WORKSHOP & REGULAR MEETING
OF THE TOWN COUNCIL

Tuesday, November 16, 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   C. Items to be Withdrawn from Consent Agenda.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. **Presentations.**

   A. Present a **Proclamation Declaring the Month of November 2021 as Adoption Month.**

B. Present a **Proclamation Recognizing Jace's Law.**

C. Present a **Certificate of Recognition to Ron Trees for Receiving the U.S. 26th District Congressional Veteran Commendation.**

3. **Workshop.**

A. Present and Discuss **2022-2023 Denton County Appraisal District Board of Directors Election.**

B. Present and Discuss **Section 106.04.02 - Lakefront District, within Chapter 106, Article IV - Special Districts.**

C. Present and Discuss an **Update on The Lawn at The Lakefront™.**

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

5. **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.

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 November 2, 2021 Regular Town Council Meeting.**

B. Consider Action to Approve the **Minutes from the November 9, 2021, Special Town Council Meeting.**

C. Consider Action to Approve the **Annual Contract to Provide Fire Protection Services to Unincorporated Areas of Denton County.**

D. Consider Action to Approve the **Annual Contract to Provide Ambulance Services to Unincorporated Areas of Denton County.**

E. Consider Action to Approve a **Professional Services Contract With TRC Engineers, Inc., for the Design of Improvements to the Wastewater Treatment Plant's Ultra-violet Disinfection System and Authorize the City Manager to Execute the Agreement in an Amount not to Exceed $144,200.00.**

F. Consider Action to Approve **Resolution No. 1116202105 to Approve an Updated Exhibit "A" of Ordinance No. 1284 to Modify Existing School Zone's within the Town of Little Elm.**

G. Consider Action to Approve the **Interlocal Cooperation Agreement for Library Services between Denton County, Texas and the Town of Little Elm, Texas.**

H. Consider Action to Approve the **Lease Purchase Agreement between ECS Properties, LLC (Tinman Social) and Little Elm EDC.**

7. **Public Hearings.**

A. Hold a Public Hearing, Present, Discuss, and Consider Action on **Ordinance No. 1645 Regarding Request for a Specific Use Permit (SUP) for a Smoking Establishment and Bar, Generally Located on the Northeast Corner of Eldorado Parkway and Little Elm Parkway, Currently Zoned Planned Development - Light Commercial (PD-LC), Through Ordinances No. 521, 953, and 1457, in Order to Allow for a New Establishment with On-Premises Cigar Sales and Smoking and On-Premises Sale and Consumption of Alcoholic Beverages.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1645:

B. Hold a Public Hearing, Present, Discuss, and Consider Action on **Ordinance No. 1646 Regarding a Proposed Text Amendment to Chapter 106, Zoning Ordinance, by Amending Sec.106.03.03(d) Zoning Districts (Non-Residential/Commercial/Industrial, Community Facilities District), Sec. 106.01.14 Land Use Definitions, and Sec. 106.05.01(b) (Schedule of Uses – Nonresidential Zoning Districts), in Order to Allow for Incidental Uses within the Community Facilities District.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1646:

C. Continue a Public Hearing, Present, and Discuss the **Spiritas Ranch East Public Improvement District in accordance with a Chapter 372 of the Texas Local Government Code.**

Continue Public Hearing:
Receive Public Comments:

Close Public Hearing:

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

A. Present, Discuss, and Consider Action on **Resolution No 1116202101 Recognizing and Ratifying the Town's Obligation to Pay for Certain Public Improvements Pursuant to the Terms between Town of Little Elm and Valencia on the Lake, L.P.**

B. Present, Discuss, and Consider Action on **Resolution No 1116202102 Determining the Cost of Certain Authorized Improvements to be Financed within Phase #2B-1 of the Valencia Public Improvement District; Approving a Preliminary Service Plan and Assessment Plan, Including a Proposed Phase #2B-1 Assessment Roll; Calling a Regular Meeting and Noticing a Public Hearing for December 7, 2021, to Consider an Ordinance Levying Assessment on Property Located within the Phase #2B-1 of the Valencia Public Improvement District; Directing the Filing of the Proposed Phase #2B-1, Assessment Roll with the Town's Secretary to Make Available for Public Inspection; Directing Town Staff to Publish and Mail, Notice of Said Public Hearing; and Resolving Other Matters Incident and Related Thereto.**

C. Present, Discuss, and Consider Action on **Resolution No 1116202103 Authorizing and Creating the Spiritas East Public Improvement District in Accordance with Chapter 372 of the Texas Local Government Code; Providing for Related Matters; and Providing an Effective Date.**

D. Present, Discuss, and Consider Action on **Resolution No 1116202104 Determining the Cost of Certain Authorized Improvements Financed by the Spiritas East Public Improvement District; Approving a Preliminary Service Plan and Assessment Plan, Including a Proposed Assessment Role; Calling a Regular Meeting and Noticing a Public Hearing, for December 21, 2021, to Consider an Ordinance Levying Assessments for the Property Located Within the Spiritas East Public Improvement District; Directing the Filing of the Proposed Assessment Role, with the Town Secretary to Make Available for Public Inspection; Directing Own Staff to Publish and Mail Notice, of Said Public Hearing; and Resolving Other Matters Incident and Related Thereto.**

E. Present, Discuss, and Consider Action on a **Developers Agreement between the Town of Little Elm and Centurion American Acquisitions, LLC (Continuation of Spiritas Ranch West Development Agreement).**

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. **BRAILLE IS NOT PROVIDED.**

Respectfully,

Acting Town Secretary

This is to certify that the above notice was posted on the Town's website and the bulletin board at Town Hall this 12 day of November 2021 before 5:00 p.m.

Date:	11/16/2021
Agenda Item #:	2. 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 **Proclamation Declaring the Month of November 2021 as Adoption Month.**

DESCRIPTION:

Mayor Cornelious will present a proclamation declaring the month of November 2021 as Adoption Month.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Attachments

Adoption Month Proclamation

LITTLE ELM

Proclamation

WHEREAS, children are key to the nation's future success, prosperity and quality of life; and

WHEREAS, all children and teens deserve a safe, loving family; and

WHEREAS, adoption creates supportive, loving families for children and teens; and

WHEREAS, supportive families can help a child or teen overcome past traumatic experiences and reach their full potential; and

WHEREAS, we must come together as a community to celebrate adoptive families and raise awareness about the number of children and teens who are still waiting; and

WHEREAS, there is always a need for parents who are willing to adopt siblings, older youth and young people with complex medical and behavioral needs; and

WHEREAS, there are numerous individuals, nonprofit organizations and public servants who are dedicated to finding families for children and teens in foster care who are waiting to be adopted; and

WHEREAS, the President of the United States declared the month of November 2021 as National Adoption Month.

NOW, THEREFORE, we declare the month of November 2021 as **Adoption Month** and encourage all Town residents to recognize individuals, nonprofit organizations and public servants who are dedicated to finding families for children and teens.

Given under my hand and Seal of the Town of Little Elm, Texas, this 16th day of November, 2021.

_____

Curtis J. Cornelious, Mayor of Little Elm

Date:	11/16/2021
Agenda Item #:	2. 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 **Proclamation Recognizing Jace's Law.**

DESCRIPTION:

Mayor Cornelious will present a proclamation recognizing Jace's Law (HB 725).

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Date:	11/16/2021
Agenda Item #:	2. 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 Ron Trees for Receiving the U.S. 26th District Congressional Veteran Commendation.**

DESCRIPTION:

The United States Congressional Office of Michael Burgess, 26th District presented five veterans with the Congressional Veteran Commendation on November 10, 2021. Resident of Little Elm, Ron Trees, was one of the recipients if this commendation. Council member Tony Singh will recognize Ron Trees for his service at the council meeting.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Date:	11/16/2021
Agenda Item #:	3. 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 and Discuss **2022-2023 Denton County Appraisal District Board of Directors Election.**

DESCRIPTION:

Each voting unit for the Denton County Appraisal District Board must cast its vote by written resolution and submit it to the Chief Appraiser before December 15th. The unit may cast all its votes for one candidate or may distribute the votes among any number of candidates. The Town of Little Elm has 65 votes. When a voting unit casts its votes, it must cast the votes for a person that was nominated and is named on the ballot. There is no provision for write-in candidates. The Tax Code does not permit the Chief Appraiser to count votes cast for someone not listed on the official ballot. In September 2021, the Town Council nominated David Terre to be on the Board of Directors. The five nominees receiving the most votes will become the Denton CAD Board of Directors.

The list of candidates nominated is in the attached document.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff requests Town Council direction.

Attachments

DCAD Nominations

DCAD Breakdown of Votes

Denton Central Appraisal District
3911 Morse Street
Denton, TX 76208

(940) 349-3800
www.dentoncad.com

TO: All Taxing Jurisdictions

FROM: Hope McClure, Chief Appraiser

DATE: October 28, 2021

SUBJECT: Candidates to the Denton CAD Board of Directors

Candidates to the Denton Central Appraisal District Board of Directors are listed below. The list is in alphabetical order by last name.

Each voting unit must cast its vote by **written resolution** and submit it to the Chief Appraiser before December 15th. The unit may cast all its votes for one candidate or may distribute the votes among any number of candidates. When a voting unit casts its votes, it must cast the votes for a person that was nominated and is named on the ballot. There is no provision for write-in candidates. The Tax Code does not permit the Chief Appraiser to count votes cast for someone not listed on the official ballot. The five nominees receiving the most votes will become the Denton CAD Board of Directors.

The candidates nominated by the taxing jurisdictions are: (Please note Asterisk below)

	Candidate	Nominating Jurisdiction
1.	Roy Atwood	Denton ISD, City of Carrollton
2.	Devona Beaver	Town of Hickory Creek
3.	Alex Buck	Lewisville ISD, City of Lewisville, City of Highland Village
4.	Dirk Dahlke	Town of Hickory Creek
5.	Sharon Gentry	Town of Flower Mound
6.	Tom Heslep	City of Highland Village
7.	David Johnson	Lewisville ISD, Denton County
8.	Nancy Koket	Town of Hickory Creek
9.	John Lusk	City of Oak Point
10.	Howard Martin	City of Denton
11.	Ann Pomykal	Lewisville ISD, City of Lewisville, Denton County
12.	Charles Stafford	Denton ISD
13.	David Terre	City of Frisco, Town of Little Elm, City of The Colony
14.	Tom Washington	Lewisville ISD, Denton County
15.	Bryan Webb**	City of Denton
16.	Richard Weir	City of Corinth
17.	Rick Woolfolk	Denton County

**Bryan Webb has indicated that he does not want to be reappointed to the Board of Directors.

Accompanying this document, you will find Bio Sheets and additional information provided by the nominees. Please take the time to familiarize yourself with the nominees and their qualifications before casting your vote.

Since some of you may not be familiar with the process of selecting the Board, please do not hesitate to contact Misty Baptiste at (940) 349-3977 for clarification and/or information.

DENTON CENTRAL APPRAISAL DISTRICT
2021 DISTRIBUTION OF VOTES

	JURISDICTIONS	2020 LEVY	%OF TOTAL LEVIES	NUMBER OF VOTES
SCHOOL DISTRICTS:				
S01	ARGYLE ISD	39,211,263.47	1.7154%	85
S02	AUBREY ISD	19,686,703.81	0.8612%	42
S03	CARROLLTON-FB ISD	59,677,280.15	2.6107%	128
S04	CELINA ISD	486,214.26	0.0213%	1
S05	DENTON ISD	300,528,684.23	13.1471%	654
S15	ERA ISD	1,687.25	0.0001%	1
S06	FRISCO ISD	168,736,156.36	7.3816%	394
S07	KRUM ISD	12,760,715.66	0.5582%	27
S08	LAKE DALLAS ISD	35,082,643.50	1.5347%	76
S09	LEWISVILLE ISD	598,944,850.68	26.2018%	1325
S10	LITTLE ELM ISD	82,583,733.78	3.6128%	178
S11	NORTHWEST ISD	143,902,045.64	6.2952%	312
S12	PILOT POINT ISD	8,842,789.13	0.3868%	18
S13	PONDER ISD	10,459,467.11	0.4576%	22
S17	PROSPER ISD	23,463,503.40	1.0264%	50
S14	SANGER ISD	16,207,613.43	0.7090%	34
S16	SLIDELL ISD	463,687.64	0.0203%	1
SCHOOL DISTRICTS TOTALS		$1,521,039,039.50	66.540%	3348
COUNTY:				
G01	DENTON COUNTY	$259,814,593.05	11.37%	567
CITIES:				
C26	TOWN OF ARGYLE	3,068,953.12	0.1343%	6
C01	CITY OF AUBREY	2,336,792.11	0.1022%	4
C31	TOWN OF BARTONVILLE	849,568.70	0.0372%	2
C02	CITY OF CARROLLTON	53,858,677.12	2.3561%	115
C49	CITY OF CELINA	1,486,029.75	0.0650%	3
C03	CITY OF THE COLONY	37,377,039.45	1.6351%	81
C21	TOWN OF COPPELL	1,056,686.12	0.0462%	2
C27	TOWN OF COPPER CANYON	870,253.61	0.0381%	2
C04	CITY OF CORINTH	14,287,227.60	0.6250%	30
C20	CITY OF DALLAS	13,945,214.89	0.6101%	30
C05	CITY OF DENTON	79,144,970.51	3.4623%	170
C42	CITY OF DISH	150,602.62	0.0066%	1
C30	TOWN OF DOUBLE OAK	1,181,394.10	0.0517%	3
C47	TOWN OF CORRAL CITY	14,508.54	0.0006%	1
C07	TOWN OF FLOWER MOUND	54,069,728.62	2.3654%	115
C36	CITY OF FORT WORTH	22,013,466.18	0.9630%	47
C32	CITY OF FRISCO	55,852,464.79	2.4434%	119
C39	CITY OF GRAPEVINE	200.88	0.0000%	1
C22	TOWN OF HACKBERRY	173,998.12	0.0076%	1
C38	CITY OF HASLET	1,618.72	0.0001%	1
C19	TOWN OF HICKORY CREEK	2,132,828.57	0.0933%	5
C08	CITY OF HIGHLAND VILLAGE	13,667,598.50	0.5979%	29
C09	CITY OF JUSTIN	3,013,978.98	0.1319%	7
C18	CITY OF KRUGERVILLE	754,112.28	0.0330%	2
C10	CITY OF KRUM	2,806,666.66	0.1228%	6
C11	CITY OF LAKE DALLAS	3,500,738.06	0.1531%	8
C25	CITY OF LAKEWOOD VILLAGE	497,498.58	0.0218%	1
C12	CITY OF LEWISVILLE	55,532,778.10	2.4294%	118
C13	TOWN OF LITTLE ELM	30,065,520.30	1.3153%	65
C45	CITY OF NEW FAIRVIEW	45,578.69	0.0020%	1
C33	TOWN OF NORTHLAKE	3,668,108.80	0.1605%	8
C24	CITY OF OAK POINT	2,786,607.33	0.1219%	6
C14	CITY OF PILOT POINT	2,193,136.98	0.0959%	5
C29	CITY OF PLANO	6,239,891.59	0.2730%	13
C15	TOWN OF PONDER	1,367,589.48	0.0598%	3
C48	CITY OF PROSPER	5,180,168.58	0.2266%	11
C51	TOWN OF PROVIDENCE VILLAGE	4,562,351.92	0.1996%	10
C17	CITY OF ROANOKE	9,059,520.13	0.3963%	19
C16	CITY OF SANGER	5,380,837.91	0.2354%	12
C34	TOWN OF SHADY SHORES	1,117,288.68	0.0489%	2
C37	CITY OF SOUTHLAKE	509,818.25	0.0223%	1
C28	CITY OF TROPHY CLUB	9,194,185.92	0.4022%	19
C44	TOWN OF WESTLAKE	20,541.29	0.0009%	1
CITY TOTAL		$505,036,741.13	22.09%	1085
	TOTAL ALL JURISDICTIONS	**$2,285,890,373.68**	**100.00%**	5000

Date:	11/16/2021
Agenda Item #:	3. B.
Department:	Development Services
Strategic Goal:	Promote and expand Little Elm's identity
Staff Contact:	Fred Gibbs, Director of Development Services

AGENDA ITEM:

Present and Discuss **Section 106.04.02 - Lakefront District, within Chapter 106, Article IV - Special Districts.**

DESCRIPTION:

The purpose of Section 106.04.02 - Lakefront District is to establish a pedestrian-oriented lakefront to serve as the civic and cultural heart of the town. Since the district's adoption, there have only been a few developments within the designated area that has gone through the process while following the district's requirements. As the Town continues to grow, Staff anticipates more development applications within the Lakefront District and would like to review the existing district in order to obtain Council direction on the interpretation of some requirements, such as height limitations.

BUDGET IMPACT:

This item has no budget impact.

RECOMMENDED ACTION:

Staff requests direction from Town Council.

Attachments

Section 106.04.02 - Lakefront District

Sec. 106.04.02 Lakefront District.

DIVISION 1. PURPOSE, GOALS AND INTENT

(a) *Purpose.*

The purpose of the Lakefront District is to implement the adopted recommendations of the comprehensive plan by establishing a pedestrian-oriented lakefront which will serve as the civic and cultural heart of the town for generations.

(b) *Goals.* The goals of this Code are:

(1) To build on the town's targeted "lakeside community character," with built form and materials that are reminiscent of lakefront communities.

(2) Make the sustainable through:

a. Providing for integrated mixed use;

b. Embodying LEED-ND (Leadership in Energy and Environmental Design Neighborhood Development) principles; and

c. Assuring pedestrian and bicycle friendliness;

(3) To provide development and land use flexibility within the framework of a form-based development code;

(4) To provide a mix of residential, retail and office uses in a pedestrian and bicycle-friendly environment; and

(5) To encourage high quality development through providing a balance of development standards and expeditious administrative approvals for projects which meet the intent of this Code.

(c) *Intent.*The intent of this Code is:

(1) To provide a comfortable and attractive environment for pedestrians, which include such things as buildings framing public space, interesting street walls, street trees, lighting and street furniture;

(2) To construct buildings close to the sidewalk and street;

(3) To construct continuous building frontage along block faces except where it is desirable to provide for pedestrian and auto pass-through to parking at mid block;

(4) To provide shared parking that will benefit the entire district;

(5) To encourage the use of public parks and plazas as a focus for mixed use developments;

(6) To design and build flexible buildings that can accommodate a range of uses over time;

(7) To design streets, access lanes and buildings that will provide a high level of connectivity between parcels and projects for pedestrians, bicycles and autos; and

(8) To create a safe multi-modal mixed use environment.

(Ord. No. 1407, § 2, 8-15-2017)

DIVISION 2. DEFINITIONS

The following definitions shall apply within the Lakefront Code.

Access lane. Any on-site drive or lane intended to accommodate autos or pedestrians.

Charleston house. This is a house that is built close to the front sidewalk but also has one building edge adjacent to a shared property line, thereby creating a useable side yard. (See table 1 Building Disposition) A double Charleston house is two single-family Charleston houses which share a common wall (and property line).

Review committee. A committee constituted by the town to advise the director on major development waivers. (See section 106.04.02, "Lakefront District - division 9(b) review process")

Building facade, primary. Any facade that faces a public street or open space.

District. The entire area covered by the lakefront code.

Entry, primary. The main entry to a building on a block face. There must be at least one main building entry for each ground floor use, tenant or lobby on each block face which contains the use or tenant.

Flats. Urban apartments located in a pedestrian friendly mixed use development, and usually positioned above the ground floor.

Landmark buildings. Buildings which are located on axis with a terminating street or at the intersection of streets. Such buildings shall incorporate architectural features which address height and articulation that emphasize the importance of such a location.

Live-work. A fee-simple dwelling unit that contains, to a limited extent, a separate commercial component on the ground floor. It is in the form similar to a townhouse or store with residential quarters above or behind the commercial use.

Loft. A flexible residential space which may be partially used for an artist or design studio, and which is characterized by higher than normal ceilings, open floor plans and often, exposed duct work.

Loft, mixed use. A mixed use building that includes a majority of residential use such as lofts, apartments, condominiums and offices, but contains nonresidential use in a portion of the ground floor.

Major thoroughfare. This refers to the ultimate configuration of Eldorado Parkway.

Parking, shared. Parking which is shared by tenants, visitors and the general public. Hours of availability and use may be further defined in cooperation with the town.

Patio house. This refers to a home which occupies the boundary of the lot while defining one or more private patios. (See Table 1 Building Disposition)

Regulating plan. A plan that governs the development of a multi-phased project area as defined in. (See section 106.04.02, "Lakefront District - division 9(c) regulating plan")

Retail use. For the purposes of the Lakefront Code, retail use is defined as a business having as its primary function, the supply of merchandise or wares to the end consumer. Such sales constitute the "primary function of the business when sales equal at least 80 percent of the gross sales of the business.

Stacked flat. A condominium, apartment or loft which is part of a building of similar units. Flats located on the ground floor must still meet the requirements for direct front door access to a stoop and a public sidewalk.

Stoop. A structure that is located approximately at the level of the first floor of the structure and intended to provide access to a residential unit.

Story. That portion of a building, other than a basement, included between the surface of any floor and the surface of the floor next above it, or if there is no floor above it, then the space between the floor and the ceiling above the floor of such story. This includes any mezzanine or loft which may comprise only a portion of a full floor plate.

Streetscape. The urban element that establishes the major part of the public realm. The streetscape is composed of thoroughfares (travel lanes for vehicles and bicycles, parking lanes for cars, and sidewalks or paths

for pedestrians) as well as the visible private frontages (building facades and elevations, porches, yards, fences, awnings, etc.), and the amenities of the public frontages (street trees and plantings, benches, streetlights, etc.).

Lakefront engineering and landscape standards. Any approved town standards which govern such items as street, streetscape, drainage, signage and other public improvements in the Lakefront District.

Town manager. The town manager of the Town of Little Elm or his designee.

Townhouse. An attached dwelling unit located on a platted lot which shares at least one common wall with another such unit. Townhouses are grouped together in clusters of three to six units.

Urban design officer (UDO). The planning manager shall serve as the urban design officer for the Lakefront District.

Waiver to design standards, major (major waiver). A significant change to the standards of this Code, as identified in the district regulations and requiring planning and zoning commission and town council approval. (See section 106.04.02, "lakefront district division 3(g) and 9(e) regarding waivers of design standards")

Waiver to design standards, minor (minor waiver). A minor change to the standards of this Code that is not contrary to the stated goals and intent of the district. (See section 106.04.02, "lakefront district division 3(g) and 9(e) regarding waivers of design standards")

(Ord. No. 1407, § 2, 8-15-2017)

DIVISION 3. GENERAL DISTRICT STANDARDS

(a) *Building and land use.*

Intent. It is intended that allowed uses will encourage pedestrian-oriented mixed use projects that are well integrated with retail and residential activities.

(1) Retail, personal service, residential and office uses shall be allowed throughout the district in accordance with the list of authorized uses set forth in appendix 1 Lakefront Land Use. Uses which are not specifically authorized require a major waiver.

(2) Where "required retail at-grade construction" is designated on the conceptual framework plan, the ground floor adjacent to the street should be constructed to retail building standards for a depth of at least 50 feet, however a smaller depth may be allowed if the retail is serving as a "liner" use which is masking a parking garage, by minor waiver.

(3) All changes to access drives require a minor waiver.

(b) *Block face.*

Intent. It is intended that building walls should be continuous along block faces to create a strong edge to the street and contribute to creating an attractive and active pedestrian environment, with allowance for some limited variation and opportunities for outside dining, pocket parks and special building entry features. Buildings should also be constructed close to the street to provide a sense of enclosure.

It is also intended that blocks be as short as practical to both support pedestrian access/walkability and to facilitate the process of renewal and regeneration of buildings and frontages over the long term.

(1) Continuous building frontage will be considered to be met if 80 percent or more of the primary building facade is located within 15 feet of the right-of-way or build-to line designated on an approved plan. This shall apply to each phase of development unless otherwise approved. However, administrative approval of a minor waiver will permit down to 70 percent, provided that the reduction results in an attractive outdoor dining area, building entry feature or other amenity which contributes to the streetscape. A greater reduction shall require approval of a major waiver.

(2) Facades shall generally be built parallel to the street frontage, except at street intersections, where a facade containing a primary building entrance may be curved or angled toward an intersection.

(3) Build-to lines.

a. Build-to lines shall be measured from the planned street right-of-way or public easement, as established on the approved regulating plan and the standards in this chapter. The entire area between the back-of-curb and the primary building facade shall be dedicated as public right-of-way or have a public access easement placed upon it.

b. Exterior steps, stoops, chimneys, and bay windows may encroach beyond the build-to line by two feet, but not into a public right-of-way. Balconies ten feet or more above the sidewalk may encroach up to six feet including a public right-of-way or access lane.

c. Awnings may encroach above the public sidewalk without limit, but may not extend into a vehicular roadway or accessway.

(c) *Streets; intent.* It is the intent that public and private streets and accessways provide a framework that will facilitate the movement of pedestrians and autos in an attractive environment, and provide for incremental long term revitalization and redevelopment of parcels to meet changing market sector needs. All streets and blocks in the Lakefront Code shall conform to the provisions of this section.

1. *Street standards.* Standards for streets within the district shall be approved as part of a regulating plan and shall be in generally conformity with appendix 2 thoroughfare assemblies.

2. *Street pattern.* The pattern of all streets in the project area shall be based upon a small scale grid system of interconnecting streets, and shall connect to adjoining nonsingle-family properties.

(d) *Streetscape and landscape; intent.* It is the intent to both encourage and require streetscape and landscaping that reinforces the lakefront character of Little Elm as envisioned in the Comprehensive Plan. It is also the intent to create comfortable pedestrian environments and lower summer ambient temperature by shading sidewalks, parking areas and drive lanes.

1. Streetscape standards. Shade trees are required along all public street rights-of-way, either within the ROW or immediately adjacent at an average of 20 feet on center.

Where buildings are not adjacent to the sidewalk, a second row of trees shall be provided in place of a building wall unless adjacent to a plaza or pocket park or approved by minor waiver as a temporary condition.

2. Site landscaping shall include drought tolerant grasses and shrubs as listed in the town's list of approved plant materials.

3. Residential ground floor frontages shall be required to landscape a minimum of five feet between the edge of sidewalk and the primary building facade, excluding access to sidewalks, stairs, stoops, porches and patios. This area may be landscaped with ground cover, low shrubs, ornamental trees and street trees. In addition, street tree wells may also be landscaped. Landscaping for tree wells is limited to ground cover and low shrubs.

(e) *Transition from single-family zoning.* On any property in the Lakefront District which shares a lot line with a single-family zoned property:

(1) The setback shall be a minimum of 20 feet from the property line, and

(2) Maximum building height within 50 feet shall be 35 feet. Beyond 50 feet, the height shall increase at a rate of one foot for each foot the building is set back, to the maximum allowed number of stories.

(f) *Waivers of design standards.* The following waivers are authorized within the Code, subject to the procedures in division 9E and as otherwise specified in this Code.

Minor waivers include:

- Requirement to line a parking garage with buildings
- Requirement for continuous building frontage
- Establishment of build-to line
- Encroachment into the build-to line
- Residential landscape requirement
- Increased building height for "landmark" buildings
- Design of buildings without tri-partite architecture
- Required frequency of building entries along a street edge
- Window detailing
- Exterior building and roof materials
- Exterior building color
- Retail at-grade design standards
- Landscape standards
- Location of bicycle parking
- Minor revisions to thoroughfare assemblies

Major waivers include:

- Required retail construction
- Building height for non-landmark buildings
- Exceeding the maximum leasable retail area
- Residential at-grade design standards
- Parking requirements
- Parking garage design standards

(Ord. No. 1407, § 2, 8-15-2017)

DIVISION 4. BUILDINGS

(a) *Intent.* The intent of this section is to create an attractive and active Lakefront Town style district; and the size, disposition, function and design of buildings play an important role in achieving that goal. This includes encouraging the appropriate use of:

- Landmark "lighthouse" elements
- Cementitious fiberboard siding in the form of planks or board and batten
- Metal or tile - (clay or cement) roofing material

It is also intended that commercial spaces are designed and constructed in a manner that allows flexibility to accommodate a range of uses over time in order to avoid the need to demolish and rebuild for successive uses. Buildings should directly contribute to the attractiveness, safety and function of the street and public areas. Buildings that accommodate retail at-grade should feature the retail activity over the building's architecture.

