfully all such non-monetary obligations which do not require possession of the acquired Property; and (iv) after gaining possession of the Acquired Property following a foreclosure or deed in lieu thereof, the Mortgagee performs all other obligations of the defaulting party hereunder as and when the same are due.

11.3 No Invalidity of Mortgage Lien.

No violation of this Declaration by, or enforcement of this Declaration against, any party shall impair, defeat or render invalid the lien or any mortgage.

11.4 Cooperation with Mortgagee.

The Association shall cooperate reasonably with any requesting party in regard to the satisfaction of requests or requirements by a Mortgagee; provided, however, such cooperation shall be at the sole cost and expense of the requesting party, and provided, further, that no party shall be deemed obligated to accede to any request or requirement that materially and adversely affects its rights under this Declaration.

11.5 Unpaid Assessments.

Each Mortgagee holding a mortgage encumbering any Unit, which Mortgagee obtains title to such Unit pursuant to judicial foreclosure or the powers provided in such mortgage, shall take title to such Unit free and clear of any claims for unpaid assessments or charges against such Unit that accrued prior to the time such Mortgagee acquires title to such Unit.

11.6 Books and Records.

All Mortgagees, upon written request, shall have the right to:

- (a) examine the books and records of the Association, including current copies of the Declaration, Regulations, and financial statements, during normal business hours;
- (b) require the Association to submit an annual audited financial statement for the preceding fiscal year within 120 days of the end of the Association’s fiscal year, if one is available, or have one prepared at the expense of the requesting entity if such statement is not otherwise prepared by the Association;
- (c) receive written notice of all meetings of the Owners; and
- (d) designate in writing a representative to attend all such meetings.

11.7 Material Changes.

All Mortgagees, upon written request, shall be given thirty days’ written notice prior to the effective date of (i) any proposed material amendment to this Declaration or the Map; (ii) any termination of an

agreement for professional management of the Property following any decision of the Owners to assume self-management of the Property, and (iii) any proposed termination of the Condominium.

11.8 Priority of Rights.

No provision of the Declaration shall be construed or applied to give any Owner priority over any right of any Mortgagee in the case proceeds or awards are not applied to restoration but are distributed to Owners in the case of a casualty loss, or condemnation of, a Unit and/or Common Element.

[signature page and exhibits follow]

EXECUTED to be EFFECTIVE on the date first written above.

DECLARANT:

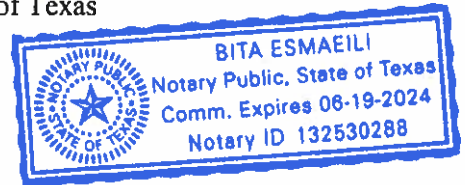
LAKE SHORE PLAZA, LLC,
a Texas limited liability company

By: 
Mahdi Matt Shekari, Chief Executive Officer

STATE OF TEXAS §
 §
COUNTY OF Denton §

This instrument was acknowledged before me on the 12 day of May, 2021, by Mahdi Matt Shekari, as Chief Executive Officer of LAKE SHORE PLAZA, LLC, a Texas limited liability company, on behalf of said limited liability company.


Notary Public, State of Texas



CONSENT OF MORTGAGEE

The undersigned, being the owner and holder of a first lien Deed of Trust affecting the Property, does hereby CONSENT to all of the provisions, restrictions and obligations contained in this Declaration.

a _____
By: [Signature]
Mahdi Kottsochey

THE STATE OF TEXAS §
 §
COUNTY OF Denton §

This instrument was acknowledged before me on the 12 day of May, 2021, by Bitu Esmaeili, its _____.

[Signature]
Notary Public, State of Texas



EXHIBIT A

LEGAL DESCRIPTION OF LAND

A portion of Lot 1, Block A, of Lakeshore Plaza, an Addition to the Town of Little Elm, Denton County, Texas, according to the Plat thereof recorded in Document No. 2016- 2091, Plat Records, Denton County, Texas.

[TO BE UPDATED UPON FILING OF REPLAT]

EXHIBIT B

MAP

[TO BE ATTACHED PRIOR TO RECORDING]

EXHIBIT C

ALLOCATED INTERESTS

UNIT #	Square Footage	Allocated Interest
101	3,220	8.2%
201	975	2.5%
202	920	2.3%
203	1,595	4.1%
204	970	2.5%
205	1,550	3.9%
207	1,550	3.9%
208	1,470	3.7%
301	975	2.5%
302	920	2.3%
303	1,595	4.1%
304	970	2.5%
305	1,550	3.9%
307	1,550	3.9%
308	1,470	3.7%
401	975	2.5%
402	920	2.3%
403	1,595	4.1%
404	970	2.5%
405	1,550	3.9%
407	1,550	3.9%
408	1,470	3.7%
501	1,970	5.0%
503	2,330	5.9%
504	2,245	5.7%
505	2,520	6.4%
Total Square Footage	39,375	100.00%

TEXAS SECRETARY of STATE
RUTH R. HUGHS

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Ruth R. Hughs
Secretary of State

Office of the Secretary of State

Transaction Receipt

Session ID: 051221KL5331
Document #: 1050582260002
May 12, 2021

SOSDirect has received your document submission or your order for copies of or certificates related to records on file with the secretary of state. This receipt is not evidence that the secretary of state has approved the document for filing. All documents must be reviewed for statutory compliance before filing. You will be notified by email when the document is filed or rejected and when the order has been processed. Please make note of the document number referenced above so that you may track the progress of the document or order.

Expected response times for the following are:

- Filings within 4 business days;
- Copies (certified or plain) within 4 business days.

If you are not in receipt of your notification within this timeframe, please contact sosdirect@sos.texas.gov or call (512) 475-2755 for assistance.

Thank you for allowing us to assist you with your request. To return to the Business Organizations menu, please [click here](#).

TEXAS SECRETARY of STATE
RUTH R. HUGHS

BUSINESS ORGANIZATIONS FILING

Please review the document displayed for accuracy. If corrections must be made press 'Edit Filing'. When complete press 'Submit Filing' to submit this filing.

Submit Filing (Fee: \$25.00)

Edit Filing

Cancel Filing

Fees paid by credit card are subject to the statutorily authorized convenience fee of 2.7% of total fees.

Form 202	 Certificate of Formation Nonprofit Corporation	
Secretary of State P.O. Box 13697 Austin, TX 78711-3697 FAX: 512/463-5709 Filing Fee: \$25		

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

Lake Shore Plaza Condominium Association, Inc.

Article 2 – Registered Agent and Registered Office

☐ A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

OR

☒ B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

Mahdi Matt Shekari

C. The business address of the registered agent and the registered office address is:

Street Address:

3899 Adams Lane Frisco TX 75034

Consent of Registered Agent

☐ A. A copy of the consent of registered agent is attached.

OR

☒ B. The consent of the registered agent is maintained by the entity.

Article 3 - Management

☐ A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

☒ B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: Mahdi Matt Shekari

Title: Director

Address: 3899 Adams Lane Frisco TX, USA 75034

Director 2: Bita Esmaeili

Title: Director

Address: 3899 Adams Lane Frisco TX, USA 75034

Director 3: Martiya Shekari

Title: Director

Address: 3899 Adams Lane Frisco TX, USA 75034

Director 4: Mariya Shekari

Title: Director

Address: 3899 Adams Lane Frisco TX, USA 75034

Article 4 - Organization Structure

☒ A. The corporation will have members.

or

☐ B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

Any or all lawful purposes for which non-profit corporations may be formed under the Texas Business Organizations Code.

Supplemental Provisions / Information

[The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing

☒ A. This document becomes effective when the document is filed by the secretary of state.

OR

☐ B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Organizer

The name and address of the organizer are set forth below.

Sheena Duke 1612 Summit Avenue, Suite 100, Fort Worth, Texas 76102

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Sheena Duke

Signature of organizer.

FILING OFFICE COPY



Date: 05/18/2021
Agenda Item #: 8. B.
Department: Finance
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Present, Discuss and Consider Action on **Resolution No. 0518202102 Approving and Authorizing the Mayor to Execute the Rudman Tract Public Improvement District Phase #2 Direct Improvements Reimbursement Agreement, the Rudman Tract Public Improvement District Phase #2 Direct Improvements Construction, Funding and Acquisition Agreement, and the Rudman Tract Public Improvement District Phase #2 Direct Improvements Landowner Agreement; and Resolving Other Matters Related Thereto.**

DESCRIPTION:

In connection with the second phase of development within the District, the Town desires to approve each of the Rudman Tract Public Improvement District Phase #2 Agreements. The Reimbursement Agreements satisfies the requirements of Section 372.023 of the Act and is an appropriate method of reimbursement for the actual costs (as defined in the reimbursement agreement) associated with the construction and development of Authorized Improvements withing the District.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Resolution No. 0518202102
Exhibit A - DI Reimb Agreement
Exhibit B - Direct Improv CFA
Exhibit C - DI Landowner Agreement

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 0518202102

A RESOLUTION OF THE TOWN OF LITTLE ELM,, TEXAS; APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT IMPROVEMENTS REIMBURSEMENT AGREEMENT, THE RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT, AND THE RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT IMPROVEMENTS LANDOWNER AGREEMENT; AND RESOLVING OTHER MATTERS RELATED THERETO.

RECITALS

WHEREAS, on October 18, 2016, the Town Council (the “Town Council”) of the Town of Little Elm, Texas (the “Town”) adopted Resolution No. 10181601, creating the Rudman Tract Public Improvement District (the “District”) in accordance with Chapter 372, Texas Local Government Code, as amended (the “Act”); and

WHEREAS, in connection with the second phase of development within the District, the Town desires to approve each of the (i) “Rudman Tract Public Improvement District Phase #2 Direct Improvements Reimbursement Agreement” (the “Reimbursement Agreement”); (ii) “Rudman Tract Public Improvement District Phase #2 Direct Improvements Construction, Funding, and Acquisition Agreement” (the “CFA Agreement”); and (iii) “Rudman Tract Public Improvement District Phase #2 Direct Improvements Landowner Agreement” (the “Landowner Agreement”); and

WHEREAS, the Reimbursement Agreement satisfies the requirements of Section 372.023 of the Act and is an appropriate method of reimbursement for the Actual Costs (as defined in the Reimbursement Agreement) associated with the construction and development of Authorized Improvements (as defined in the Reimbursement Agreement) within the District; and

WHEREAS, the CFA Agreement and the Landowner Agreement set forth representations, agreements, covenants, and warranties of the owner of property within the District; include directions and requirements for the payment of certain costs of the Authorized Improvements; and allow for the development of the portion of the District being developed at this time.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS AS FOLLOWS:

SECTION 1. THAT the findings and premises contained in the WHEREAS clauses above are hereby deemed to be true and correct and incorporated as a part of this Resolution for all purposes.

SECTION 2. THAT the Reimbursement Agreement attached hereto as **Exhibit A**, is approved and the Mayor is authorized to execute such Reimbursement Agreement on behalf of the City.

SECTION 3. THAT the CFA Agreement attached hereto as **Exhibit B**, is approved and the Mayor is authorized to execute such CFA Agreement on behalf of the City.

SECTION 4 THAT the Landowner Agreement attached hereto as **Exhibit C**, is approved and the Mayor is authorized to execute such Landowner Agreement on behalf of the City.

SECTION 5. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[Remainder of Page Intentionally Left Blank]

PASSED AND APPROVED on this the 18th day of May, 2021.

David Hillock, Mayor

ATTEST:

Caitlan Biggs, Town Secretary

**RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT
PHASE #2 DIRECT IMPROVEMENTS REIMBURSEMENT AGREEMENT**

This Rudman Tract Public Improvement District Phase #2 Direct Improvements Reimbursement Agreement (this “Reimbursement Agreement”) is executed by and between the **Town of Little Elm, Texas** (the “Town”) and **OPLÉ Prairie Oaks Development, Inc.**, a Texas corporation (the “Developer”), (individually referred to as a “Party” and collectively as the “Parties”) to be effective May 18, 2021 (the “Effective Date”).

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *updated Rudman Tract Public Improvement District Service and Assessment Plan*, dated May 18, 2021, as the same may be amended, supplemented, and updated from time to time (the “SAP”) approved by Ordinance No. _____ passed and approved by the Town Council on May 18, 2021; and

WHEREAS, on October 18, 2016 the Town Council passed and approved Resolution No. 10181601 authorizing the creation of the Rudman Tract Public Improvement District (the “District”) covering approximately 146 acres of land described by metes and bounds in said Resolution (the “District Property”); and

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

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

WHEREAS, the Phase #2 Direct Improvements (as defined in the SAP) are to be constructed within Phase #2 of the District Property, as described and depicted in the SAP; and

WHEREAS, on May 4, 2021, the Town Council passed and approved Resolution No. 0504202102 determining, among other things, the estimated costs of the Phase #2 Direct Improvements; and

WHEREAS, on May 18, 2021, the Town Council passed and approved Ordinance No. _____ (the “Assessment Ordinance”) which, among other things, approved the SAP (including the Phase #2 Direct Improvements Assessment Roll), levied assessments, and established the dates upon which interest on assessments will begin to accrue and collection of assessments will begin; and

WHEREAS, in addition to approving the SAP, the Assessment Ordinance levied assessments against property within Phase #2 (the “Phase #2 Assessed Property”) for the Phase #2

Direct Improvements in accordance with the Phase #2 Direct Improvements Assessment Roll attached as Appendix G to the SAP; and

WHEREAS, the Parties have entered into that certain “Rudman Tract Public Improvement District Phase #2 Direct Improvements Construction, Funding, and Acquisition Agreement” dated as of May 18, 2021 (the “Construction Funding Agreement”) for the construction of the Phase #2 Direct Improvements; and

WHEREAS, the SAP established \$9,261,884.00 as the cost of the Phase #2 Direct Improvements (the “Phase #2 Direct Improvements Costs”), and the Phase #2 Direct Improvements Assessment Roll establishes \$9,160,000.00 as the amount to be assessed against Phase #2 of the District Property to pay a portion of the Phase #2 Direct Improvements Costs; and

WHEREAS, the SAP allocated the Phase #2 Direct Improvements Costs to Phase #2 of the District Property, and the SAP contemplated the allocation of the Phase #2 Direct Improvements Costs among the single family residential lots to be created from the subdivision of the District Property; and

WHEREAS, assessments against lots within Phase #2 of the District (“Phase #2 Direct Improvements Assessments”) are reflected on the Phase #2 Direct Improvements Assessment Roll as approved by the Town Council; and

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

WHEREAS, all revenue received and collected by the Town from the collection of the Phase #2 Direct Improvements Assessments and Annual Installments (excluding Delinquent Collection Costs and Administrative Expenses) (the “Phase #2 Direct Improvements Assessment Revenue”) shall be deposited as required by the PID Act and the Construction Funding Agreement or as otherwise provided by an indenture authorizing the issuance of the Future Phase #2 Bonds (as defined below) into an assessment fund that is segregated from all other funds of the Town (the “Phase #2 Direct Improvements Assessment Fund”, which term shall include a fund created in an indenture authorizing the issuance of the Future Phase #2 Bonds); and

WHEREAS, the Phase #2 Direct Improvements Assessment Revenue deposited into the Phase #2 Direct Improvements Assessment Fund shall be used to reimburse Developer and its assigns for the Phase #2 Direct Improvements Costs advanced by the Developer in an amount not to exceed \$9,160,000.00 plus interest; and

WHEREAS, the Parties agree that this Reimbursement Agreement supersedes and replaces any prior Phase #2 agreements (whether written or oral) including any amendments to those prior Phase #2 agreements between the Parties regarding the subject matter hereof; and

WHEREAS, the obligations of the Town to use the Phase #2 Direct Improvements Assessments hereunder is authorized by the PID Act;

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

1. The recitals in the “WHEREAS” clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.
2. Strictly subject to the terms, conditions, and requirements and solely from the Phase #2 Direct Improvements Assessment Revenues as herein provided, the Town agrees to pay the Developer and its assigns, and the Developer and its assigns shall be entitled to receive from the Town, the amount equal to the actual costs of the Phase #2 Direct Improvements paid by the Developer for the Phase #2 Direct Improvements Costs that were within budgeted costs, or authorized overrun costs, that were paid by the Developer plus interest on the unpaid balance in accordance with the terms of this Reimbursement Agreement until September 1, 2052 (the “Maturity Date”), and which shall be reimbursed to the Developer and its assigns in a principal amount not to exceed \$9,160,000.00 (the “Reimbursement Amount”), plus interest accrued, as hereinafter provided. The Town hereby covenants to create, concurrently with the execution of this Reimbursement Agreement, a separate fund to be designated the “Phase #2 Direct Improvements Assessment Fund.” The Reimbursement Amount is payable from monies to be deposited in the Phase #2 Direct Improvements Assessment Fund as described below:
 - a. The Reimbursement Amount is payable solely from: (i) the Phase #2 Direct Improvements Assessment Revenue received and collected by the Town and deposited into the Phase #2 Direct Improvements Assessment Fund; (ii) the net proceeds (after payment of costs of issuance, including the costs paid or incurred by the Town) of one or more series of bonds (the “Future Phase #2 Bonds”) issued by the Town and secured by the Phase #2 Direct Improvements Assessment Revenue; or (iii) a combination of items (i) and (ii) immediately above. The Phase #2 Direct Improvements Assessment Revenue shall be received, collected and deposited into the Phase #2 Direct Improvements Assessment Fund subject to the following limitations:
 - i. Calculation of the Phase #2 Direct Improvements Assessments and the first Annual Installment for a Lot or Parcel shall begin as provided for in the SAP and the Assessment Ordinance.

- ii. Until such time as Future Phase #2 Bonds are issued, the Phase #2 Direct Improvements Assessments shall accrue interest at the rates set forth in this Section 2. Interest shall continue on the unpaid principal amount of the Phase #2 Direct Improvements Assessments for a Lot for the earlier of 30 years or until the Phase #2 Direct Improvements Assessments for such Lot are paid in full.
 - iii. The Developer and its assigns shall be reimbursed in a combined aggregate amount not to exceed \$9,160,000.00 plus interest from the Phase #2 Direct Improvements Assessment Fund and as allowed under Section 2(a) above.
 - iv. The unpaid Reimbursement Amount shall bear simple interest per annum at the rate of (x) 7.63% for years one through five, and (y) 4.63% for years six through 31. The interest rate has been approved by the Town Council and is authorized by the PID Act and was determined based upon *The Bond Buyer*, a daily publication that publishes this interest rate index, which the highest average index rate for tax-exempt bonds reported in the previous month was 2.63%. The interest rates of 7.63% and 4.63% contained herein comply with Subsections 372.023(e)(1) and (e)(2) of the PID Act.
3. The amount of the Reimbursement Amount that has not been paid, plus the accrued but unpaid interest as described in Section 2 above, are collectively, the “Unpaid Balance.” The Unpaid Balance is secured by and payable solely from the Phase #2 Direct Improvements Assessment Revenue received and collected by the Town and deposited into the Phase #2 Direct Improvements Assessment Fund or from the net proceeds of the Future Phase #2 Bonds. No other Town funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the Maturity Date. This Reimbursement Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the Town or a debt or other obligation of the Town payable from any source other than Phase #2 Direct Improvements Assessment Revenue received, collected and deposited into the Phase #2 Direct Improvements Assessment Fund or from the net proceeds of the Future Phase #2 Bonds. The Town covenants that it will comply with the provisions of this Reimbursement Agreement, the Construction Funding Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of taxes and assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if the Town fails to receive all or any part of the Phase #2 Direct Improvements Assessment Revenue and, as a result, is unable to make transfers from the Phase #2 Direct Improvements Assessment Fund for payments to the Developer as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the Town under this Reimbursement Agreement.

4. If Future Phase #2 Bonds are issued, the net proceeds of such Future Phase #2 Bonds shall be used, from time to time, first to pay the Unpaid Balance due to the Developer under this Reimbursement Agreement for the costs of the Phase #2 Direct Improvements that have already been paid by the Developer, but not previously reimbursed to Developer from the Phase #2 Direct Reimbursements Assessment Fund, and then to pay all or any portion of any Phase #2 Direct Improvements Cost. If, after application of the net proceeds of such Future Phase #2 Bonds, any Phase #2 Direct Improvements Costs remains unpaid, then the Developer shall pay such cost. If, after application of the net proceeds of any Future Phase #2 Bonds, the Unpaid Balance due the Developer remains unpaid, all payments toward the Unpaid Balance due the Developer shall be paid from amounts deposited into any funds created for such purpose under any indenture relating to any Future Phase #2 Bonds. Once the principal amount of all Future Phase #2 Bonds plus all payments paid to the Developer under this Reimbursement Agreement equal the Unpaid Balance, this Reimbursement Agreement shall terminate.
5. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the Town, the Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the Town, including for each Transferee the information required by Section 9 below. The Town may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. No conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made by the Developer or any successor or assignee of the Developer that results in the Town being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the Town. The Developer waives all rights or claims against the Town for any such funds provided to a third party as a result of a Transfer for which the Town has received notice.
6. The obligations of the Town under this Reimbursement Agreement are non-recourse and payable only from the Phase #2 Direct Improvements Assessment Fund or from the net proceeds of the Future Phase #2 Bonds and such obligations do not create a debt or other obligation payable from any other Town revenues, taxes, income, or property. None of the Town or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

Phase #2 Direct Improvements Reimbursement Agreement
Page 6

With a copy to:

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

10. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the Town of the Phase #2 Direct Improvements Assessments contrary to the provisions of the PID Act.
11. Remedies:
 - a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a “Failure”) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a “Default.” Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party is diligently pursuing a cure. Any Transferee shall have the same rights as the Developer to enforce the obligations of the Town under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Reimbursement Agreement with respect to Developer obligations under this Reimbursement Agreement unless the Transferee agrees to be bound.
 - b. If the Developer is in Default, the Town shall have available all remedies at law or in equity, provided that no Default by the Developer shall: (1) affect the obligations of the Town to use the amounts transferred to the Phase #2 Direct Improvements Assessment Fund as provided in Sections 2 and 3 of this Reimbursement Agreement; or (2) entitle the Town to terminate this Reimbursement Agreement.
 - c. If the Town is in Default, the Developer’s sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the Town; or (2) seek specific enforcement of this Reimbursement Agreement.

12. To the extent there is a conflict between this Reimbursement Agreement and an indenture securing the Future Phase #2 Bonds, the indenture securing the Future Phase #2 Bonds shall control as the provisions relate to the Phase #2 Direct Improvements Assessments. To the extent there is a conflict between this Reimbursement Agreement and the Construction Funding Agreement, this Reimbursement Agreement shall control.
13. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.
14. The Town does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.
15. Nothing in this Reimbursement Agreement, express or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the Town and the Developer and its assigns any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the Town and the Developer.
16. The Parties acknowledge that each has been actively involved in negotiating this Reimbursement Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Reimbursement Agreement. In the event of any dispute over the meaning or application of any provision of this Reimbursement Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.
17. In this Reimbursement Agreement, time is of the essence and compliance with the times for performance herein is required.
18. The Town represents and warrants that this Reimbursement Agreement has been approved by official action by the Town Council of the Town in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Reimbursement Agreement on behalf of the Town has been duly authorized to do so. The Developer represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the Developer, and that the individual executing this Reimbursement Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement Agreement is binding upon such Party and is enforceable.

against such Party, in accordance with its terms and conditions and to the extent provided by law.