Buildings should be constructed in a manner, and with materials, that are highly durable and will continue to endure and be attractive over a long time, especially adjacent to public and pedestrian areas.

It is intended by this section, to encourage a variety of building and design solutions in response to the standards and regulations outlined herein.

(b) *General building configuration.*

(1) *General building disposition*.

a. Buildings shall be disposed in relation to the boundaries of their lots according to Table 1 Building Disposition.

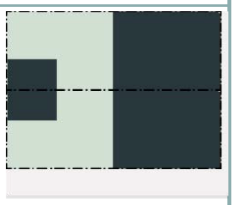
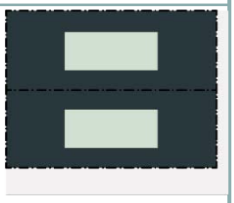
b. One principal building at the frontage and one outbuilding to the rear may be built on each lot. A back-building may be built between the principal building and the outbuilding on the side-frontage of corner lots as shown in Table 2 Building Location.

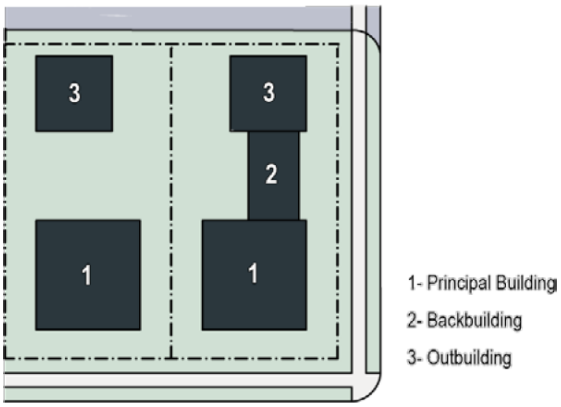
c. Facades shall be built generally parallel or tangent to the principal frontage line. For lots having two frontages, the one along the more urban frontage of the two shall be the principal frontage unless otherwise determined by minor waiver.

d. Single-Family outbuilding rear setbacks shall be a minimum of eight feet from the alley right-of-way to the garage door if there is one, or three feet to the building wall if not. Townhomes with rear patios and a detached garage may have a minimum setback of three feet. In the absence of a rear alley or lane, the rear setback shall be a minimum of three feet.

e. Loading docks and service areas shall be permitted on frontages only when absolutely necessary, by minor waiver.

Building disposition. This table approximates the location of the structure relative to the boundaries of each individual lot, establishing suitable basic building types for each transect zone.

ARTICLE IV, TABLE B LAKEFRONT BUILDING DISPOSITION	
A. Side yard: Specific Types - Charleston House, Charleston Double House. A building that occupies one side of the Lot with the Setback to the other side. A shallow Frontage Setback defines a more urban condition. If the adjacent building is similar with a blank side wall, the yard can be quite private. This type permits systematic climatic orientation in response to the sun or the breeze. If a Side yard House abuts a neighboring Side yard House, the type is known as a twin or Charleston Double House. Energy costs, and sometimes noise, are reduced by sharing a party wall in this Disposition.	
B. Rear yard: Specific Types - Townhouse, Live-Work unit, loft building, Stacked Flats, Mixed Use Block, Flex Building. A building that occupies the full Frontage, leaving the rear of the Lot as the sole yard. This is a very urban type as the continuous Façade steadily defines the public Thoroughfare. The rear Elevations may be articulated for functional purposes. In its Residential form, this type is the Rowhouse. For its Commercial form, the rear yard can accommodate substantial parking. Garages may be attached or detached.	
C. Courtyard: Specific Types - Patio House. A building that occupies the boundaries of its Lot while internally defining one or more private patios. This is one of the most urban of types, as it is able to shield the private realm from all sides while strongly defining the public Thoroughfare. Because of its ability to accommodate incompatible activities, masking them from all sides, it is recommended for workshops, Lodging and schools. The high security provided by the continuous enclosure is useful for crime-prone areas.	
D. Urban: Specific Types - Stacked Flats, mixed use lofts, office, and retail. A building which occupies the entire site. This is the most urban type, and is common in downtowns. It can accommodate a wide range of functions.	



(c) *Building standards.*

(1) *Building form.*

a. Buildings shall not exceed four stories except where adjacent to Eldorado, which may be up to seven stories provided that views of the lake are not significantly blocked for neighboring development. Additional height along Eldorado may be allowed at specific locations by minor waiver.

b. All buildings shall be designed and constructed in tri-partite architecture so that they have a distinct base, middle and top.

c. Buildings which are located on axis with a terminating street or access lane or at the intersection of streets and/or access lanes shall be considered a landmark building. Such buildings shall be designed with landmark features which take advantage of that location, such as an accentuated entry and a unique building articulation which is off-set from the front wall planes and goes above the main building eave or parapet line.

(2) *Architectural features.* Where clearly visible from a public street, open space or access lane:

a. *Roofs.* For buildings with hip, gable or mansard roofs (unless otherwise allowed by minor waiver):

1. Allowed materials include standing seam, clay or concrete tile (barrel or Roman shape)

2. Skylights and roof vents shall not be visible.

b. Windows, except for retail at-grade, shall be vertical in proportion and have at least a three-inch reveal. Vertically proportioned windows which are joined together by a mullion shall be considered as meeting this standard.

c. Each building and separate lease space at-grade along the street edge shall have a functioning primary entry from the sidewalk. Such entries must be inset from the front building plane by at least three feet. Functioning entries must be located no greater than 60 feet apart. Corner entries may count as a primary entry for both intersecting street frontages.

(3) *Exterior facade materials.* The following shall apply to all exterior walls of buildings and parking structures which are clearly visible from a public street, walkway or open space:

a. *Allowed exterior materials.* Allowed exterior surface materials are categorized into three groups:

1. Group A. Brick and stone.

2. Group B. Stucco, architectural concrete block with integrated color, factory primed cementitious fiberboard (in the form of lap siding or board and batten). Cementitious fiberboard is limited to 20 percent of any facade.

3. Group C. Accent; Metal, EIFS, wood and tile.

b. *Prohibited exterior materials.* Prohibited exterior surface materials include cinderblock and aggregate finished surfaces.

c. *Primary facades.* The following shall apply to all exterior walls of buildings which are clearly visible from a public street, open space, or active storefront:

Primary facades, excluding windows, doors, and other openings, shall be constructed of at least 80 percent group A materials and up to 20 percent group B materials. However, accent materials from group C may be allowed in limited application for architectural features.

d. *Secondary facades.* The following shall apply to all exterior walls of buildings (15,000 square feet or larger) which are not clearly visible from a public street, open space or active storefront:

1. Walls, excluding windows, doors, and other openings, shall be constructed of a minimum of 20 percent group A materials and up to 80 percent group B materials. However, the color of the walls shall match the primary facades.

2. Wrapping the primary facade treatment. Secondary facades which are adjacent to the primary facade shall contain the primary facade treatment for at least ten percent of its area. This may occur as a simple continuation of the primary facade treatment, or elements such as cornices, bases and vertical elements. In all cases, however, wall surface materials shall wrap the corner.

3. Walls which are constructed on a property line as one of a series of in-line buildings where the wall will become part of a common wall shall be subject to minor waiver approval and may include a greater distance of "wrapping" and more lenient use of other materials such as cinder block.

e. *Two materials.* At least two materials shall be used on all exterior facades.

f. Windows and glazing shall be limited to a minimum of 30 percent and maximum of 70 percent of each building elevation (see 6.b below for special requirements for retail at-grade).

g. A variation of up to 15 percent of the standard above, and the material type may be approved by administrative approval of a minor waiver, provided that it is demonstrated that:

1. The requested material use will result in achieving the town's architectural goals, and

2. The change will result in an improved architectural design without degrading the quality of public areas or increasing the need for maintenance.

(4) *Color.*

a. The dominant color of all buildings (including any above-grade parking structures) shall be muted shades of color. Black and stark white shall not be used except as an accent color. There are no restrictions on accent colors which comprise less than one percent of the building face, except that florescent colors are prohibited.

b. Roof colors shall be a muted shade of cool gray, warm gray, brown or red.

(5) *Residential at-grade.*

a. All buildings which have residential unit floor plates within six feet of grade shall include a primary front door entrance into the unit which may be accessed from the sidewalk. Any change to this standard shall be considered a major waiver.

b. The entry shall be located a minimum of two feet above the sidewalk elevation and include a minimum 24 square foot stoop. If pre-empted by topographic conditions, the entry may be lowered in elevation, subject to approval of the director. However, up to 50 percent of units may be ADA accessible from the sidewalk provided there is a maximum four-foot largely transparent metal fence separating the private area from the public sidewalk area. Any change to this standard shall be considered a major waiver.

c. Units must also include windows which provide residents a view of the street or public access easement and sidewalk area. Any change to this standard shall be considered a minor waiver if pre-empted by topographic conditions.

d. Lobbies to upper stories may be located at-grade level.

e. Balcony and patio railings and fences shall be largely transparent and constructed of glass, wrought iron or metal. Masonry columns may be used on patios provided that they are used as accents. Wood fences and railings and chain-link fencing are prohibited.

f. Townhouses shall meet the town standards for that unit type.

(6) *Nonresidential at-grade.*

a. The ground floor entry must be located at the approximate elevation of the adjacent sidewalk.

b. Retail uses adjacent to the sidewalk at-grade shall:

1. Be constructed to meet fire code separation from any other uses constructed above;

2. Have a minimum clear height of 16 feet between finished floor and the bottom of the structure above. Mezzanines within the retail space shall be allowed per building code;

3. Have an awning or canopy which extends at least six feet over the sidewalk for at least 75 percent of the frontage on any portion of the primary facade. Such awning or canopy shall maintain a minimum seven and one-half foot clearance over the sidewalk; and

4. Have highly transparent glass windows for at least 60 percent, but no greater than 80 percent, of the ground floor facade.

(Ord. No. 1407, § 2, 8-15-2017)

DIVISION 5. PARKING AND ACCESSIBILITY

(a) *Vehicle parking.*

(1) *Intent.* The following is the intent of the town's parking policies and this Code:

a. Support the creation of shared parking in order to enable visitors to park once at a convenient location and to access a variety of commercial enterprises in a pedestrian and bicycle-friendly environment.

b. Manage parking so that it is convenient and efficient, and supports an active and vibrant mixed use environment.

c. Ensure ease of access to parking.

d. Provide flexibility for changes in land uses which have different parking requirements within the district.

e. Provide flexibility for the redevelopment of small sites.

f. Avoid diffused, inefficient single-purpose reserved parking.

g. Avoid adverse parking impacts on residential neighborhoods.

h. Ensure that any parking structures do not dominate the public environment, by lining the edge of structures with residential or commercial uses where visible from public roads and open space.

(2) *Parking requirements.* Off-street facilities shall be provided in accordance with this subsection.

a. Off-street parking spaces for the applicable use classification shall meet the following minimum number of spaces in Table 3 Parking Calculations.

b. *Parking location.* All off-street surface parking shall be located at least 15 feet behind the front facade which faces on a street or public open space, and shall be accessed by alley or short driveway between buildings. Any change to this standard shall be considered a minor waiver.

c. *At-grade parking.* All at-grade parking lots fronting roadways shall be screened from view as outlined in division 3(e) streetscape and landscape and division 8 landscape of this Code. Landscaping of the internal surface parking area shall not be required unless it is planned to serve as long term parking. In which case, such long term surface parking areas shall meet the

requirements of division 7(e) parking lot landscape. For the purpose of this section, long term parking shall be determined by the director, and may include parking which has a likelihood of being in place for a period of seven years or more.

d. *Parking calculations.* The shared parking factor for two functions, when divided into the sum of the two amounts as listed on the required parking table below, produces the effective parking needed for each site involved in sharing. Conversely, if the sharing factor is used as a multiplier, it indicates the amount of building allowed on each site given the parking available.

ARTICLE IV, TABLE C	
LAKEFRONT PARKING CALCULATIONS	
Land Use	*Minimum Parking Requirements*
Residential	1 space per bedroom, up to 2 spaces per dwelling
Lodging (hotel, inn)	1 space per bedroom
Office, Retail, Restaurant	1 space per every 400 square feet
Civic and Other uses	To be determined by minor waiver

ARTICLE IV, TABLE D				
LAKEFRONT SHARED PARKING FACTOR				
	Residential	Lodging	Office	Retail
Residential	1	1.1	1.4	1.2
Lodging (hotel, inn)	1.1	1	1.7	1.3
Office	1.4	1.7	1	1.2
Retail	1.2	1.3	1.2	1

* Parking requirements are based on at least 90 percent non-reserved stalls; otherwise, the requirement shall be 1/300 square feet for office, retail or restaurant use.

Note 1. Open space and civic space do not require parking.

Note 2. Active recreation or sports facilities parking requirements shall be determined by minor waiver.

Note 3. On-street parking shall not count toward meeting residential parking requirements.

e. *Parking garages—Where approved.*

1. Parking garages which are adjacent to a street shall be set back a minimum of 50 feet and lined with buildings containing any permitted use but parking.

2. Off-street below grade parking is permitted to the lot lines, but must be designed to allow planting of landscape as defined in division 7 landscape. No below grade parking beneath a building shall be visible from the sidewalk.

f. *Shared parking.*

1. Uses may join in establishing shared parking areas if it can be demonstrated that the parking for two or more specific uses occurs at alternating time periods, or where shared parking is massed and configured in a way that increases its efficient use. Required parking shall be determined by a parking analysis study approved by the director.

2. Shared parking shall be clearly designated with signs and markings.

(b) *Bicycle parking.*

(1) *Goals.* Bicycle parking is required in order to encourage the use of bicycles by providing safe and convenient places to park bicycles.

(2) *Required bicycle parking.* Bicycle parking shall be provided based on at least one space for every ten automobile parking spaces required as part of the base parking requirement in subsection (a)(2) above.

(3) *Bicycle parking standards.*

a. *Location.*

1. Required bicycle parking must be located within 50 feet of an entrance to the building. With approval of a minor waiver, bicycle parking may be located in the public right-of-way.

2. Bicycle parking may be provided within a building, but the location must be easily accessible to bicycles.

3. Any bicycle parking in the public right-of-way should be located within the band created by street trees and pedestrian street lights, however, it must be placed in a manner that avoids conflicts with pedestrian and vehicular paths.

b. *Signs.* If bicycle parking is not visible from the street, then a sign must be posted indicating the location of the bicycle parking facilities.

(4) *Standards for bicycle rack types and dimensions.*

a. *Rack type.* Bicycle rack types and standards shall be approved by the town.

b. *Parking space dimensions.*

1. Bicycle parking spaces must be at least six feet long and two feet wide, and in covered situations, the overhead clearance must be at least seven feet.

2. An aisle for bicycle maneuvering must be provided and maintained beside or between each row of bicycle parking. This aisle must be at least five feet wide.

3. Each required bicycle parking space must be accessible without moving another bicycle.

(c) *Accessibility throughout the district area.* All parcels within a project area shall be platted and laid out in a manner that ensures connectivity for pedestrian and automobile movement both within the project and to adjacent nonsingle-family zoned properties.

DIVISION 6. LIGHTING AND MECHANICAL

(a) *Intent.* It is the intent of this section to provide a level and consistency of lighting that supports pedestrian activity and promotes safety, and to reduce the visual impact of mechanical equipment on the public realm.

(b) *Standards.*

(1) Average lighting levels within project areas should be approximately:

a. Urban Residential three foot-candles (fc);

b. Urban Retail six fc;

c. Parking areas 1.5 fc;

d. Street intersections three fc;

e. Street centerline 1.7 fc.

(2) Lighting elements shall be incandescent, metal halide, halogen or LED in a white spectrum light. No HID or fluorescent lights (except fluorescent bulbs that screw into standard socket fixtures) may be used on the exterior of buildings.

(3) All lighting shall be focused downward or narrowly focused on its intended target such as signs, parking and pedestrian walkways. No lighting source from a commercial activity shall be visible by a residential unit.

(4) The entire district shall utilize the basic fixtures and furnishings in the public areas as are approved by the town.

(5) Mechanical and electrical equipment, transformers, meters, garbage containers and loading areas shall meet town standards.

(Ord. No. 1407, § 2, 8-15-2017)

DIVISION 7. LANDSCAPE

(a) *Intent.* Landscaping within the Lakefront Code shall comply with the provisions in this section, the town's list of approved plant materials and with the standards contained in article VI, part two, landscaping of the town's zoning ordinance. Where conflicts exist between this district and the zoning ordinance, the requirements in this district shall be applied.

It is the intent of this section to:

(1) Support the Comprehensive Plan's goals for a Lakefront character;

(2) Provide the town with a unique and identifiable streetscape corridor;

(3) Contribute to pedestrian safety and comfort;

(4) Reduce the amount of solar heat gain in paved and hard surface areas.

(b) *Street trees.*

(1) Street trees may be planted between the sidewalk and the curb. They may also be planted within three feet of a curb, sidewalk or other structure, provided that they are selected from the town's urban tree list.

(2) All required street trees shall be:

a. At least three-inch caliper;

b. Single trunk;

c. Limbed-up to six feet.

(c) *Plant material.* Front yards shall be landscaped except at building entries, seating areas and adjacent to commercial uses, where the front yard may be paved. Plant materials shall consist of shade trees, ornamental trees, shrubs, evergreen ground covers, vines, and seasonal color in conformity with the town's list of approve plant materials and article VI of the town's zoning ordinance. Applicants are encouraged to use palm trees or other hardy desert-type plants to enhance the lakefront character.

(d) *Paving material.*

(1) Paving material in front yards and on sidewalks shall be warm toned, natural materials such as brick, stone and concrete.

(2) Asphalt and gravel as paving materials are prohibited.

(e) *Parking lot landscape.*

(1) Surface parking lots shall be screened to a minimum height of 30 inches from all adjacent public streets and open space. The screen must extend along all edges of the parking lot and must be in conformity with screening standards set out in article VI, division 2, landscaping of the town's zoning ordinance. It may be accomplished through the use of masonry walls, ornamental metal, evergreen plant materials, or a combination thereof. Planting beds for screen planting shall be a minimum of four feet in width.

(2) Interior parking lot landscape shall also be consistent with article VI, division 2, landscaping of the town's zoning ordinance. However, parking lots shall not exceed eight spaces in a row without being interrupted by a landscaped island (nine-foot minimum). Islands shall be planted with a minimum of one shade tree for every eight vehicle spaces.

(3) No landscaping shall be required for the interior of structured parking facilities.

(f) *Detention/retention ponds.* Detention/retention ponds shall be designed in a manner as to be an amenity to the development and shall not require fencing.

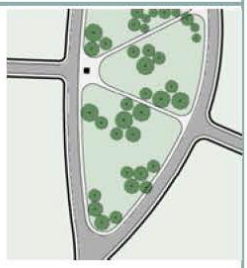
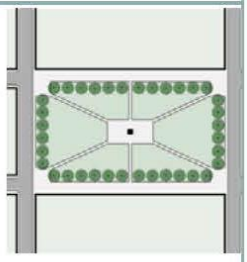
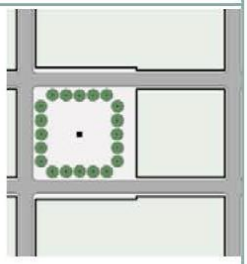
(g) *Open space and landscaping for residential mixed use projects.*

(1) In lieu of the town's requirement for open space and trees for residential development, a green, square or plaza shall be provided and approved as part of the regulating or site plan. (See Table 4 Open Space)

(h) *Other landscape requirements.*

(1) The landscape point system shall not apply to projects within the Lakefront District.

(2) The requirement for a ten-foot landscape buffer between parcels shall not apply except where adjacent to single-family zoned property.

ARTICLE IV, TABLE E LAKEFRONT OPEN SPACE	
Green: An Open Space, available for unstructured recreation. A Green may be spatially defined by streets, landscaping and/or building frontages. Its landscape shall consist of lawn and trees.	
Square: An Open Space available for unstructured recreation and Civic purposes. A Square is spatially defined by building frontages or streets. Its landscape shall consist of paths, lawns and trees, formally disposed. Squares shall be located at the intersection of important Thoroughfares.	
Plaza: An Open Space available for Civic purposes and Commercial activities. A Plaza shall be spatially defined by building frontages. Its landscape shall consist primarily of pavement but include shade in the form of trees or structure. Plazas should be located at the intersection of important streets.	

DIVISION 8. SIGN STANDARDS

(a) *Intent.* The intent of this section is to establish architectural controls, limit clutter and regulate commercial and locational signage. It is also intended to help enliven retail and restaurant mixed use areas. These standards should not be interpreted to prevent a for-sale sign, a political sign, or a noncommercial sign that is an exercise of noncommercial freedom of speech. Commercial and locational signage within the district are limited, regulated and controlled as provided in this Code, and all other signage shall be subject to the requirements of such town ordinances, rules and regulations that are in effect from time to time.

(b) *Signs, general standards.*

(1) *General standards.*

a. Signage may only be externally lit with full-spectrum source, unless otherwise approved.

b. One address number, no more than six inches vertically, shall be attached to the building in proximity to the principal entrance.

(c) *Prohibited signs.*

(1) The following signs shall not be allowed:

a. Off-premise signs;

b. Internally lit sign boxes;

c. Flashing or running light signs;

d. Pole signs;

(2) Signs shall not be mounted on roofs or project above roof line without approval of a minor waiver, and it is determined to make a positive contribution to the district as a whole.

(d) *Permitted signs.*

(1) *Wall signs.*

a. One wall sign per occupancy, per street frontage.

b. Maximum size is 30 square feet if located 12 feet or higher above grade; ten square feet if less than 12 feet above grade.

c. Minimum ten-foot distance between wall signs (excluding building identification sign or directory sign).

d. In addition, one wall-mounted sign, not exceeding six square feet in area, is permitted on any side or rear entrance open to the public. Such wall signs may only be lighted during the operating hours of business.

(2) *Projecting and hanging signs, including graphic or icon signs, mounted perpendicularly to the wall.*

a. A maximum of one per occupancy per building face.

b. A maximum area of six square feet per face; and a maximum of three feet in width.

c. Distance from the ground to the lower edge of the sign shall be seven and one-half feet or greater.

d. Minimum 15-foot distance between signs.

e. The height of the top edge of the signboard shall not exceed the height of the wall from which the sign projects, if attached to a single story building; or the height of the sill or bottom of any second story window, if attached to a multi-story building unless approved by minor waiver.

(3) *Window signs.*

a. The sign shall not exceed 30 percent of the window area.

b. Neon signs are allowed behind windows in commercial areas, but shall count toward the allowed window sign area.

(4) *Building identification signs.*

a. One per building face.

b. Must be 12 feet or higher above sidewalk level.

c. Maximum size 25 square feet.

d. Twenty-four-inch maximum height for letters or logos.

e. Applied letters shall be constructed of painted cast metal, bronze, brass, or anodized aluminum. Applied plastic letters are not permitted.

(5) *Awning signs (for ground floor uses only).*

a. One per occupancy per building face.

b. Minimum eight feet above sidewalk level for pedestrian clearance.

c. Ten square feet maximum sign area.

d. If acting as an auxiliary business sign, it shall be located on the valance only, and the height of the lettering shall not exceed four inches.

e. If acting as the main business sign, it shall not be in addition to a wall-mounted sign.

(6) *Monument signs.*

a. Monument signs shall only be allowed adjacent to the Eldorado right-of-way.

b. Architecturally compatible monument signs shall not exceed six feet in height or eight feet in length.

c. Vertically oriented monument signs may also be allowed by minor waiver where it is deemed that such signs will enliven the area.

(7) *Building directory signs.*

a. One per entrance.

b. The sign shall be located next to the entrance.

c. The sign shall project out from the wall to which it is attached no more than six inches.

d. The sign shall not extend above the parapet, eave or building facade.

e. Maximum size shall be eight square feet.

(8) *Restaurants and cafes.*

a. In addition to other signage, restaurants and cafes shall be permitted the following, limited to one of each type of sign per business:

b. A wall-mounted display featuring the actual menu as used at the dining table, to be contained within a shallow wood or metal case, and clearly visible through a glass front. The display case shall be attached to the building wall, next to the main entrance, at a height of approximately five feet, shall not exceed a total area of three square feet, and may be lighted.

c. An A-frame sidewalk sign displaying the name of the eatery, offerings and hours of operation.

d. Restaurant and retail areas may have a neon or special designed exterior sign, if approved by the CRC.

(Ord. No. 1407, § 2, 8-15-2017)

DIVISION 9. LAKEFRONT PROCEDURES

(a) *Intent.* It is the intent of this section to off-set the high level of detailed standards in this Code with an expeditious approval of projects which meet its general goals and intent, and:

(1) To ensure adequate linkages and connections within and between project areas, and

(2) To ensure consistency and quality of design through use of professional review assistance.

(b) *Review process.*

(1) A review committee ("committee") shall be established to provide guidance of interpretation of the Lakefront Code and make recommendations on significant issues that may arise. It is not intended to meet and review every administrative or legislative application that comes forward within the district.

- The committee shall be comprised of the following:

- Director of development services ("director")
- Director of economic development ("EDC rep")
- Planning manager (serving as "urban design officer" or "UDO")
- Town engineer ("engineer")
- A representative of the town council ("council liaison")

(2) The urban design officer (UDO) shall serve as a technical advisor to the director and the committee. The UDO shall be the planning manager and a portion of the expense of the UDO's services will be borne by development fees paid to the town for development of land within the Lakefront District.

(3) The director shall coordinate with the UDO and committee, and have staff administrative jurisdiction over any processes authorized under the Lakefront Code. The director of development services, the UDO and the committee shall be expeditious in their review and advance the permitting process by undertaking any action consistent with this code, state law, and the town Charter to facilitate the permitting process.

(c) *Regulating plan.*

(1) Approval of a regulating plan is required prior to approval of a site plan for any portion of a multi-phased project site area.

(2) The regulating plan provides the framework for development and serves as a conceptual layout of a project area. It shall include such things as:

a. Street and access lanes within the project area and connections to adjacent nonsingle-family zoned properties;

b. The location of general land use sites and for identification of retail at-grade;

c. Public open space and plazas; and

d. Hike and bike corridors and trails.

(3) An application for a regulating plan shall be processed in accordance with the town's procedures for determining whether an application is complete. Following a determination of completeness, and unless the application is accompanied by a request for a major waiver, the director, or his designee, shall approve, approve with conditions or deny the application for a regulating plan and shall notify the applicant of his decision. in his deliberations, the director may consider a recommendation from the UDO.

(4) Denial or conditional approval of a regulating plan by the director may be initially appealed to the planning and zoning commission and, following the recommendation of the commission, to the town council. The appeal shall be filed within 30 days of the date of the director's action on the application for approval of a regulating plan.

(5) If the application includes a request for a major waiver, the director shall request a recommendation from the UDO and if appropriate the CRC, and schedule the application for hearing before the planning and zoning commission with his recommendation on the application. The planning and zoning commission, following a public hearing, shall forward its recommendation to the town council for hearing on the application and waiver request. The town council, following a public hearing, shall approve, approve with conditions or deny the application for a regulating plan and the major waiver request. The notice and hearing procedures for approval of a specific use permit shall be used to process the regulating plan and major waiver application.

(6) The director in making an initial decision on a regulating plan application, the planning and zoning commission in making recommendations to the town council, or the town council in deciding the application for regulating plan approval, shall determine whether the plan is consistent with the comprehensive plan and meets the goals and intent of the Lakefront Code.

(d) *Site plan.*

(1) Prior to obtaining a building permit, a site plan must be approved by the director or town council, demonstrating that the proposal meets the goals, intent and general standards contained in this Code.

(2) A site plan application must include the following information and documents that demonstrate compliance with the Lakefront Code:

a. Detailed site plan showing proposed streets, buildings, parking areas, and landscaped areas;

b. Proposed uses;

c. Building elevations and sections;

d. Proposed parking calculations;

e. Any waivers being requested;

(3) An application for a site plan shall be processed in accordance with the town's procedures for determining whether an application is complete. Following a determination of completeness, and unless the application is accompanied by a request for a major waiver, the director, or his designee, shall approve, approve with conditions or deny the application for a site plan and shall notify the applicant of his decision. In his deliberations, the director may consider a recommendation by the UDO.

(4) Denial or conditional approval of a site plan by the director may be initially appealed to the planning and zoning commission and, following the recommendation of the commission, to the town council. The appeal shall be filed within 30 days of the date of the manager's action on the application for approval of a site plan.

(5) If the application includes a request for a major waiver, the director shall request a recommendation from the UDO and if appropriate the CRC, and schedule the application for hearing before the planning and zoning commission with his recommendation on the application. the planning and zoning commission, following a public hearing, shall forward its recommendation to the town council for hearing on the application and waiver request. The town council, following a public hearing, shall approve, approve with conditions or deny the application for a site plan and the major waiver request. The notice and hearing procedures for approval of a specific use permit shall be used to process the site plan and major waiver application.

(6) The director in making an initial decision on a site plan application, the planning and zoning commission in making recommendations to the town council, or the town council in deciding the application for site plan approval, shall determine whether the plan is consistent with the regulating plan for the property (if there is one), and meets the goals, intent and standards of the Lakefront Code.

(e) *Waivers of design standards.*

(1) For the purposes of this district, there shall be two types of waivers of design standards - minor and major. Requests for waivers shall not be subject to review or decision by the board of adjustment. A waiver request may only be made in conjunction with an application for a regulating plan, a site plan or subsequent to approval of a site plan.

(2) Minor waivers are those changes to design standards in the Lakefront Code that are determined to meet the goals and intent of this Code as stated in division 1 and throughout this Code. Minor waivers may be approved administratively by the director or his designee.

(3) Major waivers are major changes to the design standards in the Lakefront Code or which may appear to be in conflict with the goals and intent of this Code. Major waivers may only be approved by the town council, following a recommendation by the UDO and the planning and zoning commission, in conjunction with a decision on an application for approval of a regulating plan or site plan. In order to approve a major waiver, the town council must find that the waiver:

a. Meets the general intent of this district, and

b. Is consistent with the overall plan and vision for the district, and

c. Will result in an improved project which will be an attractive contribution to the Lakefront District.

(4) The town may impose conditions on granting any waiver in order to implement the regulating plan for the property or to mitigate negative impacts to neighboring properties or public streets or open space.

(f) *Amendments to the regulating plan.*

(1) Amendments to an approved regulating plan or site plan may be accomplished in the same manner as approval of the original approval, and may be accompanied by a request for major or minor waivers.

(2) An amendment to an approved regulating plan or site plan must be made prior to the time for lapse of approval provided in subsection (g) below. In the event an amended plan is approved, the approving authority amending the plan shall specify the time for lapse of such approval, consistent with subsection (g).

(g) *Lapse of approval.* If a building permit has not been obtained within two years following approval of a regulating plan or site plan, such plan shall lapse unless the property owner requests an extension prior to the expiration of the two-year period. The request for extension shall be considered by the original approving authority in the same manner as for approval of the existing plan. The authority may grant an extension of the time for expiration of the plan for a period not to exceed two years from the date of expiration of the original application.

Every request for extension shall include a statement of the reasons why the expiration date should be extended. The approving authority may grant a request for extension upon demonstration that circumstances beyond the control of the applicant have resulted in the applicant's inability to perform the tasks necessary to prevent the plan from expiring before the lapse date.

(h) *Graphics incorporated into Code.* Any and all graphics from the approved form based codes document not supported by textual technological limitations are hereby codified as supporting material by reference.

(Ord. No. 1407, § 2, 8-15-2017)

Date:	11/16/2021
Agenda Item #:	3. C.
Department:	Community Services
Strategic Goal:	Provide a safe and welcoming environment for Little Elm residents and visitors
Staff Contact:	Chad Hyde, Director of Community Services

AGENDA ITEM:

Present and Discuss an **Update on The Lawn at The Lakefront™.**

DESCRIPTION:

Staff will provide the Council an update on The Lawn at The Lakefront™.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Information only, no action required.

Date:	11/16/2021
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 November 2, 2021 Regular Town Council Meeting.**

DESCRIPTION:

The minutes from the November 2, 2021, Regular Town Council Meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes- November 2, 2021

D R A F T

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 NOVEMBER 2, 2021 - 6:00 p.m.

Present: Mayor Curtis J. Cornelious; Mayor Pro Tem Neil Blais; Council Member Tony Singh; Council Member Jeremy Lukas; Council Member Lisa Norman; Council Member Michael McClellan

Staff Present: Joe Florentino, Assistant Town Manager; Matt Mueller, Town Manager; Chad Hyde, Director of Community Services; Doug Peach, Deputy Town Manager; Fred Gibbs, Director of Development Services; Hayden Brodowsky, Development Services Manager; Jason Shroyer, Director of Public Works; 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

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

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

A. Invocation.

Mayor Pro Tem Neil Blais gave the invocation.

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.

None.

F. Presentation of Monthly Updates.

Town Manager Matt Mueller informed the Council about the Grand Opening of the Denton County Administrative Building on November 4, 2021.

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

None.

2. **Presentations.**

A. Present a **Proclamation Declaring November 1 - 5, 2021 as Municipal Court Week.**

Mayor Cornelious presented a proclamation declaring November 1 - 5, 2021 as Municipal Court Week.

3. Workshop.

A. Present and Discuss **Upcoming Council Work Sessions.**

Town Manager Matt Mueller gave an overview of work shops and strategic planning sessions that he would like to have with the council in the coming months. Mueller sought guidance from the council on the outline of these sessions.

B. Present and Discuss a **US Highway 380 Task Force.**

Council member Lukas discussed projects that are upcoming on US Hwy 380 and his desire to create a task force for the area. This task force would include residents, and representatives from public safety, the Chamber of Commerce/EDC, and the Council. Council member Singh suggested having the participating residents participate in Citizens Government Academy before being a part of the task force. Council member Blais suggested including business owners along US Hwy 380.

C. Present and Discuss **Holiday Parade Float Themes.**

Acting Town Secretary Kate Graham gave a presentation on parade float options. Council chose themes of presents and joy.

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

5. 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.

None.

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 October 19, 2021, Regular Town Council Meeting.**

B. Consider Action to Approve the **Quarterly Investment Report for the Period Ending September 30, 2021.**

C. Consider Action to Approve the **Unaudited Quarterly Budget Report for the Quarter Ending September 30, 2021.**

D. Consider Action to Approve **Resolution No. 1102202101 Electing to Participate in the Proposed Opioid Settlements Brought by the State of Texas.**

E. Consider Action to Approve a **Lease Agreement between the Town of Little Elm and Integrity Group, LLC.**

F. Consider Action to Approve a **Boundary Adjustment with the Town of Little Elm and Lakewood Village.**

G. Consider Action to Approve a **Professional Services Agreement with Plante & Moran, PLLC for Enterprise Resources Planning (ERP) Selection and Implementation, in the Estimated Amount of $340,000.**

H. Consider Action to Award **RFP 2021-16 Enterprise Resources Planning (ERP) System to Tyler Technologies, Inc., in the 5-year Estimated Amount of $1,961,173, and Authorize the Town Manager to Execute the Agreement.**

7. Public Hearings.

A. Continue a Public Hearing for the **Spiritas Ranch East Public Improvement District in Accordance with Chapter 372 of the Texas Local Government Code.**

Public Hearing Continued:
Receive Public Comments:
Close Public Hearing:

Motion by Council Member Michael McClellan, seconded by Council Member Lisa Norman **Public Hearing Continued:** ***6:26 p.m.***
Receive Public Comments: ***None.***

to continue the public hearing to the November 16, 2021 regular council meeting.

Vote: 6 - 0 - Unanimously

B. Hold a Public Hearing, Present, Discuss, and Consider Action on **Ordinance No. 1642 Regarding a Request to Rezone Approximately 8.9 Acres of Land, Currently Zoned as Light Commercial, Generally Located on the Southeast Corner of the Intersection of King Road and Witt Road, within Little Elm's Town Limits, in Order to Establish a New Planned Development District Based on Single Family 4 (SF4) District, to Allow a New Single Family Residential Subdivision with Modified Development Standards.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1642:

Development Services Director Fred Gibbs gave an overview in the attached presentation. The developer was present and available to answer questions from the council. Council member Blais asked about the price point for these homes. Council member Singh raised a concern about drainage.

Motion by Council Member Tony Singh, seconded by Council Member Lisa Norman **Open Public Hearing:** ***6:37 p.m.***
Receive Public Comments: ***None.***
Close Public Hearing: ***6:38 p.m.***
Take Action on Ordinance No. 1642: ***to approve Ordinance No. 1642.***

Vote: 6 - 0 - Unanimously

C. Hold a Public Hearing, Present, Discuss, and Consider Action on **Ordinance No. 1643 Regarding a Request to Rezone Approximately .79 Acres of Land, Currently Zoned Light Commercial (LC), Generally Located at 1728 E Eldorado Pkwy, on the North Side of Eldorado Parkway, within Little Elm's Town Limits, in Order to Establish a New Planned Development District, Based on Light Commercial (LC) in Order to Allow a New Commercial Development with Modified Development Standards.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1643:

Development Services Director Fred Gibbs gave an overview of the request in the attached presentation. Council member McClellan discussed wanting to not provide any of the exceptions that the Planning and Zoning Commission put forth.

Motion by Mayor Pro Tem Neil Blais, seconded by Council Member Tony Singh **Open Public Hearing:** ***6:52 p.m.***
Receive Public Comments: ***None.***
Close Public Hearing: ***6:53 p.m.***
Take Action on Ordinance No. 1643: ***to approve Ordinance No. 1643 with the exceptions that the Planning and Zoning Commission put forth.***

Vote: 6 - 0 - Unanimously

8. Reports and Requests for Town Council Consideration.

A. Present, Discuss, and Consider Action on a **Development Agreement between the Town of Little Elm and Respace Texas LLC - DBA - Respace.**

Motion by Council Member Jeremy Lukas, seconded by Council Member Michael McClellan ***to approve the development agreement between the Town of Little Elm and Respace Texas LLC - DBA - Respace.***

Vote: 6 - 0 - Unanimously

B. Present, Discuss, and Consider Action on a **Development Agreement between the Town of Little Elm and 3P Little Elm LLC.**

Motion by Council Member Michael McClellan, seconded by Mayor Pro Tem Neil Blais ***to approve the Development Agreement between the Town of Little Elm and 3P Little Elm LLC.***

Vote: 6 - 0 - Unanimously

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.

There was no executive session.

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.

There was no executive session.

11. Adjourn.

Meeting was adjourned at 6:54 p.m.

Respectfully,

Kate Graham
Acting Town Secretary

Passed and Approved this 16 day of November 2021

Date:	11/16/2021
Agenda Item #:	6. B.
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 November 9, 2021, Special Town Council Meeting.**

DESCRIPTION:

The minutes from the November 9, 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- November 9, 2021

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 NOVEMBER 9, 2021 - 6:00 p.m.

Present: Mayor Curtis J. Cornelious; Mayor Pro Tem Neil Blais; Council Member Tony Singh; Council Member Jeremy Lukas; Council Member Lisa Norman; Council Member Michael McClellan

Staff Present: Matt Mueller, Town Manager; Kate Graham, Assistant to the Town Manager; Rodney Harrison, Police Chief; Jennette Espinosa, Executive Director, Economic Development Corporation

1. Roll Call/Call to Order Special Meeting at 6:00 p.m.

Meeting convened at 6:00 p.m. Council member Jeremy Lukas gave the invocation.

2. **Presentations.**

A. Present a **Proclamation Declaring November 2021 as Veterans Month.**

Mayor Cornelious gave a presentation declaring November 2021 as Veterans Month.

3. Reports and Requests for Town Council Consideration.

A. Present, Discuss and Consider Action on **Resolution No. 1109202101 Canvassing the Returns and Declaring the Results of a Special Election Held on Tuesday, November 2, 2021, to Elect One (1) Town Council Member for Place 1 to Fill an Unexpired Term, Ending on May 7, 2022; Finding that All Matters Set Forth Herein are True and Correct; and Providing for an Immediate Effective Date.**

Motion by Mayor Pro Tem Neil Blais, seconded by Council Member Michael McClellan ***to approve Resolution No. 1109202101.***

Vote: 6 - 0 - Unanimously

B. Present, Discuss, and Consider Action on **Ordinance No. 1644 Ordering a Runoff Election to be Held on December 7, 2021, for the Purpose of Electing a Council Member for Place 1 to Fill an Unexpired Term, Ending on May 7, 2022; 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.**

Town Secretary Caitlan Biggs gave an overview of the ordinance and discussed potential voting sites with the council.

Motion by Council Member Michael McClellan, seconded by Mayor Pro Tem Neil Blais ***to approve Ordinance No. 1644.***

Vote: 6 - 0 - Unanimously

4. 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.

There was no executive session.

5. 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.

There was no executive session.

6. Adjourn.

Meeting was adjourned at 6:18 p.m.

Respectfully,

Kate Graham
Acting Town Secretary

Passed and Approved this 16 day of November 2021

Date:	11/16/2021
Agenda Item #:	6. C.
Department:	Administrative Services
Strategic Goal:	Ensure strong relationship within the community and region
Staff Contact:	Paul Rust, Fire Chief

AGENDA ITEM:

Consider Action to Approve the **Annual Contract to Provide Fire Protection Services to Unincorporated Areas of Denton County.**

DESCRIPTION:

This interlocal agreement for fire protection services allows the Town of Little Elm to extend municipal fire services into the unincorporated areas of Denton County and our extraterritorial jurisdiction areas. This is an annual contract, and the Town of Little Elm has served Denton County in this capacity for many years. This year's renewal includes an increase in payment from Denton County to the Town of Little Elm to account for a growth in annual responses and the increasing costs of providing services.

BUDGET IMPACT:

This contract is estimated to provide $169,250 in revenue for the current fiscal year. The contract does not require the Town of Little Elm to take on additional expenses (i.e. adding personnel, facilities, or equipment) in providing these extended surfaces.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

ILA Fire Denton County

Fire Map Denton County

THE COUNTY OF DENTON §
§ **TOWN OF LITTLE ELM**
§ **FIRE DEPARTMENT**
STATE OF TEXAS §

INTERLOCAL COOPERATION AGREEMENT FIRE PROTECTION SERVICES

THIS AGREEMENT, which has an effective date of October 1, 2021, is made and entered into by and between Denton County, Texas ("the **COUNTY**"), and the Town of Little Elm Fire Department, ("the **AGENCY**").

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Denton County; and

WHEREAS, the **AGENCY** is a municipal corporation, duly organized and operating under the laws of the State of Texas and engaged in the provision of fire protection services and related services for the benefit of the citizens of the Town of Little Elm; and

WHEREAS, the **AGENCY** is the owner and operator of certain fire protection vehicles and other equipment designed for the extinguishing of fire and prevention of damage to property and injury to persons from fire and has in its employ trained personnel whose duties are related to the use of such vehicles and equipment; and

WHEREAS, the **COUNTY** and the **AGENCY** mutually desire to be subject to and contract pursuant to provisions of the Texas Government Code, Chapter 791 and the Texas Local Government Code, Chapter 352, and

NOW, THEREFORE, the **COUNTY** and the **AGENCY**, for the mutual promises, covenants, Agreements and consideration stated herein, agree as follows:

I.
TERM

The term of this Agreement shall be for the period beginning of October 1, 2021, and ending September 30, 2022.

II.
SERVICES

The services to be rendered in accordance with this Agreement by the **AGENCY** are the fire protection services normally rendered by the **AGENCY** to citizens of the Town of Little Elm in circumstances of emergency, but which services will now be extended to all citizens of the

COUNTY residing in the unincorporated areas of the **COUNTY** within the operating territory or jurisdiction of the **AGENCY,** as agreed to by the **AGENCY** and the **COUNTY** in this Agreement and as set forth in "Exhibit A," attached hereto and incorporated herein by reference. These services are rendered in consideration of the basic funding and the separate per call fee set forth in this Agreement for the common good and benefit and to serve the public convenience and necessity of the citizens of the **COUNTY** who are not otherwise protected with respect to fire prevention, extinguishment, safety and rescue services. The services to be rendered are as follows:

A. The **AGENCY** shall make available and provide emergency fire prevention, extinguishment, safety and rescue services within the agreed or specified territory or jurisdiction of the **AGENCY**.

B. The **AGENCY** shall respond to requests for fire protection services made within the portion of the **COUNTY** designated as *"**Little Elm**"* as set out in Exhibit "A".

C. The **COUNTY** agrees that, in the event a fire in the **AGENCY**'s unincorporated designated area which the **AGENCY** considers to be of an incendiary nature and upon request by the **AGENCY**, the County Fire Marshal will dispatch investigation personnel to the fire scene within a response time sufficient to legally maintain and protect all evidence of said fire and will conduct all appropriate investigation and assist in the prosecution of any case of arson. The **AGENCY** shall not be responsible for investigations of suspected incendiary fires in the unincorporated areas, but shall cooperate with the County Fire Marshal in immediately relating all pertinent information possible to the investigator(s).

D. The **COUNTY** agrees that the County Fire Marshal may assist in the conduct of appropriate investigations of a fire which the **AGENCY** considers to be of incendiary nature in the **AGENCY**'s incorporated area upon request of the **AGENCY**.

E. The **AGENCY** shall submit monthly statements on the Texas Fire Incident Reporting System's standardized forms to the Denton County Fire Marshal, 3900 Morse St., 2nd Floor, Texas 76208. This form will serve as the billing statement to the **COUNTY** for reimbursement of calls made in the unincorporated area. The Denton County Fire Marshal shall provide the forms upon request from the **AGENCY**.

F. The **AGENCY,** in the performance of its duties and responsibilities under this Agreement, shall have the responsibility, within the sole discretion of the officers and employees of the **AGENCY,** except as otherwise determined by the Denton County Fire Marshal, to determine priorities in the dispatching and use of the **AGENCY's** equipment and personnel, and the judgment of any such officer or employee as to such matters shall be the final determination.

The **COUNTY** shall designate the County Judge to act on behalf of the **COUNTY** and to serve as "Liaison Officer" between the **COUNTY** and the **AGENCY**. The County Judge, or his designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **COUNTY** under this Agreement and shall provide immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **COUNTY** engaged in the performance of this Agreement for the mutual benefit of the **COUNTY** and the **AGENCY**.

III.
PERFORMANCE OF SERVICE

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY's** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **COUNTY**.

IV.
COMPENSATION

The **COUNTY** agrees to pay to the **AGENCY** for the full performance of services as provided in this Agreement the sum of **$10,000.00,** payable upon execution of this Agreement, and further agrees to pay the sum of **$650.00** per fire call in the designated unincorporated areas of the **COUNTY** from October 1, 2021, to September 30, 2022. The **COUNTY** anticipates the **AGENCY** to run approximately **245** fire calls for a total funding of **$159,250.00** for fire calls. The total payments by the **COUNTY** to the **AGENCY** pursuant to this Agreement are estimated to be **$169,250.00**. The **COUNTY** will make no payment to the **AGENCY** for service provided outside the agreed service district whether by Mutual Aid Agreement or otherwise. The **AGENCY** understands and agrees that payment by the **COUNTY** to the **AGENCY** shall be made in accordance with the normal and customary processes and business procedures of the **COUNTY** and in conformance with applicable state law.

V.
FINANCIAL RECORDS

The **AGENCY** agrees to make its financial records available for audit and/or review by the **COUNTY**, upon request by the **COUNTY**.

VI.
RESPONSIBILITY OF THE COUNTY

The **COUNTY**, to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **COUNTY** who are engaged in the performance of this Agreement.

VII.
RESPONSIBILITY OF THE AGENCY

The **AGENCY,** to the extent permitted by law, shall be responsible for the acts, negligence and omissions of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this Agreement.

VIII.
APPLICABLE LAW

The **COUNTY** and the **AGENCY** understand and agree that liability under this contract is governed by the Texas Government Code, Chapter 791 and the Texas Local Government Code, Chapter 352. This Agreement is made in contemplation of the applicability of these laws to the Agreement. Insofar as legally possible the **COUNTY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this Agreement.

IX.
DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this Agreement due to the default. Unless the default is cured, this Agreement shall terminate.

X.
TERMINATION

This Agreement may be terminated any time, by either the **COUNTY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to the termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated reimbursable expenses, the **COUNTY** shall be reimbursed pro rata for all such overcompensation.

Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XI.
GOVERNMENTAL IMMUNITY

The fact that the **COUNTY** and the **AGENCY** accept certain responsibilities relating to the rendition of fire protection services under this Agreement as part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as a governmental function and that the doctrine of governmental immunity shall be, and it is hereby, invoked to the extent permitted by law. Neither the **AGENCY,** nor the **COUNTY** waive, nor shall be deemed to have hereby waived, any immunity or defense that would otherwise be available to it against claims arising from the exercise of government powers and functions.

XII.
ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **COUNTY** and the **AGENCY** and supersedes all prior negotiations representations and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIII.
LAW OF CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Denton County, Texas.

XIV.
SEVERABILITY

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

XV.
AUTHORITY

The undersigned officer or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties.

XVI.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED this _____ day of _____, 20____.

Denton County, Texas
1 Courthouse Drive, Suite 3100
Denton, Texas 76208

By _____
Andy Eads
Denton County Judge

Town of Little Elm
100 W. El Dorado Parkway
Little Elm, Texas 75068

By _____
Name _____
Little Elm Fire Chief

ATTEST:

By: _____
Denton County Clerk

APPROVED AS TO CONTENT:

By: _____
Denton County Fire Marshal

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of $_____ to accomplish and pay the obligation of Denton County under this Agreement.

_____
Denton County Auditor

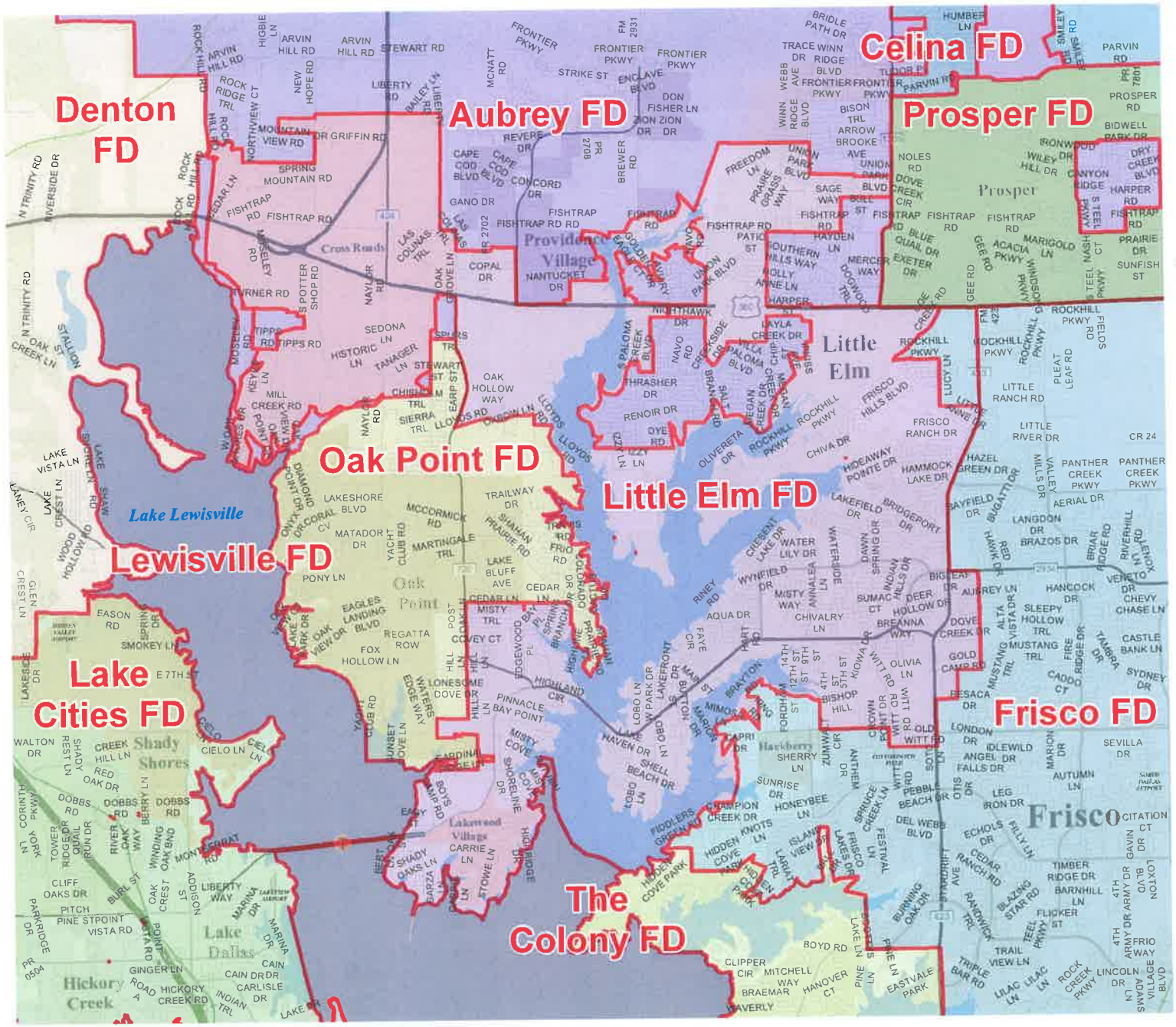


Exhibit A
DENTON COUNTY FIRE DISTRICTS
Little Elm

DENTON COUNTY TEXAS 1846

Andy Eads - County Judge
Ryan Williams - Commissioner Precinct 1
Ron Marchant - Commissioner Precinct 2
Bobbie J. Mitchell - Commissioner Precinct 3
Dianne Edmondson - Commissioner Precinct 4

INTERSTATE
U.S. HIGHWAY
STATE HIGHWAY
FARM TO MARKET
MAJOR THOROUGHFARES
MINOR ROADS
CEMETERY
RAILROADS
AIRPORTS
STREAMS
LAKES & PONDS

City Population

Denton > 100,000
Lewisville 40,000- 100,000
Corinth 10,000- 39,999
Sanger 2,000- 9,999
Ponder < 2,000

NAD 1983 StatePlane (Zone 5351)
Texas North Central Lambert Conformal Conic

N W E S

1 inch = 1.5 miles

October 25, 2021

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.

Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at any time without notification to any user.