19. This Reimbursement Agreement constitutes the entire agreement between the Parties and supersedes all prior Phase #2 agreements, whether oral or written, covering the subject matter of this Reimbursement Agreement. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Reimbursement Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Reimbursement Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.
20. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.
21. The Parties agree that at any time after execution of this Reimbursement Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Reimbursement Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the Town Council seated at the time that this Reimbursement Agreement is executed or any future Town Council.
22. The term of this Reimbursement Agreement is thirty (30) years, or until the Unpaid Balance is paid in full, whichever occurs first. If the Developer defaults under this Reimbursement Agreement or the Construction Funding Agreement, this Reimbursement Agreement and the Construction Funding Agreement shall not terminate with respect to the costs of the Phase #2 Direct Improvements that have been approved by the Town pursuant to a Certification for Payment prior to the date of default.
23. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, epidemics and pandemics, damage to work in progress by casualty or by other cause beyond the reasonable control of the party (financial inability excepted) ("Force Majeure"), then the specified time for performance shall be extended by the amount of the delay actually so caused. The extension of time to perform allowed by this Section 23 shall not apply unless, upon the occurrence of an event of Force Majeure, the party needing additional time to perform notifies the other party of the event of Force Majeure and the amount of additional time reasonably required within ten (10) business days of the occurrence of the event of Force Majeure.

24. The Developer hereby verifies that the Developer and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.
25. The Developer hereby represents that neither the Developer nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[SIGNATURE PAGES TO FOLLOW]

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

ATTEST:

TOWN OF LITTLE ELM

Caitlan Biggs, Town Secretary

_____, Mayor

APPROVED AS TO FORM

Robert Brown, Attorney for the Town

[Signature Page for Phase #2 Direct Improvements Reimbursement Agreement]

DEVELOPER:

OPLE PRAIRIE OAKS DEVELOPMENT, INC.,
a Texas corporation

By: _____
Name: John Dowdall
Its: President

[Signature Page for Phase #2 Direct Improvements Reimbursement Agreement]

**RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT
IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT**

THIS RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT IMPROVEMENTS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this “Agreement”), dated as of May 18, 2021, is by and between the **TOWN OF LITTLE ELM, TEXAS**, *a home rule municipality of the State of Texas* (the “Town”) and **OPEL PRAIRIE OAKS DEVELOPMENT, INC.**, a Texas corporation (the “Developer”) (individually referred to as a “Party” and collectively as the “Parties”).

**ARTICLE I
DEFINITIONS**

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

“**Actual Cost(s)**” means the costs of the Phase #2 Direct Improvements actually paid or incurred for the design, construction and installation of the Phase #2 Direct Improvements.

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

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

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

“**Certification for Payment**” means a certificate, substantially in the form of **Exhibit B** hereto or otherwise agreed to by the Developer, the Administrator, and Town Representative, executed by an engineer, construction manager or other person or entity acceptable to the Town, as evidenced by the signature of a Town Representative, provided to the Town Representative and the Administrator, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Administrator to request payment for Cost(s) of the Phase #2 Direct Improvements.

“**Construction Contracts**” means the contracts for the construction of the Phase #2 Direct Improvements. “**Construction Contract**” means any one of the Construction Contracts.

“**Cost(s)**” means the Budgeted Cost(s) or the cost(s) of a Phase #2 Direct Improvement as reflected in a construction contract, if greater than the Budgeted Cost(s).

“**Cost Overrun**” means, with respect to each Phase #2 Direct Improvement, the Cost(s) or

Actual Cost(s) as appropriate of such Phase #2 Direct Improvement in excess the Budgeted Cost(s).

“Cost Underrun” means, with respect to each Phase #2 Direct Improvement, the amount by which the Budgeted Cost(s) exceeds the Actual Cost(s), as appropriate, of such Phase #2 Direct Improvement.

“Developer” means OPLE Prairie Oaks Development, Inc., a Texas corporation.

“Development Agreement” means that certain Amended and Restated Rudman Tract Development Agreement, Public Improvement District Agreement, and Tax Increment Reinvestment Zone Agreement executed by and between the Developer and the Town effective April 4, 2017.

“District” means the Rudman Tract Public Improvement District created by the Town on October 18, 2016.

“Final Completion” means completion of a Phase #2 Direct Improvement (including a section or segment of a Phase #2 Direct Improvement) in compliance with existing Town standards for dedication under the Town’s ordinances and the Development Agreement.

“Force Majeure” has the meaning set forth in Section 8.04 below.

“Mustang SUD” means Mustang Special Utility District.

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

“Phase #2 Direct Improvements” mean, collectively, the Phase #2 Direct Improvements listed in **Exhibit A** to be constructed in compliance with Town ordinances and Mustang SUD regulations when applicable. An individual Phase #2 Direct Improvement, including a completed segment or part, shall be referred to as a **Phase #2 Direct Improvement**.

“Phase #2 Direct Improvements Assessed Property” means any property that benefits from the Phase #2 Direct Improvements within the District on which Assessments have been imposed as shown in the Phase #2 Direct Improvements Assessment Roll, as the Phase #2 Direct Improvement Assessment Roll is updated each year by the Annual Service Plan Update. Phase #2 Direct Improvements Assessed Property includes Parcels within the District other than Non-Benefited Property.

“Phase #2 Direct Improvements Assessment Fund ” means an interest-bearing fund by such name created under the Phase #2 Direct Improvements Reimbursement Agreement where monies from the collection of Assessments shall be deposited and a portion of which shall be used

to finance the Phase #2 Direct Improvements.

“Phase #2 Direct Improvements Reimbursement Agreement” means the Rudman Tract Public Improvements District Phase #2 Direct Improvements Reimbursement Agreement dated as of May 11, 2021, by and between the Town and the Developer providing for the construction and financing of certain Phase #2 Direct Improvements by the Developer for which the Developer will be reimbursed by the Town pursuant to the PID Act.

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

“Plans” means the plans, specifications, schedules and related construction contracts for the Phase #2 Direct Improvements, respectively, approved pursuant to the applicable standards and ordinances, procedures, policies and directives of the Town or Mustang SUD, as applicable, the Development Agreement, and any other applicable governmental entities.

“Service and Assessment Plan” means the updated Rudman Tract Public Improvement District Service and Assessment Plan, adopted by the Town Council on May 11, 2021, as the same may be updated, amended, or supplemented, for the purpose of assessing allocated cost(s) against the property located within the boundaries of the District having terms, provisions and findings approved and agreed to by the Developer and the Town, as required by this Agreement and in accordance with the PID Act.

“Substantial Completion” means the time at which the construction of a Phase #2 Direct Improvement (or specified part thereof) has progressed to the point where such Phase #2 Direct Improvement (or a specified part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Phase #2 Direct Improvement (or a specified part thereof) can be utilized for the purposes for which it is intended.

“Supplement” means a written document agreed upon by the Parties to this Agreement amending, supplementing or otherwise modifying this Agreement and any exhibit hereto, including any amendments to the list of Phase #2 Direct Improvements in **Exhibit A** in a manner consistent with the Service and Assessment Plan, the PID Act and this Agreement.

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

“Town Manager” means the Town Manager of the Town, or its designee.

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

**ARTICLE II
RECITALS**

Section 2.01. The District and the Phase #2 Direct Improvements.

- (a) The Town has created the District under the PID Act for the financing of, among other things, the acquisition, construction and installation of the Phase #2 Direct Improvements.
- (b) The Phase #2 Direct Improvements are eligible to be financed with the collection of Assessments from property within the District to the extent specified in the Service and Assessment Plan and subject to the provisions of the Development Agreement.
- (c) The Developer will undertake the construction and installation of the Phase #2 Direct Improvements for dedication to and acceptance by the Town or Mustang SUD, in accordance with the terms and conditions contained in the Development Agreement.

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

**ARTICLE III
FUNDING**

Section 3.01. Reimbursements.

- (a) The Town's obligation with respect to the payment of the Phase #2 Direct Improvements shall be limited to the Budgeted Cost(s), and shall be payable solely from amounts on deposit within the Phase #2 Direct Improvements Assessment Fund for the payment of such cost(s) as provided herein and in the Service and Assessment Plan. The Developer agrees and acknowledges that it is responsible for all Actual Costs, Cost Overruns, except to the extent as provided for in Section 4.04 below, and all expenses related to the Phase #2 Direct Improvements.
- (b) The obligation of owners of Phase #2 Direct Improvements Assessed Property within the District, including the Developer to the extent it owns any Phase #2 Direct Improvements Assessed Property in the District, to pay Assessments is not in any way dependent on the availability of amounts in the Phase #2 Direct Improvements Assessment Fund, or otherwise available from other sources, including bonds issued by the Town, that are secured or that are to be paid, in whole or in part, by the funds on deposit in the Phase #2 Direct Improvements Assessment Fund, to pay for all or any portion of the Phase #2 Direct Improvements Cost(s) hereunder.

- (c) The Developer acknowledges that any lack of availability of amounts in the Phase #2 Direct Improvements Assessment Fund or otherwise available from other sources, including bonds issued by the Town, that are secured or that are to be paid, in whole or in part, by the funds on deposit in the Phase #2 Direct Improvements Assessment Fund, to pay the costs of the Phase #2 Direct Improvements shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Phase #2 Direct Improvements required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.
- (d) The Town shall have no responsibility whatsoever to the Developer with respect to the investments of any monies held by a trustee under an indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment.

Section 3.02. Disbursements.

The Town and the Developer agree that monies deposited into the Phase #2 Direct Improvements Assessment Fund and upon the presentation of evidence satisfactory to the Town Representative, the Town will, on a monthly basis if a Certification for Payment is approved by the Town, cause the payment for cost(s) incurred in the administration, and operation of the District and cost(s) of Phase #2 Direct Improvements up to \$9,160,000.00 plus interest accrued pursuant to the Phase #2 Direct Improvements Reimbursement Agreement from the Phase #2 Direct Improvements Assessment Fund, subject to the availability of funds in the Phase #2 Direct Improvements Assessment Fund, to the Developer or its assignees. These payments will be delivered to the Developer or its assignees pursuant to the submission of a Certification for Payment, in accordance with the Development Agreement, this Agreement, and the Phase #2 Direct Improvements Reimbursement Agreement, substantially in the form of **Exhibit B** attached hereto.

Section 3.03. Accounts. All disbursements from the Phase #2 Direct Improvements Assessment Fund shall be made by the Town in accordance with provisions of the Development Agreement, the Service and Assessment Plan, this Agreement, and in all respects, the Phase #2 Direct Improvements Reimbursement Agreement. If bonds are issued, disbursements from the various accounts created under the related bond indenture shall be made by the Town in accordance with the provisions of the Development Agreement, the Service and Assessment Plan, this Agreement and the bond indenture.

ARTICLE IV
CONSTRUCTION OF PHASE #2 DIRECT IMPROVEMENTS

Section 4.01. Duty of Developer to Construct.

- (a) All Phase #2 Direct Improvements shall be constructed by or at the direction of the

Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or caused to be performed all of its obligations and shall conduct all operations with respect to the construction of Phase #2 Direct Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Phase #2 Direct Improvements to be acquired and accepted by the Town or Mustang SUD, from the Developer as provided in this Agreement.

- (b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Phase #2 Direct Improvement and, upon completion, inspection, and acceptance, convey each Phase #2 Direct Improvement to the Town or Mustang SUD, where applicable, in accordance with the terms hereof, even if there are insufficient funds in the Phase #2 Direct Improvements Assessment Fund to pay the Actual Cost(s) thereof.

Section 4.02. No Competitive Bidding. The Phase #2 Direct Improvements shall not require competitive bidding pursuant to Section 252.022(a)(9) of the Texas Local Government Code, as amended.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the Town or Mustang SUD with respect to the Phase #2 Direct Improvements.

Section 4.04. Remaining Funds after Completion of a Phase #2 Direct Improvement. Upon the Final Completion of a Phase #2 Direct Improvement (or its completed segment or phase thereof) and payment of all outstanding invoices for such Phase #2 Direct Improvement, if the Actual Cost(s) of such Phase #2 Direct Improvement (or its completed segment or phase thereof) is less than the Budgeted Cost(s) (a “Cost Underrun”), any remaining Budgeted Cost(s) will be available to pay Cost Overruns on any other Phase #2 Direct Improvement (or its completed segment or phase thereof). The Town shall promptly confirm to the Administrator that such remaining amounts are available to pay such Cost Overruns, and the Developer, the Administrator and the Town Representative will agree how to use such moneys to secure the payment and performance of the work for other Phase #2 Direct Improvements. Any Cost Underrun for any Phase #2 Direct Improvement (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Phase #2 Direct Improvement (or its completed segment or phase thereof), and may be added to the amount approved for payment in any Certification for Payment, as agreed to by the Developer, the Administrator, and the Town Representative. Upon the completion of the Phase #2 Direct Improvements (or its completed segment or phase thereof) and the payment

thereof pursuant to the terms of the Phase #2 Direct Improvements Reimbursement Agreement, if there are: (a) funds remaining in the Phase #2 Direct Improvements Assessment Fund, such funds will be distributed to the Town's general fund and, with respect to such funds, there shall be no remaining obligation to make payment of such funds to the Developer; and (b) Cost Overruns, which cannot be offset by Cost Underruns or which exceed the maximum reimbursement amount allowed under the Phase #2 Direct Improvements Reimbursement Agreement, then Developer shall be solely responsible for such Cost Overruns. If bonds are issued by the Town that are secured by or that are to be paid, in whole or in part, by funds deposited or to be deposited in the Phase #2 Direct Improvements Assessment Fund for the payment of the Phase #2 Direct Improvements, any net balance remaining in the Phase #2 Direct Improvements Assessment Fund after a reconciliation of Cost Overruns and Cost Underruns related to Phase #2 Direct Improvements (or its completed segment or phase thereof) will be distributed first to the bond trustee, to the extent prepayment is allowed without penalty under the indenture, for the payment of such bonds, second to the Town's general fund, and in no case to the Developer, and the Town agrees that upon such issuance of bonds, funds deposited to the Phase #2 Direct Improvements Assessment Fund or to the various accounts created under the bond indenture for the payment of Phase #2 Direct Improvements will be dispersed only as described in the bond indenture.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Phase #2 Direct Improvements. The Developer may approve and implement any change orders, even if such change order would increase the cost of a Phase #2 Direct Improvement, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders, except for amounts available and approved pursuant to Section 4.04. If any change order is for work that requires changes to be made by an engineer to the construction and design documents and plans previously approved under Section 4.01, then such revisions made by an engineer must be submitted to the Town for approval by the Town's engineer prior to execution of the change order.

ARTICLE V

ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Certification for Payment for the Phase #2 Direct Improvements.

- (a) No payment hereunder shall be made from the Phase #2 Direct Improvements Assessment Fund or pursuant to any bond indenture for bonds issued by the Town for a Phase #2 Direct Improvement (or its completed segment or phase thereof), until a Certification for Payment is received from the Developer for work with respect to a Phase #2 Direct Improvement (or its completed segment or phase thereof) and approved for payment by the Town. Upon receipt of a Certification for Payment, substantially in the form of **Exhibit B** hereto (along with all accompanying documentation required by the Town) from the Developer, the Town Inspector (for a Town owned Phase #2 Direct Improvement) and/or the Mustang

SUD Inspector (for a Mustang SUD owned Phase #2 Direct Improvement) shall conduct a review in order to confirm that such request is complete, to confirm that the work with respect to such Phase #2 Direct Improvement identified therein for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement and the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"), and shall, upon the conclusion of the review, forward the request to the Town Representative. The Town Inspector and/or Town Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the Town Inspector and/or Town Representative in conducting each such review and to provide the Inspector and/or Town Representative with such additional information and documentation as is reasonably necessary for the Town Inspector and/or Town Representative to conclude each such review.

- (b) Within thirty (30) business days of receipt of any Certification for Payment, the Town Representative shall either (i) approve and execute the Certification for Payment and forward the same to the Administrator for payment from those funds available in the Phase #2 Direct Improvements Assessment Fund or, if bonds have been issued by the Town, forward the Certification for Payment to the bond trustee, or (ii) in the event the Town Representative disapproves the Certification for Payment, give written notification to the Developer of the Town Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the Town Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the Administrator for approval in accordance with Section 5.02 hereof, or to the bond trustee in accordance with payment provisions applicable to the bonds, and delivery to the Developer in accordance with Section 5.01(d) hereof, and any such partial work shall be processed for payment under Section 5.02, notwithstanding such partial denial.
- (d) If the Town Representative denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to the Town Council by the Developer in writing within 30 days of being denied by the Town Representative. Denial of the Certification for Payment by the Town Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded to the Administrator or the bond trustee, as applicable, for payment until the dispute is resolved by the Town and the Developer.

- (e) The Developer shall deliver the approved or partially approved Certification for Payment by the Town Representative as provided in Section 5.01(c), or approved by the Town Council, to the Administrator for payment and the Administrator shall make such payment from the Phase #2 Direct Improvements Assessment Fund in accordance with Section 5.02 below; provided, however, if bonds have been issued, the Developer shall provide the Certification for Payment to the bond trustee.

Section 5.02. Payment for Phase #2 Direct Improvement.

- (a) If no bonds have been issued by the Town, upon receipt of a reviewed and approved Certification for Payment, as evidenced by the signature of the Town Representative, the Administrator shall make payment from the Phase #2 Direct Improvements Assessment Fund from those funds available, for such approved Certification for Payment pursuant to the terms of the Certification for Payment in an amount not to exceed the Budgeted Cost(s), except as provided for in Section 4.04. Any amount remaining to be paid on a monthly basis after funds have been exhausted in the Phase #2 Direct Improvements Assessment Fund, shall remain as an amount outstanding to be paid, and shall be paid in the next monthly disbursement of funds from the Phase #2 Direct Improvements Assessment Fund, again subject to availability of funds in the Phase #2 Direct Improvements Assessment Fund.
- (b) Notwithstanding any other provisions of this Agreement, the Administrator, or the bond trustee if bonds have been issued, shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including: (1) a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment; (2) to the Developer or any assignee of the Developer if an unconditional lien release is attached to such Certification for Payment; and, (3) to the Developer, or to the third party contractor directly, at Developer's request as specified in the Certification for Payment, in the event the Developer provides a general contractor's or suppliers of materials unconditional lien release for a portion of the work covered by the Developer or any assignee of the Developer to the extent of such lien release. If the request for payment results in ninety percent (90%) or more of the Budgeted Costs for such Phase #2 Direct Improvement identified in such request for payment being paid, then the Administrator or the bond trustee, as applicable, shall hold the payment until work with respect to that Phase #2 Direct Improvement has been completed by the Developer and accepted by the Town. Neither the Administrator, nor the Town, Town Council, Town Manager, Town Representative, or bond trustee shall have any liability for relying on the accuracy of the payee information in any Certification for Payment as presented by the Developer or its assignees.

(c) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the Town from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the Town with respect thereto, including the withholding of any payment that may be associated with the exercise of any such remedy, so long as such delay in performance shall not subject the Phase #2 Direct Improvement to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Phase #2 Direct Improvement is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the Town or Town may decline to accept the Phase #2 Direct Improvement until such mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI

OWNERSHIP AND TRANSFER OF PHASE #2 DIRECT IMPROVEMENT

Section 6.01. Phase #2 Direct Improvement to be Owned by the Town or Mustang SUD – Title Evidence. The Developer shall furnish to the Town a preliminary title report for land with respect to the Phase #2 Direct Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the Town from the Developer and not previously dedicated or otherwise conveyed to the Town, for review and approval at least 30 calendar days prior to the transfer of title of a Phase #2 Direct Improvement to the Town. The Town shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the Town, could materially affect the Town's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the Town does not approve the preliminary title report, the Town shall not be obligated to accept title to the Phase #2 Direct Improvement until the Developer has cured such objections to title to the satisfaction of the Town.

Section 6.02. Phase #2 Direct Improvement Constructed on Town Land or Developer Land. If the Phase #2 Direct Improvement is on land owned by the Town, the Town hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Phase #2 Direct Improvement. If the Phase #2 Direct Improvement is on land owned by the Developer, the Developer hereby grants to the Town an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Phase #2 Direct Improvement. The grant of the easement shall not relieve the Developer of any obligation to grant the Town or Mustang SUD title to property and/or easements related to the Phase #2 Direct Improvement as required by the Development Agreement or as should in the Town's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Phase #2 Direct Improvement. The provisions for inspection and acceptance of such Phase #2 Direct Improvement otherwise provided

herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

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

- (a) Organization. The Developer consists of a Texas corporation duly formed, organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business in the State of Texas as now being conducted as hereby contemplated.
- (b) Authority. The Developer has the power and authority to enter into this Agreement and to fulfill its obligations under this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.
- (c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.
- (d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Phase #2 Direct Improvements in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Phase #2 Direct Improvements.
- (e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Phase #2 Direct Improvements Assessment Fund (or, in the event bonds are issued, the applicable project fund created under the bond indenture) for the acquisition or construction of any improvement that are not part of the Phase #2 Direct Improvements, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.
- (f) Financial Records. For a period of two years after completion of the Phase #2 Direct Improvements, the Developer covenants to maintain proper books of record and account for the construction of the Phase #2 Direct Improvements and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the Town or its agent at any reasonable time during regular business hours on reasonable notice.
- (g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans

from all appropriate departments of the Town and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Phase #2 Direct Improvements will be constructed in full compliance with such Plans and any change orders thereto consistent with the PID Act and the Development Agreement. The Developer shall provide as-built plans for all Phase #2 Direct Improvements to the Town.

- (h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the Town Manager or the Town Representative related to the status of construction of the Phase #2 Direct Improvements within the District and the anticipated completion dates for future Phase #2 Direct Improvements.
- (i) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement and the Development Agreement.

Section 7.02. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE TOWN INSPECTOR, THE TOWN, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE PHASE #2 DIRECT IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND TIS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE PHASE #2 DIRECT IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PHASE #2 DIRECT IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE PHASE #2 DIRECT IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PHASE #2 DIRECT IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT

OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND TOWN AGAINST ALL SUCH CLAIMS, AND TOWN IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, TOWN SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY TOWN IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN TOWN-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

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

Section 7.03. Use of Monies by Town. The Town agrees not to take any action or direct the Administrator to take any action to expend, disburse or encumber the monies held in the Phase #2 Direct Improvements Assessment Fund , and any monies to be transferred thereto for any purpose other than the purposes permitted by the Service and Assessment Plan, including amendments and annual updates, or the Phase #2 Direct Improvements Reimbursement Agreement. The Town agrees not to modify or supplement the Service and Assessment Plan without the approval of the Developer or its assigns if as a result or as a consequence of such modification or supplement (a) the amount of monies that would otherwise have been (i) available under the Phase #2 Direct Improvements Assessment Fund for the Costs of the Phase #2 Direct Improvements is reduced, delayed or deferred, or (ii) available in the Phase #2 Direct Improvements Assessment Fund upon the issuance of bonds as described herein, is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer or its assigns are or may be

increased or otherwise adversely affected in any manner, or (c) the rights of the Developer or its assigns are or may be modified, limited, restricted or otherwise adversely affected in any manner. Notwithstanding, the Town may make annual updates to the Service and Assessment Plan in compliance with the Act, without the approval of the Developer or its assigns.

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

ARTICLE VIII TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the Town and the Developer, in which event the Town may either execute contracts for or perform any remaining work related to the Phase #2 Direct Improvements not accepted by the Town or other appropriate entity and use all or any portion of funds on deposit in the Phase #2 Direct Improvements Assessment Fund to pay for same, and the Developer shall have no claim or right to any further payments for the Costs of a Phase #2 Direct Improvement hereunder, except as otherwise may be provided in such written consent.

Section 8.02. Town's Election for Cause.