CONTACT INFORMATION
LANDMARK MAP: gis.dentoncounty.gov
E-MAIL: gis@dentoncounty.gov

Overview Map

Date:	11/16/2021
Agenda Item #:	6. D.
Department:	Administrative Services
Strategic Goal:	Ensure strong relationship within the community and region
Staff Contact:	Paul Rust, Fire Chief

AGENDA ITEM:

Consider Action to Approve the **Annual Contract to Provide Ambulance Services to Unincorporated Areas of Denton County.**

DESCRIPTION:

This interlocal agreement for ambulance services allows the Town of Little Elm to extend municipal emergency medical services into the unincorporated areas of Denton County and our extraterritorial jurisdiction areas. This is an annual contract and the Town of Little Elm has serviced Denton County in this capacity for many years. This year's renewal includes an increase in payment from Denton County to the Town of Little Elm to account for a growth in annual responses and the increasing costs of providing services.

BUDGET IMPACT:

This contract is estimated to provide $72,422 in revenue for the current fiscal year. The contract does not require the Town of Little Elm to take on additional expenses (i.e. adding personnel, facilities, or equipment) in providing these extended services.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

EMS Denton County

EMS Map Denton County

THE COUNTY OF DENTON §
§ **TOWN OF LITTLE ELM**
§ **AMBULANCE SERVICES**
STATE OF TEXAS §

INTERLOCAL COOPERATION AGREEMENT AMBULANCE SERVICE

THIS AGREEMENT, which has an effective date of October 1, 2021, is made and entered into by and between Denton County, Texas ("the **COUNTY**"), and the Town of Little Elm, Texas ("the **AGENCY**").

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of Denton County; and

WHEREAS, the **AGENCY** is a municipal corporation, duly organized and operating under the laws of the State of Texas and engaged in the provision of ambulance services and related services for the benefit of the citizens of the Town of Little Elm; and

WHEREAS, the **AGENCY** is an owner and operator of certain ambulance vehicles and other equipment designed for the transportation of persons who are sick, infirmed or injured and has in its employ trained personnel whose duties are related to the treatment of said individuals and the use of such vehicles and equipment; and

WHEREAS, the **COUNTY** desires to obtain emergency ambulance and related services for the benefit of residents of the **COUNTY** living in unincorporated areas of the **COUNTY** which the **AGENCY** is capable of providing; and

WHEREAS, the provision of emergency ambulance and related services is a governmental function that serves the public health and welfare and is of mutual concern to both the **COUNTY** and the **AGENCY;** and

WHEREAS, the **COUNTY** desires to expend County funds to defray the expense of establishing, operating and maintaining emergency ambulance services in the County; and

WHEREAS, the **COUNTY** and the **AGENCY** mutually desire to be subject to and contract pursuant to the provisions of Texas Government Code, Chapter 791 and Texas Health and Safety Code, Section 774.003, and

NOW THEREFORE, the **COUNTY** and the **AGENCY,** in consideration of the mutual promises, covenants, and Agreements stated herein, agree as follows:

I.
TERM

The term of this Agreement shall be for the period beginning of October 1, 2021, and ending on September 30, 2022.

II.
DEFINITIONS

As used herein, the words and phrases hereinafter set forth shall have the meanings as follows:

A. "Emergency" shall mean any circumstance that calls for immediate action and in which the element of time in transporting the sick, wounded or injured for medical treatment is essential to the health or life of a person or persons. Whether an emergency, in fact, exists is solely up to the discretion of the **AGENCY**. For dispatch purposes only, "emergency" shall include, but not be limited to:

1. The representation by the individual requesting ambulance service that an immediate need exists for the transportation of a person from any location within the agreed operating area of the **AGENCY** to a place where emergency medical treatment may be obtained; or

2. The representation by the individual requesting ambulance service that an immediate need exists for the transportation of a person from any location within the agreed operating area of the **AGENCY** to the closest medical facility.

B. “Rural area” means any area within the boundaries of the **COUNTY,** but outside the corporate limits of all incorporated cities, towns and villages within the **COUNTY**.

C. “Urban area” means any area within the corporate limits of an incorporated city, town or village within the **COUNTY.**

D. “Emergency ambulance call” means a response to a request for ambulance service by the personnel of the **AGENCY** in a situation involving an emergency, as defined above, by an ambulance vehicle. A single response to a call may involve the transportation of more than one person at a time, but shall be considered as only one call.

III.
SERVICES

The services to be rendered under this Agreement by the **AGENCY** are the ambulance services normally rendered by the **AGENCY** to citizens of Town of Little Elm in circumstances of emergency, but which services will now be extended to all citizens of the **COUNTY** residing in the unincorporated areas of the **COUNTY** within the operating territory or jurisdiction of the **AGENCY,** as agreed to by the **AGENCY** and the **COUNTY** in this Agreement and as set forth in "Exhibit A," attached hereto and incorporated herein by reference.

It is recognized that the officers and employees of the **AGENCY** have the duty and responsibility of rendering ambulance services to citizens of the **AGENCY** and the **COUNTY**. In the performance of these duties and responsibilities, it shall be within the sole responsibility and discretion of the officers and employees of the **AGENCY** to determine priorities in the dispatching and use of such equipment and personnel and the judgment of the officer or employee shall be final.

The **COUNTY** shall designate the County Judge to act on behalf of the **COUNTY** and to serve as "Liaison Officer" between the **COUNTY** and the **AGENCY**. The County Judge, or her designated substitute, shall devote sufficient time and attention to insure the performance of all duties and obligations of the **COUNTY** under this Agreement and shall provide for the immediate and direct supervision of employees, agents, contractors, sub-contractors and/or laborers of the **COUNTY** engaged in the performance of this Agreement.

IV.
PERFORMANCE OF SERVICES

The **AGENCY** shall devote sufficient time and attention to insure the performance of all duties and obligations of the **AGENCY** under this Agreement and shall provide immediate and direct supervision of the **AGENCY's** employees, agents, contractors, sub-contractors and/or laborers engaged in the performance of this Agreement for the mutual benefit of the **AGENCY** and the **COUNTY.**

V.
COMPENSATION

COUNTY agrees to pay to the **AGENCY** an estimated fee of $72,422.00 (amount rounded to the nearest dollar) based on a funding formula as follows:

1. A fixed sum based on a population percentage .4222 per capita; said sum computes to $24,260.18.

2. A fixed sum of $244.5652 per ambulance transport for an estimated maximum amount of $45,733.70. Said sum is based upon 187 transports made by the **AGENCY** in fiscal year 2021.

3. A fixed sum based on 3.50 rural miles in the agreed operating territory; said sum computes to $2,427.71.

The first and third sums are based upon population and mileage figures obtained from the North Central Texas Council of Governments. The second sum is based upon the definition of an "ambulance call" for purposes of this Agreement. Payment shall not be allowed for any instance in which a patient is not transported. Consistent with the reporting procedures described below, the **AGENCY** shall receive payment for transporting the patient regardless of the service delivery area in which the call originated.

Requests for payment shall be submitted on the standardized ambulance transportation reporting form approved and provided by the **COUNTY.** It shall be the responsibility of the **AGENCY** to fully complete the forms and to provide complete and accurate patient information. Requests for payment shall be submitted within five (5) days of the performance of service by the **AGENCY**. Requests not timely submitted shall not be considered for payment. Requests for payment may be submitted by personal delivery, U.S. Mail, facsimile or computer telephone link to the office of the Denton County Fire Marshal. The date of submission shall be the date the fully documented request is received in said office.

VI.
FINANCIAL RECORDS

The **AGENCY** agrees to make its financial records available for audit and/or review by the **COUNTY,** upon request by the **COUNTY**.

VII.
RESPONSIBILITY OF THE COUNTY

The **COUNTY,** to the extent permitted by law, shall be responsible for the acts, omissions and negligence of all officers, employees and agents of the **COUNTY** who are engaged in the performance of this Agreement.

VIII.
RESPONSIBILITY OF THE AGENCY

The **AGENCY,** to the extent permitted by law, shall be responsible for the acts, omissions and negligence of all officers, employees and agents of the **AGENCY** who are engaged in the performance of this Agreement.

IX.
APPLICABLE LAW

The **COUNTY** and the **AGENCY** understand and agree that liability under this contract is governed by Texas Government Code, Chapter 791 and Texas Health and Safety Code, Section 774.003. This Agreement is made in contemplation of the applicability of these laws to the Agreement. Insofar as legally possible the **COUNTY** and the **AGENCY** agree to be bound by the above mentioned statutes as they exist as of the date of this Agreement.

X.
DEFAULT

In the event of default of any of the covenants herein contained, this Agreement may be terminated at the discretion of the non-defaulting party if such default continues for a period of ten (10) days after notice to the other party in writing of such default and the intent to terminate this Agreement due to the default. Unless the default is cured, this Agreement shall terminate.

XI.
TERMINATION

This Agreement may be terminated at any time by either the **COUNTY** or the **AGENCY** by giving sixty (60) days advance written notice to the other party. In the event of termination by either party, the **AGENCY** shall be compensated pro rata for all services performed to termination date together with reimbursable expenses then due as authorized by this Agreement. In the event of such termination, should the **AGENCY** be overcompensated on a pro rata basis for all services performed to the termination date and/or be overcompensated for reimbursable expenses, the **COUNTY** shall be reimbursed pro rata for all such overcompensation.

Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XII.
GOVERNMENTAL IMMUNITY

The fact that the **COUNTY** and the **AGENCY** accept certain responsibilities relating to the rendering of ambulance services under this Agreement as a part of their responsibility for providing protection for the public health makes it imperative that the performance of these vital services be recognized as a governmental function and that the doctrine of governmental immunity shall be, and is hereby, invoked to the extent permitted under the law. Neither the **AGENCY**, nor the **COUNTY** waive, nor shall be deemed to have hereby waived any immunity or defense that would otherwise be available to it against claims arising from the exercise of governmental powers and functions.

XIII.
ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the **COUNTY** and the **AGENCY** and supersedes all prior negotiations, representations and Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.

XIV.
LAW OF CONTRACT

This Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. The venue for any dispute, or matter, arising under this Agreement shall lie in Denton County, Texas.

XV.
SEVERABILITY

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties hereto that the remaining portions of this Agreement shall remain valid and in full force and effect to the fullest extent possible.

XVI.
AUTHORITY

The undersigned officer or agents of the parties are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties**.**

XVII.
SERVICE AREA

Acceptance of this Agreement constitutes approval of the service area set out in attached Exhibit "A".

EXECUTED this _____ day of _____, 20____.

COUNTY:

Denton County, Texas
1 Courthouse Drive, Suite 3100
Denton, Texas 76208

By:_____
Andy Eads
Denton County Judge

AGENCY:

Town of Little Elm
100 W. Eldorado Parkway
Little Elm, Texas 75068

By:_____
Name _____
Title _____

ATTEST:

By:_____
Denton County Clerk

APPROVED AS TO CONTENT:

By: _____
Denton County Fire Marshal

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of $_____ to accomplish and pay the obligation of Denton County under this Agreement.

_____
Denton County Auditor

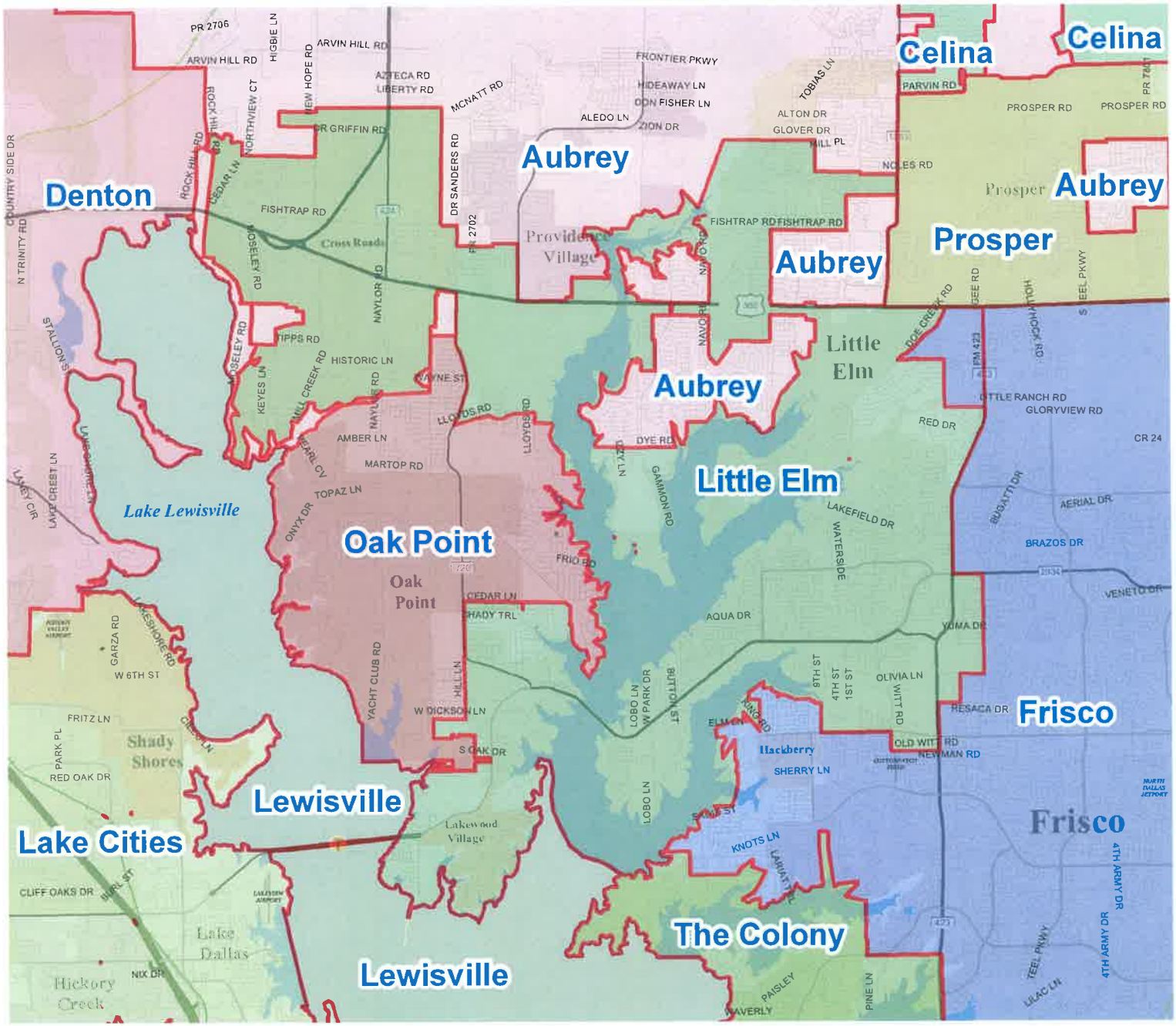


Exhibit B
DENTON COUNTY EMS DISTRICTS
Little Elm

DENTON COUNTY, TEXAS 1846

Andy Eads - County Judge
Ryan Williams - Commissioner Precinct 1
Ron Marchant - Commissioner Precinct 2
Bobbie J. Mitchell - Commissioner Precinct 3
Dianne Edmondson - Commissioner Precinct 4

- INTERSTATE
- U.S. HIGHWAY
- STATE HIGHWAY
- FARM TO MARKET
- MAJOR THOROUGHFARES
- MINOR ROADS
- CEMETERY
- RAILROADS
- AIRPORTS
- STREAMS
- LAKES & PONDS

City Population

Denton > 100,000
Lewisville 40,000- 100,000
Corinth 10,000- 39,999
Sanger 2,000- 9,999
Pender < 2,000

NAD 1983 StatePlane (Zone 5351)
Texas North Central Lambert Conformal Conic

N W E S

1 inch = 1.5 miles

October 25, 2021

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.

Denton County does not guarantee the correctness or accuracy of any features on this product and assumes no responsibility in connection therewith. This product may be revised at any time without notification to any user.

CONTACT INFORMATION
LANDMARK MAP: gis.dentoncounty.gov
E-MAIL: gis@dentoncounty.gov

Overview Map

Town Council Meeting

Date:	11/16/2021
Agenda Item #:	6. E.
Department:	Public Works
Strategic Goal:	Maintain operational integrity and viability
Staff Contact:	Jason Shroyer, Director of Public Works

AGENDA ITEM:

Consider Action to Approve a **Professional Services Contract With TRC Engineers, Inc., for the Design of Improvements to the Wastewater Treatment Plant's Ultra-violet Disinfection System and Authorize the City Manager to Execute the Agreement in an Amount not to Exceed $144,200.00.**

DESCRIPTION:

The Town owns and operates a 4 million gallon per day (MGD), activated sludge wastewater treatment plant. This plant uses several key processes to clean raw wastewater so that it can be discharged back into Lake Lewisville in a safe, and environmentally compliant manor. One of these processes is the passing of treated effluent through a series of ultraviolet (UV) light sources to deactivate any pathogens that may be present in the water. This is the final step in the treatment process prior to discharging the effluent back into the lake. It is also one of the most important steps in the treatment of wastewater.

The existing UV system was installed at the wastewater treatment plant in the early 2000s. The current system is in need of several upgrades to continue to perform at the optimum level. We have also experienced several failures of the components of the existing system, and they are becoming very difficult to find due to the age of the system. The newly designed system would completely replace the old UV system and add some much-needed automation and redundancy to the system. The design contract with TRC includes the following scope items:

1. Engineering Design Services - TRC will prepare all plans and specifications for the replacement of the existing UV system, including structural drawings for modifications to the existing UV channels. They will also prepare and submit a summary transmittal letter to the Texas Commission of Environmental Quality as agents for the Town.
2. Instrument and Controls Design - TRC will provide the design necessary to integrate the newly installed UV components into the Town's Supervisory Control and Data Acquisition System (SCADA).
3. Bidding and Construction Phase Services - TRC will assist the Town with bid advertisement,

answering contractor questions and issuing addenda during the bid phase. They will also assist the Town during the construction phase by acting as our Project Manager.

The project is budgeted for in the Utility Capital Improvements program and is funded for by wastewater impact fees. TRC has worked with the Town for years, and has performed a significant amount of design work at the wastewater treatment plant.

BUDGET IMPACT:

Capital expenditures have been outlined in the Town's Capital Improvement Project Planning List and are funded by wastewater impact fees.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Work Order

EXHIBIT B - WORK ORDER

MAPS # 2016-1064 **MAPS DATE:** 01/20/2017

CONSULTANT NAME TRC Engineers, Inc.

Pursuant to and subject to the referenced Master Agreement for Professional Services (MAPS), between the Town of Little Elm, Texas ("Owner"), and Consultant, Owner hereby requests that Consultant perform, and Consultant agrees to perform, the work described below upon the terms set forth in said MAPS and in this Work Order:

Work Order #:

Consultant Project #: -

Project Name: WWTP UV Disinfection System Upgrades

INVOICE SUBMITTAL

Billing Period:	Monthly-Through the end of each month, billed by the 10th of the following month.
Invoice Mailing Instructions:	Mail to: Town of Little Elm Accounts Payable 100 W. Eldorado Pkwy. Little Elm, TX 75068 Email to: accounts.payable@littleelm.org Include work order number, PO number, billing period, and project name,

OWNER OPTIONAL INFORMATION:

1. **Work Site:** Consultant Offices unless otherwise stated.
2. **Work to be performed:** All work shall be in accordance with the scope listed in the attached Engineering Design Services Proposal and as listed in the Master Agreement for Professional Services.
3. **Drawings / Plans are / are not attached.** Not attached.
4. **Date and Time to Commence:** Upon Receipt of Purchase Order and Sign Work Order.
5. **Other:**

CONSULTANT PROVIDED INFORMATION: Refer to attached scope of work.

ACCEPTANCE:

This Work Order is accepted on the terms set forth herein and in the MAPS referenced above, as indicated by the signatures below.

TOWN OF LITTLE ELM	**CONSULTANT – TRC Engineers, Inc.**
	Justin Thomas
Matthew Mueller, Town Manager	Signature
	Justin Thomas, P.E., Office Practice Leader
	Printed Name & Title
	10/26/2021
Date	Date

700 Highlander Blvd.
Suite 210
Arlington, TX 76015

T 817.522.1000
TRCcompanies.com

October 13, 2021

Mr. Jason Shroyer, P.E.
Director of Public Works
Town of Little Elm
1600 Mark Tree Lane
Little Elm, TX 75068

Re: Little Elm WWTP
UV Disinfection System Upgrades
Engineering Design Services Proposal

Dear Mr. Shroyer:

The Town of Little Elm has requested that TRC Engineers, Inc. (TRC) provide this engineering proposal for design services related to the above referenced project. The project consists of engineering design services for replacement of the ultraviolet (UV) disinfection equipment at the Town's wastewater treatment plant (WWTP).

This work would be provided as a task order under the Master Service Agreement (MSA) executed between the Town and TRC.

The opportunity to provide this proposal is greatly appreciated. If you have any questions regarding this information, please feel free to contact this office.

Sincerely,

Justin Thomas

Justin Thomas, P.E.
Arlington CES Practice Leader
TRC Engineers, Inc.

Attachments

TOWN OF LITTLE ELM, TEXAS
UV DISINFECTION SYSTEM UPGRADES
TRC SCOPE OF WORK

TASK 1 – ENGINEERING DESIGN SERVICES

TRC will prepare construction plans and specifications for replacement of the UV disinfection system equipment with a new system manufactured by Trojan Technologies. The system selected by the Town is the TrojanUVSigna system with dual channel layout. The design package will include the necessary structural modifications to the existing UV structure for installation of the new equipment and electrical design for providing power. TRC will prepare and submit a Summary Transmittal letter to TCEQ for the proposed disinfection system upgrades.

TASK 1A – INSTRUMENTATION & CONTROLS DESIGN

As directed by the Town, instrumentation and controls design will be subcontracted to Prime Controls of Lewisville, Texas. Prime Controls will provide detailed plans and specifications for interconnection of the new UV disinfection system with the Town's SCADA network.

TASK 2 – BIDDING AND CONSTRUCTION ADMINISTRATION SERVICES

TRC will assist the Town in the bid process including preparation of bid advertising document, provide answers for contractor questions during the bid phase and issue addenda as required, assist the Town in the opening and tabulation of bids, prepare award recommendation letter and assist with preparation of construction contract documents.

TRC will assist the Town during construction, consisting of construction kick-off meeting, contractor correspondence, submittal and RFI review, pay request review, periodic site visits (maximum of five), monthly construction meetings by teleconference, final inspection, preparation of contractor punch list and record drawing preparation.

ASSUMPTIONS

The following assumptions apply to the basis of costs for this project:

- Town will be responsible for arranging access to the property.

EXCLUSIONS

The following items are excluded from the Scope of Work:

- Construction surveying or staking
- Construction services other than those listed above
- Continuous construction inspection
- Actual construction or installation of equipment.
- Geotechnical investigation.
- Franchise utility coordination.
- Detailed title search or title policy.
- Preparation of final plats, easements, or Right-of-Way documents.
- Environmental, cultural resources, or permitting services.

COMPENSATION FOR SERVICES

The cost to provide the design engineering services will be invoiced as a lump sum project. This lump sum fee includes labor and material costs associated with the Scope of Work identified above. A breakdown of the costs for the Town's review is shown below.

UV System Upgrades

1.	Task 1 – Engineering Design Services	$ 94,735
2.	Task 1A – Instrumentation & Controls Design (Prime Controls)	$ 18,865
3.	Task 2 – Bidding and Construction Administration Services	$ 30,600
	Total Cost:	***$ 144,200***

TRC's fees above are based on a continuous flow of work. Any delays or restrictions, caused by customer or customer's sub consultants, which result in idle-time or inefficiencies, could be cause for additional compensation. The payment schedule will be via progress billing (percent complete for each task).

Date:	11/16/2021
Agenda Item #:	6. F.
Department:	Public Works
Strategic Goal:	Provide a safe and welcoming environment for Little Elm residents and visitors
Staff Contact:	Jason Shroyer, Director of Public Works

AGENDA ITEM:

Consider Action to Approve **Resolution No. 1116202105 to Approve an Updated Exhibit "A" of Ordinance No. 1284 to Modify Existing School Zone's within the Town of Little Elm.**

DESCRIPTION:

The Town of Little Elm has the authority to set speed limits and speed limit time restrictions located in designated school zones. Ordinance No. 1284 establishes that authority. This Resolution, No. 1116202105 will amend Exhibit "A" which was enacted by Ordinance No. 1284. Exhibit "A" provides all the information related to school zones such as locations, times, and speeds.

These changes were requested by Frisco ISD due to school zone timing changes adjacent to their elementary schools. The afternoon school zone times adjacent to Robertson Elementary and Coy Miller Elementary will be adjusted from 2:40P - 3:40P to 2:50P - 3:50P. All the proposed changes follow the guidelines of the Federal Highway Administration Texas Division (FHWA/TX) and Texas Manual on Uniform Traffic Control Devices (TMUTCD).

The changes proposed to Exhibit "A" are highlighted in yellow.

Upon approval by Town Council, all school zone signage will be promptly installed by Public Works staff.

BUDGET IMPACT:

There is no impact to the budget for this agenda item.

RECOMMENDED ACTION:

Staff Recommends Approval.

Attachments

Resolution
Exhibit "A"

RESOLUTION NO. 1116202105

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS, ESTABLISHING AND AMENDING SCHOOL ZONE LOCATIONS AND TIMES IN THE TOWN OF LITTLE ELM, PURSUANT TO ORDINANCE NO. 1284 OF THE TOWN OF LITTLE ELM CODE OF ORDINANCES; AMENDING EXHIBIT "A" THE COMPREHENSIVE LIST OF SCHOOL ZONES, AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, 545.356 of the Texas Transportation Code provides that whenever the governing body of the municipality shall determine upon the basis of an engineering and traffic investigation that any prima facie speed therein set forth is greater or less than is reasonable or prudent under the conditions found to exist at any intersection or other place or upon any part of a street or highway within the Town of Little Elm, Texas ("**Town**"), taking into consideration, among other things, the width and condition of the pavement and other circumstances on such portion of said street or highway, as well as the usual traffic thereon, said governing body may determine and declare reasonable and prudent maximum prima facie speed limits thereon by the passage of an ordinance, which shall be effective when appropriate signs giving notice thereof are erected at such intersection or other place or part of the street or highway; and

WHEREAS, 541.302(13) of the Texas Transportation Code defines a "school crossing zone" as a reduced speed zone designated on a street by a local authority to facilitate safe crossing of the street by children going to or leaving a public or private elementary or secondary school during the time the reduced speed limit applies

WHEREAS, On August 4, 2015, the Town Council of the Town of Little Elm enacted Ordinance 1284 establishing method on setting school zones in the Town; and

WHEREAS, the Town Council desires to amend the master school zone list referred by Exhibit 'A' and to hereby establish school zones in certain areas to protect the safety and welfare of the Town residents and hereby adopts certain locations within the Town as school zones.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS, AS FOLLOWS:

SECTION 1. Findings Incorporated. That the above recitals are incorporated into this resolution for all purposes.

SECTION 2. Establishment of Revised Reduced Speed School Zones. Pursuant to Ordinance No. 1284 of the Town of Little Elm Code of Ordinances and to 545.356 of the Texas Transportation Code, the prima facie maximum speed limits for the designated school zones within the Town shall be as described in Exhibit "A." It shall be unlawful for any person to operate or drive any vehicle at a speed greater than the speed designated or posted, or to overtake or pass any other vehicle in any school zone as may be marked or designated within the Town during the hours indicated upon signs erected in such zone.

SECTION 3. Placement of Signs. Signs indicating the speed limits adopted pursuant to Ordinance No. 1284, and as set forth in Exhibit "A," shall be placed at the most advantageous points to be conspicuous to approaching vehicular traffic in accordance with the Texas Uniform Manual on Traffic Control Devices, as amended, promulgated by the Texas Department of Transportation. The signs shall be permanently affixed to a stationery post or other fixed object. The signs shall in no way be obstructed from view and shall comply with applicable state laws. The Town Manager, or his/her authorized representative, is authorized

and directed to cause to be erected such appropriate signs. The unlawful removal of a sign posted in accordance with this section shall not affect the legality of an adopted speed limit.

SECTION 4. Amendment of Exhibit "A." The chart indicating the reduced speed school zones on streets located within the Town, as set forth in Exhibit "A" attached hereto, may be amended by the Town Council through the passage of an amending Resolution, pursuant to the findings of an engineering and traffic investigation, and as authorized by the provisions of, among others, 545.356 of the Texas Transportation Code, as may be warranted, which Resolution shall further amend only Exhibit "A" that is attached to Ordinance No. 1284.

SECTION 5: Savings/Repealing Clause. 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 6: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The Town hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more section, subsection, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 7: Penalty Provision. Any person violating Ordinance No. 1284 shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined a sum of not less than One Dollar ($1.00) nor more than Two Hundred Dollars ($200.00), and shall be assessed such lawful costs as may be allowed by ordinance or by other law.

SECTION 8. That this Resolution shall take immediate effect, as set forth in Ordinance Number 1284.

DULY RESOLVED by THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS ON THIS THE 16th DAY OF NOVEMBER, 2021.

APPROVED:

_____
Mayor Curtis Cornelious

ATTEST:

_____
Kate Graham, Acting Town Secretary:

APPROVED AS TO FORM AND LEGALITY:

_____
Robert F. Brown, Town Attorney

EXHIBIT "A"

ISD	STREET NAME	SCHOOL NAME	SCHOOL TIME	DESCRIPTION	SCHOOL ZONE WARNING TIME	SCHOOL ZONE SPEED
Little Elm	Witt Rd.	Brent Elementary	8:05 AM - 3:40 PM	From Tailburton Dr. continuing 1600' ft south.	7:35 AM to 8:20 AM 3:25 PM to 4:10 PM	20 MPH
Little Elm	Hart Rd.	Chavez Elementary	8:05 AM - 3:40 PM	From 500' ft south of Wynfield Dr. to 500' ft north of Wynfield Dr.	7:35 AM to 8:20 AM 3:25 PM to 4:10 PM	20 MPH
Little Elm	Wynfield Dr.	Chavez Elementary	8:05 AM - 3:40 PM	From Rockport Dr. to Hart Rd.		
Little Elm	Rockport Dr.	Chavez Elementary	8:05 AM - 3:40 PM	From Wynfield Dr. to Flagstone Dr.		
Little Elm	Walker Ln.	Little Elm High School	7:20 AM - 2:55 PM	From 350' ft east of Peach Dr.to 300' ft west of Waterside Dr.	6:50 AM to 7:35 AM 2:40 PM to 3:25 PM	25 MPH
Little Elm	Waterside Dr.	Little Elm High School	7:20 AM - 2:55 PM	From Walker Ln. continuing 1400' ft north.		20 MPH
Little Elm	Waterside Dr.	Little Elm High School	7:20 AM - 2:55 PM	Aurora Mist - From 535' ft west of Sundance Dr. to 425' ft. east of Sundance Dr.		
Little Elm	Lobo Ln.	Zellars Center for L&L Lakeside Middle	8:55 AM - 4:30 PM	From W. Eldorado Pkwy. 2530' ft. through the 500 block of Lobo Ln.	8:25 AM to 9:10 AM 4:15 PM to 5:00 PM	20 MPH
Little Elm	Walker Ln	Lakeview Elementary	8:05 AM - 3:40 PM	Laguna - From 300' ft west of Woodlake Pkwy. to 300' ft east of Woodlake Pkwy.	7:15 AM - 8:05 AM 3:40 PM - 4:20 PM	25 MPH
Little Elm	Walker Ln.	Lakeview Elementary	8:05 AM - 3:40 PM	Sundance Dr - From 120' ft south of Sunflower Dr. continuing north 750' ft.	7:35 AM to 8:20 AM 3:25 PM to 4:10 PM	20 MPH
Little Elm	Eldorado	Walker Middle School	8:55 AM - 4:30 PM	W. Eldorado Pkwy - 300' East to 300' West of Pinnacle Bay Pt	8:25 AM to 8:55 AM 4:30 PM to 5:00 PM	35 MPH
Little Elm	Dickson	Walker Middle School	8:55 AM - 4:30 PM	Dickson Lane - WB at Pinnacle Bay Pt & EB apprx 400' from Pinnacle Bay Pt	8:25 AM to 8:55 AM 4:30 PM to 5:00 PM	20 MPH

EXHIBIT "A"

Little Elm	French Settlement	Walker Middle School	8:55 AM - 4:30 PM	French Settlement - WB at Eldorado Pkwy & EB 200' west of Pedestrain crossing	8:25 AM to 8:55 AM 4:30 PM to 5:00 PM	20 MPH
Frisco	Woodlake Dr.	Robertson Elementary	7:45 AM - 3:05 PM	From 200' ft east of Canyon Lake Dr. to 200' ft west of Regina Dr.	7:00 AM to 8:00 AM	20 MPH
Frisco	Canyon Lake Dr.	Robertson Elementary	7:45 AM - 3:05 PM	From Woodlake Pkwy. to 200' ft north of Calmwater Dr.		
Frisco	Calmwater Dr.	Robertson Elementary	7:45 AM - 3:05 PM	From 130' ft east of Canyon Lake Dr.continuing west 425' ft.	2:50 PM to 3:50 PM	
Frisco	Regina Dr.	Robertson Elementary	7:45 AM - 3:05 PM	From Woodlake Pkwy. continuing north 450' ft.		
Frisco	Rockhill Parkway	Coy Miller Elementary	7:45 AM - 3:05 PM	Rock Hill Parkway between Cypress Hill Dr. & Blue Bell Dr.	7:00 AM to 8:00 AM	20 MPH
Frisco	Cypress Hill Dr.	Coy Miller Elementary	7:45 AM - 3:05 PM	Cypress Hill Dr. between Rock Hill Parkway& Blue Bell Dr.		
Frisco	Blue Bell	Coy Miller Elementary	7:45 AM - 3:05 PM	Blue Bell Dr. between Rock Hill Parkway & Cypress Hill Dr.	2:50 PM to 3:50 PM	
Frisco	Doe Creek	Coy Miller Elementary	7:45 AM - 3:05 PM	250 ft. North of Rock Hill Parkway to Rock Hill Parkway		
Denton	Navo Road (North)	Paloma Creek Elementary	7:40 AM - 3:05 PM	From Morning Dove Dr. continuing north to 530 ft north of the School campuses.	7:05 AM to 8:35 AM 2:35 PM to 4:05 PM	20 MPH
		Navo Middle School	8:15 AM - 3:40 PM		7:10 AM - 8:30 AM 2:45 PM to 4:05 PM	
Denton	Navo/Villa Paloma	Braswell High School	8:50 AM - 4:15 PM	South of US 380 continuing south to City Limits	7:10 AM to 9:05 AM	20 MPH
		Catherine Bell Elementary	7:40 AM - 3:05 PM		2:45 PM to 4:40 PM	
Denton	Union Park Blvd	Union Park Elementary	7:40 AM - 3:05 PM	UP Blvd between Fieldwood Way/Wynn Ridge & School Driveway	7:00 AM to 7:50 AM	20 MPH
Denton	Fieldwood Way	Union Park Elementary	7:40 AM - 3:05 PM	Fieldwood Way between School Driveway & UP Blvd	2:45 PM to 3:30 PM	20 MPH
Denton	Willowthorne Drive	Union Park Elementary	7:40 AM - 3:05 PM	Willowthorne Dr between Sage Way & UP Blvd		20 MPH

Date:	11/16/2021
Agenda Item #:	6. G.
Department:	Community Services
Strategic Goal:	Ensure strong relationship within the community and region
Staff Contact:	Chad Hyde, Director of Community Services

AGENDA ITEM:

Consider Action to Approve the **Interlocal Cooperation Agreement for Library Services between Denton County, Texas and the Town of Little Elm, Texas.**

DESCRIPTION:

An updated agreement with Denton County, Texas for the current fiscal year. Entering this agreement will allow the Town to provide library services to all residents of Denton County. The term of the agreement shall be for the period from October 1, 2021 through September 30, 2022.

BUDGET IMPACT:

The County will pay the Town of Little Elm fees in the amount of $37,600.00, payable in equal quarterly installments beginning on October 1, 2021.In addition, the County agrees to pay the municipality an amount not to exceed $10,000.00 in matching funds upon the following conditions: 1. The Town shall attempt to secure funding from sources other than the County, 2. Upon receipt of additional funding, the Town shall provide proof of the receipt of such funds to the Denton County Auditor on a quarterly basis, 3. The County shall match the Town's additional funding in an amount not to exceed $10,000.00, 4. Payment by the County to the Town shall be made in accordance with the normal and customary processes and business procedures of the County and payment shall be satisfied from current revenues of the County.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Interlocal Agreement Library Services

THE STATE OF TEXAS §
§ **LITTLE ELM PUBLIC LIBRARY**
COUNTY OF DENTON §

INTERLOCAL COOPERATION AGREEMENT FOR LIBRARY SERVICES

THIS AGREEMENT is made and entered into by and between Denton County, Texas ("the **COUNTY**"), and the Town of Little Elm, Texas ("the **MUNICIPALITY**"), and has an effective date of October 1, 2021.

WHEREAS, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of the **COUNTY**; and

WHEREAS, the **MUNICIPALITY** is a duly organized municipality in Denton County, Texas, engaged in the provision of library and related services for the benefit of the citizens of the **MUNICIPALITY**; and

WHEREAS, the **COUNTY** has requested, and the **MUNICIPALITY** has agreed to provide library services for all residents of the **COUNTY**; and

WHEREAS, the **COUNTY** and the **MUNICIPALITY** mutually desire to be subject to the provisions of Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act, and Chapter 323 of the Texas Local Government Code, regarding County Libraries.

NOW, THEREFORE, the **COUNTY** and the **MUNICIPALITY**, for the mutual consideration hereinafter stated, agree and understand as follows:

I.

The term of this Agreement shall be for the period from October 1, 2021, through September 30, 2022.

II.

For the purposes and consideration herein stated and contemplated, the **MUNICIPALITY** shall provide library services for the residents of the **COUNTY** without regard to race, religion, color, age, disability or national origin. Upon proper proof of residence, by an individual in the **COUNTY**, the individual shall be entitled issuance of a library card, at no cost, to be used in connection with said library services.

The **MUNICIPALITY** shall develop and maintain through the Library one or more of the following programs of service:

1. Educational and reading incentive programs and materials for youth.
2. Functional literacy materials and/or tutoring programs for adults.
3. Job training/career development programs and/or materials for all ages.
4. Outreach services to eliminate barriers to library services.
5. Educational programs designed to enhance quality of life for adults.

III.

The **COUNTY** designates the County Judge to act on behalf of the **COUNTY** and serve as liaison officer for the **COUNTY** with and between the **COUNTY** and the **MUNICIPALITY**. The County Judge or his designated substitute shall insure the performance of all duties and obligations of the **COUNTY** herein stated and shall devote sufficient time and attention to the execution of said duties on behalf of the **COUNTY** in full compliance with the terms and conditions of this Agreement. The County Judge shall provide immediate and direct supervision of the **COUNTY'S** employees, agents, contractors, sub-contractors, or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the **COUNTY** and the **MUNICIPALITY**.

IV.

The **MUNICIPALITY** shall designate_____to act on behalf of the **MUNICIPALITY** and to serve as liaison officer for the **MUNICIPALITY** with and between the **MUNICIPALITY** and the **COUNTY** to insure the performance of all duties and obligations of the **MUNICIPALITY** as herein stated and shall devote sufficient time and attention to the execution of said duties on behalf of the **MUNICIPALITY** in full compliance with the terms and conditions of this Agreement. _____ shall provide management of the **MUNICIPALITY'S** employees, agents, contractors, sub-contractors, or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the **MUNICIPALITY** and the **COUNTY.**

The **MUNICIPALITY** shall provide the **COUNTY** with a copy of the annual report submitted to the Texas State Library and shall respond to the **COUNTY'S** annual questionnaire as documentation of the **MUNICIPALITY'S** expenditures and provision of service.

V.

The **MUNICIPALITY** shall be solely responsible for all techniques, sequences, procedures and coordination of all work performed under the terms and conditions of this Agreement. The **MUNICIPALITY** shall insure, dedicate and devote the full time and attention of those employees necessary for the proper execution and completion of the duties and obligations of the **MUNICIPALITY** as stated in this Agreement and shall give all attention required for proper supervision and direction of their employees.

VI.

The **MUNICIPALITY** agrees that its established library shall assume the functions of a county library within Denton County, Texas, and to provide a librarian who meets the requirements of the **MUNICIPALITY'S** job description.

VII.

The **COUNTY** and the **MUNICIPALITY** agree and acknowledge that each entity is not an agent of the other entity and that each entity is responsible for its own acts, forbearance, negligence and deeds and for those of its agents or employees. This Agreement does not and shall not be construed to entitle either party or any of their respective employees, if applicable, to any benefit, privilege or other amenities of employment applicable to the other party. The **MUNICIPALITY** understands and agrees that the **MUNICIPALITY**, its employees, servants, agents and representatives shall not represent themselves to be employees, servants, agents or representatives of the **COUNTY**.

To the fullest extent permitted by law, the MUNICIPALITY agrees to hold harmless and indemnify the COUNTY from and against any and all claims and for all liability arising out of, resulting from or occurring in connection with the performance of the work hereunder, including but not limited to, any negligent act or omission of the MUNICIPALITY, its officers, agents or employees.

The **COUNTY** and the **MUNICIPALITY** acknowledge and agree that the **COUNTY** does not waive any sovereign or governmental immunity available to the **COUNTY** under Texas law and does not waive any available defenses under Texas law. Nothing in this paragraph shall be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities.

VIII.

This Agreement is not intended to extend the liability of the parties beyond that provided by law. Neither the **MUNICIPALITY** nor the **COUNTY** waives any immunity or defense that would otherwise be available to it against claims by third parties.

IX.

Any notice required by this Agreement shall be delivered, in writing, by either the **COUNTY** or the **MUNICIPALITY** to the following addresses:

The address of the **COUNTY** is:
Denton County Judge
1 Courthouse Drive, Suite 3100
Denton, Texas 76208
Telephone: 940-349-2820

The address of the **MUNICIPALITY** is:
Little Elm Public Library
c/o The Town of Little Elm, Texas
100 W. Eldorado Parkway
Little Elm, Texas 75068
Telephone: 214-975-0435

X.

For the full performance of the services above stated, the **COUNTY** agrees to pay the **MUNICIPALITY** fees as described herein from current revenues available for such payment. The **COUNTY** shall pay the **MUNICIPALITY** fees in the amount of **THIRTY-SEVEN THOUSAND AND SIX HUNDRED DOLLARS ($37,600.00)**, based upon North Central Texas Council of Governments service population allocation figures provided to the **COUNTY** by the Library Advisory Board, payable in equal quarterly installments to the **MUNICIPALITY** commencing on October 1, 2021. The Allocation chart setting forth said figures is attached hereto and incorporated herein for all intents and purposes as Exhibit "A." In addition, the **COUNTY** agrees to pay the **MUNICIPALITY** an amount not to exceed **TEN THOUSAND AND NO/100 DOLLARS ($10,000.00)** in matching funds upon the following conditions:

1. The **MUNICIPALITY** shall attempt to secure funding from sources other than the **COUNTY**.

2. Upon receipt of additional funding, the **MUNICIPALITY** shall provide proof of the receipt of such funds to the Denton County Auditor on a quarterly basis.

3. The **COUNTY** shall match the **MUNICIPALITY'S** additional funding in an amount not to exceed $10,000.00.

4. Payment by the **COUNTY** to the **MUNICIPALITY** shall be made in accordance with the normal and customary processes and business procedures of the **COUNTY** and payment shall be satisfied from current revenues of the **COUNTY**.

All funding by the COUNTY to the MUNICIPALITY is subject to the condition that the MUNICIPALITY shall have in place technology protection measures (commonly referred to as "filters") with respect to any computers used by the public that have Internet access which are designed to block access through such computers to visual depictions that are (1) obscene, as defined by Section 43.21 of the Texas Penal Code, or (2) contain pornography. The technology protection measures shall be in compliance with the Children's Internet Protection Act.

The MUNICIPALITY hereby certifies that its libraries have either installed and are using the required technology protection measures during use of its computers that have Internet access by the public at the present time or will have such protection measures in place and operational by October 1, 2021.

XI.

This Agreement may be terminated, at any time, by either party by giving sixty (60) days advance written notice to the other party. In the event of such termination by either party, the **MUNICIPALITY** shall be compensated pro rata for all services performed to the termination date, together with reimbursable expenses then due and as authorized by this Agreement. In the event of such termination, should the **MUNICIPALITY** be overcompensated on a pro rata basis for all services performed to the termination date or be overcompensated for reimbursable expenses as authorized by this Agreement, the **COUNTY** shall be reimbursed pro rata for all such overcompensation. Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

XII.

This Agreement represents the entire integrated Agreement between the **MUNICIPALITY** and the **COUNTY** and supersedes all prior negotiations, representations and/or Agreements, either oral or written. This Agreement may be amended only by written instrument signed by both the **MUNICIPALITY** and the **COUNTY**.

XIII.

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. Further, this Agreement shall be performable and all compensation payable in Denton County, Texas.

XIV.

In the event any portion of this Agreement shall be found to be contrary to law it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

XV.

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary orders or resolutions extending said authority have been duly passed and are now in full force and effect.

EXECUTED this _____ day of _____,20____.

DENTON COUNTY, TEXAS

By: _____
Andy Eads, County Judge
Denton County, Texas

ATTEST:

By:_____
Denton County Clerk

The Town of Little Elm, Texas

By:_____
Name:_____
Title:_____

ATTEST:

By:_____
Town Secretary

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of $_____ to accomplish and pay the obligation of Denton County under this Agreement.

_____
Denton County Auditor

EXHIBIT A

DENTON COUNTY LIBRARY'S FUNDING Approved (2021-2022)

Changes made during Budget Workshops

PER CAPITA:	$	0.338302
MATCHING:	$	10,000.00

DENTON COUNTY POPULATION:	933,228
POPULATION OF CITIES WITH LIBRARIES	411,521
REMAINING POPULATION	521,707

LIBRARY	TOTAL POP	CITY POP	COUNTY allocation	PER CAPITA ALLOCATION	MATCHING FUNDS	TOTAL	ROUNDED
AUBREY	39,890	17,590	22,300	$ 13,495	$ 10,000	$ 23,495	$ 23,500
CARROLLTON	193,904	85,505	108,399	$ 65,598	$ -	$ 65,598	$ 65,600
FLOWER MOUND	178,071	78,523	99,548	$ 60,242	$ -	$ 60,242	$ 60,300
JUSTIN	12,359	5,450	6,909	$ 4,181	$ 10,000	$ 14,181	$ 14,200
KRUM	12,699	5,600	7,099	$ 4,296	$ 10,000	$ 14,296	$ 14,300
LEWISVILLE	245,899	108,433	137,466	$ 83,188	$ -	$ 83,188	$ 83,200
LITTLE ELM	110,916	48,910	62,006	$ 37,523	$ 10,000	$ 47,523	$ 47,600
PILOT POINT	10,205	4,500	5,705	$ 3,452	$ 10,000	$ 13,452	$ 13,500
PONDER	-	-	-	$ -		$ -	$ -
SANGER	21,861	9,640	12,221	$ 7,396	$ 10,000	$ 17,396	$ 17,400
THE COLONY	107,423	47,370	60,053	$ 36,342	$ 10,000	$ 46,342	$ 46,400
TOTAL	**933,227**	**411,521**	**521,707**	**$ 315,713**	**$ 70,000**	**$ 385,713**	**$ 386,000**

Aubrey Population:	
Aubrey	6,210
Crossroads	2,530
Krugerville	1,940
Providence	6,910
Total	17,590
Ponder Population:	-
Dish (Interlocal Agreement	-
Total	-

Date:	11/16/2021
Agenda Item #:	6. H.
Department:	Administrative Services
Strategic Goal:	Maintain operational integrity and viability
Staff Contact:	Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Consider Action to Approve the **Lease Purchase Agreement between ECS Properties, LLC (Tinman Social) and Little Elm EDC.**

DESCRIPTION:

Term of the Lease:
Commencing eight (8) months from the receipt of their Certificate of Occupancy, Tinman Social will pay rent in the amount $627,552.00 annually. These payments will be paid in equal monthly installments of $52,296.00. Tenant shall pay all personal property and similar taxes on its property and improvements in the Premises and reimburse the Landlord for all property taxes, insurance and common area maintenance.

The Entertainment Venue shall be a minimum of 34,864 square feet of building and outdoor recreational space and will employ approximately 30 full time, or equivalent, employees.

Term of Agreement:
The term is a 10-year lease with option to extend the Initial Term for up to two (4) additional, consecutive five (5) year periods. At any time after the first ten (10) Lease Years, Tenant has option to purchase the land and the building from the Landlord for the price of $5,300,000.00.

BUDGET IMPACT:

Rent payments in the above amount are expected to begin in February 2023.

RECOMMENDED ACTION:

Staff recommends that the Board approve the Agreement as presented.

Attachments

TinMan Ground Lease

LEASE PURCHASE AGREEMENT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

THIS LEASE PURCHASE AGREEMENT (this **"Agreement"**) is made and entered into on the _____ day of _____, 2021 (the **"Effective Date"**) by and between **LITTLE ELM ECONOMIC DEVELOPMENT CORPORATION**, a Texas non-profit corporation, having its principal address as 100 W. Eldorado Parkway, Little Elm, Texas 75068-5060 ("**Landlord"** or **"Little Elm EDC"**), and **ECS PROPERTIES, LLC**, a Texas limited liability company, or its permitted assigns (**"Tenant"** or **"ECS Properties"**).

WITNESSETH:

Subject to the terms, provisions and conditions of this Agreement, and each in consideration of the duties, covenants and obligations of the other hereunder, Landlord does hereby lease, demise, and let the Premises (as hereinafter defined) unto Tenant, and Tenant does hereby lease the Premises from Landlord, the property located at 199 Main Street, Little Elm, Texas.

ARTICLE I

CERTAIN DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings respectively indicated:

1.1 "**Additional Rent**" is defined in **Section 3.3** of this Agreement.

1.2 "**Affiliate**" means: (i) any entity controlled by, controlling or under joint control with an entity or any of the entity's partners, shareholders or their affiliates; (ii) any entity which is owned in whole or in part, directly or indirectly, by an entity or any of the entity's partners, shareholders or affiliates, or any entity which is otherwise affiliated with or related to an entity or any of the entity's partners or shareholders; (iii) any entity which is the successor by merger or otherwise to all or substantially all of an entity's assets used in connection with the Premises and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iv) any entity to whom an entity or an Affiliate [per clauses (i) through (iii)] provides development, management, operational, financing and/or leasing services in connection with a project on the Land.

1.3 "**Annual Base Rent**" means an amount for each full Lease Year of the Term determined and paid as follows:

(i) For the Term of the Lease, commencing eight (8) months from the receipt of a certificate of occupancy from the Town of Little Elm, Texas, an amount equal to Eighteen and No/100 Dollars per square foot or **Six Hundred Twenty-Seven Thousand Five Hundred Fifty-Two and No/100 Dollars ($627,552.00)** annually

and paid in equal monthly installments of **Fifty-Two Thousand Two Hundred Ninety-Six and No/100 Dollars ($52,296.00)** on the 1st day of each month.

A rental adjustment called for in this section shall never result in a reduction of the Annual Rent from that paid immediately prior to the Adjustment Date.

1.4 "**Award**" is defined in **Section 18.1(a)** of this Agreement.

1.5 "**Business Days**" means any day other than a Saturday, Sunday or other day on which national banks are required or authorized to be open for business in Dallas, Texas.

1.6 "**Commencement Date**" means the date of receipt of a certificate of occupancy for a minimum of 34,864 square feet of building and outdoor recreational space located on the Land.

1.7 "**Common Area**" means all driveways, sidewalks, parking areas and other facilities intended by the Landlord for the use or benefit in common of all occupants in the development north of Eldorado Parkway and east of Main Street.

1.8 "**Date of Taking**" is defined in **Section 18.1(b)** of this Agreement.

1.9 "**Default Rate**" is defined in **Section 3.2** of this Agreement.

1.10 "**Effective Date**" shall mean the date specified in the first sentence of this Agreement.

1.11 "**Event of Default**" means any event or condition designated as an "Event of Default" in **Article XIV** of this Agreement.

1.12 "**Full-Time Equivalent Employment Positions**" or "**Full-Time Equivalent Employment Positions**" mean and include a job requiring a minimum of One Thousand Eight Hundred Twenty (1,820) hours of work averaged over a twelve (12) month period.

1.13 "**Hazardous Substances**" is defined in **Section 9.1** of this Agreement.

1.14 "**Imposition Commencement Date**" is defined in **Section 8.1(a)** of this Agreement.

1.15 "**Impositions**" is defined in **Section 8.1(a)** of this Agreement.

1.16 "**Improvements**" means any improvements hereafter developed on the Land by Tenant, or otherwise as authorized by Tenant.

1.17 "**Indemnified Parties**" is defined in **Article VII** of this Agreement.

1.18 "**Land**" means the approximately 41,300 square feet of land, as described and/or depicted in ***Exhibit A***, which is attached hereto and is incorporated herein for all purposes.

1.19 "**Lease Year**" means a period of twelve (12) months, with the first Lease Year beginning on the Commencement Date and for each subsequent Lease Year, each period of twelve (12) full calendar months thereafter.

1.20 "**Monthly Rent**" is as outlined in **Section 1.3 (i)** of this Agreement.

1.21 "**No Off-Set**" means Tenant shall not be entitled to withhold payment of Fixed Minimum Rent or any other amounts due under this Lease or set off amounts due from Tenant against any obligations of Landlord as other exclusive remedies of Tenant are provided in this Lease.

1.22 "**Patio and Outdoor Seating**" means Landlord and Tenant agree that the Fixed Minimum Rent includes the patio of the Premises (the "Patio") and any sidewalks seating authorized by Landlord outside of the Premises, without any additional Fixed Minimum Rent. However, Tenant shall be liable for all operating expenses attributable to the Patio, and for the share of operating expenses attributable to any outdoor seating.

1.23 "**Person**" means an individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

1.24 "**Pre-Existing Conditions**" is defined in **Section 9.2** of this Agreement.

1.25 "**Premises**" means the Land and any and all buildings, utility facilities, drainage facilities, infrastructure, roads, driveways, curbs, paving, landscaping, signage, entrances, exits, surface parking and other improvements that may currently exist or hereafter be installed on the Land.

1.26 "**Prime Rate**" means the rate of interest being charged on the date in question by the Wall Street Journal (or its legal successor) as the "prime rate.

1.27 "**Rent"** herein includes all Annual Base Rent and Additional Rent.

1.28 **"Security Deposit"** herein means Tenant shall pay 1st and last month's rent based on a rate of $52,296.00 per month.

1.29 "**Taking**" is defined in **Section 18.1(c)** of this Agreement.

1.30 "**Term**" is defined in **Section 2.2** of this Agreement.

1.31 **"Transfer**" means any conveyance, transfer, sale, assignment, sublease, Mortgage, pledge, encumbrance or the like, to any Person.

1.32 "**Transferee**" means any Person to whom a Transfer is made.

1.33 "**Unqualified Transferee**" means and refers to any Person:

(i) Who is listed on a list of terrorists or terrorist organizations published by the United States government (e.g., the United States Secretary of State's list of Foreign Terrorist Organizations), as the same are amended and supplemented from time to time;

(ii) Who has been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001), or any similar prohibitions contained in the rules and regulations of the Office of Foreign Assets Control, as the same are promulgated and amended from time to time; or

(iii) Who has been indicted for any offense involving terrorism under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (as it may be amended from time to time, the "USA Patriot Act"), including any Person who commits any crime of conspiracy to commit, or aiding and abetting another Person to commit, a USA Patriot Act offense.