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

(b) If any such event described in Section 8.02(a) occurs, the Town shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the Town Inspector and other appropriate Town staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Phase #2 Direct Improvements. Such options may include, but not be limited to, the termination of this Agreement by the Town. If the Town elects to terminate this Agreement, the Town shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the Town to receive such notice) of the grounds for such termination and allow the Developer a minimum of 45 days to eliminate or to mitigate to the satisfaction of the Town the grounds for such termination. Such period may be extended, at the sole discretion of the Town, if the Developer, to the reasonable satisfaction of the Town, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the Town, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the Town, the Town may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted

by the Town related to a Phase #2 Direct Improvement only as provided for under the terms of this Agreement and any bond indenture prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the Town to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the Town may in its discretion cause the Trustee to cease making payments for the Actual Costs of Phase #2 Direct Improvements, provided that the Developer shall receive payment of the Actual Costs of any Phase #2 Direct Improvements that were accepted by the Town at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the Town for cause, the Town may either execute contracts for or perform any remaining work related to the Phase #2 Direct Improvements not accepted by the Town and use all or any portion of the funds on deposit in the Phase #2 Direct Improvements Assessment Fund and the Developer shall have no claim or right to any further payments for the Phase #2 Direct Improvements hereunder, except as otherwise may be provided upon the mutual written consent of the Town and the Developer or as provided for in the Phase #2 Direct Improvements Reimbursement Agreement. The Town shall have no obligation to perform any work related to a Phase #2 Direct Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Construction of the Phase #2 Direct Improvements Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Phase #2 Direct Improvements in accordance with this Agreement and the Development Agreement.

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

1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

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

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

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the Town pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the Town. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the Town Manager, except pursuant to a collateral assignment to any person or entity providing construction financing to the Developer for a Phase #2 Direct Improvement, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Phase #2 Direct Improvement. No such assignment shall be made by the Developer or any successor or assignee of the Developer that results in the Town being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the Town. In connection with any consent of the Town, the Town may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the Town deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a Party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the Town's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement and the Phase #2 Direct Improvements Reimbursement Agreement with respect to any receivables due under this Agreement, the Phase #2 Direct Improvements Reimbursement Agreement shall control. If the Town issues bonds to finance the Phase #2 Direct Improvements under the terms of a bond indenture and there is a conflict between this Agreement, the Development Agreement, the Phase #2 Direct Improvements Reimbursement

Agreement, and the bond indenture, the bond indenture shall control.

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

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

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

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

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

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

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or until all amounts under the Phase #2 Direct Improvements Reimbursement Agreement have been paid, whichever is sooner. If bonds are issued by the Town to finance the Phase #2 Direct Improvements, this Agreement will terminate automatically and with no further action by the Town or the Developer upon the redemption or defeasance of all outstanding bonds issued under the bond indenture. If the Developer defaults under this Agreement, the Development Agreement or the Phase #2 Direct Improvements Reimbursement Agreement, this Agreement, the Development Agreement and the Phase #2 Direct Improvements Reimbursement Agreement shall not terminate with respect to the costs of the Phase #2 Direct Improvements that have been approved by the Town pursuant to a Certification for Payment prior to the date of default.

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

Section 9.14 Time of Essence. In this Agreement, time is of the essence and compliance with the times of performance herein is required.

Section 9.15 Rule of Construction. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

Section 9.16 Section 2271.002 Representation of Developer. The Developer hereby verifies that the Developer and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 9.17 Section 2252.153 and Section 2270.0201 Representations of Developer. The Developer hereby represents that neither the Developer nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[Execution pages follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of this the 18th day of May, 2021.

TOWN OF LITTLE ELM

By: _____
Name: _____, Mayor

ATTEST:

Caitlan Biggs, Town Secretary

APPROVED AS TO FORM

Robert Brown, Attorney for the Town

[Signature Page for Phase #2 Direct Improvements CFA]

DEVELOPER:

OPLE PRAIRIE OAKS DEVELOPMENT, INC.,
a Texas corporation

By: _____
Name: John Dowdall
Its: President

[Signature Page for Phase #2 Direct Improvements CFA]

Exhibit A**List of Phase #2 Direct Improvements and Budgeted Costs**

Phase #2 Direct Improvements	Total Budgeted Phase #2 Direct Improvement Costs
Road improvements (including right-of-way)	\$4,351,483
Water distribution system improvement costs	\$673,280
Sanitary sewer collection system improvements	\$1,931,897
Storm drainage collection system improvements	\$1,108,974
Other soft and miscellaneous costs	\$1,196,250
Total	\$9,261,884

Exhibit B**FORM OF CERTIFICATION FOR PAYMENT**

The undersigned is an agent for OPLE Prairie Oak Development, Inc., a Texas corporation (the “Developer”) and requests payment from the [Phase #2 Direct Improvements Assessment

Fund (as defined in the Phase #2 Direct Improvements CFA Agreement)] [the applicable account of the project fund created under the bond indenture if bonds are issued] from the Town of Little Elm, Texas (the "Town") in the amount of \$_____ for labor, materials, fees, and/or other general costs related to the construction of certain Phase #2 Direct Improvements related to the Rudman Tract Public Improvement District (the "Phase #2 Direct Improvements"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Rudman Tract Public Improvement District Phase #2 Direct Improvements Construction, Funding, and Acquisition Agreement (the "Phase #2 Direct Improvements CFA Agreement").

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

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced Phase #2 Direct Improvements have not been the subject of any prior payment request submitted to the Town or, if previously requested, no disbursement was made with respect thereto.
3. The amount listed for the Phase #2 Direct Improvements below is a true and accurate representation of the costs associated with the creation, acquisition, or construction of said Phase #2 Direct Improvement, and such costs are in compliance with the Phase #2 Direct Improvements CFA Agreement and the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Phase #2 Direct Improvements CFA Agreement, the Development Agreement and the Service and Assessment Plan, and if applicable, the applicable bond indenture.
5. All conditions set forth in the Phase #2 Direct Improvements CFA Agreement, and the Development Agreement for the payment hereby requested have been satisfied.
6. The work with respect to the Phase #2 Direct Improvement referenced below (or its completed segment) has been completed and the Town and/or Mustang Special Utility District, as applicable, has inspected the Phase #2 Direct Improvement(s). If this request for payment results in ninety percent (90%) or more of the Budgeted Costs for the Phase #2 Direct Improvement(s) identified above being paid, then the work with respect to the Phase #2 Direct Improvement(s) must have been completed and the Town or Mustang Special Utility District, as applicable, has inspected AND accepted the Phase #2 Direct Improvement(s)
7. The Developer agrees to cooperate with the Town in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the Town to complete said review.

EXHIBIT B

8. As required by Texas Local Government Code, Section 252.051, as amended, the Developer has provided the Town with an independent appraisal of any Phase #2 Direct Improvement consisting of any real property, or any interest in real property including easements and rights-of-way and open space if any, to be acquired by the Town including specifically monies on deposit in the [Phase #2 Direct Improvements Assessment Fund] [applicable account of the project fund created under the bond indenture].

Payments requested should include the following:

Payee / Description of Phase #2 Direct Improvement	Total Cost of Phase #2 Direct Improvement	Budgeted Cost of Phase #2 Direct Improvement	Amount to be paid from the [Phase #2 Direct Improvements Assessment Fund] [applicable account of the project fund created under the bond indenture]

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

Pursuant to the Phase #2 Direct Improvements CFA Agreement, after receiving this Certification for Payment, the Town is authorized to inspect the Phase #2 Direct Improvement (or completed segment or phase) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans. Afterwards, the Town must then accept or deny this Certification for Payment.

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

OPLÉ PRAIRIE OAKS DEVELOPMENT, INC.

By: _____

Name: _____

Title: _____

Date: _____

APPROVAL OF REQUEST BY TOWN

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

Certification for Payment, the Town approves the Certification for Payment.

TOWN OF LITTLE ELM, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

**RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT
IMPROVEMENTS LANDOWNER AGREEMENT**

This **RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT PHASE #2 DIRECT IMPROVEMENTS LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of May 18, 2021, between the Town of Little Elm, Texas (the "Town"), a home rule municipality of the State of Texas (the "State"), and 2016 Blackhawk 155 Holdings Ltd., a Texas limited partnership ("Landowner").

RECITALS:

WHEREAS, Landowner owns the Phase #2 Assessed Property described by a metes and bounds description attached as **Exhibit I** to this Agreement and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in **Exhibit I** (the "Landowner Parcel") which is located within the Rudman Tract Public Improvement District (the "District") in the Town; and

WHEREAS, the Town Council has adopted an assessment ordinance for the Phase #2 Direct Improvements (including all exhibits and attachments thereto, the "Phase #2 Direct Improvements Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the Phase #2 Direct Improvements Assessment Ordinance (the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Parcel (excluding Non-Benefited Property) in Phase #2 of the District (as identified in the Service and Assessment Plan) that will be used to reimburse the costs of construction the Phase #2 Direct Improvements or pledged as the security for the payment of bonds or other obligations which may be issued for the purpose of paying the costs of constructing the Phase #2 Direct Improvements that will benefit the Phase #2 Assessed Property; and

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

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

DEFINITIONS; APPROVAL OF AGREEMENTS

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

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

**I.
AGREEMENTS OF LANDOWNER**

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

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are within the District, all as shown on **Exhibit I**, and the location and development of the Phase #2 Direct Improvements on the Landowner Parcel and on the property within Phase #2 of the District;

(ii) the determinations and findings as to the benefits by the Town Council in the Service and Assessment Plan and the Phase #2 Direct Improvements Assessment Ordinance; and

(iii) the Phase #2 Direct Improvements Assessment Ordinance and the Service and Assessment Plan.

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

(i) each Assessment levied by the Town on the Landowner's Parcel within Phase #2 of the District, as shown on the assessment roll attached as Appendix G to the Service and Assessment Plan (the "Phase #2 Direct Improvements Assessment Roll");

(ii) the Phase #2 Direct Improvements specially benefit Phase #2 of the District, and the Landowner's Parcel, in an amount in excess of the Assessment levied on the Landowner's Parcel within Phase #2 of the District, as such Assessment is shown on the Phase #2 Direct Improvements Assessment Roll;

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

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Phase #2 Direct Improvements Assessment Ordinance;

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

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Phase #2 Direct Improvements Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of the Town in the same manner that an ad valorem tax lien against real property may be enforced by the Town;

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

(viii) the owner of Phase #2 Assessed Property may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as shown on the Phase #2 Direct Improvements Assessment Roll) may be adjusted, decreased and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the annual installments, when due, and without the necessity of further action, assessments or reassessments by the Town, the same as though they were expressly set forth herein; and

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

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

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

(i) the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Phase #2 Direct Improvements Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the Town), in the records of the County Clerk of Denton County, as a lien and encumbrance against such Landowner's Parcel, and the Landowner hereby authorizes the Town to so record such documents against the Landowner's Parcel owned by Landowner;

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

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

Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the Town) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on **Exhibit III** to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the Town, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

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

II.

OWNERSHIP AND CONSTRUCTION OF PHASE #2 DIRECT IMPROVEMENTS

A. Ownership and Transfer of Phase #2 Direct Improvements. Landowner acknowledges that all of the Phase #2 Direct Improvements and the land (or easements, as applicable) needed therefor shall be owned by the Town and/or Mustang Special Utility District ("**MSUD**"), as applicable, as constructed and/or conveyed to the Town and/or MSUD following construction and Landowner will execute or cause execution of such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Phase #2 Direct Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the Town or Landowner, grant and convey to the Town or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Phase #2 Direct Improvements on the property within Phase #2 of the District, to stage on the property within Phase #2 of the District construction trailers, building materials and equipment to be used in connection with such construction of the Phase #2 Direct Improvements and for passage and use over and across parts of the property within Phase #2 of the District as shall be reasonably necessary during the construction of the Phase #2 Direct Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Phase #2 Direct Improvements cause such

owner of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Phase #2 Direct Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Denton County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the Town under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the Town's levy and collection of the Assessments.

III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the Town as follows:

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

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

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

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

(v) The Landowner's Parcel owned by Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments and the priority of the lien related to the assessments as described in this Agreement, or (iii) the construction of the Phase #2 Direct Improvements on those portions of the property within Phase #2 of the

EXHIBIT C

District which are to be owned by the Town and/or MSUD, as applicable, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

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

B. Waiver of Claims Concerning Phase #2 Direct Improvements. Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the Town and its successors, assigns and agents, pertaining to the installation of the Phase #2 Direct Improvements.

C. Notices.

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

To the Town: Attn: Matt Mueller, Town Manager
Town of Little Elm, Texas
100 West Eldorado Parkway
Little Elm, Texas 75068
Telephone: (972) 377-1882

With a copy to: Attn: Robert Brown, Town Attorney
Brown & Hofmeister
740 E. Campbell Road, Suite 800
Richardson, Texas 75081

To the Landowner: Attn: John Dowdall
2016 Blackhawk 155 Holdings Ltd.
3833 Centenary Avenue
Dallas, Texas 75225

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

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

EXHIBIT C

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

D. Parties in Interest.

This Agreement is made solely for the benefit of the Town and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel. However, the parties expressly agree and acknowledge that the Town, Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of bonds issued by the Town to finance the costs of the Phase #2 Direct Improvements and which are secured by a pledge of the Assessments or any part thereof, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Denton County, Texas.

E. Amendments.

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

F. Effective Date.

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

G. Estoppels.

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

H. Termination.

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

I. Landowner hereby verifies that Landowner and its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this

Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Landowner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Landowner and exists to make a profit.

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

[Signature pages to follow]

EXHIBIT C

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

Date: _____

TOWN OF LITTLE ELM, TEXAS

By: _____
_____, Mayor

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on the __ day of _____, 2021 by
_____, the Mayor of the Town of Little Elm, Texas on behalf of said Town.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

[Signature Page Landowner Agreement]

LANDOWNER

2016 BLACKHAWK 155 HOLDINGS LTD.,
a Texas limited partnership

By: Nine Blackhawk, Inc.,
a Texas corporation
Its general partner

By: _____
Name: John Dowdall
Title: President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of _____,
2021 by President of Nine Blackhawk, Inc., a Texas corporation, as general partner of 2016
Blackhawk 155 Holdings Ltd., a Texas limited partnership on behalf of said entity.

Notary Public, State of Texas

[Signature Page Landowner Agreement]

LANDOWNER AGREEMENT - EXHIBIT I

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

BEING a tract of land situated in the Marsella Jones Survey, Abstract No. 662, Denton County, Texas, and being all of a called 60.528 acre tract of land described as Tract 2 in a Special Warranty Deed to 2016 Blackhawk 155 Holdings, Ltd., as recorded in Instrument No. 2016-161092 of the Official Records of Denton County, Texas, and corrected by Instrument No. 2018-37459 of the Official Records of Denton County, Texas, and being a portion of a called 86.486 acre tract of land described in a Special Warranty Deed to 2016 Blackhawk 155 Holdings, Ltd., as recorded in Instrument No. 2016-161100 of the Official Records of Denton County, Texas, and corrected by Instrument No. 2018-37458 of the Official Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at a brass disk found for the northeast corner of said 60.528 acre tract, common to the easterly corner of a called 0.238 acre tract of land described as Tract III in an unrecorded deed dated 11/10/1980 to Spiritas Ranch Enterprises, as evidenced in an affidavit recorded in Instrument No. 2016-136619 of the Official Records of Denton County, Texas, same being on the southerly line of a called 332.330 acre tract of land described in a deed to Spiritas Ranch Enterprises, as recorded in Volume 833, Page 38 of the Deed Records of Denton County, Texas, and on the monumented west line of Lake Lewisville;

THENCE departing the southerly line of said 332.330 acre tract, along the monumented westerly line of said Lake Lewisville and along the easterly line of said 60.528 acre tract, the following courses:

South 17°05'40" East, a distance of 215.00 feet to a brass disk found for corner;

North 81°37'40" West, distance of 764.60 feet to a point for corner, from which a brass disk found for witness bears North 21°32' West, 0.6 feet;

South 70°51'20" West, a distance of 626.00 feet to a point for corner, from which a brass disk found for witness bears South 03°51' West, 0.5 feet;

South 19°08'40" East, a distance of 172.70 feet to a brass disk found for corner;

South 78°12'40" East, a distance of 433.70 feet to a brass disk found for corner;

North 87°50'08" East, a distance of 198.36 feet to a brass disk found for corner;

South 06°29'40" East, a distance of 519.00 feet to a brass disk found for corner;

South 38°20'20" West, a distance of 230.80 feet to a 5/8 inch iron rod with a cap stamped "KHA" set for corner;

South 10°43'40" East, a distance of 385.92 feet to a brass disk found for corner;

North 47°32'13" East, a distance of 626.11 feet to a brass disk found for corner;

South 33°27'47" East, a distance of 200.76 feet to a brass disk found for corner;

South 28°27'13" West, a distance of 533.15 feet to the southeast corner of said 60.528 acre tract on the north line of a called 4.033 acre tract of land described to Joseph F. Schwegmann, as recorded in Volume 502, Page 623 of the Deed Records of Denton County, Texas, from which a brass disk found for witness bears South 28°40' West, 19.9 feet;

THENCE North 85°32'40" West, departing the monumented westerly line of said Lake Lewisville, along the northerly line of said 4.033 acre tract and the southerly line of said 60.528 acre tract, passing en route the easterly right-of-way line of Lloyd's Road, a variable width right-of-way, and continuing along the same course and crossing said Lloyd's Road, for a total distance of 509.25 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southerly southwest corner of said 60.528 acre tract, being on the westerly right-of-way line of said Lloyd's Road and on the easterly line of a called 57.263 acre tract of land described in a deed to Stevan A. Hammond, as recorded in Instrument No. 2008-122099 of the Official Records of Denton County, Texas;

THENCE North 01°49'14" East, along the easterly line of said 57.263 acre tract and continuing along the southerly line of said 60.528 acre tract, and crossing said Lloyd's Road part of the way, a distance of 331.82 feet to a 5/8 inch iron rod found for the northeast corner of said 57.263 acre tract, common to an ell corner of said 60.528 acre tract;

THENCE South 87°21'25" West, continuing across said Lloyd's Road, along the northerly line of said 57.263 acre tract and the southerly line of said 60.528 acre tract, a distance of 761.99 feet to an "X" cut found for the northwest corner of said 57.263 acre tract, common to the northerly southwest corner of said 60.528 acre tract, being on the easterly terminus of Lloyds Road, a variable width right-of-way, as dedicated in Prairie Oaks Phase 1A, according to the Final Plat thereof recorded in Document No. 2019-27 of the Plat Records of Collin County, Texas;

THENCE North 02°38'35" West, continuing along the southerly line of said 60.528 acre tract and along the easterly terminus of said Lloyds Road, a distance of 30.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the north end of the easterly terminus of said Lloyds Road, common to an ell corner on the southerly line of said 60.528 acre tract;

THENCE South 87°21'25" West, continuing along the southerly line of said 60.528 acre tract and along the northerly right-of-way line of said Lloyds Road, a distance of 122.25 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the south end of a corner clip at the intersection of the northerly right-of-way line of said Lloyds Road with the easterly right-of-way line of Bent Brock Road, a 50 foot wide right-of-way, as dedicated in said Prairie Oaks Phase 1A and Prairie Oaks Phase 1B, according to the Final Plat thereof recorded in Document No. 2019-258 of the Plat Records of Collin County, Texas;

THENCE North 47°38'35" West, continuing along the southerly line of said 60.528 acre tract and along said corner clip, a distance of 21.21 feet to an "X" cut in concrete found for a

southwest corner of said 60.528 acre tract, common to the north end of said corner clip, being on the easterly right-of-way line of said Bent Brock Road;

THENCE North 02°38'35" West, along the easterly right-of-way line of said Bent Brock Road, and the westerly line of said 60.528 acre tract, a distance of 115.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the south end of a corner clip at the intersection of the easterly right-of-way line of said Bent Brock Road with the southerly right-of-way line of Desert Willow Drive, a 50 foot wide right-of-way, as dedicated in said Prairie Oaks Phase 1B;

THENCE North 42°21'25" East, continuing along the westerly line of said 60.528 acre tract and along said corner clip, a distance of 14.14 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the north end of said corner clip, being on the southerly right-of-way line of said Desert Willow Drive;

THENCE North 87°21'25" East, continuing along the westerly line of said 60.528 acre tract and along the southerly right-of-way line of said Desert Willow Drive, a distance of 10.50 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the south end of the easterly terminus of said Desert Willow Drive;

THENCE North 02°38'35" West, continuing along the westerly line of said 60.528 acre tract and the easterly terminus of said Desert Willow Drive, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the north end of said easterly terminus;

THENCE South 87°21'25" West, continuing along the westerly line of said 60.528 acre tract and the northerly right-of-way line of said Desert Willow Drive, a distance of 10.50 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the south end of a corner clip at the intersection of the northerly right-of-way line of said Desert Willow Drive with the easterly right-of-way line of said Bent Brook Road;

THENCE North 47°38'35" West, continuing along the westerly line of said 60.528 acre tract and along said corner clip, a distance of 14.14 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the north end of said corner clip, being on the easterly right-of-way line of said Bent Brook Road;

THENCE North 02°38'35" West, continuing along the westerly line of said 60.528 acre tract and along the easterly right-of-way line of said Bent Brook Road, a distance of 120.67 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the east end of the northerly terminus of said Bent Brook Road, common to an ell corner of said 60.528 acre tract;

THENCE South 87°21'25" West, continuing along the westerly line of said 60.528 acre tract and along the northerly terminus of said Bent Brook Road, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the west end of said northerly terminus, common to an ell corner of said 60.528 acre tract;

THENCE South 02°38'35" East, continuing along the westerly line of said 60.528 acre tract and along the westerly right-of-way of said Bent Brook Road, a distance of 10.00 feet to an "X" cut in concrete found for the northeast corner of Block O of said Prairie Oaks Phase 1B, common to a southeast corner of said 60.528 acre tract, and at the beginning of a non-tangent curve to the

right having a central angle of $00^{\circ}51'24''$, a radius of 355.00 feet, a chord bearing and distance of North $88^{\circ}41'12''$ West, 5.31 feet;

THENCE in a northwesterly direction with said curve to the right, departing the westerly line of said 60.528 acre tract and along the northerly line of said Block O, an arc distance of 5.31 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

THENCE North $88^{\circ}15'30''$ West, continuing along the northerly line of said Block O, a distance of 390.76 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the northwest corner of said Block O, common to a southwest corner of said 60.528 acre tract, and at the beginning of a non-tangent curve to the right having a central angle of $14^{\circ}22'22''$, a radius of 475.00 feet, a chord bearing and distance of North $12^{\circ}50'37''$ East, 118.84 feet;

THENCE along the westerly line of said 60.528 acre tract and the easterly line of said Prairie Oaks Phase 1B, the following courses:

In a northeasterly direction, with said curve to the right, an arc distance of 119.15 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North $20^{\circ}01'48''$ East, a distance of 5.23 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North $62^{\circ}31'19''$ East, a distance of 14.80 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found at the beginning of a non-tangent curve to the left having a central angle of $02^{\circ}56'04''$, a radius of 375.00 feet, a chord bearing and distance of South $77^{\circ}16'54''$ East, 19.20 feet;

In a southeasterly direction, with said curve to the left, an arc distance of 19.21 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North $11^{\circ}15'04''$ East, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found at the beginning of a non-tangent curve to the right having a central angle of $02^{\circ}01'53''$, a radius of 325.00 feet, a chord bearing and distance of North $77^{\circ}43'59''$ West, 11.52 feet;

In a northwesterly direction, with said curve to the right, an arc distance of 11.52 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North $27^{\circ}56'36''$ West, a distance of 13.46 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North $20^{\circ}01'48''$ East, a distance of 22.17 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North $69^{\circ}58'12''$ West, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

EXHIBIT C

South 20°01'48" West, a distance of 10.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 69°58'12" West, a distance of 120.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 20°01'48" East, a distance of 2.49 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 69°58'12" West, a distance of 120.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 20°01'48" East, a distance of 19.66 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 69°58'12" West, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

South 20°01'48" West, passing at a distance of 10.00 feet the westerly line of said 60.528 acre tract, and continuing along the same course for a total distance of 60.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

THENCE North 69°58'12" West, continuing along the easterly line of said Prairie Oaks Phase 1B, a distance of 142.11 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found at the beginning of a non-tangent curve to the left having a central angle of 19°51'22", a radius of 1030.00 feet, a chord bearing and distance of North 11°59'58" East, 355.17 feet;

THENCE in a northeasterly direction with said curve to the left, continuing along the easterly line of said Prairie Oaks Phase 1B, passing en route a southwest corner of said 60.528 acre tract, and continuing along the same course and along the westerly line of said 60.528 acre tract, for a total arc distance of 356.95 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 02°04'17" East, a distance of 82.97 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 47°04'17" East, a distance of 21.21 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

South 87°55'43" East, a distance of 8.50 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 02°04'17" East, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 87°55'43" West, a distance of 8.50 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

EXHIBIT C

North 42°55'43" West, a distance of 21.21 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 02°04'17" East, a distance of 203.46 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 47°04'17" East, a distance of 21.21 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

South 87°55'43" East, a distance of 8.50 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 02°04'17" East, a distance of 50.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 87°55'43" West, a distance of 8.50 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 42°55'43" West, a distance of 21.21 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for corner;

North 02°04'17" East, a distance of 105.00 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" found for the northwest corner of said 60.528 acre tract, being on the southerly line of a called 0.773 acre tract of land described as Tract I in an unrecorded deed dated 11/10/1980 to Spiritas Ranch Enterprises, as evidenced in aforesaid affidavit;

THENCE South 88°13'59" East, along the northerly line of said 60.528 acre tract and the southerly line of said 0.773 acre tract, a distance of 1145.43 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 0.773 acre tract, common to the southwest corner of a called 0.030 acre tract of land described in an unrecorded deed dated 11/10/1980 to Spiritas Ranch Enterprises, as evidenced in said affidavit;

THENCE South 86°39'02" East, continuing along the northerly line of said 60.528 acre tract and along the southerly line of said 0.030 acre tract, a distance of 346.16 feet to a metal post found for the southeast corner of said 0.030 acre tract, common to an exterior corner of aforesaid 0.238 acre tract;

THENCE South 88°59'22" East, continuing along the northerly line of said 60.528 acre tract and along the southerly line of said 0.238 acre tract, a distance of 981.67 feet to the **POINT OF BEGINNING** and containing 60.745 acres (2,646,045 square feet) of land, more or less.