Notwithstanding the foregoing, "Unqualified Transferee" shall not include any Person who:

(a) Is determined by Tenant, in good faith and upon reasonable inquiry, not to be a Person described in the preceding clauses (i), (ii) or (iii) of this **Section 1.28**; and

(b) Certifies to Landlord and Tenant in writing that such Person is not a Person described in the preceding clauses (i), (ii) or (iii) of this **Section 1.28**.

In addition, in no event shall any Institutional Investor (as immediately hereinafter defined) be deemed to be an "Unqualified Transferee." As used herein, the term "Institutional Investor" means and refers to any of the following entities and/or their Affiliates: state and/or Federally charted lending institutions, life insurance companies who are regularly engaged in the making of permanent real estate loans and/or in the acquisition, holding and/or disposition of commercial real estate development projects, real estate investment trusts (i.e. "REIT's"), pension, annuity and/or investment funds (or trustees or managers of such funds), any publicly traded company, and any branch or instrumentality of any one or more of (1) the United States of America, (2) any state comprising the United States of America, or (3) any city or municipality within any such states described in (2) preceding.

ARTICLE II

COMMENCEMENT AND TERM

2.1 **Option Payment**. On or before the Effective Date, Tenant shall pay to Landlord a non-refundable payment in the sum of One Hundred Dollars ($100.00) (such payment referred to herein as the "**Option Payment**").

2.2 **Term of Agreement**. The term of the Agreement (the "Term") shall commence on the Effective Date and shall terminate ten (10) Lease Years after the Commencement Date. This Agreement will terminate without further notice when the Term specified in this **Section 2.2** expires and any holding over by Tenant after the Term expires will not constitute a renewal of this Agreement or give Tenant any rights under the Agreement in or to the Premises. In connection therewith, Tenant shall have the right at Tenant's expense, to examine and copy all books, records, files, documents, reports, and other information of the Landlord relating to the Premises, including all leases, service agreements, insurance policies, and construction and maintenance related documents; provided that such examination and copying shall not interfere with the Landlord's business operations.

2.3 **Option to Extend**. Provided that Tenant is not in default of this Lease, tenant shall have the option to extend the Initial Term for up to four (4) additional consecutive five (5) year periods (each an "Additional Term" and together the "Additional Terms"). Tenant may exercise the option to extend for an Additional term only by written notice to the Landlord at least 240 days prior to the expiration of the Initial Term (for the first Additional Term) or at least 240 days prior to the expiration of the first Additional Term (for the second Additional Term). Upon timely notice of exercise of the option to extend the Initial Term, the first Additional Term shall commence immediately upon the expiration of the Initial Term, and shall terminate five (5) years thereafter and upon timely notice of exercise of the option to extend for a second Additional Term, the second Additional Term shall commence immediately upon the expiration of the first Additional Term and shall terminate five (5) years thereafter. In the event of one or more Extension Terms, all previsions of this lease applicable to the Initial Term shall apply during the Extension Terms, but any work, payments, or abatement of payments required prior to the Commencement Date shall not apply.

ARTICLE III

RENT

3.1 **Annual Base Rent**. For each Lease Year of the Term of this Agreement from and after the Commencement Date, Tenant agrees to pay the applicable Annual Base Rent as herein provided, in lawful money of the United States of America, without deduction, offset prior notice or demand, except as herein provided and except as provided by applicable law, and at such place or places as Landlord may from time to time designate. For each twelve (12) month Lease Year (except for the first Lease Year), Tenant shall pay such rent in monthly installments (hereinafter referred to as "**Monthly Rent**") in advance on or before the first (1st) day of each month in an amount equal to one-twelfth (1/12) of the applicable Annual Rent.

3.2 **Late Charge**. In the event that Tenant shall fail to pay any portion of any installment of Monthly Rent on the date which is ten (10) days after the day on which such installment is due, there shall be $100.00 service charge ("Service Charge") for any amounts payable by Tenant under this Lease Purchase Agreement. A Service Charge is not a penalty but liquidated damages to compensate Landlord for the extra administrative expenses incurred in handling delinquent payments. In addition, from and after the date which is thirty (30) days after the due date the total amount then due shall bear interest at the annual rate (the "**Default Rate**") which is the Prime Rate, until paid. All amounts due under this Section 3.2 shall be paid by Tenant upon demand by Landlord.

3.3 **Additional Rent**.

(a) All insurance premiums, utility costs and all other sums, liabilities, obligations and other amounts which Tenant is required to pay or discharge pursuant to this Agreement, in addition to Annual Base Rent, together with any interest, penalty, or other sum which may be added for late payment thereof, shall constitute rent hereunder ("Additional Rent"). So long as no Event of Default then exists hereunder, Tenant may pay Additional Rent directly to the person entitled thereto, provided that, Tenant shall provide Landlord with written proof of such direct payment within ten (10) days of such payment. Landlord shall pay all real property ad valorem taxes and any special assessments if applicable on the building, land and improvements payable during the Lease Term. Such taxes, insurance premium, and CAM on the building shall be included in the Operating Expenses and passes through to the Tenant, and paid directly to the Landlord. Tenant shall pay all ad valorem taxes on the personal property and improvements and insurance on personal property on the Premises directly to the appropriate entity.

(b) **Tax Management.** If professional services are employed or if cost are reasonably incurred in any attempt to reduce the assessed value of all or part of the Building, or otherwise to reduce the taxes payable thereon, then costs and expenses will be included in Operating Expenses under this Lease.

3.4 Operating Expenses. In addition to Fixed Minimum Rent, and all other amounts due under this Lease, Tenant shall pay to Landlord as additional rent Tenant's Proportionate Share of the expenses of operating and maintaining the Building and Common Areas ("Operating Expenses"). Annual CAM/Operating Expenses shall not increase from one year to the next by more than 3% on a non-cumulative basis. Operating Expenses shall include without limitation:

(a) utility expenses for the Building and Common Areas not separately metered for tenants;
(b) real property taxes assessed for the Building and Common Areas;
(c) personal property taxes assessed on fixtures and equipment in or on the Common Areas;

(d) insurance premiums, including casualty and liability insurance premiums and other insurance premiums which Landlord maintains upon the Building and Common Areas;

(e) maintenance and repair of the Common Areas, including sealing, resurfacing, paving, replacement and striping the parking lot and driveway areas, curbs, gutters, sidewalks, parking bumpers, lighting, mechanical equipment, utility facilities (including without limitation pipes, wires, ducts, transformers), all related Common Area improvements, paint, carpeting, tiling, paneling, gardening and landscaping (including maintenance and replanting of plants and landscaping), landscape sprinkler systems, fire protection (including fire hydrant charges) and sanitary sewer and storm water fees;

(f) maintenance and repair of foundations, exterior walls (except doors and exterior plate glass) roof, and utility systems of the Building;

(g) the costs of acquiring, operating and maintaining equipment used in such repair, maintenance, and replacement of all the above items;

(h) the costs and expenses of removal of trash and other refuse;

(i) the costs and expenses of energy efficiency studies for the Building;

(j) property tax contest fees;

(k) the costs and expenses of policing and managing parking at the Building;

(l) the costs of installing separate utilities metering at the election of Landlord; and

(m) fees for management services provided by and independent management company or by Landlord, and the total cost, compensation, and benefits of personnel to implement such services.

3.5 **Proportionate Share.** As used in this Lease, Tenant's "Proportionate Share" of Operating Expenses or any other items shall be determined by multiplying the amount of the subject items by a fraction, the numerator of which is the total square footage of the Premises, and the denominator of which is the total square footage of space in the Development owned by Landlord as to which building construction is then completed. In addition, if any Operating Expenses are incurred or increased as a result of a disproportionate use of such service by less than all tenants occupying the Development, then such Operating Expenses may be reallocated by Landlord on an equitable basis.

3.6 **Place and Manner of Payment**. Subject to the further provisions hereof, the rent hereunder shall be payable to Landlord at the original or changed address of Landlord set forth in **Section 21.1** hereof or to such other person at such address as Landlord may designate from time to time in writing. In addition to other proper methods of payment, all payments of rent and other sums payable to Landlord by Tenant under this Agreement may be made, and shall be deemed to have been properly made so long as actually received by Landlord, by the delivery to Landlord of Tenant's check, draft or wire transfer in the amount of such payment.

3.7 **Payments to Assignees and Third Parties**. If Landlord's interest in this Agreement shall be assigned to a third party or if any sum accrued or to accrue hereunder shall ever be assigned or if any third party other than Landlord shall ever be entitled to collect such sum,

then in any such event written notice shall be given by Landlord to Tenant within thirty (30) days after such assignment.

(a) If and when Landlord's interest in this Agreement shall be owned by more than one person, firm, corporation or entity, such parties shall arrange among themselves for the joint execution of a notice specifying one party or agents and an address therefor for the receipt of notices to Landlord under this Agreement and to which all payments to Landlord under this Agreement shall be made, and notices delivered and payments made by Tenant in accordance with such jointly executed notice shall constitute notice and payment to all parties included within the term **"Landlord**". Landlord understands that rent payments shall be made to one party as agent for any multiple parties and such will fulfill Tenant's responsibilities for payments hereunder.

(b) In the event that there is any dispute as to who shall be entitled to receive any sum payment hereunder, Tenant shall, at its option, have the right to pay such sum into the registry of any court of competent jurisdiction located in Denton County, Texas, in connection with a bill of interpleader or similar proceeding filed by Tenant, naming Landlord and such other claimants as parties. The making of such payment in connection with the filing of such proceeding shall discharge Tenant from any further obligation for payment of the installment or rent so paid or deposited and Landlord and such other claimants shall be responsible for all costs of Tenant in such regard, including attorney's fees.

(c) In the event Landlord shall have given Tenant notice that a third party is entitled to receive payment of any sum and if Tenant thereafter timely pays such sum to the third party named in such notice, such payment to the third party named in the notice shall fully discharge Tenant of any further obligation for such sum.

3.7 **Patio and Outdoor Seating.** Landlord and Tenant agree that the Fixed Minimum Rent includes the roof patio of the Premises (the "Patio") and any sidewalk seating authorized by Landlord outside of the Premise, without any additional Fixed Minimum Rent. However, Tenant shall be liable for all Operating Expenses attributable to the Patio, and for the share of Operating Expenses attributable to any outdoor seating.

3.8 **No Offset.** Tenant shall not be entitled to withhold payment of Fixed Minimum Rent or any other amounts due under this Lease, or set off amounts due from Tenant against any obligation of Landlord, as other exclusive remedies of Tenant are provided in this Lease.

3.9 **Common Areas.**

(a) "Common Areas" shall mean all driveways, sidewalks, parking areas and other facilities intended by Landlord for the use or benefit in common of all occupants in the Development. All parking in the Lakefront development is considered shared parking. Common Areas shall not include any area which is within the Premises,

or otherwise constructed for lease to tenants or hereafter leased to tenants. Landlord has made no representation as to identity, type, size, or number of other stores or tenancies in the Development, and Landlord reserves the unrestricted right to change the Development perimeters, driveways, parking areas, store sizes, identity, and type of other stores or tenancies and all buildings and other structures, and to dedicate limited portions of Common Areas to drive-up lanes, dining areas and other facilities for individual tenants, provided that the size of the Premises, reasonable access to the Premises, and minimum parking facilities as required by governmental authorities having jurisdiction shall not be substantially or materially impaired.

(b) Use of the Common Areas. Subject to the foregoing Section, Landlord grants to Tenant and its employees, customers, and invitees the non-exclusive right during the Term of this Lease to use reasonably the sidewalks, driveways, and parking areas in the Common Area that may be constructed and available for such use from time to time, such use to be in common with Landlord and all tenants of Landlord, and their employees, customers, and invitees. Tenant shall not at any time interfere with the rights of Landlord and other tenants, or their employees, customers, or invitees to use any part of the Common Areas.

(c) Management of Common Areas. Landlord agrees to manage, operate, and maintain all Common Areas in a professional manner. The manner in which such areas and facilities shall be maintained and the expenditures shall be at the reasonable discretion of Landlord. Landlord shall have the right to close portions of the Common Areas from time to time for maintenance and repairs, and for any other legitimate purpose.

(d) Employee Parking Areas. Landlord shall have the right to adopt rules and regulations from time to time, including the right to designate parking areas for the use of Tenant's employees and other tenants of the Development and to restrict such employees from parking in areas designated exclusively for customers. Tenant shall be responsible for ensuring that Tenant's employees park only in such employee parking areas. Upon request by Landlord, Tenant shall provide a list of motor vehicles and license numbers of vehicles of Tenant and Tenant's employees at the Premises

3.10 **Security**. Tenant shall be responsible for all security at the Premises. Landlord shall not be required to provide Security services to the Building. If such services are provided, such services shall be an operating expense and Landlord shall not be responsible for any failure or inadequacy of such services.

3.11 **Chamber of Commerce Membership.** Tenant agrees to obtain a Yacht Level ($550.00) membership or higher prior to opening for business (obtained Certificate of Occupancy) and agrees to maintain said membership for the Term of this lease and any extension.

ARTICLE IV

DELIVERY OF THE PREMISES

4.1 **Delivery of the Premises**. Except as otherwise provided in this Agreement, Tenant hereby accepts the Premises from Landlord in its "AS IS", "WHERE IS" condition without any representation or warranty by Landlord and with all faults. Notwithstanding the foregoing, Tenant shall have the right to inspect the Premises prior to delivery and acceptance of the Premises by Tenant. The execution of this Agreement by Tenant shall be prima facie evidence that Tenant has inspected the Premises and is or will be thoroughly familiar with its condition, and Tenant hereby accepts the Premises as being in good and satisfactory condition, and suitable for Tenant's intended purpose. THE PROVISIONS OF THIS ARTICLE IV HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION BY LANDLORD OF, AND TENANT DOES HEREBY DISCLAIM, ANY AND ALL WARRANTIES BY LANDLORD, EXPRESS OR IMPLIED, WHETHER ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANOTHER LAW NOW OR HEREAFTER IN EFFECT OR OTHERWISE SPECIFICALLY PROVIDED HEREIN.

4.2 **Deliveries to Tenant**.

(a) Within ten (10) days after the Effective Date, Landlord will deliver to Tenant upon request true and correct copies of any contracts that affect or bind the Premises and any and all topographical maps, engineering studies, environmental reports and studies, soils reports, traffic studies and other similar materials, reports and studies that are in Landlord's possession or control. Furthermore, if requested by Tenant, Landlord shall make a good faith effort to obtain an estoppel letter from each of the Tenants under the Existing Leases, if any, which shall be in a form provided by Tenant. Except as otherwise required by law, all information delivered by Landlord to Tenant pursuant to this **Section 4.2(a)** shall be kept confidential, except that Tenant may disclose such information to Tenant's partners, lenders, officers, lawyers, accountants and employees to the extent necessary to evaluate the Premises.

(b) Landlord has provided to Tenant, at Tenant's cost, for Tenant's review and approval (i) a current on-the-ground metes and bounds survey of the Land (the "Survey"), ***Exhibit A***, and within 30 days after the effective date (ii) a commitment (the "**Title Commitment**") for a leasehold policy of title insurance from Chicago Title Company, 1180 E. Prosper Trail, Attn: Kathy Haynes, Prosper, Texas 75078 (the "**Title Company**"). At the expense of the Tenant, Landlord will cause the Title Company to issue to Tenant a leasehold policy in an amount of at least **Five Million Three Hundred Thousand and No/100 Dollars ($5,300,000.00)** effective as of the Commencement Date. Notwithstanding anything to the contrary contained herein, Landlord shall have an affirmative obligation to cure any of the following title matters within ninety (90) days of the Effective Date: (i) monetary

obligations such as mortgages, liens, etc., and (ii) any encumbrances placed upon the Land by (or at the direction of) Landlord subsequent to the Effective Date of this Agreement.

(c) Within ten (10) days after the Effective Date, Landlord will deliver to Tenant for Tenant's review and approval copies of any notices from any entity relating to relocation of the utilities serving the Premises.

4.3 **Zoning, Easements and Dedications**. From time to time throughout the Term of this Agreement, Landlord shall, upon the reasonable request of Tenant, execute such consents, authorizations, applications, site plans, plats, requests, dedications, easements and other documents and instruments as may be necessary or desirable in connection with Tenant's development of the Premises, including, without limitation, zoning applications, utility easements, street dedications and closure instruments, site plans and platting instruments; provided, however, the Land shall not be rezoned to any classification other than such zoning classification(s) that permits the development and use of the Land and building for entertainment use, without the prior written consent of Landlord. Tenant shall bear all expenses with respect to the matters described in this **Section 4.3** (including application fees, design and consultant costs and fiscal postings), except for the expenses of professionals engaged by Landlord, if any.

4.4 **Restrictions**. At the written request of Tenant, Landlord shall, from time to time, execute and deliver or join in the execution and delivery of such documents as Tenant reasonably considers appropriate, necessary or required to impose on the Premises or release the Premises from, as the case may be, such covenants, conditions and restrictions providing for, inter alia, exclusive uses of the Premises, or any part thereof, the establishment of common and parking areas, the establishment of mutual and reciprocal parking rights and the rights of ingress and egress, and other like matters, for the purpose of the orderly development of the Premises, but only so long as such covenants, conditions or restrictions terminate upon the expiration or termination of this Agreement, unless Tenant purchases the Premises by which such covenants, conditions and restrictions would remain intact.

4.5 **Refusal to Join**. Landlord shall not unreasonably fail or refuse to take any action required or contemplated pursuant to **Section 4.3** or **Section 4.4**. If Landlord unreasonably fails to execute and return to Tenant any documents or to take action required by **Section 4.3** or **Section 4.4** within thirty (30) days of delivery to Landlord of such document or written request for such action, Landlord shall be in breach of this Agreement, whereupon Tenant shall be entitled to exercise any and all remedies allowed to Tenant by law or equity by reason of such failure, including, without limitation, Tenant may recover from Landlord any actual damages suffered by Tenant as a result of such breach. Notwithstanding the provisions of **Section 21.1**, a written request to Landlord to approve or execute a document imposing covenants, conditions or restrictions against the Premises shall not be deemed delivered until (a) the written request is actually received by an officer of Landlord, and (b) such officer or authorized signatory confirms such receipt in writing (or confirmation

of receipt is provided by a third party). The Landlord will act in good faith with respect to the receipt of requests.

4.6 **Transfer at Termination**. At the termination of this Lease, except for a termination related to the exercise of Tenant's Option to Purchase according to the provisions of **Section 4.8**, Improvements on the Premises shall automatically become the property of Landlord and Tenant shall have no further interest in such Improvements.

4.7 **Sale of Land and Building or Assignment of Landlord's Interest in Lease**. Before Landlord has entered into an agreement regarding the sale of all or any portion of the Land or assignment of all or any portion of the Landlord's interest in the Lease, and in any event prior to any such proposed sale or assignment to a third party that is not an Affiliate of Landlord, Landlord shall give notice to the Tenant of the terms of the proposed sale or assignment ("**Notice of Sale**") and Tenant shall have an option to purchase the Land on the terms set out in the Purchase Option in **Section 4.8** below, regardless of the price offered by a prospective purchaser or assignee, and regardless of the time restriction in **Section 4.8**. If Tenant does not exercise its option to purchase within one hundred and twenty (120) days after delivery of the Notice of Sale, Landlord shall be free to sell the Land and building or assign landlord's interest in the Lease on the terms set out in the Notice of Sale, without any requirement of consent on the part of Tenant, but subject to the terms and conditions of this Lease, including Tenant's option to purchase the Land and building in accordance with **Section 4.8** below.

4.8 **Tenant's Option to Purchase**. At any time during the Term of this Agreement if triggered by a Notice of Sale received from Landlord, or, after the first ten (10) Lease Years (the "Lockout Period") at Tenant's sole option, Tenant or its successor may, at its option, give written notice to Landlord that Tenant will purchase the Land and building from Landlord for the price of **Five Million Three Hundred Thousand and No/100 Dollars ($5,300,000.00),** by submitting a real estate sale contract(s) to Landlord containing the usual provisions set forth in the standard State Bar of Texas Real Estate Sale Contract form, including the obligation of Landlord to furnish an Owner's Title Policy at Closing at Landlord's expense but expressly excluding any warranty or representation regarding the Premises or Land and building except the warranty of title. Tenant shall agree to close such purchase within one hundred and twenty (120) days of the full execution of said contract (but not as a result of a Notice of Sale received from Landlord), the Purchase Price will be the price set forth above ($5,300,000.00), plus the present value of the remaining Base Rent payments for the Premises sought to be purchased, for the then unexpired portion of the Lockout Period, plus prime rate plus six percent (6.0%). Any Base Rent payments made from the time the notice of exercise of the option to purchase is delivered, until the Closing of the acquisition, shall be credited to the purchase price.

4.9 **Release of Landlord**. If Landlord sells or transfers all or part of the Premises and as part of the transaction assigns its interest as Landlord in this Lease, then as of the effective date of the sale, assignment, or transfer, Landlord will have no further liability under this Lease to Tenant, except with respect to liability matters that have accrued and are unsatisfied as

of that date. Underlying this release is the parties' intent that Landlord's covenants and obligations under this Lease will bind Landlord and its successors and assigns only during and in respect of their respective successive periods of ownership of the fee, provided that Landlord, in such event, complies with the provisions of **Section 4.7** and **Section 4.8** above.

4.10 **Access to Premises.** Landlord shall have the right to enter the Premises during all business hours and at other times if necessary or reasonable for the purpose of inspecting the same or for making repairs to the Premises or to the Building, or for the purpose of exhibiting the same to prospective tenants, purchasers, or others. Landlord shall not be liable to Tenant in any manner for any expense, loss, or damage by reason thereof except to the extent caused by negligence or fault of Landlord. The exercise of Landlord's right of access shall not be an eviction or disturbance of Tenant's use or possession. Landlord will give Tenant 24 hour notice prior to entry and purpose of entry, except in an emergency situation.

ARTICLE V

INDEPENDENT COVENANTS

It is the intention of the parties hereto that the obligations of Tenant hereunder shall be separate and independent covenants and agreements, that the Annual Base Rent and all other sums payable by Tenant hereunder shall continue to be payable in all events and that the obligations of Tenant hereunder shall continue unaffected, unless the requirement to pay or perform the same shall have been abated, terminated, or modified pursuant to a provision of the Lease.

ARTICLE VI

USE AND STAFFING

6.1 **Permitted Uses**. Tenant may use the Premises only for the operation of an entertainment venue with full-service restaurant and bar (properly licenses). The Tenant may have both dine-in and carry-out service, may also engage in sales of related goods and services, as well as, bowling, axe throwing, virtual reality and redemption arcade, Bocce Ball, Corn Hole, Ping Pong and other family entertainment and activities, but shall have no other use of the Premises without the prior written consent of Landlord. Landlord may withhold consent to any proposed change in use if it would violate any exclusive or limited use granted to others or adversely affect other tenants. Tenant shall, at Tenant's sole cost and expense, comply with all federal, state, county and municipal laws, ordinances, orders, rule and regulations applicable to the use, condition, structure or occupancy of the Premises. Tenant may not use all or any part of the Premises or any building situated on them for any use or purpose that violates any valid and applicable law, regulation, or ordinance of the United States, the State of Texas, the County of Denton, the Town of Little Elm, or other lawful authority with jurisdiction over the Premises. Tenant is not considered to have violated this provision unless:

a. Landlord has notified Tenant in a writing specifying the alleged violation;

b. There has been a final adjudication by a court of competent jurisdiction that the Tenant has violated the law, regulation, or ordinance specified in the notice;

c. The specified law, regulation, or ordinance is valid and applies to the premises; and

d. Tenant failed to cure the specified violation within a reasonable period of time.

Tenant shall comply with all laws, ordinances, and regulations affecting the Premises and Tenant's use of the Premises. Tenant shall comply with all insurer requirements for the use of the Premises. Tenant shall not use the Premises to store goods for use or sale at another location.

6.2 **Name of Business.** Tenant agrees not to change the advertised name of the place of business operated in the Premises from "Tin Man Social" to another name without Landlord's written consent.

6.3 **Job Creation and Retention.** Tenant covenants and agrees by July 1, 2022, and during the Term of this Agreement to employee and maintain a minimum of thirty (30) Full-Time Equivalent Employment Positions working at the Premises. Full-Time Equivalent Employment Position means and includes a job requiring a minimum of One Thousand Eight Hundred and Twenty (1,820) hours of work averaged over a twelve (12) month period. Tenant covenants and agrees beginning on August 1, 2023 (for the initial reporting period of July 1, 2022 to June 30, 2023), and during the Term of this Agreement, Tenant shall deliver to LEEDC upon request an annual compliance verification signed by a duly authorized representative of the Tenant that shall certify the number of Full-Time Equivalent Employment Positions (the "Annual Compliance Verification"). The Tenant covenants and agrees during the Term of this Agreement and any Extensions of this Agreement they will provide Annual Compliance Verification reports ***(Exhibit E, attached)*** upon request to the LEEDC and it shall include quarterly IRS 941 returns or Texas Workforce Commission Employer Quarterly Reports.

6.4 **Limitations on Use.** Tenant shall not display any materials or conduct any activities which Landlord determines to be offensive to the general public. Tenant shall not obstruct the Common Areas or use Common Areas for business or display purposes without Landlord's consent. Tenant shall not use the Premises or any other portion of the Building or plumbing for any purpose other than for which constructed. Tenant shall maintain adequate ventilation and soundproofing and shall not make or permit any noise or odor to emit from the Premises that is objectionable to the public or to other occupants of the Development. Tenant shall not create or permit a nuisance at the Building or Common Areas. Tenant shall not broadcast music or speech 50 feet outside of the Premises which may be heard beyond any outside seating at the Premises; except on Friday and Saturday: noon to 11:00 p.m., not more than 100 dBA, Sunday through Thursday: noon to 10:00 p.m., not more than 100 dBA. Tenant shall not permit employees' vehicles and delivery vehicles to be parked at any

place beyond the Common Areas. Tenant shall not permit any spotlights, or blinking or flashing light, to emanate from the Premises, unless preapproved by Landlord. Tenant shall not burn any trash or garbage at any time in or about the Building or Common Areas. Tenant shall not use establishment for body art or tattoos, retail Tobacco/vapor store, gaming establishment, sexually oriented business, or payday loan establishment.

6.5 **Compliance with Laws, etc**. Tenant shall, at Tenant's sole cost and expense, comply with all federal, state, county and municipal laws, ordinances, orders, rule and regulations applicable to the use, condition, structure or occupancy of the Premises. Tenant may not use all or any part of the Premises or any building situated on them for any use or purpose that violates any valid and applicable law, regulation, or ordinance of the United States, the State of Texas, the County of Denton, the Town of Little Elm, or other lawful authority with jurisdiction over the Premises. Tenant is not considered to have violated this provision unless:

a. Landlord has notified Tenant in a writing specifying the alleged violation;

b. There has been a final adjudication by a court of competent jurisdiction that the Tenant has violated the law, regulation, or ordinance specified in the notice;

c. The specified law, regulation, or ordinance is valid and applies to the premises; and

d. Tenant failed to cure the specified violation within a reasonable period of time.

6.6 **Other Locations**. Tenant and those owning a majority of the outstanding membership interest of Tenant shall not operate a similar business to the business operated at the Premises within a thirty (30) minute drive time of the Premises during the Term of the Lease.

6.7 **Limitations on Access.** Landlord reserves the right, without liability to Tenant, to refuse admission to the building and Premises or to eject any person from the Building involved or suspected to be involved in an act of criminality.

6.8 **Exclusivity.** Landlord covenants and agrees that during the Term and for so long as Tenant is not in default of this Lease, Landlord shall not rent any portion of the development to another tenant engaged in the operation of an entertainment venue as its primary offering.

ARTICLE VII

INDEMNITY

Tenant shall indemnify, protect and save Landlord, its successors and assigns, shareholders, trustees, directors, employees, and officers ("**Indemnified Parties**"), harmless from and against, and shall reimburse such parties for all liabilities, obligations, losses, claims,

damages, penalties, costs, charges, judgments and expenses including without limitation, reasonable attorneys' fees and expenses which may be imposed upon or incurred or paid by or asserted against such Indemnified Parties by reason of or in connection with any of the following occurring during the Term of this Agreement (except to the extent caused by the negligence or misconduct of such Indemnified Parties):

(a) any accident, injury, death or damage to any person or property occurring in, on or about the Premises;

(b) all construction and any changes, alterations, repairs and anything done in, on or about the Premises or any part thereof in connection with such changes, alterations and repairs;

(c) any negligent act on the part of Tenant or any of its agents, contractors, servants, employees, sub-Tenants, licenses or invitees;

(d) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof; or

(e) the condition of the Premises, or of any buildings or other structures now or hereafter situated thereon, or the fixtures or personal property thereon or therein.

Landlord shall indemnify, defend, and hold Tenant harmless from any injury and any resulting or related claim, action, loss, liability, or reasonable expense, including attorney's fees and other fees and court and other costs, occurring in any portion of the Commons Areas. **The indemnity contained in this paragraph (i) is independent of landlord's insurance, (ii) will not be limited by comparative negligence statutes or damages paid under the Workers' Compensation Act or similar employee benefit acts, (iii) will survive the end of the Term, and (iv) will only apply if caused in whole or in part by the acts or omissions of Landlord or its agents, including in whole or in part by the negligent acts or omissions of Landlord or its agents, even if an injury is caused in part by the ordinary negligence or strict liability of Tenant but will not apply to the extent an injury is caused in whole or in part by the gross negligence or willful misconduct of a Tenant.**

ARTICLE VIII

IMPOSITIONS, UTILITIES, MAINTENANCE, CONSTRUCTION

8.1 **Impositions.**

(a) Subject to Tenant's right to contest such charges pursuant to **Section 8.l (c)** below, from and after the Commencement Date (hereinafter referred to as the "**Imposition Commencement Date**"), Tenant shall pay all real estate taxes on all personal property, assessments for local improvements, water, and storm and sanitary sewer rates and charges (other than ordinary charges for utility services as provided in

Section 8.2), licenses and permit fees, and other governmental levies and charges, which are assessed, levied, confirmed, imposed, or become a lien upon the Premises (or any portion thereof), or become payable during the Term of this Agreement (the "**Impositions**"), payment thereof to be made before any fine, penalty, interest, or cost may be added thereto for the nonpayment thereof; provided, however, that any Imposition relating to a fiscal period of the taxing authority a portion of which is included within the Term hereof and a portion of which is included in a period of time before the Imposition Commencement Date or after the expiration of the Term (for reasons other than Tenant's default hereunder) shall be adjusted between Landlord and Tenant as of the date for payment of Impositions occurring during the first Lease Year or such expiration date, as applicable. If Tenant does not timely pay such Impositions (or contest such payment pursuant to **Section 8.l (c)** below) Landlord may pay the same and such amount so paid shall be due and payable to Landlord as Additional Rent upon written demand therefor by Landlord. Tenant shall provide Landlord with written evidence of its payment of any Impositions within fifteen (15) days after request from Landlord. Tenant will pay all Ad Valorem taxes on real property directly to Landlord as an Operating Expense.

(b) Nothing hereinabove contained shall require Tenant to pay any franchise, estate, inheritance, succession, capital levy, stamp levy, stamp tax, margin tax, or transfer tax of Landlord or any income, excess profits, or revenue tax, or any other tax, assessment, charge, or levy based on or measured by the gross income or capital stock of Landlord or upon any rental payable by Tenant under this Agreement. To the extent received by Landlord, Landlord covenants to forward promptly to Tenant any and all notices or statements relating to taxes, assessments, fees, water, sewer, or other rent rate or charge, excise, levy license fee, permit fee, inspection fee, or other authorization fee. Tenant shall furnish to Landlord copies of receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Landlord evidencing payment of the Impositions before any fine, penalty, interest or cost may be added thereto for nonpayment thereof. The certificate, advice or bill of nonpayment of any Imposition from the appropriate official designated by law to make or issue the same or to receive payment of any Imposition shall be prima facie evidence that such Imposition is due and unpaid at the time of the making or issuance of such certificate, advice, or bill of nonpayment.

(c) So long as there is then no uncured default hereunder, Tenant may contest the collection or assessment of any Imposition, tax, assessment, fee, water or sewer charge or rate, excise, or levy by legal proceedings or other appropriate action. If Tenant so elects to contest such amounts, Tenant shall, prior to the prosecution or defense of any such claim, notify Landlord in writing of its decision to pursue such contest and, to the extent procedurally required, Tenant shall pay the amount in question prior to initiating the contest or otherwise shall provide adequate security to Landlord prior to initiating the contest.

8.2 **Utilities.** From the date that Tenant accepts possession and commences to construct its improvements ("Possession Date") for the Interior Buildout, Tenant shall pay as and when due all charges for all heating, air conditioning, electricity, gas, water, sewer, and other utilities used, consumed, or wasted in the Premises. If any of the same are not separately metered, Tenant shall pay its Proportionate Share of such charges as Operating Expenses, provided that if such utilities are separately metered to some tenants including Tenant, but not to other tenants, then for this purpose only Tenant's Proportionate Share may be calculated at Landlord's option as a pro-rata allocation among the users of such common utilities in accordance with their relative square footages.

8.3 **Premises Maintenance and Repairs**.

(a) From and after the Commencement Date, subject to the provisions of **Article XVII** (Destruction and Severability) and **Article XVIII** (Condemnation) below relating to destruction of or damage to the Premises, Tenant agrees that at its own expense it will keep and maintain the Premises, including, without limiting the generality of the foregoing, all improvements in good, clean, condition and repair. Landlord shall keep the foundations, exterior walls (except doors and exterior plate glass) roof, and utility systems to and from the Premises in good repair, and if necessary or required by proper governmental authority, make modifications or replacements thereof. The cost of all of such work shall be included in Operating Expenses, except to the extent that the need for such work is caused by Tenant or its employees, agents, or invitees, in which case at Landlord's election Tenant shall reimburse Landlord for such cost within thirty (30) days following written request. Landlord shall not be obligated to make any other repairs, replacements, or improvements of any kind upon the Premises, or any equipment, facilities, or fixtures therein contained, including air conditioning equipment or other equipment serving the Premises even if located outside the Premises.

(b) At its own expense, Tenant shall at all times keep and maintain the Premises and all components thereof and all fixtures, elevators and other equipment, and utilities within the same (and all heating, ventilation, and air conditioning equipment serving the same whether located therein or otherwise) and all doors, windows, hardware, and frames serving the Premises in good order, condition and repair, and in clean, sanitary, and safe condition and in accordance with all applicable laws, ordinances, and regulations of any governmental authority having jurisdiction. Tenant shall utilize only air conditioning and heating repair companies authorized in writing by Landlord. Tenant shall permit no waste, damage, or injury to the Premises. Tenant shall at its own cost and expense replace with glass of the same or greater quality any cracked or broken glass, including plate glass. If specifically required by Landlord, Tenant shall maintain a policy or policies of insurance insuring Landlord and Tenant, as their interest may appear, against breakage of all such glass in or adjacent to the Premises, and shall deposit such policy or policies or certificates evidencing their existence, together with evidence of the payment of

the premiums thereon, with Landlord at the commencement of the Term and at least thirty (30) days prior to the expiration of each such.

(c) **Property Owners Association.** Tenant will be required to participate in the Property Owners Association Agreement for the Lakefront Development.

8.4 **Operation of Tenant's Business.** Throughout the Term, Tenant shall keep its business in the Premises fully stocked and adequately staffed to meet reasonably anticipated demand, and Tenant shall conduct such business in good faith and in a reputable manner. Throughout the Term, Tenant shall occupy the entire Premises and hold such business open to the public not fewer than eight (8) hours per day, six (6) days per week, except Tenant need not be open on legal holidays, unless Tenant so chooses.

8.5 **Tenant Signage.** Tenant shall be allowed to install a storefront sign up to the maximum exterior building signage allowed by the Town's regulations. Tenant shall be allowed to install an individual letter, internally illuminated sign, on each exterior side/elevation of the premises. Landlord will provide Tenant with top space on any future monument sign for the center

8.6 **Rules Governing Construction, Additions, and Alterations.** The following rules govern construction, additions, and alterations of buildings or other improvements on the Premises.

(a) Tenant and any Sublessee must, at its own expense, engage a licensed architect or engineer to prepare plans and specifications for trade specific Interior build**out**, improvements, additions or alterations to the building and outdoor play area and submit the same to the Landlord for approval in advance of any such construction, which such approval shall not be unreasonable withheld or delayed.

(b) All Contractors are required to be registered with the Town of Little Elm and will provide Separated Contracts for taxable materials and have a Texas Sales Tax number assigned to the project address (Only applicable on purchases over $100,000.00 that are taxable under the Texas statute, and verification of dedication of sales tax assignment). Contractor must be bonded. No liens may be placed on the property or building. All contract issues must be resolved before a Certificate of Occupancy will be issued.

(c) The Demarcation of Responsibility (Exhibit C) is provided to serve as a guideline to the Tenant and the Landlord as to who is responsible for the cost associated with the major components of the construction. Demarcation of responsibility (***Exhibit C***) is provided to serve as a guideline to the Tenant and the Landlord as to who is responsible for the cost associated with major components of the construction.

8.7 **Building Permit.** Tenant covenants and agrees to make application to receive a building permit from the Town of Little Elm, Texas for the finish out approximately 1,300 square

foot commercial/ entertainment space located on the land described in ***Exhibit A*** of this Agreement by **August 1, 2022,** as depicted in ***Exhibit B*.** The EDC shall cause the Town of Little Elm to waive all permit fees.

8.8 **HVAC.** The Building is constructed to utilize a separate heating, ventilation and air conditioning ("HVAC") system for the Premises. Tenant shall keep the HVAC system for the Premises operating during business hours at a level sufficient to satisfy the requirements of the Premises, and during all other times sufficient for the safety of pipes, ducts, and other property in the Premises, Tenant shall maintain, repair, and replace as needed the HVAC system and components at Tenant's expense and have the HVAC system professionally serviced quarterly in each lease year.

8.9 **Limitation.** Landlord shall not be liable to Tenant if utilities or other services provided to the Premises shall be insufficient for any reason, or interrupted or impaired by fire, accident, or by any cause beyond Landlord's control, or because of any periodic maintenance or any repair.

ARTICLE IX

HAZARDOUS SUBSTANCES

9.1 **Environmental Laws**. For purposes of this **Article IX, "Environmental Laws"** means the State and Federal laws which regulate Hazardous Substances (as hereinafter defined), and material, waste, or pollutants, in quantities or concentrations the generation, storage, disposal, handling, release (or threatened release), treatment, discharge, or emission of which is regulated, prohibited, or limited under: (i) the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984, as now or hereafter amended ("**RCRA**") (42 U.S.C. Sections 6901 et seq.), (ii) the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986, as now or hereafter amended ("**CERCLA**''), (42 U.S.C. Sections 9601 et seq.), (iii) the Clean Water Act, as now or hereafter amended ("**CWA**") (33 U.S.C. Sections 1251 et seq.), (iv) Toxic Substances and Control Act, as now or hereafter amended ("**TSCA**") (15 U.S.C. Section 2601 et seq.), (v) the Clean Air Act, as now or hereafter amended ("**CAA**") (42 U.S.C. Section 7401 et seq.), (RCRA, CERLA, CWA, TSCA and CAA are collectively referred to herein as the "**Federal Toxic Waste Laws**"), (vi) any local, state or foreign law, statute, regulation, or ordinance analogous to any of the Federal Toxic Waste Laws, and (vii) any other federal, state, local, or foreign law (including any common law), statute, regulation, or ordinance regulating, prohibiting, or otherwise restricting the placement, discharge, release, threatened release, generation, treatment, or disposal upon or into any environmental media of any substance, pollutant, or waste which is now or hereafter classified or considered to be hazardous or toxic. All of the laws, statutes, regulations and ordinances referred to in subsections (vi) and (vii) above, together with the Federal Toxic Waste Laws are collectively referred to herein as "**Toxic Waste Laws**". The term "**Hazardous**

Substances" shall also include, without limitation the following in quantities or concentrations which are regulated by State of Federal Environmental Laws, (a) gasoline, diesel fuel, fuel oil, motor oil, waste oil, and any other petroleum hydrocarbons, including any additives or other by-products associated therewith, (b) asbestos and asbestos-containing materials in any form, (c) polychlorinated biphenyls, and (d) any substance the presence of which on the Premises: (x) requires reporting or remediation under any Toxic Waste law; (y) causes or threatens to cause a nuisance on the Premises or poses or threatens to pose a hazard to the health or safety of persons on the Premises; or (z) which, if it emanated or migrated from the Premises, could constitute a trespass, nuisance or health or safety hazard to persons on adjacent property.

9.2 **Hazardous Substances on Premises Prohibited**. Tenant shall not conduct, permit, or authorize Hazardous Substances on the Premises without prior written authorization by Landlord, except for such quantities which are routinely utilized in connection with the lawful use of the Premises, all of which are to be stored, used, handled, and disposed of in full compliance with all Toxic Waste Laws. Nothing contained herein shall be construed as imposing upon Tenant any responsibility for any Hazardous Substances located in, on, or under the Land on or prior to the Effective Date (the "**Pre-Existing Conditions**"). If Tenant discovers any Pre-Existing Conditions after the Effective Date, Tenant shall have the option of either remediating such Pre-Existing Condition to the extent required by the Toxic Waste Laws and offsetting the cost thereof (including costs of investigations, reports, studies and consultants) against the Annual Base Rent, or terminating this Agreement by giving Landlord at least thirty (30) days prior written notice of such termination. However, in no event will Landlord have any direct responsibility to Tenant for any unknown Pre-Existing Condition.

9.3 **Compliance with Toxic Waste Laws.**

(a) Tenant shall, at its sole cost and expense, comply with all applicable Toxic Waste Laws, provided that nothing contained herein shall be construed as imposing upon Tenant any responsibility for compliance with applicable Toxic Waste Laws in respect of Pre-Existing Conditions.

(b) Notwithstanding anything contained herein to the contrary, Tenant shall indemnify and hold harmless Landlord from any and all liabilities, claims, causes of action, penalties, fines, costs, expenses, reasonable attorneys' fees, remedial or response costs, investigatory costs and other similar expenses arising out of or otherwise attributable to any violation by Tenant or the Premises of any Toxic Waste Law, unless such violation is the result of Pre-Existing Conditions, or has migrated to the Land from somewhere other than the Land or its improvements. Such indemnity obligation shall survive any termination or expiration of this Agreement.

9.4 **Landlord's Warranties**. Except for pre-existing conditions generated at 111 Main Street, Little Elm, Texas and referenced in a Reed Engineering Report, dated May 22, 2016, Landlord further represents and warrants that to the best of Landlord's actual knowledge:

(i) no leak, spill, discharge, emission or disposal of hazardous or toxic substances has occurred on or about the Land; (ii) the soil, groundwater, soil vapor on or under the Premises is free of toxic or hazardous substances as of the date hereof; and (iii) that there has been no violation of any Toxic Waste Law.

ARTICLE X

INSURANCE

10.1 **Increased Insurance Risk.** Tenant shall not conduct any activities outside of the ordinary course of Tenant's business which shall cause an increase insurance rates on said Premises or the Building without Landlord's consent. If Landlord shall consent to such use, Tenant agrees to pay as additional rental any increase in premiums for insurance obtained by Landlord against loss by fire or extended coverage risks resulting from the business carried on by Tenant in the Premises. If Tenant plans to install or installs any electrical equipment that overloads the power lines to the building, Tenant shall at its own expense make upgrades and changes as necessary to comply with insurer requirements and applicable laws and ordinances.

10.2 **Casualty and Liability Insurance.** Landlord may procure such all-risk property damage insurance (including coverage for rental loss in connection with damage and destruction), vandalism, liability, and other insurance for the Building and Common Areas as Landlord determines, and the costs of such insurance shall be Operating Expenses.

10.3 **Tenant's Construction Insurance.** Prior to starting finish out construction, Tenant shall maintain at its own cost and expense a policy or policies of liability insurance, naming Landlord as an additional insured and insuring Tenant from all claims, demands, or actions arising directly or indirectly with respect to the Premises, the Building and Common Areas, for injury or death sustained by one or more persons as a result of any one occurrence in an amount not less than Two Million Dollars ($2,000,000.00) and for damage to property in an amount not less than One Million Dollars ($1,000,000). Prior to interior finish out construction starting Tenant shall maintain at its own cost and expense, builders risk insurance coverage in an amount adequate to cover the cost of replacement of all alterations, changes, decorations, additions, fixtures and improvements in the Premises, naming Landlord as loss payee to the extent of its interest. Such insurance shall insure the full insurable value of the improvements installed by Tenant and Landlord in the Premises, whether or not the same have been paid for entirely or partially by Tenant.

10.4 **Tenant's Liability Insurance.** Throughout the Term, Tenant shall maintain at its own cost and expense a policy or policies of liability insurance, including liquor liability insurance, naming Landlord as an additional insured and insuring Tenant from all claims, demands, or actions arising directly or indirectly with respect to the Premises, the Building and Common Areas and Tenant's business, for injury or death sustained by one or more persons as a result of any one occurrence in an amount not less than Two Million Dollars

($2,000,000.00) and for damage to property in an amount not less than One Million Dollars ($1,000,000).

10.5 **Tenant's Casualty Insurance.** Throughout the Term, Tenant shall maintain at its own cost and expense, all-risk property damage insurance coverage in an amount adequate to cover the cost of replacement of all alterations, changes, decorations, additions, fixtures and improvements in the Premises, naming Landlord as loss payee to the extent of its interest. Such insurance shall insure the full insurable value of the improvements installed by Tenant and Landlord in the Premises, whether or not the same have been paid for entirely or partially by Tenant.

10.6 **Automobile Insurance.** Throughout the Term, Tenant shall maintain at its own cost and expense comprehensive automobile liability insurance insuring all owned and non-owned and hired vehicles used in the conduct of Tenant's business and operated upon or parked upon the common area with limits of liability of not less than One Million Dollars ($1,000,000.00) for each occurrence for bodily injury and One Hundred Thousand Dollars ($100,000.00) for each occurrence for property damage.

10.7 **Worker's Compensation.** Throughout the Term, Tenant shall maintain at its own cost and expense standard form worker's compensation insurance covering all Tenant's employees for injury or illness suffered in the course of or arising out of their employment, providing compensation benefits as required by law.

10.8 **General Requirements.** Each policy of insurance required of Tenant by this Lease shall be a primary policy, issued by an insurance company reasonably satisfactory to Landlord, and shall contain an endorsement requiring written notice by the insurer to Landlord not less than thirty (30) days in advance of any cancellation, failure to renew, or change in the nature, scope, or amount of coverage. All policies shall be maintained by Tenant at its own cost and expense throughout the Term. Each policy, or a certificate of the policy, together with evidence of the payment of premiums, shall be deposited with Landlord prior to commencement of Premises improvements for coverage required under Section 11.03 above, and prior to the Commencement Date for coverage required under Sections 11.04 through 11.07 above and thereafter prior to expiration of the coverage then in force. After the Initial Term and within thirty (30) days following request by Landlord, Tenant shall obtain such increases in the amounts of coverages required hereunder as reasonably requested by Landlord, taking into consideration the changes in the value of money over the Term, and changes in liability laws.

10.9 **Waivers of Subrogation.** Landlord hereby waives and releases all claims, liabilities, and causes of action against Tenant and its partners, officers, agents, servants, and employees for loss or damage to, or destruction of, the buildings and other improvements situated on the Building resulting from fire or other perils to the extent included in and paid for by the standard extended coverage insurance to be obtained by Landlord, whether caused by the negligence of any of said persons or otherwise. Likewise, Tenant hereby waives and releases all claims, liabilities, and causes of action against Landlord and its partners,

officers, agents, servants, and employees for loss or damage to, or destruction of, any of the improvements, fixtures, equipment, supplies, merchandise, and other property, whether that of Tenant or of others, in, upon, or about the Premises or the Building resulting from fire or other perils to the extent included in and paid for by standard extended coverage insurance to be obtained by Tenant hereunder, whether caused by the negligence of any of said persons or otherwise. The waivers and releases set forth herein are given on behalf of the waiving party and its successors and assigns and its insurers, and these waivers shall remain in force so long as the insuring party's insurer shall consent thereto without additional premium; and if additional premium is charged then the other party shall have the option to pay the same to keep this waiver in force. The foregoing mutual waivers are given in consideration of each other, and the termination or suspension of one shall with like effect terminate or suspend the other.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

11.1 **Tenant Limitations.** Tenant shall not transfer, sublease or assign this Lease or the Premises without the prior written consent of the Landlord. No change in control or change in ownership of Tenant shall occur without the prior written consent of Landlord. Any attempted or purported transfer, sublease or assignment of this Lease or the Premises, or any change in control or ownership of Tenant without Landlord's prior written consent shall constitute a breach of this Lease, and acceptance of any payment to Landlord shall not be a waiver of any right of Landlord.

11.2 **Landlord Consent.** Landlord may withhold its consent to events described in Section 11.1 above requiring Landlord's consent and Tenant agrees that such withholding shall be reasonable if (i) if Landlord has requested information about the character, experience, composition, business, or financial condition of the proposed transferee or about the use of the Premises intended by the proposed transferee, and any such information has not been provided in form and substance reasonably satisfactory to Landlord, (ii) if the experience, business plan, or financial condition of the proposed transferee is such as to cause reasonable concern about its ability to perform all obligations under this Lease, (iii) or if the proposed transferee's intended use of the Premises is already represented at the Building or would violate any exclusive right of any other Tenant or in Landlord's reasonable judgment would adversely affect business conducted at the Building. Landlord may condition its consent, and the parties agree that such condition shall be reasonable, without limitation, upon receipt of reimbursement for its costs and expenses incurred in connection with such transfer and receipt of a document in form and substance reasonably satisfactory to Landlord executed and delivered by Tenant, all guarantors hereof, and the proposed transferee in which (v) the proposed transferee covenants in favor of Landlord to perform each and all of Tenant's obligations under this Lease as if it were substituted in the place of Tenant, (w) Tenant affirms its continuing liability for all of its obligations hereunder, (x) the guarantors consent to the transfer, reaffirm their guaranties, and covenant in favor of Landlord that such guaranties shall apply to this Lease as so transferred, (y) each of the

parties to such document acknowledges that the undertakings set forth therein shall be enforceable by Landlord irrespective of any failure of any other party to that document to render any performance or deliver any consideration, and (z) provisions are made for such other matters as Landlord may reasonably request under the circumstances.

11.3 **Transfer by Landlord.** Landlord may assign this Lease to any successor in interest to Landlord, and Landlord shall be released from further obligation under this Lease upon acceptance of the assignment by the assignee. The assignee shall promptly notify Tenant of the Lease assignment.

ARTICLE XII

QUIET ENJOYMENT

12.1 **Quiet Enjoyment.** Provided Tenant pays the rent payable hereunder as and when due and payable and keeps and fulfills all of the terms, covenants, agreements and conditions to be performed or observed by Tenant hereunder, Tenant shall at all times during the Term have quiet and peaceable enjoyment of the Premises.

12.2 **Warranty of Title.** Landlord represents and warrants that Landlord is the sole owner of fee simple title in and to the Land, subject only to the matters set forth in the Title Commitment, and that Landlord, subject to Town Council of the Town of Little Elm, alone has the full and sole right to lease the Premises to Tenant without the consent or joinder of any other party (which consent or joinder will have been obtained at the time of execution of this Lease Purchase Agreement).

ARTICLE XIII

HOLDOVER

Upon the termination of this Agreement (whether by the expiration of the Term of this Agreement or otherwise) Tenant must immediately vacate the Premises, but if Tenant fails to do so then, without the execution of a new lease by Landlord and Tenant, Tenant, at the option of Landlord, shall immediately become a holdover month-to-month Tenant of the Premises at one hundred fifty percent (150%) of the Monthly Rent effective in the month immediately preceding the termination of this Agreement, plus all Additional Rent and other sums payable by Tenant hereunder, and under all other terms, conditions, provisions, and obligations of this Agreement.

ARTICLE XIV

DEFAULT AND REMEDIES

14.1 **Events of Default.** The occurrence of one or more of the following events shall constitute an event of default (each being referred to as an "**Event of Default**") pursuant to the terms of this Agreement:

(a) The failure of Tenant to comply with or to observe any terms, provisions, or conditions of this Agreement performable by and obligatory upon Tenant, excluding the rent and other payment provisions hereof, within thirty (30) days after written notice by Landlord plus such additional time as is needed to cure the same so long as Tenant (or its mortgagee) has commenced such cure within such 30-day period and such cure thereafter is continuously and diligently undertaken by Tenant (or its mortgagee);

(b) From the Commencement Date, the failure of Tenant to pay when due any portion of any installment of Monthly Rent or any other monetary charge due from Tenant hereunder and such failure continues for thirty (30) days after written notice thereof from Landlord; provided, however, Landlord shall not be required to give such 30 day notice, and Tenant shall not be entitled to same, more than two (2) times during any twelve (12) month period, and any subsequent failure of Tenant to pay a monetary charge hereunder during such 12-month period shall be an Event of Default upon the occurrence thereof without any further notice whatsoever to Tenant;

(c) The taking of all of Tenant's leasehold estate by execution or other process of law other than as provided in **Article XVIII**.

14.2 **Landlord Remedies.** Upon the occurrence of any Events of Default enumerated in **Section 14.1** hereof, but subject to the rights of mortgagees and their designees as provided in **Article XV** hereof, Landlord shall have the right to pursue and enforce any and all rights and remedies available to Landlord hereunder or at law or equity, including, without limitation, (i) the right to terminate this Agreement by written notice to Tenant and the expiration of any applicable cure periods as provided in this Agreement, and (ii) the right to terminate Tenant's right of possession of the Premises (without terminating this Agreement).

14.3 **No Waiver by Landlord.** Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or equity, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions, and covenants herein contained. Landlord's acceptance of rent following an Event of Default hereunder shall not be construed as Landlord's waiver of any future Event of Default. No waiver by Landlord of any violation or breach of any of the terms, provisions, and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, and covenants herein contained. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an Event of Default shall not be deemed or construed to constitute a waiver of such default.

14.4 **Attorney's Fees**. In any case where Landlord or Tenant employs attorneys to protect or enforce its rights hereunder and prevails, then the non-prevailing party agrees to pay the other party reasonable attorney's fees and costs of suit incurred by the prevailing party.

14.5 **Bankruptcy of Tenant**. The bankruptcy or insolvency of Tenant, an assignment by Tenant for the benefit of Tenant's creditors, the appointment of a trustee, liquidator or receiver for Tenant, reorganization by Tenant, an admission by Tenant of its inability to pay its debts as the same become due and/or the inability to pay its debts as the same become due and/or the seeking or granting of any order of relief in any proceeding commenced by or against Tenant under any present or future federal or state bankruptcy, insolvency or creditors' relief statute shall not affect this Agreement so long as all covenants of Tenant are continued in performance by Tenant or its successors or legal representatives. Furthermore, with respect to the rights of a mortgagee, all notice of default and the periods for curing the same shall be extended for such period of time as Tenant and/or its interest under this Agreement are involved in any bankruptcy, receivership, custodial or other legal proceeding which prevents such mortgagee from curing any such default and/or obtaining title to the interest of Tenant under this Agreement and/or actual possession of the Premises, provided that during such interim period the mortgagee under a mortgage of the leasehold estate, or its designee, shall pay/or cause to be paid all rents, taxes, assessments, and insurance premiums provided for hereunder as and when they become due under the terms of this Agreement.