LANDOWNER AGREEMENT - EXHIBIT II

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS** (as it may be amended from time to time, this "Declaration") is made as of May 18, 2021 by 2016 Blackhawk 155 Holdings Ltd., a Texas limited partnership ("Landowner").

RECITALS:

- A. Landowner holds record title to that portion of the real property located in Denton County, Texas, which is described in the attached Exhibit I (the "Landowner's Parcel").
- B. The Town Council of the Town of Little Elm (the "Town Council") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Rudman Tract Public Improvement District (the "District") by the then owners of more than 50% of the appraised value of the taxable real property and owners of more than 50% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act").
- C. The Town Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the "Phase #2 Direct Improvements Assessment Ordinance") and approved the Service and Assessment Plan included as an exhibit to the Phase #2 Direct Improvements Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (as amended from time to time, the "Assessments") on property in Phase #2 of the District.
- D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of residential property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

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

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

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

liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (b) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Phase #2 Direct Improvements Assessment Ordinance until the Assessments are paid and may be enforced by the Town in the same manner as an ad valorem property tax levied against real property that may be enforced by the Town. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within Phase #2 of the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment, and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

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

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

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

- (a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;
- (b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the Town Council concerning the Assessments;
- (c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Phase #2 Direct Improvements Assessment Ordinance by the Town Council;
- (d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the Town's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and
- (e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the Town Council's levy of the Assessments.

3. **Amendments:** This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and the Town. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Denton County, Texas.
4. **Third Party Beneficiary:** The Town is a third party beneficiary to this Declaration and may enforce the terms hereof.
5. **Notice to Subsequent Purchasers:** Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS CONCERNING THE PROPERTY AT [Street Address]

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

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the District, the amount of the assessment and the due dates of that assessment may be obtained from (i) the Town of Little Elm, 100 West Eldorado Parkway, Little Elm, Texas 75068 and available by telephone at (972) 377-1882 and (ii) Municap, Inc., the District administrator for the Town, located at 600 E. John Carpenter Freeway, Suite 333, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free).

Signature of Purchaser(s) _____ Date: _____

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

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

LANDOWNER

2016 BLACKHAWK 155 HOLDINGS LTD.,
a Texas limited partnership

By: Nine Blackhawk, Inc.,
a Texas corporation
Its general partner

By: _____
Name: John Dowdall
Title: President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of _____, 2021 by President of Nine Blackhawk, Inc., a Texas corporation, as general partner of 2016 Blackhawk 155 Holdings Ltd., a Texas limited partnership on behalf of said entity.

Notary Public, State of Texas

LANDOWNER AGREEMENT - EXHIBIT III

HOMEBUYER EDUCATION PROGRAM

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

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



Date: 05/18/2021
Agenda Item #: 8. C.
Department: Finance
Strategic Goal: Promote and expand Little Elm's identity
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Present, Discuss, and Take action on **Ordinance No. 1611 Accepting and Approving an Updated Service and Assessment Plan and Phase #2 Direction Improvements Assessment Roll for the Rudman Tract Public Improvement District; Making a Finding of Special Benefit to the Property in Phase #2 of the District; Levying Assessments Against Property Within Phase #2 of the District and Establishing a Lien on Such Property; Providing for the Method of Assessment and the Payment of 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.**

DESCRIPTION:

The Town Council will conduct a public hearing to consider testimony and act upon an ordinance accepting and approving a final, updated Rudman Tract Public Improvement District Service and Assessment Plan, including the Phase #2 Direct Improvement assessment roll; making a finding of special benefit to property within Phase #2 of the Rudman Tract Public Improvement District; levying special assessments against such property and establishing a lien on such property; and providing for the method of assessment and the payment of the assessments levied against the assessed property in accordance with Chapter 372 of the Texas Local Government Code, as amended.

BUDGET IMPACT:

There is no impact to the Town's budget in approving this action item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Ordinance No. 1611 Rudman PID Phase #2 Levy and Assessment

ORDINANCE NO. 1611

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS ACCEPTING AND APPROVING AN UPDATED SERVICE AND ASSESSMENT PLAN AND PHASE #2 DIRECT IMPROVEMENTS ASSESSMENT ROLL FOR THE RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN PHASE #2 OF THE DISTRICT; LEVYING ASSESSMENTS AGAINST PROPERTY WITHIN PHASE #2 OF THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE 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, a petition was submitted and filed with the Town Secretary (the "Town Secretary") of the Town of Little Elm, Texas (the "Town") 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 located within the extraterritorial jurisdiction of the Town; and

WHEREAS, the petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the proposed District, as determined by the then current ad valorem tax rolls of the Denton Central Appraisal District, and the signature of the record owner of taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the proposed District; and

WHEREAS, on October 18, 2016, after due notice, the Town Council of the Town (the "Town Council") held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Section 372.009 of the PID Act and on October 18, 2016, the Town Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 10181601 (the "Authorization Resolution"), adopted by a majority of the members of the Town Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, the Town 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 Town Secretary; and

WHEREAS, on May 4, 2021, the Town Council adopted a resolution approving a preliminary service and assessment plan update, including a proposed assessment roll for Phase #2 of the District; calling for a public hearing to consider an ordinance levying assessments on

property within Phase #2 of the District (the “Assessments”); authorizing and directing the Town Secretary of the Town to file the proposed assessment roll for Phase #2 of the District and make such assessment roll available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the levying of the Assessments against the property within Phase #2 of 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 May 5, 2021 the Town Secretary filed the Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the Town Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on May 7, 2021 in the *Dallas Morning News*, a newspaper of general circulation in the Town and in the part of the extraterritorial jurisdiction of the Town in which the District is located or in which the Phase #2 Direct Improvements are to be undertaken; and

WHEREAS, the Town Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known addresses of the owners of the property liable for the Assessments; and

WHEREAS, the Town Council opened the Levy and Assessment Hearing on May 18, 2021, 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 Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the Actual Costs of the Phase #2 Direct Improvements to be undertaken for the benefit of the Phase #2 Assessed Property (as defined in the Service and Assessment Plan), the purposes of the Assessments, the special benefits of the Phase #2 Direct Improvements, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the Town Council finds and determines that the Assessment Roll and the updated Rudman Tract Public Improvement District Service and Assessment Plan, dated May 18, 2021, in a form substantially similar to the attached *Exhibit A*, which final form shall be approved by the Town Manager and the Town’s advisors (as updated, the “Service and Assessment Plan”), and which is incorporated herein for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the assessment roll attached thereto as Appendix G (the “Assessment Roll”); and

WHEREAS, the Town Council further finds that there were no objections or evidence submitted to the Town Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Phase #2 Direct Improvements (as described in the Service and Assessment Plan), the Assessment Roll, or the levy of the Assessments against the Phase #2 Assessed Property; and

WHEREAS, the owners (the “Landowners”), or their representatives, of the majority of the privately-owned and taxable property located within Phase #2 of the District, who are the persons to be assessed pursuant to this Ordinance, have previously indicated their approval and acceptance of the Service and Assessment Plan, approval of the Assessment Roll, approval of this Ordinance, and approval of the levy of the Assessments against their property located within Phase #2 of the District; and

WHEREAS, the Town 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 Town, 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 TOWN COUNCIL OF THE TOWN OF LITTLE ELM, 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 Town Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Actual Costs of the Phase #2 Direct Improvements (as reflected in the Service and Assessment Plan), and the Administrative Expenses (as defined in and as described by the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed parcel of Phase #2 Assessed Property will receive from the construction of the Phase #2 Direct Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Phase #2 Direct Improvements;

(c) The Service and Assessment Plan apportions the Actual Costs of the Phase #2 Direct Improvements to be assessed against the Phase #2 Assessed Property as Assessments and such apportionment is made on the basis of special benefits accruing to the property because of the Phase #2 Direct Improvements;

(d) All of the real property in Phase #2 of the District which is being assessed in the amounts shown in the Assessment Roll will be benefited by the Phase #2 Direct Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed parcel of Phase #2 Assessed Property will receive special benefits in each year equal to or greater than each annual Assessment against such

property and will receive special benefits during the term of the Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Phase #2 Direct 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 Direct Improvements and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs of the Phase #2 Direct Improvements;

(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 Assessment Roll should be approved as an assessment roll for the Phase #2 Assessed Property within the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest on Annual Installments, interest and penalties on delinquent Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Assessments should be approved and will expedite collection of the Assessments in a timely manner in order to provide the services and improvements needed and required for Phase #2 of the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the Town 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 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. Assessment Roll.

The Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as an assessment roll for Phase #2 of the District.

Section 5. Levy and Payment of Assessments for Actual Costs of the Phase #2 Direct Improvements.

(a) The Town Council hereby levies an assessment on each parcel of Phase #2 Assessed Property (excluding Non-Benefitted Property, as defined in the Service and Assessment Plan), as shown and described in the Service and Assessment Plan and the

Assessment Roll, in the respective amounts shown on the Assessment Roll, as a special assessment on the properties set forth in the Assessment Roll.

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

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

(d) Each 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 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Administrative Expenses for the Phase #2 Assessed Property shall be calculated and collected 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 Direct Improvements and Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Assessments.

Delinquent 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 Assessments.

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

Section 9. Lien Priority.

The Town Council and the Landowners intend for the obligations, covenants and burdens on the Landowners of each parcel of Phase #2 Assessed Property, including without limitation such Landowners' obligations related to payment of the Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Landowners, as the owners of each parcel 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. 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 to initially serve, or until otherwise determined by the Town Council, as the Administrator of the Service and Assessment Plan and of the 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 Collector.

The Tax Assessor/Collector of Denton County is hereby appointed and designated as the collector of the Assessments.

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 the Assessments by the Town.

Section 12. Filing in Land Records.

The Town Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Assessment Roll, to be recorded in the real property records of Denton County. The Town Secretary is further directed to similarly file each Annual Service Plan Update (as defined in the Service and Assessment Plan) approved by the Town Council.

Section 13. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of the 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 Town 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 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

[Remainder of page intentionally left blank; signatures follow]

PASSED AND APPROVED, this the 18th day of May, 2021.

TOWN OF LITTLE ELM, TEXAS

_____, Mayor

ATTEST:

Caitlan Biggs, Town Secretary

Matt Mueller, Town Manager

(Town Seal)

APPROVED AS TO FORM:

Robert Brown, Town Attorney

STATE OF TEXAS §

§

COUNTY OF DENTON §

This instrument was acknowledged before me on the _____ day of _____, 2021 by _____, Matt Mueller, Caitlan Biggs, and Robert Brown, Mayor, Town Manager, Secretary, and Town Attorney, respectively, of the Town of Little Elm, Texas on behalf of said Town.

Notary Public, State of Texas

(SEAL)

EXHIBIT A

Service and Assessment Plan

RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT

TOWN OF LITTLE ELM, TEXAS

SERVICE AND ASSESSMENT PLAN UPDATED FOR PHASE #2

May 18, 2021

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

RUDMAN TRACT PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On October 18, 2016, (the “Creation Date”) the Town Council of the Town of Little Elm (the “Town Council”) passed and approved Resolution No. 10181601 approving and authorizing the creation of Rudman Tract Public Improvement District (the “PID”) to finance the costs of certain public improvements for the benefit of property in the PID, all of which is presently located within the extraterritorial jurisdiction (“ETJ”) of the Town of Little Elm (the “Town”).

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

Chapter 372 of the Texas Local Government Code, “Improvement Districts in Municipalities and Counties” (as amended, the “PID Act”), governs the creation of public improvement districts within the State of Texas. This Service and Assessment Plan has been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. 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 states that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V.

Section 372.015 of the PID Act states 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 to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act states 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 Phase #2 Assessed Property are attached hereto as Appendix E and Appendix G. The Assessment Roll for the Phase #1 Assessed Property is attached hereto as Appendix F of this Service and Assessment Plan. The Assessments as shown on the Assessment Rolls are based on the method of assessment 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 Town. Actual Costs 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 and real estate acquisition costs, 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 materialmen 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, plan review 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 Town 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. Actual Costs also may be paid to the Developer or any other person or entity only in the capacity of construction manager or only in the capacity of general contractor but not both.

“Administrator” means the employee or designee of the Town who shall have the responsibilities provided for herein, or in another agreement approved by the Town Council.

“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) annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (ii) computing, levying, billing and collecting Assessments or the installments thereof, (iii) investing or depositing of monies, (iv) complying with the PID Act and codes, (v) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (vi) 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 applicable reimbursement obligations. 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 Administrative Expenses.

“Annual Installment” means, with respect to each Assessed Property, each annual payment of: (i) the Assessment, as shown on the Assessment Rolls attached hereto as Appendix E, Appendix F, and Appendix G, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the interest on the outstanding Assessment amount, and (iii) Administrative Expenses as described in this Service and Assessment Plan.

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

“Assessed Property” means, for any year, 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 an Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provisions herein and the PID Act.

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

“Assessment Revenues” mean the revenues actually received by the Town from Assessments levied within the PID.

“Assessment Roll” means, as applicable, the Phase #1 Assessment Roll, the Phase #2 Major Improvements Assessment Roll, and the Phase #2 Direct Improvements 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 372.003 of the PID Act designed, constructed, and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments, described in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

“Certification for Payment” means the document to be provided by the Developer or construction manager to substantiate the Actual Cost of one or more Authorized Improvements.

“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 OPLE Prairie Oaks Development, Inc.

“Development Agreement” means that certain Development Agreement relating to the PID executed by and between the Developer and the Town effective June 7, 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 Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a homeowners’ association established for the benefit of a group of homeowners or property owners within the PID.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the Official Public Records of Denton County, Texas.

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

“Mustang Special Utility District” or **“Mustang”** means the holder of the certificates of convenience and necessity for the provision of retail water and sewer service to the property in the PID.

“Non-Benefited Property” means Parcels within the boundaries of the PID 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 Section VI-F remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI-D.

“Parcel” means a property identified by either a tax map identification number assigned by the Denton Central Appraisal District for real property tax purpose, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the Official Public Records of Denton County, or by any other means determined by the Town.

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

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than Non-Benefited Property.

“Phase #1 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 or in connection with any Annual Service Plan Update.

“Phase #1 Improvements” means Authorized Improvements which only benefit Phase #1 Assessed Property and are described in Section III.C.

“Phase #1 Revenues” mean the revenues received by the Town from the collection of Assessments and Annual Installments for the Phase #1 Assessed Property.

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

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

“Phase #2 Direct Improvements” means Authorized Improvements which only benefit Phase #2 Assessed Property and are described in Section III.C.

“Phase #2 Direct Improvements Assessment Roll” means the document included in this Service and Assessment Plan as Appendix G, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act or in connection with any Annual Service Plan Update.

“Phase #2 Major Improvements 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 or in connection with any Annual Service Plan Update.

“Phase #2 Major Improvements” means the prorata share of the Major Improvements proportionally allocated to the Phase #2 Assessed Property.

“Phase #2 Revenues” mean the revenues received by the Town from the collection of Assessments and Annual Installments for the Phase #2 Assessed Property.

“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, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

“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 Town as a result of any prepayment of an Assessment.

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

“Public Property” means property right of way and easements within the boundaries of the PID that are owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the Town, a school district, a public utility provider 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.

“TIRZ No. 6” means the Tax Increment Reinvestment Zone No. 6, Town of Little Elm, 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 Town 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. 6 Project Plan and Financing Plan (including amendments or supplements thereto).

“TIRZ Revenues” mean, for each year, the amounts paid by the Town from the TIRZ No. 6 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the Town, in accordance with Section VI(A) of this Service and Assessment Plan.

“Town” means the Town of Little Elm, Texas.

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

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the ETJ of the Town and contains approximately 145.3 acres of land. A map of the property within the PID is shown in Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 481 detached single family residential units, and infrastructure necessary to provide roadways, drainage, water and wastewater to the property within the PID.

B. PROPERTY INCLUDED IN PHASE #1

The property within the PID consists of approximately 145.3 acres. Phase #1 consists of approximately 74.3 acres projected to consist of 275 single family residential units to be developed as Phase #1. A map of the property within the PID and Phase #1 is shown in Appendix A. A list of the Parcels within Phase #1 is included in Appendix F. A map depicting the boundaries of each proposed Phase is also included in Appendix A.

C. PROPERTY INCLUDED IN PHASE #2

Phase #2 consists of approximately 71 acres projected to consist of 206 single family residential units to be developed as Phase #2. A map of the property within the PID and Phase #2 is shown in Appendix A. A list of the Parcels within Phase #2 is included in Appendix G. A map depicting the boundaries of each proposed Phase is also included in Appendix A.

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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

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

372.003. Authorized Improvements

- (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.
- (b) A public improvement may include:
 - (i) landscaping;
 - (ii) erection of fountains, distinctive lighting, and signs;
 - (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
 - (iv) construction or improvement of pedestrian malls;
 - (v) acquisition and installation of pieces of art;
 - (vi) acquisition, construction, or improvement of libraries;
 - (vii) acquisition, construction, or improvement of off-street parking facilities;
 - (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
 - (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
 - (x) the establishment or improvement of parks;
 - (xi) projects similar to those listed in Subdivisions (i)-(x);
 - (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
 - (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and
 - (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

After analyzing the public improvement projects authorized by the PID Act, the Town has determined that the Authorized Improvements described Section III.B, Section III.C, and Section III.D should be undertaken by the Town for the benefit of the property within the PID.

B. DESCRIPTIONS AND COSTS OF MAJOR IMPROVEMENTS

The Major Improvements that benefit the property within the PID include Major Improvements that benefit all phases. The costs of the Major Improvements are allocated proportionally throughout the entire the PID, excluding Non-Benefited Property, in a manner that anticipates planned development of the PID based on the number of units planned to be developed on each Parcel.

The Major Improvements are described below. The costs of these Major Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates.

Roadway improvements: The road improvements part of the Major Improvements includes construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements 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 Town standards and specifications and will be owned and operated by the Town.

Water distribution system improvements: The water distribution system improvements part of the Major Improvements consists of construction and installation of off-site 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 Mustang standards and specifications and will be owned and operated by Mustang.

Sanitary sewer collection system improvements: The sanitary sewer improvements part of the Major Improvements consists of construction and installation of sewer pipes, service lines, manholes, encasements and appurtenances. The sanitary sewer improvements will be designed and constructed in accordance with Mustang standards and specifications and will be owned and operated by the Mustang.

Storm Drainage collection system improvements: The storm drainage collection sewer improvements part of the Major Improvements consists of construction and installation of pipes, service lines, encasements and appurtenances. The storm drainage improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Table III-A
Estimated Costs of the Major Improvements

Authorized Improvements	Estimated Cost
Roadway improvement costs	\$1,767,087
Water distribution system improvement costs	\$891,664
Sanitary sewer collection system improvements	\$649,076
Storm drainage collection system improvements	\$557,879
Other soft and miscellaneous costs	\$1,168,930
Total estimated Major Improvement Costs	\$5,034,636

The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates.

C. DESCRIPTIONS AND ESTIMATED COSTS OF PHASE #1 IMPROVEMENTS

The Phase #1 Revenues (excluding amounts collected for Administrative Expenses) will fund a portion of the costs of the Major Improvements (as described above in Section III.B) as well as the Phase #1 Improvements, which only benefit the Phase #1 Assessed Property.

The Phase #1 Improvements are described below. All of the Phase #1 Improvements provide benefit to Phase #1. The costs of the Phase #1 Improvements are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates.

Roadway improvements: The road improvements part of the Major Improvements includes construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements 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 Town standards and specifications and will be owned and operated by the Town.

Water distribution system improvements: The water distribution system improvements part of the Major Improvements consists of construction and installation of off-site 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 Mustang standards and specifications and will be owned and operated by the Mustang.

Sanitary sewer collection system improvements: The sanitary sewer collection system improvements part of the Major Improvements consists of construction and installation of sewer pipes, service lines, manholes, encasements and appurtenances. The sanitary sewer collection system improvements will be designed and constructed in accordance with Mustang standards and specifications and will be owned and operated by the Mustang.

Storm Drainage collection system improvements: The storm drainage collection system improvements part of the Major Improvements consists of construction and installation of pipes, service lines, encasements and appurtenances. The storm drainage collection system improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Table III-B below shows the estimated costs of the Phase #1 Improvements.

Table III-B
Estimated Phase #1 Improvement Costs

Authorized Improvements	Total
Roadway improvement costs	\$2,165,227
Water distribution system improvement costs	\$840,000
Sanitary sewer collection system improvements	\$730,300
Storm drainage collection system improvements	\$1,464,831
Other soft and miscellaneous costs	\$1,097,280
<i>Subtotal – Estimated Phase #1 Improvement Costs</i>	<i>\$6,297,658</i>
Add: Phase #1 share of estimated Major Improvement Costs (\$5,034,636 x 56.96%) ¹	\$2,867,610
Total Estimated Phase #1 Improvement Costs	\$9,165,268

1 – See Section V (C) regarding % for allocation of the estimated costs of Major Improvements to Phase #1.

D. DESCRIPTIONS AND ESTIMATED COSTS OF PHASE #2 IMPROVEMENTS

The Phase #2 Revenues (excluding amounts collected for Administrative Expenses) will fund a portion of the costs of the Major Improvements (as described above in Section III.B) as well as the Phase #2 Direct Improvements, which only benefit the Phase #2 Assessed Property.

The Phase #2 Direct Improvements are described below. All of the Phase #2 Direct Improvements provide benefit to Phase #2. The costs of the Phase #2 Direct Improvements are shown in Table III-C. The costs shown in Table III-C are estimates and may be revised in Annual Service Plan Updates.

Roadway improvements: The road improvements part of the Major Improvements includes construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements 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 Town standards and specifications and will be owned and operated by the Town.

Water distribution system improvements: The water distribution system improvements part of the Major Improvements consists of construction and installation of off-site 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 Mustang standards and specifications and will be owned and operated by the Mustang.

Sanitary sewer collection system improvements: The sanitary sewer collection system improvements part of the Major Improvements consists of construction and installation of sewer pipes, service lines, manholes, encasements and appurtenances. The sanitary sewer collection system improvements will be designed and constructed in accordance with Mustang standards and specifications and will be owned and operated by the Mustang.

Storm Drainage collection system improvements: The storm drainage collection system improvements part of the Major Improvements consists of construction and installation of pipes, service lines, encasements and appurtenances. The storm drainage collection system improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Table III-B below shows the estimated costs of the Phase #1 Improvements.

Table III-C
Estimated Phase #2 Project Costs

Authorized Improvements	Total
Roadway improvement costs including Right-of-way	\$4,351,483
Water distribution system improvement costs	\$673,280
Sanitary sewer collection system improvements	\$1,931,897
Storm drainage collection system improvements	\$1,108,974
Other soft and miscellaneous costs	\$1,196,250
Total Estimated Phase #2 Direct Improvement Costs	\$9,261,884

The costs shown in Tables III-A, III-B and III-C are estimates and may be revised in Annual Service Plan Updates. The detailed costs of the Authorized Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

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 a five-year period. It is anticipated that it will take approximately 18 months for the Major Improvements to be constructed and approximately 18 months for the Phase #1 Improvements and Phase #2 Direct Improvements to be constructed.

The total estimated costs for Major Improvements, Phase #1 Improvements and payment of expenses incurred in the establishment of the PID is \$11,862,294 shown in Table IV-A herein. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an Annual Service Plan Update.

Table IV-A summarizes the sources and uses of funds required to construct the Major Improvements, Phase #1 Improvements and the establishment of the PID. The Town will enter into a reimbursement agreement (“Reimbursement Agreement”) with the Developer to reimburse the Developer for the Actual Costs of the Authorized Improvements constructed, inspected and approved by the Town from Assessment Revenues collected (excluding amounts collected for Administrative Expenses) and the payment obligations under the Reimbursement Agreement may be assigned to issue bonds by third-party issuers. 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.

The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll. Any update to this Service and Assessment Plan is herein referred as an “Annual Service Plan Update.”

As shown in Table IV-A on the following page, the total par amount of the reimbursement agreement for the Phase #2 Major Improvements dated as of April 4, 2017 (the “Phase #2 Major Improvements Reimbursement Agreement”) is \$2,075,000 and the total amount of the Phase #2’s share of the Major Improvements funded is \$2,167,026. The total par amount of the reimbursement agreement for the Phase #1 Improvements dated as of April 4, 2017 (the “Phase #1 Reimbursement Agreement”) is \$7,300,000, the total amount of Phase #1 share of the Major Improvements is \$2,867,610 and the total amount of Phase #1 Improvements funded is \$6,297,658.

Table IV-A
Estimated Sources and Uses

Sources of Funds	Phase #2 Major Improvements Reimbursement Agreement	Phase #1 Reimbursement Agreement	Total
Reimbursement amount	\$2,075,000	\$7,300,000	\$9,375,000
Other funding sources	\$393,902	\$2,093,392	\$2,487,294
Total Sources	\$2,468,902	\$9,393,392	\$11,862,294
Uses of Funds			
<i>Major Improvements:</i>			
Road improvements	\$760,596	\$1,006,491	\$1,767,087
Water distribution system improvements	\$383,793	\$507,871	\$891,664
Sanitary sewer improvements	\$279,378	\$369,698	\$649,076
Storm drainage improvements	\$240,124	\$317,755	\$557,879
Other soft and miscellaneous costs	\$503,135	\$665,795	\$1,168,930
<i>Subtotal</i>	<i>\$2,167,026</i>	<i>\$2,867,610</i>	<i>\$5,034,636</i>
<i>Phase #1 Improvements:</i>			
Road improvements	\$0	\$2,165,227	\$2,165,227
Water distribution system improvements	\$0	\$840,000	\$840,020
Sanitary sewer improvements	\$0	\$730,300	\$730,300
Storm drainage improvements	\$0	\$1,464,831	\$1,464,831
Other soft and miscellaneous costs	\$0	\$1,097,280	\$1,097,280
<i>Subtotal</i>	<i>\$0</i>	<i>\$6,297,658</i>	<i>\$6,297,658</i>
Estimated PID establishment related costs	\$301,875	\$228,125	\$530,000
Total Uses	\$2,468,902	\$9,393,392	\$11,862,294

As shown in Table IV-B on the following page, the total par amount of the reimbursement agreement for the Phase #2 Major Improvements dated as of _____ (the “Phase #2 Direct Improvements Reimbursement Agreement”) is \$9,160,000 and the total amount of the Phase #2 Direct Improvements funded is \$9,261,884.

Table IV-B
Estimated Sources and Uses
Phase #2 Direct Improvements

Sources of Funds	Phase #2 Reimbursement Agreement
Reimbursement amount	\$9,160,000
Other funding sources	\$161,884
Total Sources	\$9,261,884
Uses of Funds	
<i>Phase #2 Direct Improvements:</i>	
Road improvements including Right-of-way	\$4,351,483
Water distribution system improvements	\$673,280
Sanitary sewer improvements	\$1,931,897
Storm drainage improvements	\$1,108,974
Other soft and miscellaneous costs	\$1,196,250
<i>Subtotal</i>	\$9,261,884
Estimated PID establishment related costs	\$0
Total Uses	\$9,261,884

The annual projected costs and annual projected indebtedness are shown in Table IV-C. 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. The project indebtedness will either reflect anticipated or outstanding Assessments.

Table IV-C
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources
2016	\$11,862,294	\$9,375,000	\$2,487,294
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$9,261,884	\$9,160,000	\$161,884
2022	\$0	\$0	\$0
2023	\$0	\$0	\$0
2024	\$0	\$0	\$0
2025	\$0	\$0	\$0
2026	\$0	\$0	\$0
Total	\$21,124,178	\$18,535,000	\$2,649,178

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Major Improvements shown in Table III-A, the Phase #1 Improvements shown in Table III-B, the Phase #2 Direct Improvements shown in Table III-C and the costs associated with establishing the PID shown in Table IV-A herein. The difference between the total projected cost and the total projected indebtedness, if any, is an amount contributed by the Developer.

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V. SERVICE PLAN

A. INTRODUCTION

The PID Act requires the Town Council to apportion the Actual Cost of the Authorized Improvements on the basis of special benefits conferred upon the Property by the Authorized Improvements. The PID Act provides that the Actual Costs 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 or improvements.

For purposes of this Service and Assessment Plan, the Town Council has determined that the costs of the Major Improvements, the Phase #1 Improvements, and the Phase #2 Direct Improvements shall be allocated to the Assessed Property as described below:

1. The Major Improvement costs shall be allocated to the Phase #1 Assessed Property and Phase #2 Assessed Property on the basis of the Equivalent Units to be developed within the PID as shown under (C) below, and that such method of allocation will result in the imposition of equal shares of the costs of the Major Improvements to Parcels similarly benefited within the PID.
2. The costs of Major Improvements funded through the Phase #2 Major Improvements Reimbursement Agreement shall be allocated to the Phase #2 Assessed Property on the basis of the Equivalent Units to be developed within Phase #2, and that such method of allocation will result in the imposition of equal shares of the costs of the Phase #2 Major Improvements to Parcels similarly benefited.
3. The costs of Major Improvements allocated to Phase #1 and the costs of Phase #1 Improvements funded through the Phase #1 Reimbursement Agreement shall be allocated to the Phase #1 Assessed Property on the basis of the Equivalent Units to be developed within Phase #1, and that such method of allocation will result in the imposition of equal shares of applicable Phase #1 Improvement costs to Parcels similarly benefited.
4. The costs of Phase #2 Direct Improvements shall be allocated to the Phase #2 Assessed Property on the basis of the Equivalent Units to be developed within Phase #2, and that such method of allocation will result in the imposition of equal shares of the costs of the Phase #2 Direct Major Improvements to Parcels similarly benefited.

This section of this Service and Assessment Plan currently describes the special benefit received by each Parcel within the PID as a result of the Major Improvements, the Phase #1 Improvements, and the Phase #2 Direct Improvements provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodologies

by which the Town Council allocates and reallocates the special benefit of the Major Improvements, the Phase #1 Improvements, and the Phase #2 Direct Improvements to Parcels in a manner that results in equal shares of the Actual Costs being apportioned to Parcels similarly benefited. The determination by the Town Council of the assessment methodologies set forth below is the result of the discretionary exercise by the Town Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs incurred in the establishment of the PID shown in Table IV-A are authorized by the Act.

Each of the owners 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.

Each owner of the Assessed Property has ratified, confirmed, accepted, agreed to and approved; (i) the determinations and finding by the Town Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan requires that Authorized Improvements be acquired, constructed, installed, and/or improved. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the Town Council.

In summary, the Assessments result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, 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 and/or landowner, as applicable, 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 Assessed Property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the Authorized Improvement costs through Reimbursement Agreements determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ALLOCATION OF ACTUAL COSTS OF MAJOR IMPROVEMENTS

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the Actual Costs of the Major Improvements must be allocated between Phase #1 Assessed Property and Phase #2 Assessed Property based on the special benefit each receives. Table IV-A summarizes the allocation of the estimated cost of Major Improvements. The costs shown in Table IV-A are estimates and may be revised in Annual Service Plan Updates but may not result in increased Assessments without consent by each of the owners of the Parcels to the imposition of the increased Assessments to pay for the Actual Costs.

Phase #1 is projected to contain 275 residential units representing 243.38 total Equivalent Units as shown in Appendix D. Phase #2 is projected to contain 205 residential units representing 183.92 total Equivalent Units as shown in Appendix D. The total projected Equivalent Units in the PID is, therefore, calculated to be 427.30 (i.e. $243.38 + 183.92 = 427.30$). As a result, 56.96 percent of the estimated costs of Major Improvements (i.e. $243.38 \div 427.30 = 56.96\%$) are allocated to the Phase #1 Assessed Property and 43.04 percent of the estimated costs of Major Improvements (i.e. $183.92 \div 427.30 = 43.04\%$) are allocated to the Phase #2 Assessed Property. The Phase #1 Reimbursement Agreement will fund the estimated costs of the Major Improvements allocated to Phase #1 and the Phase #1 Improvements benefiting only the Phase #1 Assessed Property. The Phase #2 Major Improvements Reimbursement Agreement will fund a portion of the estimated costs of the Major Improvements allocated to Phase #2 benefiting only the Phase #2 Assessed Property.

D. ASSESSMENT METHODOLOGY

The Actual Costs may be assessed by the Town Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the amount of 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 Town Council has determined that the Actual Costs of the portion of the Major Improvement costs shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of units anticipated to be developed on each Parcel.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units to be constructed on each newly created Parcel, as determined by the Administrator and confirmed by the Town Council. The result of this approach is that each final residential Lot Type within a recorded subdivision plat will have the same Assessment.

As shown in Section IV, Table IV-A of this Service and Assessment Plan, the total par amount of the Phase #1 Reimbursement Agreement is \$7,300,000. The total amount of Phase #1 Assessments is, therefore, \$7,300,000. The total Equivalent Units planned to be developed in Phase #1 is 243.38. As a result, the Phase #1 Assessment per Equivalent Unit is \$29,994 ($\$7,300,000 \div 243.38 = \$29,994$).

A summary of the Assessment per Equivalent Unit of each Phase #1 lot is shown in Table V-A below.

Table V-A
Phase #1 Assessment per unit

Description	Total Assessment
Phase #1 Improvements Funded through the Phase #1 Reimbursement Agreement	\$7,300,000
Estimated total Equivalent Units in Phase #1 lots	243.38
Phase #1 Assessment per Equivalent Unit	\$29,994

2. Assessment Methodology for Phase #2

For purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the portion of the Major Improvement costs and the Phase #2 Direct Improvements shall be allocated to the Phase #2 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of units anticipated to be developed on each Parcel.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated number of units to be constructed on each newly created Parcel, as determined by the Administrator and confirmed by the Town Council. The result of this approach is that each final residential Lot within a recorded subdivision plat will have the same Assessment.

As shown in Section IV, Table IV-A of this Service and Assessment Plan, the total par amount of the Phase #2 Major Improvements Reimbursement Agreement is \$2,075,000. The total amount of Phase #2 Assessments applicable to the Phase #2 Major Improvements is, therefore, \$2,075,000. The total Equivalent Units planned to be developed in Phase #2 is 183.92. As a result, the Phase #2 Assessment per Equivalent Unit is \$11,282 ($\$2,075,000 \div 183.92 = \$11,282$).

A summary of the Assessment per unit of each Phase #2 Lot is shown in Table V-B below.

Table V-B
Phase #2 Initial Assessment per unit (for Phase #2 Major Improvements)

Description	Total Assessment
Major Improvements Funded through the Phase #2 Major Improvement Reimbursement Agreement	\$2,075,000
Estimated total Equivalent Units in Phase #2 lots	183.92
Initial Phase #2 Assessment per Equivalent Unit	\$11,282

As shown in Section IV, Table IV-B of this Service and Assessment Plan, the total par amount of the Phase #2 Direct Improvements Reimbursement Agreement is \$9,160,000. The total amount of Phase #2 Assessments applicable to the Phase #2 Direct Improvements is, therefore, \$9,160,000. The total Equivalent Units planned to be developed in Phase #2 is 189.75. As a result, the Phase #2 Assessment per Equivalent Unit applicable to the Phase #2 Direct Improvements is \$48,274.04 ($\$9,160,000 \div 189.75 = \$48,274.04$).

A summary of the Assessment per unit of each Phase #2 Lot is shown in Table V-C below.

Table V-C
Phase #2 Assessment per unit (for Phase #2 Direct Improvements)

Description	Total Assessment
Major Improvements Funded through the Phase #2 Major Improvement Reimbursement Agreement	\$9,160,000
Estimated total Equivalent Units in Phase #2 lots	189.75
Phase #2 Assessment per Equivalent Unit	\$48,274.04

E. ASSESSMENTS

The Assessments for the applicable Authorized Improvements will be levied on each Parcel according to the Phase #2 Major Improvements Assessment Roll, the Phase #1 Assessment Roll and the Phase #2 Direct Improvements Assessment Roll attached hereto as Appendix E, Appendix F and Appendix G, respectively. The Annual Installments will be collected at the time and in the amounts shown on the Phase #2 Major Improvements Assessment Roll, the Phase #1 Assessment

Roll and the Phase #2 Direct Improvements Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

F. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Phase #1 Assessment Roll, the Phase #2 Major Improvements Assessment Roll, and the Phase #2 Direct Improvements Assessment Roll which may be revised based on actual costs incurred in Annual Service Plan Updates.

G. ADDITIONAL INTEREST 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 “Additional Interest”). The interest rate used to determine the Assessments may be updated to include one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, when Bonds are issued with the Additional Interest Component of the Annual Installments allocated to fund a reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs (the “Additional Interest Reserve”). The Additional Interest Reserve shall be funded until it reaches 5.50% of the outstanding Bonds unless otherwise stipulated in the Bond documents. Once the Additional Interest Reserve is funded in full, the City may allocate the Additional Interest Component of the Annual Installments as provided in the applicable Trust Indenture.

H. TIRZ ANNUAL CREDIT AMOUNT

Pursuant to the TIRZ Ordinance, the Town 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. 6 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.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Parcel of Assessed Property located within Phase #1 is shown on the Phase #1 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 required on the Phase #1 Reimbursement Agreement, and (ii) to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available TIRZ Annual Credit Amount or other available funds 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-5, 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 Assessment and Annual Installments for each Assessed Property located within Phase #2 is shown on the Phase #2 Major Improvements Assessment Roll and the Phase #2 Direct Improvements Assessment Roll, attached as Appendix E and Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments related to the Phase #2 Major Improvements shall be collected in an amount sufficient to pay (i) principal and interest on the applicable Phase #2 Major Improvements Reimbursement Agreement, and (ii) to cover Administrative Expenses for Phase #2. The Annual Installments related to the Phase #2 Direct Improvements shall be collected in an amount sufficient to pay (i) principal and interest on the applicable Phase #2 Direct Improvements Reimbursement Agreement, and (ii) to cover Administrative Expenses for Phase #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any available TIRZ Annual Credit Amount or other available funds 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-5, 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.

The Assessments shall not exceed the benefit received by the Assessed Property.

C. REALLOCATION OF ASSESSMENTS

1. Upon Subdivision Prior to Recording of Subdivision Plat

Upon the subdivision of any Parcel of Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the newly divided Parcels according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Parcel

B = the Assessment for the Parcel prior to subdivision

C = the estimated Equivalent Units to be built on the newly subdivided Parcel

D = the sum of the estimated Equivalent Units for all of the newly subdivided Parcels

The calculation of the estimated units of a Parcel shall be performed by the Administrator and confirmed by the Town 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 Parcels prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the Town Council.

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded Subdivision Plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the estimated Equivalent Units to be built on the newly subdivided Parcel

D = the sum of the estimated Equivalent Units for all of the newly subdivided Parcels

The calculation of the estimated number of units and related Equivalent Units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the Town Council.

3. Upon Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for an Assessed Property 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 calculated by the Administrator and reflected in an update to this Service and Assessment Plan approved by the Town Council.

3. Reallocation of Assessments for Parcels Located Within Future Phases

As Future Phases are developed, this Service and Assessment Plan will be updated to determine the assessment reallocation methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within each Future Phase.

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 Town the full amount of the Principal Portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

3. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

E. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with the reimbursement agreements have been completed, including any additional Authorized Improvements described herein, and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such reimbursement obligations, then the Assessment securing such reimbursement obligations for each Parcel of Assessed Property shall be reduced by the Town Council prorata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs. The Assessments shall not be reduced to an amount less than the outstanding reimbursement obligations. If all of the Authorized Improvements are not completed, the Town 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 the Authorized Improvements to be funded with the respective reimbursement agreements, including any additional Authorized Improvements described herein, are not undertaken by the Town, the Assessment securing such reimbursement obligations for each Assessed Property shall be reduced by the Town Council to reflect only the Actual Costs that were expended. The Town Council shall reduce such Assessments for each Assessed Property pro rata such that the sum of the resulting reduced Assessments equals the Actual Costs with respect to such Authorized Improvements that were undertaken. The Assessments shall not be reduced to an amount less than the related outstanding reimbursement obligations.

F. PAYMENT OF ASSESSMENTS

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Payment shall include all Prepayment Costs.
- (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 an Assessment and all Prepayment Costs, the Town shall deposit the payment in accordance with this Service and Assessment Plan or the applicable reimbursement agreement; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part 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 Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the Town to collect interest and collection costs on the outstanding Assessment. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Phase #2 Major Improvements Assessment Roll, the Phase #2 Direct Improvements Assessment Roll, and Phase #1 Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

Each Assessment shall be paid with interest based on an interest rate of 9.883% per annum for years 1 through 5 and 6.883% per annum following the fifth Annual Installment for Phase #1 Improvements and Phase #2 Major Improvements. Each Assessment shall be paid at a rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the Town and reported in the month prior to the establishment of the Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the Town is the Bloomberg BBB Muni Revenue Bond Valuation Index for which the highest average rate during March 2016 was 4.883%. The Town has determined that the Assessments shall bear interest at the rate of 9.883% per annum for years 1 through 5 and 6.883% per annum following the fifth Annual Installment, which rate are equal to both the initial maximum allowable rate of interest of 9.883% as well as the maximum allowable rate of interest following the fifth Annual Installment, which would be 6.883%. Furthermore, the principal and interest component of the Annual Installments may not exceed the amounts shown on the Assessment Roll. The

Assessment Rolls, updated with the actual interest rate on the respective Reimbursement Agreements, are shown in Appendix E and Appendix F.

Each Assessment shall be paid with interest based on an interest rate of 7.63% per annum for years 1 through 5 and 4.63% per annum following the fifth Annual Installment for Phase #2 Direct Improvements. Each Assessment shall be paid at a rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bond reported in a daily or weekly bond index approved by the Town and reported in the month prior to the establishment of the Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the Town is the Bond Buyer Index for which the estimated highest average rate during thirty days prior to the levy of assessments was 2.63%. The Town has determined that the Assessments shall bear interest at the rate of 7.63% per annum for years 1 through 5 and 4.63% per annum following the fifth Annual Installment, which rate are equal to both the initial maximum allowable rate of interest of 7.63% as well as the maximum allowable rate of interest following the fifth Annual Installment, which would be 4.63%. Furthermore, the principal and interest component of the Annual Installments may not exceed the amounts shown on the Assessment Roll. The Assessment Rolls, updated with the actual interest rate on the respective Reimbursement Agreements, are shown in Appendix G.

The Annual Installments shall be reduced to equal the actual costs of repaying the reimbursement obligation under the applicable reimbursement agreement 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.

G. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the Town 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 Phase #1 Assessment Roll, Phase #2 Major Improvements 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 this Service and Assessment Plan, such as available TIRZ Annual Credit Amounts and any other funds available to the Town for such purpose. Annual Installments shall be collected by the Town 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 Town. The Town Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be assessed on September 1 and shall be due on October 1 of that year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

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VII. THE ASSESSMENT ROLL

A. PHASE #1 ASSESSMENT ROLL

Each Parcel within the Phase #1 has been evaluated by the Town Council (based on the developable area, proposed Homeowner Association Property and Public Property, the Phase #1 Improvements, a proportionate share of the Major Improvements, best and highest use of land, and other development factors deemed relevant by the Town Council) to determine the Assessed Property within the Parcel.

Phase #1 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the proportionate share of Major Improvements and Phase #1 Improvements. Table IV-A summarizes the \$9,393,392 in special benefit received by the Phase #1 Assessed Property from the Major Improvements, the Phase #1 Improvements and the estimated PID establishment costs. As such the total Assessment for all Assessed Property within Phase #1 is \$7,300,000 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Phase #1 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix F.

B. PHASE #2 ASSESSMENT ROLLS

Each Parcel within Phase #2 has been evaluated by the Town Council (based on the developable area, proposed Homeowner Association Property and Public Property, a proportionate share of the Major Improvements, best and highest use of land, and other development factors deemed relevant by the Town Council) to determine the Assessed Property within the Parcel.

The Phase #2 Assessed Property will be assessed for the special benefits conferred upon the property as a result of the proportionate share of the Major Improvements. Table IV-A summarizes the \$2,468,902 in special benefit received by the Phase #2 Assessed Property from the Major Improvements and the estimated PID establishment costs. As such the total Assessment (related to the Major Improvements) for all Assessed Property within Phase #2 is \$2,075,000 plus annual Administrative Expenses.

The Phase #2 Assessed Property will also be assessed for the special benefits conferred upon the property as a result of the Phase #2 Direct Improvements. Table IV-B summarizes the \$9,160,000 in special benefit received by the Phase #2 Assessed Property from the Phase #2 Direct Improvements and the estimated PID establishment costs. As such the total Assessment (related to the Phase #2 Direct Improvements) for all Assessed Property within Phase #2 is \$9,160,000 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Phase #2 is calculated based on the allocation methodologies described in Section V.D of this Service and Assessment Plan.

The Phase #2 Major Improvements Assessment Roll and the Phase #2 Direct Improvements are attached hereto as Appendix E and Appendix G.

C. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the Town Council for approval, annual updates to the Phase #1 Assessment Roll, the Phase #2 Major Improvements Assessment Roll and the Phase #2 Direct Improvements 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 Town and permitted by the Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.F of this Service and Assessment Plan.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The Town may elect to designate a third party to serve as Administrator. The Town 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 Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, shall send a written notice describing the error to the Town 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 Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the Town Council for approval, to the extent permitted by the Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the Town Council. Any amendments made to the Assessment Roll pursuant to calculations errors shall be made pursuant to the PID Act.

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

The Assessment on a Parcel 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 Town 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 Town Council reserves the right to the extent permitted by the Act to amend this Service and Assessment Plan without notice under the 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 Town Council shall administer (or cause the administration of) 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, such determination shall be conclusive.

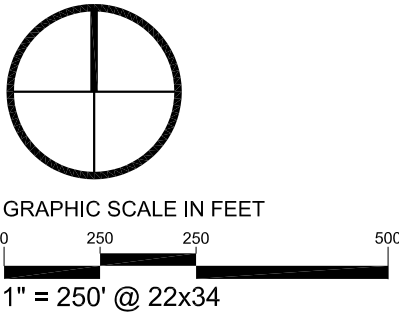
E. SEVERABILITY

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 Town 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.

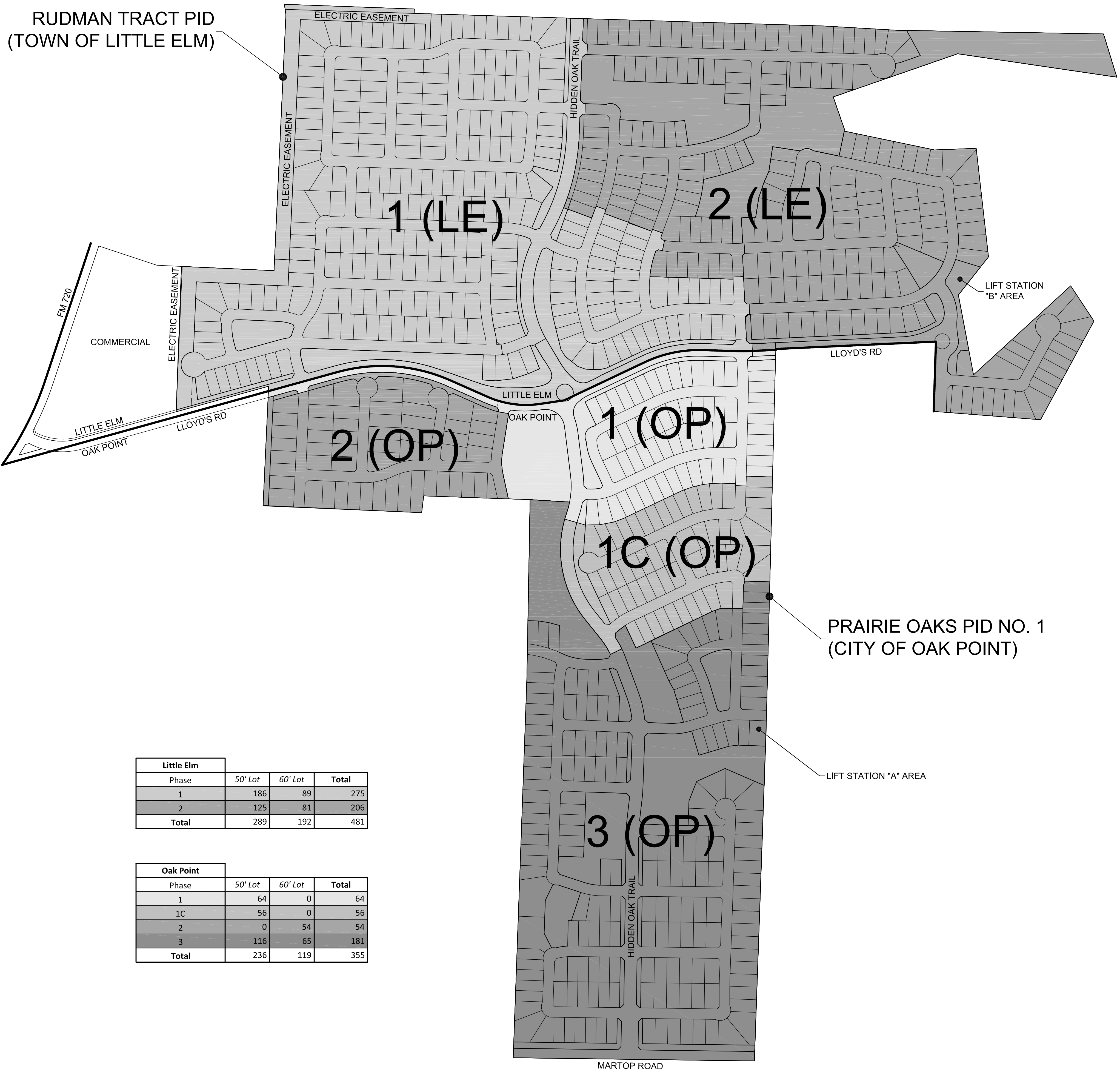
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Town.

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APPENDIX A
PID MAP



RUDMAN TRACT PID
(TOWN OF LITTLE ELM)



Little Elm			
Phase	50' Lot	60' Lot	Total
1	186	89	275
2	125	81	206
Total	289	192	481

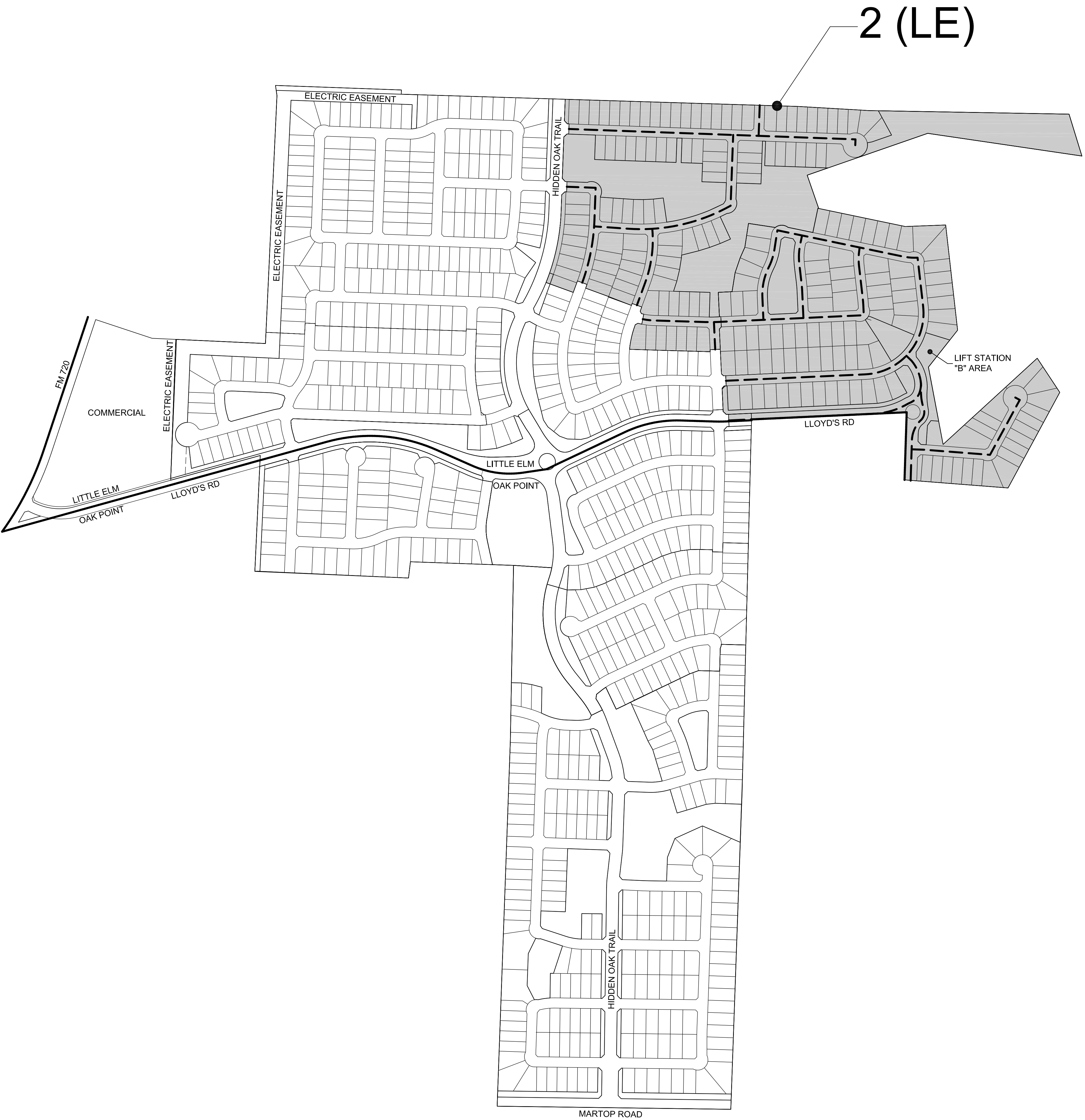
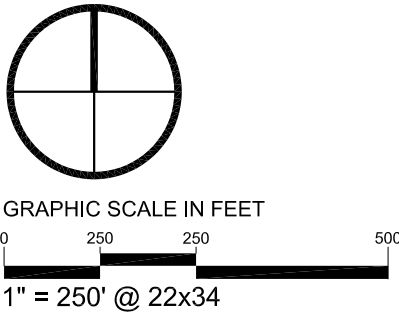
Oak Point			
Phase	50' Lot	60' Lot	Total
1	64	0	64
1C	56	0	56
2	0	54	54
3	116	65	181
Total	236	119	355

PROJECT & PID PHASE PLAN

Prairie Oaks

Town of Little Elm, Texas
City of Oak Point ETJ, Texas

April 2021



LEGEND

INDICATES LOCATION OF DIRECT PUBLIC IMPROVEMENTS
CONSISTING OF ROADWAY, WATER DISTRIBUTION SYSTEM, SANITARY SEWER
COLLECTION SYSTEM, & STORM DRAINAGE COLLECTION SYSTEM

PHASE #2 DIRECT PUBLIC INFRASTRUCTURE MAP

Prairie Oaks

Town of Little Elm, Texas
City of Oak Point ETJ, Texas

April 2021

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS



POD COST SUMMARY - TOWN OF LITTLE ELM

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - IMPORTANT NOTES APPLY
 RUDMAN NORTH TRACT - TOWN OF LITTLE ELM
 JULY 28, 2016

DIVISION / POD / COST TYPE SUMMARY - TOWN OF LITTLE ELM IMPROVEMENTS												
DIVISION	DIRECT PUBLIC				MASTER PUBLIC				PRIVATE			
	1-LE	2-LE		TOTAL	1-LE	2-LE		TOTAL	1-LE	2-LE		TOTAL
CLEARING & EXCAVATION	\$118,820	\$138,899		\$257,719	\$80,721	\$11,671		\$92,392	\$1,425,118	\$1,114,810		\$2,539,928
WATER	\$782,520	\$567,632		\$1,350,152	\$602,531	\$85,833		\$688,364	\$0	\$0		\$0
SEWER	\$730,300	\$657,966		\$1,388,266	\$19,080	\$630,017		\$649,097	\$0	\$0		\$0
STORM SEWER	\$1,410,784	\$707,308		\$2,118,092	\$493,354	\$42,665		\$536,019	\$0	\$0		\$0
PAVEMENT	\$2,046,407	\$1,951,749		\$3,998,157	\$1,404,497	\$270,197		\$1,674,695	\$0	\$0		\$0
RETAINING WALLS	\$0	\$0		\$0	\$0	\$0		\$0	\$191,300	\$938,425		\$1,129,725
EROSION CONTROL	\$54,047	\$48,129		\$102,177	\$14,145	\$7,715		\$21,860	\$54,095	\$42,878		\$96,973
AMENITIES, LANDSCAPE, & SCREENING	\$0	\$0		\$0	\$0	\$0		\$0	\$2,719,400	\$588,000		\$3,307,400
FRANCHISE UTILITIES	\$77,500	\$80,000		\$157,500	\$190,000	\$13,500		\$203,500	\$556,250	\$358,750		\$915,000
MISCELLANEOUS & OTHER	\$0	\$0		\$0	\$193,750	\$13,875		\$207,625	\$113,125	\$78,875		\$192,000
SUB-TOTAL	\$5,200,378	\$4,131,683		\$9,332,062	\$2,998,057	\$1,075,274		\$4,073,332	\$5,059,288	\$3,117,538		\$8,176,826
PLANNING, SURVEY, PLATTING, ENG., LA, PERMITTING, & STAKING	\$520,038	\$413,168		\$933,206	\$374,757	\$134,409		\$509,166	\$379,446	\$233,815		\$613,262
CONSTRUCTION MANAGEMENT	\$52,004	\$41,317		\$93,321	\$29,981	\$10,753		\$40,733	\$50,593	\$31,175		\$81,768
CITY FEES	\$5,200	\$4,132		\$9,332	\$2,998	\$1,075		\$4,073	\$5,059	\$3,118		\$8,177
MISCELLANEOUS & CONTINGENCY	\$520,038	\$413,168		\$933,206	\$299,806	\$107,527		\$407,333	\$505,929	\$311,754		\$817,682
TOTAL	\$6,297,659	\$5,003,468		\$11,301,127	\$3,705,598	\$1,329,038		\$5,034,636	\$8,000,313	\$3,697,400		\$8,697,713

POD TOTAL SUMMARY - TOWN OF LITTLE ELM IMPROVEMENTS				
COST TYPE	1-LE	2-LE		TOTAL
DIRECT PUBLIC	\$6,297,659	\$5,003,468		\$11,301,127
MASTER PUBLIC	\$3,705,598	\$1,329,038		\$5,034,636
PRIVATE	\$8,000,313	\$3,697,400		\$8,697,713
TOTAL	\$16,003,570	\$10,029,906		\$26,033,476



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - SUMMARY
RUDMAN TRACT PID - TOWN OF LITTLE ELM
PID PHASE 2
APRIL 13, 2021

DIVISION	COST TYPE			TOTAL
	DIRECT PUBLIC	MAJOR PUBLIC	PRIVATE	
CLEARING & EXCAVATION	\$110,000	\$0	\$1,258,750	\$1,368,750
WATER	\$673,280	\$0	\$0	\$673,280
SEWER	\$1,931,897	\$0	\$0	\$1,931,897
STORM SEWER	\$1,036,811	\$0	\$0	\$1,036,811
PAVEMENT	\$2,321,483	\$0	\$0	\$2,321,483
RETAINING WALLS	\$0	\$0	\$719,916	\$719,916
EROSION CONTROL	\$72,163	\$0	\$54,525	\$126,688
AMENITIES, LANDSCAPE, & SCREENING	\$0	\$0	\$801,500	\$801,500
FRANCHISE UTILITIES	\$120,000	\$0	\$587,100	\$707,100
MISCELLANEOUS & OTHER	\$0	\$0	\$77,250	\$77,250
SUB-TOTAL	\$6,265,633	\$0	\$3,499,041	\$9,764,674
SURVEY, PLATTING, ENG., PERMITTING, & STAKING	\$500,000	\$0	\$265,000	\$765,000
CONSTRUCTION MANAGEMENT	\$195,000	\$0	\$30,000	\$225,000
CITY FEES	\$31,328	\$0	\$17,495	\$48,823
MISCELLANEOUS & CONTINGENCY	\$469,922	\$0	\$262,428	\$732,351
TOTAL	\$7,461,883	\$0	\$4,073,965	\$11,535,848



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
RUDMAN TRACT PID - TOWN OF LITTLE ELM
PUBLIC IMPROVEMENTS - PID PHASE 2
APRIL 13, 2021

A. CLEARING & EXCAVATION

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
CLEARING / GRUBBING ROW & EASEMENTS	AC	\$3,500.00	18.0	\$63,000	0.0	\$0	18.0	\$63,000
STREET / ROW EXCAVATION	CY	\$2.25	20,000	\$45,000	0	\$0	20,000.0	\$45,000
TESTING	CY	\$0.10	20,000	\$2,000	0	\$0	20,000.0	\$2,000
TOTAL CLEARING & EXCAVATION			\$110,000		\$0		\$110,000	

B. WATER

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
8" P.V.C. WATERLINE	LF	\$30.00	9,805	\$294,150	0	\$0	9,805.0	\$294,150
12" P.V.C. WATERLINE	LF	\$40.00	945	\$37,800	0	\$0	945.0	\$37,800
8" GATE VALVE & BOX	EA	\$1,250.00	43	\$53,750	0	\$0	43.0	\$53,750
12" GATE VALVE & BOX	EA	\$1,750.00	2	\$3,500	0	\$0	2.0	\$3,500
8" PLUG	EA	\$500.00	2	\$1,000	0	\$0	2.0	\$1,000
8" PLUG WITH RURAL FLUSHING VALVE	EA	\$2,500.00	1	\$2,500	0	\$0	1.0	\$2,500
12" PLUG WITH RURAL FLUSHING VALVE	EA	\$3,000.00	1	\$3,000	0	\$0	1.0	\$3,000
1" WATER SERVICE	EA	\$675.00	205	\$138,375	0	\$0	205.0	\$138,375
FIRE HYDRANT ASSEMBLY	EA	\$4,500.00	23	\$103,500	0	\$0	23.0	\$103,500
CONNECT TO EXISTING LINE	EA	\$1,000.00	8	\$8,000	0	\$0	8.0	\$8,000
TRENCH SAFETY	LF	\$0.25	10,750	\$2,688	0	\$0	10,750.0	\$2,688
TESTING (EXCLUDING GEOTECH)	LF	\$0.75	10,750	\$8,063	0	\$0	10,750.0	\$8,063
TESTING (GEOTECH)	LF	\$0.50	10,750	\$5,375	0	\$0	10,750.0	\$5,375
BONDS	%	1.75%	\$661,700	\$11,580	\$0	\$0	661,700.0	\$11,580
TOTAL WATER			\$673,280		\$0		\$673,280	



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
 RUDMAN TRACT PID - TOWN OF LITTLE ELM
 PUBLIC IMPROVEMENTS - PID PHASE 2
 APRIL 13, 2021

C. SEWER

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
8" SDR-35 P.V.C. SEWERLINE (ALL DEPTHS)	LF	\$30.00	8,150	\$244,500	0	\$0	8,150.0	\$244,500
8" SDR-26 P.V.C. SEWERLINE (ALL DEPTHS)	LF	\$40.00	2,380	\$95,200	0	\$0	2,380.0	\$95,200
4" C900 PRESSURE PIPE (PRORATED BTWN 2B & 3)	LF	\$50.00	1,430	\$71,500	0	\$0	1,430.0	\$71,500
4' DIAMETER MANHOLE (ALL DEPTHS)	EA	\$4,000.00	31	\$124,000	0	\$0	31.0	\$124,000
5' DIAMETER MANHOLE (ALL DEPTHS)	EA	\$5,000.00	11	\$55,000	0	\$0	11.0	\$55,000
EXTERNAL DROPS	EA	\$750.00	3	\$2,250	0	\$0	3.0	\$2,250
VACCUM TEST MANHOLE	EA	\$200.00	42	\$8,400	0	\$0	42.0	\$8,400
CEMENT STABILIZED SAND	LF	\$50.00	180	\$9,000	0	\$0	180.0	\$9,000
CONCRETE ENCASEMENT - FORCE MAIN (PRORATED BTWN 2B & 3)	LF	\$50.00	32	\$1,600	0	\$0	32.0	\$1,600
CONNECT TO EXISTING 6" FORCE MAIN (PRORATED BTWN 2B & 3)	EA	\$1,500.00	1.00	\$1,500	0.00	\$0	1.0	\$1,500
CLEANOUT	EA	\$1,000.00	2	\$2,000	0	\$0	2.0	\$2,000
4" SERVICE	EA	\$650.00	220	\$143,000	0	\$0	220.0	\$143,000
4" SERVICE (DEEP SEWER LINE)	EA	\$800.00	21	\$16,800	0	\$0	21.0	\$16,800
LIFT STATION "B" (PRORATED BTWN 2B & 3)	EA	\$550,000.00	2.00	\$1,100,000	0.00	\$0	2.0	\$1,100,000
TRENCH SAFETY	LF	\$0.50	11,960	\$5,980	0	\$0	11,960.0	\$5,980
TESTING (EXCLUDING GEOTECH)	LF	\$1.00	11,960	\$11,960	0	\$0	11,960.0	\$11,960
TESTING (GEOTECH)	LF	\$0.50	11,960	\$5,980	0	\$0	11,960.0	\$5,980
BONDS	%	1.75%	\$1,898,670	\$33,227	\$0	\$0	1,898,670.0	\$33,227
TOTAL SEWER			\$1,931,897		\$0		\$1,931,897	



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
RUDMAN TRACT PID - TOWN OF LITTLE ELM
PUBLIC IMPROVEMENTS - PID PHASE 2
APRIL 13, 2021

D. STORM SEWER

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
18" RCP	LF	\$55.00	1,005	\$55,275	0	\$0	1,005.0	\$55,275
21" RCP	LF	\$65.00	310	\$20,150	0	\$0	310.0	\$20,150
24" RCP	LF	\$75.00	1,030	\$77,250	0	\$0	1,030.0	\$77,250
27" RCP	LF	\$80.00	710	\$56,800	0	\$0	710.0	\$56,800
30" RCP	LF	\$85.00	480	\$40,800	0	\$0	480.0	\$40,800
33" RCP	LF	\$100.00	440	\$44,000	0	\$0	440.0	\$44,000
36" RCP	LF	\$125.00	55	\$6,875	0	\$0	55.0	\$6,875
42" RCP	LF	\$150.00	540	\$81,000	0	\$0	540.0	\$81,000
48" RCP	LF	\$175.00	315	\$55,125	0	\$0	315.0	\$55,125
54" RCP	LF	\$200.00	345	\$69,000	0	\$0	345.0	\$69,000
60" RCP	LF	\$225.00	70	\$15,750	0	\$0	70.0	\$15,750
8" CURB INLET	EA	\$4,500.00	5	\$22,500	0	\$0	5.0	\$22,500
10' CURB INLET	EA	\$5,000.00	29	\$145,000	0	\$0	29.0	\$145,000
15' CURB INLET	EA	\$5,500.00	2	\$11,000	0	\$0	2.0	\$11,000
4'X4' WYE INLET	EA	\$4,500.00	4	\$18,000	0	\$0	4.0	\$18,000
ACCESS RISER	EA	\$3,500.00	1	\$3,500	0	\$0	1.0	\$3,500
4' MANHOLE	EA	\$5,000.00	3	\$15,000	0	\$0	3.0	\$15,000
5' MANHOLE	EA	\$6,500.00	1	\$6,500	0	\$0	1.0	\$6,500
6' MANHOLE	EA	\$7,500.00	2	\$15,000	0	\$0	2.0	\$15,000
LARGE DEBRIS SEPERATOR	EA	\$15,000.00	6	\$90,000	0	\$0	6.0	\$90,000
REMOVE HEADWALL	EA	\$1,000.00	4	\$4,000	0	\$0	4.0	\$4,000
SLOPED-END HEADWALL (18" RCP)	EA	\$2,250.00	2	\$4,500	0	\$0	2.0	\$4,500
SLOPED-END HEADWALL (24" RCP)	EA	\$2,500.00	2	\$5,000	0	\$0	2.0	\$5,000
SLOPED-END HEADWALL (27" RCP)	EA	\$2,750.00	2	\$5,500	0	\$0	2.0	\$5,500
SLOPED-END HEADWALL (30" RCP)	EA	\$3,000.00	1	\$3,000	0	\$0	1.0	\$3,000
SLOPED-END HEADWALL (33" RCP)	EA	\$3,250.00	2	\$6,500	0	\$0	2.0	\$6,500
SLOPED-END HEADWALL (36" RCP)	EA	\$3,500.00	1	\$3,500	0	\$0	1.0	\$3,500
SLOPED-END HEADWALL (48" RCP)	EA	\$4,500.00	3	\$13,500	0	\$0	3.0	\$13,500
SLOPED-END HEADWALL (54" RCP)	EA	\$5,000.00	2	\$10,000	0	\$0	2.0	\$10,000
SLOPED-END HEADWALL (60" RCP)	EA	\$6,000.00	1	\$6,000	0	\$0	1.0	\$6,000
6" GROUTED ROCK RIP RAP	SY	\$75.00	100	\$7,500	0	\$0	100.0	\$7,500
12" GROUTED ROCK RIP RAP	SY	\$75.00	870	\$65,250	0	\$0	870.0	\$65,250
TRENCH SAFETY	LF	\$0.25	5,230	\$1,308	0	\$0	5,230.0	\$1,308
TESTING (GEOTECH)	LF	\$0.50	5,230	\$2,615	0	\$0	5,230.0	\$2,615
TESTING (TV)	LF	\$1.50	5,230	\$7,845	0	\$0	5,230.0	\$7,845



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
RUDMAN TRACT PID - TOWN OF LITTLE ELM
PUBLIC IMPROVEMENTS - PID PHASE 2
APRIL 13, 2021

BONDS	%	1.75%	\$994,543	\$17,404	\$0	\$0	994,542.5	\$17,404
INSPECTION FEE	%	2.50%	\$994,543	\$24,864	\$0	\$0	994,542.5	\$24,864
TOTAL STORM SEWER			\$1,036,811		\$0		\$1,036,811	



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
RUDMAN TRACT PID - TOWN OF LITTLE ELM
PUBLIC IMPROVEMENTS - PID PHASE 2
APRIL 13, 2021

E. PAVEMENT

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
6" REINF. CONCRETE STREET PAVEMENT	SY	\$35.00	31,855	\$1,114,925	0	\$0	31,855.0	\$1,114,925
6" LIME STABILIZED SUBGRADE PREPARATION	SY	\$3.50	34,910	\$122,185	0	\$0	34,910.0	\$122,185
HYDRATED LIME FOR STREET (48#/SY)	TON	\$155.00	845	\$130,975	0	\$0	845.0	\$130,975
8" REINF. CONCRETE STREET PAVEMENT	SY	\$47.50	6,847	\$325,233	0	\$0	6,847.0	\$325,233
8" LIME STABILIZED SUBGRADE PREPARATION	SY	\$4.50	7,220	\$32,490	0	\$0	7,220.0	\$32,490
HYDRATED LIME FOR STREET (64#/SY)	TON	\$155.00	235	\$36,425	0	\$0	235.0	\$36,425
ASPHALT TRANSITION PAVEMENT	SY	\$50.00	650	\$32,500	0	\$0	650.0	\$32,500
ROUNDAABOUT SIGNAGE, MARKING, & ENHANCEMENT	LS	\$50,000.00	1	\$50,000	0	\$0	1.0	\$50,000
LLOYD'S ROAD TRAFFIC CONTROL	LS	\$100,000.00	1	\$100,000	0	\$0	1.0	\$100,000
PAVEMENT HEADER	LF	\$15.00	68	\$1,020	0	\$0	68.0	\$1,020
BARRICADE	EA	\$1,500.00	2	\$3,000	0	\$0	2.0	\$3,000
REMOVE BARRICADE & CONNECT TO EXISTING	LF	\$10.00	248	\$2,480	0	\$0	248.0	\$2,480
REMOVE EXISTING TEMPORARY PAVEMENT	SY	\$10.00	1,010	\$10,100	0	\$0	1,010.0	\$10,100
BARRIER FREE PEDESTRIAN RAMP	EA	\$1,500.00	31	\$46,500	0	\$0	31.0	\$46,500
STREET SIGN	EA	\$500.00	18	\$9,000	0	\$0	18.0	\$9,000
STOP SIGN	EA	\$350.00	16	\$5,600	0	\$0	16.0	\$5,600
FUTURE PHASE SIGN	EA	\$350.00	12	\$4,200	0	\$0	12.0	\$4,200
4" PVC SLEEVES	LF	\$15.00	700	\$10,500	0	\$0	700.0	\$10,500
5' CONCRETE SIDEWALK	LF	\$30.00	3,210	\$96,300	0	\$0	3,210.0	\$96,300
8' CONCRETE SIDEWALK	LF	\$45.00	1,300	\$58,500	0	\$0	1,300.0	\$58,500
TESTING	SY	\$1.00	34,910	\$34,910	0	\$0	34,910.0	\$34,910
BONDS	%	1.75%	\$2,226,843	\$38,970	\$0	\$0	2,226,842.5	\$38,970
INSPECTION FEE	%	2.50%	\$2,226,843	\$55,671	\$0	\$0	2,226,842.5	\$55,671
TOTAL PAVEMENT			\$2,321,483		\$0		\$2,321,483	



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
 RUDMAN TRACT PID - TOWN OF LITTLE ELM
 PUBLIC IMPROVEMENTS - PID PHASE 2
 APRIL 13, 2021

F. EROSION CONTROL

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
INLET PROTECTION	EA	\$150.00	40	\$6,000	0	\$0	40.0	\$6,000
8" CURLEX (BEHIND BACK OF CURB)	LF	\$1.75	20,150	\$35,263	0	\$0	20,150.0	\$35,263
MISC. EROSION CONTROL INSPECTION & MAINTENANCE	LOT	\$150.00	206	\$30,900	0	\$0	206.0	\$30,900
TOTAL EROSION CONTROL			\$72,163		\$0		\$72,163	

G. FRANCHISE UTILITIES

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
STREET LIGHTS	EA	\$5,000.00	24	\$120,000	0	\$0	24.0	\$120,000
TOTAL FRANCHISE UTILITIES			\$120,000		\$0		\$120,000	

H. MISCELLANEOUS & OTHER

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 DIRECT		PID PHASE 2 MAJOR		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
TOTAL MISCELLANEOUS & OTHER			\$0		\$0		\$0	



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
 RUDMAN TRACT PID - TOWN OF LITTLE ELM
 PUBLIC IMPROVEMENTS - PID PHASE 2
 APRIL 13, 2021

SUMMARY - PUBLIC IMPROVEMENTS	PID PHASE 2 DIRECT	PID PHASE 2 MAJOR	TOTAL
A. CLEARING & EXCAVATION	\$110,000	\$0	\$110,000
B. WATER	\$673,280	\$0	\$673,280
C. SEWER	\$1,931,897	\$0	\$1,931,897
D. STORM SEWER	\$1,036,811	\$0	\$1,036,811
E. PAVEMENT	\$2,321,483	\$0	\$2,321,483
F. EROSION CONTROL	\$72,163	\$0	\$72,163
G. FRANCHISE UTILITIES	\$120,000	\$0	\$120,000
H. MISCELLANEOUS & OTHER	\$0	\$0	\$0
SUB-TOTAL	\$6,265,633	\$0	\$6,265,633
SURVEY, PLATTING, ENG., PERMITTING, & STAKING	\$500,000	\$0	\$500,000
CONSTRUCTION MANAGEMENT	\$195,000	\$0	\$195,000
CITY FEES (0.5%)	\$31,328	\$0	\$31,328
MISCELLANEOUS & CONTINGENCY (7.5%)	\$469,922	\$0	\$469,922
TOTAL PUBLIC IMPROVEMENTS COST	\$7,461,883	\$0	\$7,461,883



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - IMPORTANT NOTES APPLY

RUDMAN TRACT PID - TOWN OF LITTLE ELM

PRIVATE IMPROVEMENTS - PID PHASE 2

APRIL 13, 2021

A. CLEARING & EXCAVATION						
DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 PRIVATE		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL
CLEARING / GRUBBING	AC	\$3,500.00	38.0	\$133,000	38	\$133,000
CONSTRUCTION ENTRANCE	EA	\$2,500.00	2	\$5,000	2	\$5,000
LOT / BLOCK EXCAVATION	CY	\$2.25	75,000	\$168,750	75,000	\$168,750
PROCESS & PLACE EXISTING STOCKPILE	CY	\$5.00	6,500	\$32,500	6,500	\$32,500
ROUGH LOT GRADING	EA	\$200.00	205	\$41,000	205	\$41,000
FINAL LOT GRADING	EA	\$100.00	205	\$20,500	205	\$20,500
MOISTURE CONDITIONED PADS (10' AVG DEPTH @ \$2.25/CY)	LOT	\$4,250.00	182	\$773,500	182	\$773,500
MOISTURE CONDITIONED PADS (8' AVG DEPTH @ \$2.25/CY)	LOT	\$3,500.00	22	\$77,000	22	\$77,000
TESTING	CY	\$0.10	75,000	\$7,500	75,000	\$7,500
TOTAL CLEARING & EXCAVATION				\$1,258,750		\$1,258,750



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - IMPORTANT NOTES APPLY

RUDMAN TRACT PID - TOWN OF LITTLE ELM

PRIVATE IMPROVEMENTS - PID PHASE 2

APRIL 13, 2021

B. RETAINING WALLS

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 PRIVATE		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL
2 FOOT WALL	LF	\$40.00	2,400	\$96,000	2,400	\$96,000
3 FOOT WALL	LF	\$50.00	890	\$44,500	890	\$44,500
4 FOOT WALL	LF	\$60.00	480	\$28,800	480	\$28,800
5 FOOT WALL	LF	\$80.00	320	\$25,600	320	\$25,600
6 FOOT WALL	LF	\$100.00	320	\$32,000	320	\$32,000
7 FOOT WALL	LF	\$150.00	360	\$54,000	360	\$54,000
9 FOOT WALL	LF	\$225.00	310	\$69,750	310	\$69,750
WALL ALLOWANCE (PER LOT)	LOT	\$3,500.00	103	\$360,500	103	\$360,500
INSPECTION FEE	%	2.50%	\$350,650	\$8,766	350,650	\$8,766
TOTAL RETAINING WALLS				\$719,916	\$719,916	

C. EROSION CONTROL

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 PRIVATE		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL
SILT FENCE (PERIMETER & CREEK PROTECTION)	LF	\$1.75	13,500	\$23,625	13,500	\$23,625
OVERSEED LOTS	LOT	\$50.00	206	\$10,300	206	\$10,300
MISC. EROSION CONTROL INSPECTION & MAINTENANCE	LOT	\$100.00	206	\$20,600	206	\$20,600
TOTAL EROSION CONTROL				\$54,525	\$54,525	



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - IMPORTANT NOTES APPLY

RUDMAN TRACT PID - TOWN OF LITTLE ELM

PRIVATE IMPROVEMENTS - PID PHASE 2

APRIL 13, 2021

D. AMENITIES, LANDSCAPE, & SCREENING

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 PRIVATE		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL
AMENITIES & OPEN SPACE IMPROVEMENTS	LS	\$500,000.00	1	\$500,000	1	\$500,000
LANDSCAPE BUFFER	LF	\$50.00	1,675	\$83,750	1,675	\$83,750
MASONRY SCREENING FENCE	LF	\$130.00	1,675	\$217,750	1,675	\$217,750
TOTAL AMENITIES, LANDSCAPE, & SCREENING				\$801,500		\$801,500

E. FRANCHISE UTILITIES

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 PRIVATE		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL
ELECTRIC SERVICE ALLOWANCE	LOT	\$2,000.00	206	\$412,000	206	\$412,000
GAS SERVICE ALLOWANCE	LOT	\$850.00	206	\$175,100	206	\$175,100
TOTAL FRANCHISE UTILITIES				\$587,100		\$587,100



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - IMPORTANT NOTES APPLY

RUDMAN TRACT PID - TOWN OF LITTLE ELM

PRIVATE IMPROVEMENTS - PID PHASE 2

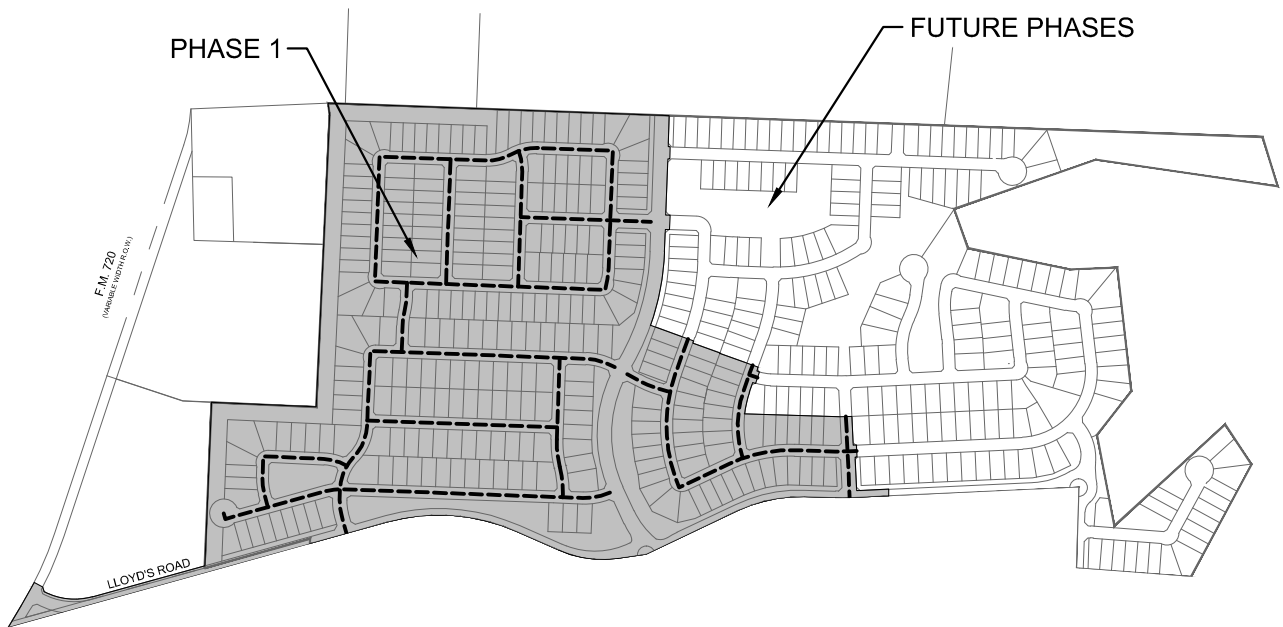
APRIL 13, 2021

F. MISCELLANEOUS & OTHER

DESCRIPTION	UNIT	UNIT PRICE	PID PHASE 2 PRIVATE		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL
FINAL GEOTECHNICAL REPORT	LOT	\$375.00	206	\$77,250	206	\$77,250
TOTAL MISCELLANEOUS & OTHER						
				\$77,250		\$77,250

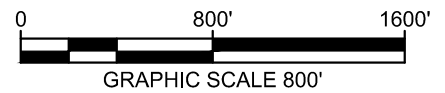
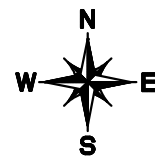
SUMMARY - PRIVATE IMPROVEMENTS	PID PHASE 2 PRIVATE	TOTAL
A. CLEARING & EXCAVATION	\$1,258,750	\$1,258,750
B. RETAINING WALLS	\$719,916	\$719,916
C. EROSION CONTROL	\$54,525	\$54,525
D. AMENITIES, LANDSCAPE, & SCREENING	\$801,500	\$801,500
E. FRANCHISE UTILITIES	\$587,100	\$587,100
F. MISCELLANEOUS & OTHER	\$77,250	\$77,250
SUB-TOTAL	\$3,499,041	\$3,499,041
SURVEY, PLATTING, ENG., PERMITTING, & STAKING	\$265,000	\$265,000
CONSTRUCTION MANAGEMENT	\$30,000	\$30,000
CITY FEES (0.5%)	\$17,495	\$17,495
MISCELLANEOUS & CONTINGENCY (7.5%)	\$262,428	\$262,428
TOTAL PRIVATE IMPROVEMENTS COST	\$4,073,965	\$4,073,965

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



LEGEND

INDICATES LOCATION
OF IMPROVEMENTS



TOWN OF LITTLE ELM DIRECT
PUBLIC PAVING INFRASTRUCTURE

Rudman Tract

Town of Little Elm, Texas
November 2016

Kimley»Horn

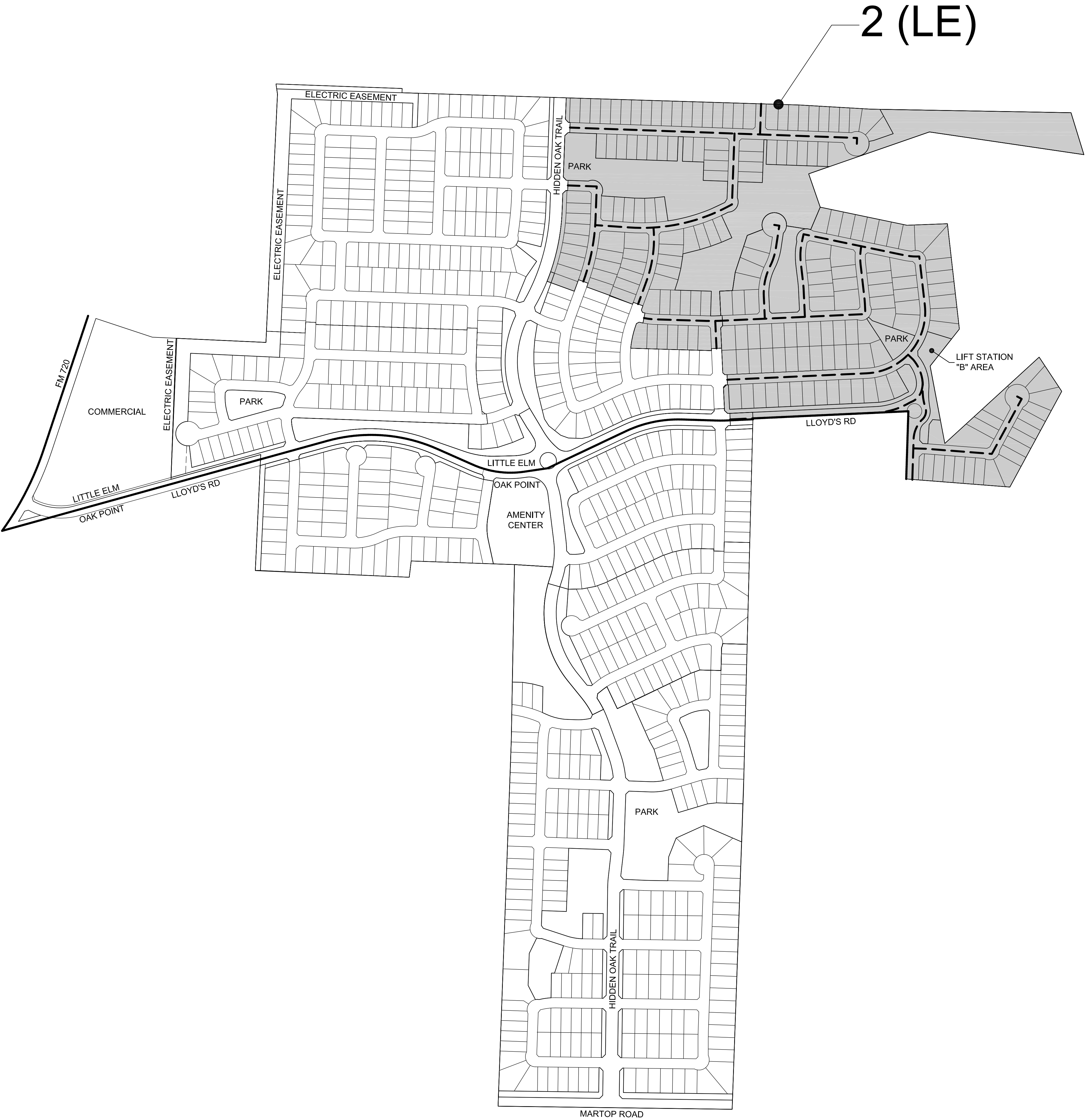
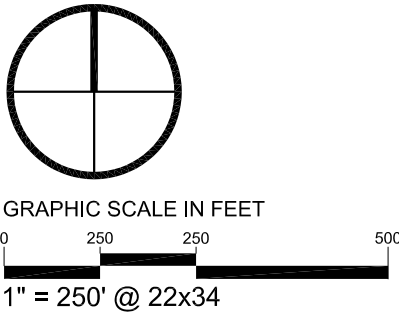
5750 Genesis Court
Suite 200
Frisco, Texas 75034
972-335-3580
State of Texas Registration No. F-928

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K:\PROJECTS\2016\2016-0001-RUDMAN TRACT\DWG\EXHIBITS\PLANS\PHASES\PD EXHIBITS.DWG
11/3/2016 1:57 PM

PLOTTED BY
DWE
LAST SAVED







LEGEND

INDICATES LOCATION OF DIRECT PUBLIC IMPROVEMENTS
CONSISTING OF ROADWAY, WATER DISTRIBUTION SYSTEM, SANITARY SEWER
COLLECTION SYSTEM, & STORM DRAINAGE COLLECTION SYSTEM

PHASE #2 DIRECT PUBLIC INFRASTRUCTURE MAP

Prairie Oaks

Town of Little Elm, Texas
City of Oak Point ETJ, Texas

April 2021

DWG NAME: K:\FRL\CIVIL\069312504-RUDMAN NORTH\DWG\EXHIBITS\PLANSHEETS\EXHIBIT-PHASE 2 DIRECT PUBLIC INFRASTRUCTURE MAP.DWG
LAST SAVED: 4/13/2021 3:48 PM

Kimley»Horn
13455 Noel Road
Two Galleria Office Tower - Suite 700
Dallas, Texas 75240
972-770-1300
State of Texas Registration No. F-928
NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY. TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.

APPENDIX D
EQUIVALENT UNITS AND ALLOCATION OF ASSESSMENTS

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types as defined herein. The following table shows the proposed residential Lot Types within the PID.

“**Lot type 1**” means lots identified as such on the Assessment Roll, being lots typically with a minimum of 7,200 square feet size and a lot width of 60 feet, which may be referred to as such in the development standards included in the Development Agreement .

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

Table D-1-1
Initial Proposed Development within the PID

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	170 units
Lot Type 2	50 Ft Lots	310 units
<i>Total</i>		480 units

Table D-1-2 below shows the updated proposed residential Lot Types within the PID.

Table D-1-2
Initial Proposed Development within the PID

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	170 units
Lot Type 2	50 Ft Lots	311 units
<i>Total</i>		481 units

Table D-2 below shows the proposed residential Lot Types within Phase #1.

Table D-2
Proposed Development – Phase #1

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	89 units
Lot Type 2	50 Ft Lots	186 units
<i>Total</i>		275 units

Table D-3 on the following page shows the proposed residential Lot Types within Future Phase(s).

Table D-3
Proposed Development – Phase #2

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	81 units
Lot Type 2	50 Ft Lots	125 units
<i>Total</i>		206 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 Phase #1 Reimbursement Agreement shall be allocated to the Phases #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units and the Actual Costs of the Future Phase(s) share of the Major Improvements to be financed with the Phase #2 Major Improvements Reimbursement Agreement shall be allocated to the Phase #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 on the following page. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Table D-4
Equivalent Unit Factors – For Phase #1

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$337,500	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$281,250	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.

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)	89	1.00	89.00
Lot Type 2 (50 Ft Lot)	186	0.83	154.38
Total Equivalent Units	275		243.38

The total estimated Equivalent Units for Phase #2 is 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 Future Phase(s).

Table D-6
Initial Estimated Equivalent Units – Phase #2 (Initial)

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	81	1.00	81.00
Lot Type 2 (50 Ft Lot)	125	0.83	103.75
Total Equivalent Units	206		184.75

A) Allocation of Assessments to Lot Types in Phase #2 (for Major Improvements)

As shown in Sections IV and V, the total Assessments allocated to Phase #2 Assessed Property is \$2,075,000. As shown in Table D-6 above, there are a total of 184.75 estimated Equivalent Units in Phase #2, resulting in an Assessment per Equivalent Unit of \$11,231.29.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$11,231.29 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 \$11,231.29 (i.e. $\$11,231.29 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$9,322.06 (i.e. $\$11,231.29 \times 0.83$). Table D-7 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #2.

Table D-7
Assessment per Unit – Phase #2 (For Phase #2 Major Improvements)

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Residential						
Lot Type 1	81	\$11,231.29	1.00	\$11,231.29	per dwelling unit	\$909,742
Lot Type 2	125	\$11,231.29	0.83	\$9,322.06	per dwelling unit	\$1,165,257
Total	206					\$2,075,000

B) Allocation of Assessments to Lot Types in Phase #1

As shown in Sections IV and V of this Service and Assessment Plan, the total Assessment to be allocated on all Parcels within Phase #1, is \$7,300,000. As shown in Table D-5 above, there are a total of 243.38 estimated Equivalent Units in Phase #1, resulting in an Assessment per Equivalent Unit of \$29,994.25.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$29,994.25 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 \$29,994.25 (i.e. $\$29,994.25 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$24,895.23 (i.e. $\$29,994.25 \times 0.83$). Table D-8 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table D-8
Assessment per Unit – Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Residential						
Lot Type 1	89	\$29,994.25	1.00	\$29,994.25	per dwelling unit	\$2,669,488
Lot Type 2	186	\$29,994.25	0.83	\$24,895.23	per dwelling unit	\$4,630,512
Total	275					\$7,300,000

C) Allocation of Assessments to Lot Types in Phase #2

According to the Developer, the average home prices applicable for Phase #2 have increased and are currently estimated to be \$452,000 for Lot Type 1 (60 Ft Lot) and \$393,000 for Lot Type 2 (50 Ft Lot). Table D-9 below shows the updated Equivalent Unit Factors calculated for Phase #2.

Table D-9
Equivalent Unit Factors – For Phase #2 (Updated)

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$452,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$393,000	0.87 per dwelling unit

The total estimated Equivalent Units for Phase #2 are shown in Table D-10 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-10
Estimated Equivalent Units - Phase #2

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	81	1.00	81.00
Lot Type 2 (50 Ft Lot)	125	0.87	108.75
Total Equivalent Units	206		189.75

As shown in Sections IV and V of this Service and Assessment Plan, the total Assessment for the Phase #2 Direct Improvements to be allocated on all Parcels within Phase #2, is \$9,160,000. As shown in Table D-10 above, there are a total of 189.75 estimated Equivalent Units in Phase #2, resulting in an Assessment per Equivalent Unit of \$48,274.04.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$48,274.04 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 \$48,274.04 (i.e. \$48,274.04 × 1.00). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$41,998.42 (i.e. \$48,274.04 × 0.87). Table D-11 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #2.

Table D-11
Assessment per Unit – Phase #2 (for Phase #2 Direct Improvements)

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
<u>Residential</u>					
Lot Type 1	81	\$48,274.04	1.00	\$48,274.04 per dwelling unit	\$3,910,198
Lot Type 2	125	\$48,274.04	0.87	\$41,998.42 per dwelling unit	\$5,249,802
Total	206				\$9,160,000

APPENDIX E
PHASES #2-3 MAJOR IMPROVEMENT ASSESSMENT ROLL

Appendix E
Phase #2 Major Improvements Assessment Roll

Parcel	All Parcels
Assessment	\$2,075,000
Total Equivalent Units	182.26

Year	Principal	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$102,536	\$25,000	\$127,536
2	\$0	\$205,072	\$25,500	\$230,572
3	\$5,000	\$205,072	\$26,010	\$236,082
4	\$5,000	\$204,578	\$26,530	\$236,108
5	\$10,000	\$204,084	\$27,061	\$241,145
6	\$10,000	\$203,096	\$27,602	\$240,698
7	\$15,000	\$202,107	\$28,154	\$245,261
8	\$20,000	\$200,625	\$28,717	\$249,342
9	\$25,000	\$198,648	\$29,291	\$252,940
10	\$25,000	\$196,178	\$29,877	\$251,055
11	\$30,000	\$193,707	\$30,475	\$254,182
12	\$35,000	\$190,742	\$31,084	\$256,826
13	\$45,000	\$187,283	\$31,706	\$263,989
14	\$50,000	\$182,836	\$32,340	\$265,176
15	\$55,000	\$177,894	\$32,987	\$265,881
16	\$65,000	\$172,458	\$33,647	\$271,105
17	\$70,000	\$166,034	\$34,320	\$270,354
18	\$75,000	\$159,116	\$35,006	\$269,122
19	\$80,000	\$151,704	\$35,706	\$267,410
20	\$90,000	\$143,798	\$36,420	\$270,218
21	\$95,000	\$134,903	\$37,149	\$267,052
22	\$100,000	\$125,514	\$37,892	\$263,406
23	\$110,000	\$115,631	\$38,649	\$264,281
24	\$120,000	\$104,760	\$39,422	\$264,182
25	\$130,000	\$92,900	\$40,211	\$263,111
26	\$140,000	\$80,052	\$41,015	\$261,067
27	\$150,000	\$66,216	\$41,835	\$258,052
28	\$160,000	\$51,392	\$42,672	\$254,064
29	\$170,000	\$35,579	\$43,526	\$249,104
30	\$190,000	\$18,778	\$44,396	\$253,174
Total	\$2,075,000	\$4,473,293	\$1,014,202	\$7,562,495

1 - The interest is calculated using 9.883% per annum for years 1-5 and 6.883% per annum thereafter.

2 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs.

3- Amounts shown do not include any TIRZ Credit.

2020-21 Phase #2 Assessment Roll Summary

Parcel	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
698873	183.92	\$1,355,000	\$10,000.00	\$130,326.81	\$20,000.00	(\$3,089.67)	\$157,237.14
Total	183.92	\$1,355,000	\$10,000.00	\$130,326.81	\$20,000.00	(\$3,089.67)	\$157,237.14

APPENDIX F
PHASE #1 ASSESSMENT ROLL

Appendix F
Phase #1 Assessment Roll

Parcel	All Parcels
Assessment	\$7,300,000
Total Equivalent Units	243.38

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$721,459	\$25,000	\$746,459
2	\$0	\$721,459	\$25,500	\$746,959
3	\$100,000	\$721,459	\$26,010	\$847,469
4	\$105,000	\$711,576	\$26,530	\$843,106
5	\$110,000	\$701,199	\$27,061	\$838,260
6	\$120,000	\$480,778	\$27,602	\$628,380
7	\$125,000	\$472,518	\$28,154	\$625,672
8	\$135,000	\$463,914	\$28,717	\$627,631
9	\$145,000	\$454,622	\$29,291	\$628,914
10	\$155,000	\$444,642	\$29,877	\$629,519
11	\$165,000	\$433,973	\$30,475	\$629,448
12	\$175,000	\$422,616	\$31,084	\$628,701
13	\$185,000	\$410,571	\$31,706	\$627,277
14	\$195,000	\$397,837	\$32,340	\$625,178
15	\$210,000	\$384,416	\$32,987	\$627,403
16	\$225,000	\$369,961	\$33,647	\$628,608
17	\$235,000	\$354,475	\$34,320	\$623,794
18	\$255,000	\$338,299	\$35,006	\$628,305
19	\$270,000	\$320,748	\$35,706	\$626,454
20	\$285,000	\$302,164	\$36,420	\$623,584
21	\$305,000	\$282,547	\$37,149	\$624,696
22	\$325,000	\$261,554	\$37,892	\$624,446
23	\$345,000	\$239,184	\$38,649	\$622,834
24	\$370,000	\$215,438	\$39,422	\$624,860
25	\$390,000	\$189,971	\$40,211	\$620,182
26	\$420,000	\$163,127	\$41,015	\$624,142
27	\$445,000	\$134,219	\$41,835	\$621,054
28	\$475,000	\$103,589	\$42,672	\$621,261
29	\$505,000	\$70,895	\$43,526	\$619,421
30	\$525,000	\$36,136	\$44,396	\$605,532
Total	\$7,300,000	\$11,325,345	\$1,014,202	\$19,639,547

1 - The interest is calculated using 9.883% per annum for years 1-5 and 6.883% per annum thereafter.

2 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs.

3- Amounts shown do not include any TIRZ Credit.

Rudman Tract PID
Projected Annual Installment per Lot - Little Elm

Lot Type	60 Ft
Assessment	\$29,994
Equivalent Units	1.00

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$2,964	\$103	\$3,067
2	\$0	\$2,964	\$105	\$3,069
3	\$411	\$2,964	\$107	\$3,482
4	\$431	\$2,924	\$109	\$3,464
5	\$452	\$2,881	\$111	\$3,444
6	\$493	\$1,975	\$113	\$2,582
7	\$514	\$1,941	\$116	\$2,571
8	\$555	\$1,906	\$118	\$2,579
9	\$596	\$1,868	\$120	\$2,584
10	\$637	\$1,827	\$123	\$2,587
11	\$678	\$1,783	\$125	\$2,586
12	\$719	\$1,736	\$128	\$2,583
13	\$760	\$1,687	\$130	\$2,577
14	\$801	\$1,635	\$133	\$2,569
15	\$863	\$1,579	\$136	\$2,578
16	\$924	\$1,520	\$138	\$2,583
17	\$966	\$1,456	\$141	\$2,563
18	\$1,048	\$1,390	\$144	\$2,582
19	\$1,109	\$1,318	\$147	\$2,574
20	\$1,171	\$1,242	\$150	\$2,562
21	\$1,253	\$1,161	\$153	\$2,567
22	\$1,335	\$1,075	\$156	\$2,566
23	\$1,418	\$983	\$159	\$2,559
24	\$1,520	\$885	\$162	\$2,567
25	\$1,602	\$781	\$165	\$2,548
26	\$1,726	\$670	\$169	\$2,564
27	\$1,828	\$551	\$172	\$2,552
28	\$1,952	\$426	\$175	\$2,553
29	\$2,075	\$291	\$179	\$2,545
30	\$2,157	\$148	\$182	\$2,488
Total	\$29,994	\$46,534	\$4,167	\$80,695

1 - The interest is calculated using 9.883% per annum for years 1-5 and 6.883% per annum thereafter.

2 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs.

3- Amounts shown do not include any TIRZ Credit.

Rudman Tract PID
Projected Annual Installment per Lot - Little Elm

Lot Type
Assessment
Equivalent Units

50 Ft
 \$24,895
 0.83

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$2,460	\$85	\$2,546
2	\$0	\$2,460	\$87	\$2,547
3	\$341	\$2,460	\$89	\$2,890
4	\$358	\$2,427	\$90	\$2,875
5	\$375	\$2,391	\$92	\$2,859
6	\$409	\$1,640	\$94	\$2,143
7	\$426	\$1,611	\$96	\$2,134
8	\$460	\$1,582	\$98	\$2,140
9	\$494	\$1,550	\$100	\$2,145
10	\$529	\$1,516	\$102	\$2,147
11	\$563	\$1,480	\$104	\$2,147
12	\$597	\$1,441	\$106	\$2,144
13	\$631	\$1,400	\$108	\$2,139
14	\$665	\$1,357	\$110	\$2,132
15	\$716	\$1,311	\$112	\$2,140
16	\$767	\$1,262	\$115	\$2,144
17	\$801	\$1,209	\$117	\$2,127
18	\$870	\$1,154	\$119	\$2,143
19	\$921	\$1,094	\$122	\$2,136
20	\$972	\$1,030	\$124	\$2,127
21	\$1,040	\$964	\$127	\$2,130
22	\$1,108	\$892	\$129	\$2,130
23	\$1,177	\$816	\$132	\$2,124
24	\$1,262	\$735	\$134	\$2,131
25	\$1,330	\$648	\$137	\$2,115
26	\$1,432	\$556	\$140	\$2,129
27	\$1,518	\$458	\$143	\$2,118
28	\$1,620	\$353	\$146	\$2,119
29	\$1,722	\$242	\$148	\$2,112
30	\$1,790	\$123	\$151	\$2,065
Total	\$24,895	\$38,623	\$3,459	\$66,977

1 - The interest is calculated using 9.883% per annum for years 1-5 and 6.883% per annum thereafter.

2 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs.

3- Amounts shown do not include any TIRZ Credit.

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
748987	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$110.05)	\$3,321.62
748988	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
748989	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748990	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748991	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748992	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748993	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748994	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748995	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
748996	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
748997	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
748998	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
748999	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$118.22)	\$3,313.44
749000	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$106.33)	\$3,325.34
749001	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749002	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749003	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749004	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749005	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749006	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749007	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749008	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749009	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749010	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749011	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$106.92)	\$3,324.74
749012	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$112.57)	\$3,319.09
749013	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749014	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749015	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749016	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749017	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749018	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749019	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749020	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749021	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749022	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749023	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$108.41)	\$3,323.25
749024	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$84.42)	\$2,763.87
749025	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24
749026	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24
749027	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24
749028	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24
749029	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24
749030	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24
749031	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$82.04)	\$2,766.24

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
749032	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$101.66)	\$2,746.62
749033	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
749034	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$116.88)	\$3,314.79
749035	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$105.29)	\$3,326.37
749036	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749037	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749038	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$107.90)	\$3,323.76
749039	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$120.40)	\$3,311.27
749040	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$140.83)	\$2,707.45
749041	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$109.30)	\$2,738.98
749042	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$87.39)	\$2,760.89
749043	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$100.71)	\$2,747.58
749044	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$110.64)	\$2,737.64
749045	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$98.09)	\$3,333.57
749046	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$114.84)	\$3,316.83
749047	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
749048	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
749049	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
749050	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757294	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757293	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757292	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757291	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757290	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757289	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757288	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757287	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757286	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757285	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757284	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757283	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757282	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757281	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757280	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757279	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757278	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757277	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757276	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757275	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757274	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757273	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757272	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757271	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757270	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757269	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
757268	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757267	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757266	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757265	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757264	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757263	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757262	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757261	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757260	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757259	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757258	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757257	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757256	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757255	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757254	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757253	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757252	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757251	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757250	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757249	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757248	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757247	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757246	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757244	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757243	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757242	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757241	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757240	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757239	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757238	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757237	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757236	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757235	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757234	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757233	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757232	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757231	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757230	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757229	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757228	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757227	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757226	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757225	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757224	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757223	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
757222	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757221	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757220	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757219	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757218	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757217	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757216	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757215	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757214	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757213	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757212	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757211	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757210	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757209	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757208	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757207	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757206	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757205	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757204	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757203	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757202	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757201	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757200	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757199	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757198	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757197	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757196	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757195	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757194	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757193	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757192	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757191	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757190	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757189	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757188	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757187	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757186	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757185	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757184	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757183	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757182	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757181	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757180	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757179	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757178	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
757177	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757176	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757175	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757174	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757173	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757172	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757171	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757170	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757169	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757168	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757167	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757166	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757165	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757164	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757163	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757162	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757161	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757160	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757159	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757158	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757157	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757156	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757155	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757154	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757153	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757152	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757151	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757150	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757149	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757148	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757147	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757146	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757145	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757144	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757143	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757142	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757141	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757140	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757139	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757138	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757137	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757136	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757135	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757134	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757133	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
757132	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757131	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757130	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757129	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757128	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757127	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757126	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757125	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757124	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757122	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757121	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757120	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757119	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757118	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757117	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757116	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757115	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757114	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757113	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757112	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757111	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757110	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757109	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757108	1	1.00	\$29,152	\$452	\$2,881	\$98.61	(\$70.59)	\$3,361.08
757107	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757106	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757105	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757104	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757103	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757102	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757101	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757100	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757099	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757098	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757097	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757096	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757095	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757094	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757093	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757092	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757091	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757090	0	0.00	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
757089	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757088	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757087	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70

Phase #1 Assessment Roll Summary - 2020-21

Parcel	Number of Units	Total EU	Outstanding Assessments	Principal	Interest	Administrative Expenses	TIRZ Annual Credit Amount	2020-21 Annual Installment
757086	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757085	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757084	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757083	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757082	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757081	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757080	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757079	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757078	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757077	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757076	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757075	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757074	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757073	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757072	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757071	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
757070	1	0.83	\$24,196	\$375	\$2,391	\$81.85	(\$70.59)	\$2,777.70
Total	275	243.38	\$7,095,000.00	\$110,000.00	\$701,198.85	\$24,000.00	(\$21,216.96)	\$813,981.89

APPENDIX G
PHASE #2 DIRECT IMPROVEMENTS ASSESSMENT ROLL

Appendix G-1
Phase #2 Direct Improvements Assessment Roll

Parcel	All Parcels
Assessment	\$9,160,000
Units	189.75

Year	Principal ¹	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$698,908	\$25,000	\$723,908
2	\$5,000	\$698,908	\$25,500	\$729,408
3	\$5,000	\$698,527	\$26,010	\$729,537
4	\$5,000	\$698,145	\$26,530	\$729,675
5	\$5,000	\$697,764	\$27,061	\$729,824
6	\$185,000	\$423,182	\$27,602	\$635,784
7	\$195,000	\$414,617	\$28,154	\$637,771
8	\$200,000	\$405,588	\$28,717	\$634,305
9	\$210,000	\$396,328	\$29,291	\$635,619
10	\$220,000	\$386,605	\$29,877	\$636,482
11	\$230,000	\$376,419	\$30,475	\$636,894
12	\$240,000	\$365,770	\$31,084	\$636,854
13	\$255,000	\$354,658	\$31,706	\$641,364
14	\$265,000	\$342,852	\$32,340	\$640,192
15	\$280,000	\$330,582	\$32,987	\$643,569
16	\$290,000	\$317,618	\$33,647	\$641,265
17	\$305,000	\$304,191	\$34,320	\$643,511
18	\$320,000	\$290,070	\$35,006	\$645,076
19	\$335,000	\$275,254	\$35,706	\$645,960
20	\$350,000	\$259,743	\$36,420	\$646,163
21	\$365,000	\$243,538	\$37,149	\$645,687
22	\$385,000	\$226,639	\$37,892	\$649,530
23	\$400,000	\$208,813	\$38,649	\$647,462
24	\$420,000	\$190,293	\$39,422	\$649,715
25	\$440,000	\$170,847	\$40,211	\$651,058
26	\$460,000	\$150,475	\$41,015	\$651,490
27	\$650,000	\$129,177	\$41,835	\$821,012
28	\$680,000	\$99,082	\$42,672	\$821,754
29	\$715,000	\$67,598	\$43,526	\$826,124
30	\$745,000	\$34,494	\$44,396	\$823,890
Total	\$9,160,000	\$10,256,681	\$1,014,202	\$20,430,883

1 - The interest is calculated using 7.63% per annum for years 1-5 and 4.63% per annum thereafter.

2 - The Administrative Expenses shown include the estimated district administration costs and will be updated in Annual Service Plan Updates.

3- Amounts shown do not include any TIRZ Credit.

Appendix G-2
Phase #2 Direct Improvements Assessment Roll

Lot Type	60 Ft
Assessment	\$48,274
Equivalent Units	1.00

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$3,683	\$132	\$3,815
2	\$26	\$3,683	\$134	\$3,844
3	\$26	\$3,681	\$137	\$3,845
4	\$26	\$3,679	\$140	\$3,845
5	\$26	\$3,677	\$143	\$3,846
6	\$975	\$2,230	\$145	\$3,351
7	\$1,028	\$2,185	\$148	\$3,361
8	\$1,054	\$2,137	\$151	\$3,343
9	\$1,107	\$2,089	\$154	\$3,350
10	\$1,159	\$2,037	\$157	\$3,354
11	\$1,212	\$1,984	\$161	\$3,356
12	\$1,265	\$1,928	\$164	\$3,356
13	\$1,344	\$1,869	\$167	\$3,380
14	\$1,397	\$1,807	\$170	\$3,374
15	\$1,476	\$1,742	\$174	\$3,392
16	\$1,528	\$1,674	\$177	\$3,380
17	\$1,607	\$1,603	\$181	\$3,391
18	\$1,686	\$1,529	\$184	\$3,400
19	\$1,765	\$1,451	\$188	\$3,404
20	\$1,845	\$1,369	\$192	\$3,405
21	\$1,924	\$1,283	\$196	\$3,403
22	\$2,029	\$1,194	\$200	\$3,423
23	\$2,108	\$1,100	\$204	\$3,412
24	\$2,213	\$1,003	\$208	\$3,424
25	\$2,319	\$900	\$212	\$3,431
26	\$2,424	\$793	\$216	\$3,433
27	\$3,426	\$681	\$220	\$4,327
28	\$3,584	\$522	\$225	\$4,331
29	\$3,768	\$356	\$229	\$4,354
30	\$3,926	\$182	\$234	\$4,342
Total	\$48,274	\$54,054	\$5,345	\$107,673

1 - The interest is calculated using 7.63% per annum for years 1-5 and 4.63% per annum thereafter.

2 - The Administrative Expenses shown include the estimated district administration costs and will be updated in Annual Service Plan Updates.

3- Amounts shown do not include any TIRZ Credit.

Appendix G-3
Phase #2 Direct Improvements Assessment Roll

Lot Type	50 Ft
Assessment	\$41,998
Equivalent Units	0.87

Year	Principal ¹	Interest¹	Administrative Expenses²	Total Annual Installment³
1	\$0	\$3,204	\$115	\$3,319
2	\$23	\$3,204	\$117	\$3,344
3	\$23	\$3,203	\$119	\$3,345
4	\$23	\$3,201	\$122	\$3,346
5	\$23	\$3,199	\$124	\$3,346
6	\$848	\$1,940	\$127	\$2,915
7	\$894	\$1,901	\$129	\$2,924
8	\$917	\$1,860	\$132	\$2,908
9	\$963	\$1,817	\$134	\$2,914
10	\$1,009	\$1,773	\$137	\$2,918
11	\$1,055	\$1,726	\$140	\$2,920
12	\$1,100	\$1,677	\$143	\$2,920
13	\$1,169	\$1,626	\$145	\$2,941
14	\$1,215	\$1,572	\$148	\$2,935
15	\$1,284	\$1,516	\$151	\$2,951
16	\$1,330	\$1,456	\$154	\$2,940
17	\$1,398	\$1,395	\$157	\$2,950
18	\$1,467	\$1,330	\$161	\$2,958
19	\$1,536	\$1,262	\$164	\$2,962
20	\$1,605	\$1,191	\$167	\$2,963
21	\$1,674	\$1,117	\$170	\$2,960
22	\$1,765	\$1,039	\$174	\$2,978
23	\$1,834	\$957	\$177	\$2,969
24	\$1,926	\$872	\$181	\$2,979
25	\$2,017	\$783	\$184	\$2,985
26	\$2,109	\$690	\$188	\$2,987
27	\$2,980	\$592	\$192	\$3,764
28	\$3,118	\$454	\$196	\$3,768
29	\$3,278	\$310	\$200	\$3,788
30	\$3,416	\$158	\$204	\$3,778
Total	\$41,998	\$47,027	\$4,650	\$93,675

1 - The interest is calculated using 7.63% per annum for years 1-5 and 4.63% per annum thereafter.

2 - The Administrative Expenses shown include the estimated district administration costs and will be updated in Annual Service Plan Updates.

3- Amounts shown do not include any TIRZ Credit.