14.6 **Default of Landlord**. To the extent Landlord has obligations under this Agreement, if Landlord defaults in its obligations, Tenant shall provide Landlord with thirty (30) days' notice within which to cure such default. In the event Landlord has not cured such default within the applicable time, then Tenant shall have the right to pursue and enforce any and all rights and remedies available to Tenant hereunder, or at law or equity, including specific performance.

ARTICLE XV

FINANCING

15.1 **Right to Finance.** Tenant shall from time to time and at any time have the right to encumber by one or more mortgages, deeds of trust, security agreements, or other instruments in the nature thereof, as security for one or more loans, indebtednesses or obligations, Tenant's right to use and occupy the Premises, the leasehold estate created hereby, all right, title and interest in and to any improvements at any time located on or partially on the Premises, and any other property so affixed to said land, buildings or improvements as to be a part thereof. Any such indebtedness or obligation and any such mortgage, deed of trust or security agreement securing same shall be for such amount and on such other terms and conditions as Tenant may agree to in its sole discretion; provided that any such mortgage, deed of trust, or security agreement shall at all times be subject to the terms and provisions of this Agreement and the rights, titles and interest of Landlord arising by virtue of this Agreement. **IN NO EVENT WILL LANDLORD BE**

REQUIRED TO "SUBORDINATE" LANDLORD'S FEE SIMPLE ESTATE IN THE LAND OR BUILDING FOR FINANCING OBTAINED BY TENANT UNDER THIS SECTION 15.1, (I.E., LANDLORD WILL NOT EXECUTE ANY DEED OF TRUST SECURING ANY INDEBTEDNESS OF TENANT). Tenant represents and warrants that all financial information of Tenant and any Guarantor provided to the Landlord is true and correct, and there has not been a material adverse change in its financial condition since the information was provided. Tenant is not aware of any pending or threatened litigation or claim which would materially affect the financial condition of the Tenant or a Guarantor or the business to be conducted at the Premises.

15.2 **Notice to Mortgagee.** If at any time after execution and recordation in Denton County, Texas, of any such mortgage, deed of trust, or other instrument in the nature thereof, Tenant or the mortgagee therein shall notify Landlord in writing that any such mortgage or deed of trust has been given and executed by Tenant, and shall furnish Landlord with the address to which such mortgagee desires copies of notices to be mailed (or designate some person or corporation as the agent and/or representative of such mortgagee for the purpose of receiving copies of notices), Landlord hereby agrees that Landlord will thereafter, in addition to any other notice Landlord shall be required by this Agreement to deliver to such mortgagee, mail to each such mortgagee or agent thereof, at the address so given, by registered mail, postage prepaid, return receipt requested, and at the same time that such notice is placed in the mail or otherwise delivered to Tenant, duplicate copies of any and all notices in writing which Landlord may from time to time give or serve upon Tenant under and pursuant to the terms and provisions of this Agreement, including, but not by way of limitation, any notices of default required to be sent by virtue of **Article XIV** hereof. Landlord shall also notify each such mortgagee of any proposed action requiring the prior approval of such mortgagee hereunder and any casualty or condemnation loss.

15.3 **Right to Cure**. Any such mortgagee, at the option of such mortgagee, acting either directly or indirectly through a designee, may pay any of the rents due hereunder or may affect any insurance, or may pay any taxes and assessments, or may make any repairs and improvements, or may make any deposits, or may do any other act or thing or make any other payment required of Tenant by the terms of this Agreement, or may do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions of this Agreement, or to prevent the forfeiture of this Agreement; and all payments so made and all things so done and performed by such mortgagee or designee shall be effective to prevent a forfeiture of the rights of Tenant hereunder as the same would have been if timely done and performed by Tenant instead of by any such mortgagee or designee. The mortgagee shall be given a separate fifteen (15) day written notice of Tenant's failure to cure an Event of Default after any notice and period to cure, during which fifteen (15) day period the mortgagee shall have the right to cure and monetary default, and if any non-monetary default cannot reasonably be cured in this fifteen (15) day period, the right to commence and thereafter diligently and continuously pursue the required cure to completion.

15.4 **Option for New Lease**. Upon termination of this Agreement, for any reason, other than expiration of its Term, Landlord shall deliver written notice of such termination to any mortgagee about which Landlord has been notified pursuant to Section 15.2 hereof and such mortgagee or its designee shall have the option, within forty-five (45) days after receipt of written notice of such termination, to elect to receive from Landlord a new lease of the Premises for the unexpired balance of the Lease Term, or any renewal and extension hereof, on the same terms and conditions as in this Agreement set forth, and Landlord agrees to execute such new lease provided such mortgage holder or designee:

(a) shall forthwith cure any monetary default of Tenant;

(b) shall undertake forthwith to remedy any non-monetary default of Tenant, excluding those which by their nature are incapable of cure by any other person or corporation; and

(c) shall thereafter observe and perform all covenants and conditions in such Lease contained on the part of Tenant to be observed and performed (including the payment of rents hereunder).

In the event that more than one (1) mortgagee or designee shall exercise the foregoing option for a new lease, Landlord shall enter into a new lease with the mortgagee, or the designee of such mortgagee, having the highest priority among those mortgagees which exercised the option.

15.5 **No Liability.** No such mortgagee of the rights or interests of the Tenant or its designee hereunder shall be or become liable to Landlord as an assignee of this Agreement or otherwise, unless such mortgagee or designee expressly assumes by written instrument such liability, and no assumption shall be inferred from or result from foreclosure or other appropriate proceedings in the nature thereof or as the result of any other action or remedy provided for by such mortgage or deed of trust or other instrument or from a conveyance from Tenant pursuant to which the purchaser at foreclosure or grantee shall acquire the rights and interest of Tenant under the terms of this Agreement.

15.6 **Modifications.**

(a) Landlord shall not accept any surrender of or agree to any termination of or enter into any modification or amendment of this Agreement without the prior written consent thereto by any such mortgagee, and any attempt to do so without such written consent shall be void and of no force and effect.

(b) Landlord agrees to modify this Agreement from time to time for the purpose of incorporating therein such additional mortgagee protective provisions as may be reasonably requested by any such mortgagee, provided such modifications are reasonably acceptable to Landlord and not inconsistent with the basic transaction agreed to by the parties, including, without limitation, any of the monetary terms of

this Agreement, provided that **IN NO EVENT WILL LANDLORD BE REQUIRED TO "SUBORDINATE" LANDLORD'S FEE SIMPLE ESTATE IN THE LAND FOR FINANCING OBTAINED BY TENANT UNDER THIS SECTION 15.6, (I.E., LANDLORD WILL NOT EXECUTE ANY DEED OF TRUST SECURING ANY INDEBTEDNESS OF TENANT).**

15.7 **Rights Cumulative.** All rights of a leasehold mortgagee under this Agreement shall be cumulative.

15.8 **Landlord's Right to Finance.** Landlord may at any time, without the prior written consent of Tenant, encumber by mortgage, deed of trust, security agreement or other instrument in the nature thereof, any of Landlord's right, title or interest in the Land and building and this Agreement; provided that any such mortgage, deed of trust or other instrument in the nature thereof shall at all times be, and shall expressly state that it is, subject and subordinate to this Agreement and the rights, titles and interests of Tenant and any mortgagee of Tenant arising by virtue of this Agreement.

ARTICLE XVI

ESTOPPEL CERTIFICATES

Landlord and Tenant will, at any time and from time to time, upon not less than thirty (30) days' prior written request by the other party, execute, acknowledge and deliver to each other or to any person whom the requesting party may designate, a certificate, certifying as follows: (i) that this Agreement is unmodified and in full effect (or setting forth any modifications and that this Agreement is in full effect as modified); (ii) the Annual Base Rent payable and the dates to which the Annual Base Rent has been paid and whether other sums, including Additional Rent payable hereunder, have been paid; (iii) any default of which such party may have knowledge; (iv) the commencement and expiration dates of this Agreement; and (v) such other matters as may reasonably be requested by either of the parties hereto. Any such certificate may be relied upon by any mortgagee or prospective purchaser or prospective mortgagee of the Premises.

ARTICLE XVII

DESTRUCTION AND SEVERABILITY

17.1 **Damage to Premises.** If the Premises are wholly or partially destroyed or damaged during the Term of this Lease, and to the extent that such loss is paid for by Landlord's insurance, then Landlord shall proceed with reasonable diligence to repair such damage and restore the Premises. To the extent that the Premises are wholly or partially destroyed or damaged during the Term of this Lease and such loss is not paid for by Landlord's insurance and is not a Material Casualty, then Landlord shall proceed reasonable diligence to repair such damage and restore the Premises. "Material Casualty" shall mean that the cost to repair the Premises exceeds twenty percent (20%) of the then replacement cost of the building improvements comprising the Premises, or the cost of all repairs in connection with such

casualty loss exceeds ten percent (10%) of the then replacement cost of the Building. To the extent that the Premises are wholly or partially destroyed or damaged during the Term of this Lease and such loss is not paid for by Landlord's insurance and is a Material Casualty, then Tenant or Landlord within sixty (60) days following the loss, shall elect and give notice to the other party to either proceed with reasonable diligence to repair such damage and restore the Premises, or terminate the Term of this Lease.

17.2 **Damage to Premises Caused by Tenant.** If the Premises are wholly or partially destroyed or damaged during the Term of this Lease and if such loss is the fault of Tenant or any of its owners, partners, officers, employees, agents, or contractors, then Tenant shall pay to Landlord within ten (10) days following demand the value of the loss resulting from such damage including a reasonable administrative charge of a private adjuster for dealing with the same, and Landlord shall proceed shall proceed with reasonable diligence to repair such damage and restore the Premises. However, Landlord shall not be obligated to expend any funds for repair or restoration until Tenant shall made payment for the loss to Landlord.

17.3 **Damage to Building Not Involving Premises.** In the event the Building (but not the Premises) is damaged and the loss is not paid by Landlord's insurance and is a Material Casualty, then Landlord shall have the option either to repair or restore such damage with this Lease continuing and with the Fixed Minimum Rent and other amounts due to be proportionately reduced or give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of termination, Tenant shall continue to pay Fixed Minimum Rent and other amounts due until the date specified in such notice.

17.4 **Allocation of Responsibilities.** Landlord's obligations to repair and restore property subject to casualty loss shall not extend to any property in the Premises or elsewhere originally installed, paid for, or owned by Tenant or any person other than Landlord. Promptly after Landlord completes any work of repair or restoration required of it hereunder, Tenant shall proceed with reasonable diligence proceed to repair and restore its fixtures, equipment, and other property and to replenish its inventory.

17.5 **Time of Performance.** The times during which performance of all obligations to repair and restore area to occur under this Article shall be reasonable, taking into account the scope of the work, requirements for governmental approvals, settlement procedures of insurance companies, and similar constraints. Landlord's repairs shall be commenced within sixty (60) days and substantially completed within one hundred and eighty (180) days following the loss. Tenant's repairs and restoration shall be substantially completed within sixty (60) days following Landlord's written notice of substantial completion of Landlord's repairs and restoration in the Premises.

17.6 **Abatement.** Following any casualty and during any time of restoration and repair, Tenant shall continue to operate its business in the Premises so far as is reasonably practicable. Provided that Tenant shall comply with all of its other obligations hereunder, and provided

that the casualty is not the fault of Tenant or any of its owners, partners, officers, employees, agents, or contractors, Tenant's obligation to pay Fixed Minimum Rent and Operating Expenses shall be reduced to such extent as may be fair and reasonable under the circumstances for a period of time only so long as the Premises are rendered fully or partially untenantable by reason of such casualty. If in any case there is a dispute as to the amount of the abatement, then until resolution of the dispute Tenant shall pay to Landlord not less than one-half of the full amounts of Fixed Minimum Rent and Operating Expenses as and when the same otherwise would be required hereunder if no casualty had occurred.

17.7 **Damage Late in Term.** Landlord shall not be obligated to repair or restore the Premises when the damage resulting from any casualty occurs during the last twelve (12) months of the Term, and if Landlord declines to repair such damage, Tenant may terminate this Lease as of the date of such casualty by written notice to Landlord.

ARTICLE XVIII

CONDEMNATION

18.1 Definitions. For purposes of this **Article XVIII**, the following terms shall have the respective meanings set forth below:

(a) **"Award"** means the amount of any award made, consideration paid, or damages ordered as a result of a Taking less any reasonable costs in obtaining such award, such as reasonable legal fees and costs, consultant fees, appraisal costs.

(b) **"Date of Taking"** means the date upon which title to the Premises, or a portion thereof, passes to or vests in the condemner or the effective date of any order for possession if issued prior to the date title vests in the condemner.

(c) **"Taking"** means a taking of the Premises or any damage related to the exercise of the power of eminent domain and including a voluntary conveyance to any agency, authority, public utility, person, or corporate entity empowered to condemn property in lieu of court proceedings.

18.2 **Total Condemnation**. If the entire Premises shall be taken as the result of a Taking, this Agreement shall terminate and expire as of the Date of Taking.

18.3 **Partial Condemnation**. If a portion of the Premises should be taken as a result of a Taking, and the remaining part of the Premises is unsuitable, in Tenant's reasonable opinion, for the continued economic conduct of Tenant's business, Tenant shall have the right to terminate this Agreement by giving Landlord written notice thereof no later than thirty (30) days after the Date of Taking, whereupon Annual Base Rent, Additional Rent and all other charges shall be terminated as to the unexpired portion of this Agreement, effective as of the Date of Taking.

If Tenant does not exercise its right to terminate as set forth above or if such partial Taking does not, in Tenant's discretion, render the remaining part of the Premises unsuitable for the continued economic conduct of Tenant's business, this Agreement shall not terminate; however, the Annual Base Rent payable hereunder during the unexpired portion of this Agreement shall be reduced in proportion to the area of the Land taken, effective as of the Date of Taking; further provided, however, that if Landlord and Tenant do not agree on the proportionate amount of reduction of Annual Base Rent, such amount shall be determined in accordance with the appraisal procedures described in **Section 18.5**. Following such partial Taking, Tenant shall make all necessary repairs or alterations necessary to make the Premises an architectural whole, if Tenant has not elected to terminate this Agreement.

18.4 **Condemnation Proceeds.** All Awards shall be paid to Landlord and Tenant in the following shares:

(i) Tenant shall receive those portions of the Award that are specifically attributable to (a) the value of, and paid as compensation for, Tenant's interest in the Premises, including all Improvements hereafter constructed by Tenant thereon and any of Tenant's personal property taken, (b) removal and relocation of Tenant's personal and trade fixtures, (c) anticipated or lost profits or damages caused to Tenant's business or any special damages to Tenant, (d) the bonus value of Tenant's leasehold estate, and (e) any severance damages awarded by reason of the partial Taking of any Improvements.

(ii) Landlord shall receive from the Award those portions of the Award that are attributable to (a) the value of, and paid as compensation for, its fee interest in the Land (as encumbered by the Lease), and (b) the reversionary interest in any Improvements located on the Land; and

(iii) Tenant shall use whatever portion of the Award it receives by reason of a partial taking of Improvements to pay the cost of enclosing any Improvements that are not taken if the partial taking caused such Improvements to be no longer fully enclosed.

In the event of a dispute between Landlord and Tenant as to the fair market value of the Land and any Improvements before or after the Taking, or as to the proper allocation of any Award as required herein, then either Landlord or Tenant may submit the issue to determination by appraisers pursuant to **Section 18.5**, and such determination shall be binding upon the parties.

18.5 **Appraisal.** Not more than thirty (30) days after any Taking, Landlord and Tenant shall each appoint one independent MAI appraiser to determine the value of the interest of Landlord or Tenant, or both, as the case may be, and notice of such appointment shall be given to the other party. Such appraisers shall be appointed and such appraisals shall be made in the following manner: Landlord and Tenant shall each select an independent, experienced and duly licensed MAI real estate appraiser and the two (2) appraisers shall thereupon be instructed to select and designate a third (3^{rd}) appraiser, who shall be engaged

by both Landlord and Tenant. If either party shall fail to so designate an appraiser, the other party shall have the right to petition the District Court for the County of Denton, Texas to appoint such an appraiser on behalf of the defaulting party, which appraiser shall act on behalf of such party and at such party's sole cost and expense. In the event that such appraisers shall fail to agree on an appraised value of the interest, Landlord and Tenant agree that the value of the interest shall be established as the average price represented by the two (2) appraisal reports most closely in agreement as to the value of the interests.

18.6 **Voluntary Conveyance.** Nothing in this article prohibits Landlord from voluntarily conveying all or part of the premises to a public utility agency, or authority under threat of a taking under the power of eminent domain. Any such voluntary conveyance will be treated as a taking within the meaning of this article.

ARTICLE XIX

EXISTING LEASES

19.1 **Assignment of Existing Leases.** As of the Effective Date, Landlord shall assign the Existing Leases, if any, to Tenant; provided, however, prior to the Commencement Date, Landlord shall continue to operate, collect rents and pay expenses with respect to the Existing Leases (but only to the extent that such Existing Leases have not theretofore terminated). Furthermore, from and after the Effective Date, Landlord shall not, without the prior written consent of Tenant (which consent may be granted or withheld in Tenant's sole and absolute discretion), enter into any new leases or amend, terminate or extend any of the Existing Leases. Any termination/buyout fees to be paid to terminate any Existing Lease shall be paid by Tenant. Any rental amounts under the Existing Leases shall be pro-rated as of the Commencement Date. Landlord shall transfer to Tenant all security deposits held by the Landlord as respects any Existing Lease on the Commencement Date.

ARTICLE XX

CONSTRUCTION AND SIGNS

20.1 **Construction Requirements.** Tenant shall not perform or contract for any construction (including Tenant's initial work in preparation for occupancy), repairs, alterations, or additions to the Premises, without first obtaining Landlord's written consent. as to the nature and design of such work, the materials to be used, the contractors and suppliers of materials, and the services to be utilized. Landlord may not withhold such consent unreasonably, but such withholding shall be reasonable if Tenant has not provided all documents and information requested by Landlord in form and substance reasonably satisfactory to Landlord, or if Landlord in its discretion determines any condition, contractor or supplier to be unsatisfactory. Tenant shall provide and Landlord shall be entitled to review: (i) architectural plans and specifications; (ii) evidence of funds sufficient to pay for the work and a reasonable additional contingency amount; (iii) certificates of required insurance, including liability insurance and workers' compensation insurance; and

(v) a surety bond in favor of Landlord or acceptable payment and lien waiver procedure assuring lien free completion of the work. All work on the Premises roof, including all decking, attachments and penetrations, shall be installed and repaired by a roofing contractor approved by Landlord.

20.2 **Construction Standards.** Tenant shall ensure that all construction, repairs, modifications, or additions at the Premises proposed by Tenant shall occur only in accordance with the design, plans, specifications, documents, and information provided to and approved by Landlord, and shall be performed only by the contractors and suppliers of material and services approved by Landlord. All materials and fixtures installed by or for Tenant shall be new or as approved in writing by Landlord. Upon each payment to each materialman or contractor, Tenant shall obtain a conditional or partial or final lien waiver. Upon completion of all roof and roof deck work, Tenant shall notify Landlord, who will have the roof inspected. Tenant shall immediately repair all deficiencies identified by the roof inspection, and Tenant shall remain solely liable for all future roof and deck repairs related to its construction. Within fifteen (15) days of completion of all work, Tenant shall provide Landlord with a certificate of occupancy or similar permit, final lien waivers from all contractors and materialmen, a complete set of "as built" drawings of the Premises and an assignment of all warranties.

20.3 **Property Rights.** All alterations, additions, improvements, floor covering, and fixtures which may be made or installed by either of the parties hereto upon the Premises and which in any manner are attached to the floors, roof, walls, or ceilings, and all exterior signs, shall at the termination of this Lease Landlord's option become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof without damage or injury to the Premises or to such property, or Landlord may require removal of any of the same.

20.4 **Signs.** Tenant shall not erect or install any signs, banners, or advertising which may be seen from outside the Premises without Landlord's prior written consent. All of Tenant's exterior signs, identifications, and signage fixtures and improvements shall comply with and conform to Building Rules and Regulations, all applicable law and any recorded covenants, conditions, or restrictions applicable to the Building. Tenant shall keep all exterior signage in good condition, including repair or replacement of worn lettering, and boxes and electrical components.

ARTICLE XXI

GENERAL PROVISIONS

21.1 **Notice.** Any notice, request, or other communication (hereinafter severally and collectively called ''Notice") in this Agreement provided for or permitted to be given, made or accepted by either party to the other must be in writing, and may, unless otherwise in this Agreement expressly provided, be given or be served by depositing the same in the United States mail, postpaid and certified and addressed to the party to be notified, with

return receipt requested. Notice given in any manner as provided in this **Section 21.1** shall be given or served by any other method, and shall be effective only if and when received by the party to be notified. The following shall be prima facie evidence of the date of actual receipt of Notice by the addressee: (a) if hand delivered, by a delivery receipt signed by the addressee or the addressee's agent or representative, (b) written evidence by the carrier of such Notice of the date of attempted delivery at the address of the addressee if such delivery is refused, or (c) a return telecopy sent from a fax machine or office of the addressee or other confirmation from the office of the addressee indicating that any telecopied notice has been received.

For purposes of Notice, the addresses of the parties shall, until changed as herein provided, be as follows:

Landlord:	Little Elm Economic Development Corporation 100 W. Eldorado Parkway Little Elm, Denton County, Texas 75068-5060
With a copy to:	Brown and Hofmeister, LLP 740 East Campbell Road, Suite 800 Richardson, Texas 75081 Attn: Jeff Moore, Esq.
Tenant:	ECS Properties, LLC 1709 Harvest Glen Drive Allen, Texas 75002 Attn: Kenneth Wynn
With a copy to:	Northcutt & Dean Law 100 E. McDermott, Suite 30 Allen, Texas 75002 972-390-1608 cnorthcutt@allentxattorney.com

However, the parties hereto and their representative heirs, successors, legal representatives, and assigns shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least ten (10) days' written notice to the other party. For emergency purposes, Tenant shall keep Landlord informed of the residence addresses and telephone number of the persons controlling the business at the Premises.

21.2 **Captions.** The title captions appearing in this Agreement are inserted and included solely for convenience and shall never be considered or given any effect in construing this Agreement, or any provisions hereof, or in connection with the duties, obligations, or liabilities of the respective parties hereto, or in ascertaining intent, if any question of intent exists.

21.3 **Entire Contract; Amendment.** It is expressly agreed by both parties that this Agreement, and the Exhibits attached hereto is the entire agreement of the parties with respect to the subject matter hereof, and that there are, and have been, no verbal representations, understandings, stipulations, agreements, or promises pertaining to this Agreement. It is likewise agreed that this Agreement may not be altered, amended, or extended except by an instrument in writing signed by both Landlord and Tenant.

21.4 **Severability**. If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

21.5 **Successor and Assigns.** All covenants and obligations as contained within this Agreement shall bind and extend and inure to the benefit of the successors and permitted assigns of each of Landlord and Tenant.

21.6 **Personal Pronouns**. All personal pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine, or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.

21.7 **No Merger**. There shall be no merger of this Agreement or of the leasehold estate created by this Agreement with the fee or any other estate or interest in the Premises by reason of the fact that the same person owns or hold, directly or indirectly, all such estates and interests or any combination thereof.

21.8 **Short Form Lease.** Upon the complete execution hereof, the parties hereto shall execute and record a memorandum of this Agreement in the Real Property Records of Denton County, Texas which also identifies Tenant's option to purchase (in general terms and not listing any specific price therein).

21.9 **Legal Interpretation.** This Agreement and the rights and obligations of the parties hereto shall be interpreted, construed, and enforced in accordance with the laws of the State of Texas.

21.10 **No Mortgage or Joint Venture**. Tenant and Landlord acknowledge and agree that this Agreement is, in fact, a lease arrangement, and does not constitute a loan or a joint venture, and that Tenant has been represented by experienced legal counsel, who has advised Tenant of the rights and duties of Tenant. Tenant will not assert that the transaction evidenced hereby is a loan or a joint venture if Landlord or Landlord's mortgagee subsequently seeks to enforce its legal rights as a landlord.

21.11 **Brokers**. Tenant is under contract with FEC Real Estate for a four percent (4%) commission of Lease Rate ($18.00 per square foot x 34,864 square feet x 10 years x 4% = $251,020.80). Landlord is amenable to split the cost with tenant 50/50. Compensation will be paid out in the following manner: 25% at the execution of the lease agreement and 75% when the Certificate of Occupancy is obtained from the Town of Little Elm; all contingencies must be removed before commission is paid. Tenant and Landlord will each pay FEC Real Estate $31,377.60 within ten (10) days after execution of lease agreement; and Tenant and Landlord will each pay FEC Real Estate $94,132.80 within ten (10) days after Tenant receives his Certificate of Occupancy from The Town of Little Elm for Tin Man Social. FEC Real Estate will need to complete a Vendor Packet with Little Elm Economic Development Corporation prior to any payment being issued.

21.12 **Authority to Execute.**

(a) Tenant represents and warrants that Tenant is duly formed and validly existing under the laws of the State of its organization, has full right, power, and authority to enter into this Agreement and that the party(ies) executing this Agreement on behalf of Tenant has (have) full right, power, and authority to execute this Agreement on behalf of Tenant, as reflected on the Secretary's certificate, furnished to Landlord on or prior to the Effective Date.

(b) Landlord represents and warrants that Landlord is duly formed and validly existing under the laws of the State of its organization, has full right, power, and authority to enter into this Agreement and that the party(ies) executing this Agreement on behalf of Landlord has (have) full right, power, and authority to execute this Agreement on behalf of Landlord, as reflected on the Secretary's certificate, furnished to Tenant on or prior to the Effective Date.

21.13 **Force Majeure.** Whenever a period of time is herein prescribed for action to be taken by Landlord or Tenant (except as to payment of rent or other sums due by either party hereunder), neither Landlord nor Tenant, as applicable, shall be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays (collectively, "Force Majeure") due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions.

21.14 **Mechanic's Liens.** Tenant will not cause or permit any mechanic's liens or other liens to be filed against the fee of the Premises or against Tenant's leasehold interests (excluding any leasehold mortgage) in the Land or any building or improvements on the premises by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Tenant or anyone holding the Premises or any part of them through or under Tenant. If such a mechanic's lien or materialman's lien is recorded against the Premises or any buildings or improvement on them, Tenant must either cause it to be removed or, if Tenant in good faith wishes to contest the lien, Tenant will indemnify Landlord and hold it harmless from all liability for damages occasioned by the lien or the lien contest and will,

in the event of a judgment of foreclosure on the lien, cause the lien to be discharged and removed before the judgment is executed.

21.15 **Right of Entry.** Ground Lessee must permit Landlord or its agents, representatives, or employee to enter the Premises for the purposes of inspection; determining whether or not Ground Lessee is complying with this Agreement; maintaining, repairing or altering the Premises; or showing the Premises to prospective Ground Lessees, purchasers, mortgagees, or beneficiaries under trust deeds. If after hour's access, Landlord must provide 24-hour prior notice, unless an emergency.

21.16 **No Partnership or Joint Venture.** The relationship between Landlord and Tenant is at all times solely that of landlord and Tenant and may not be deemed a partnership or a joint venture.

21.17 **Prior Agreements Superseded/Rule of Construction.** This Agreement constitutes the parties' sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter. The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party, regardless of the party supplying this Agreement.

21.18 **Delivery Does Not Constitute Offer.** The submission of this Agreement for examination by one party does not constitute an offer capable of acceptance and Tenant shall have no rights with respect to this Agreement or the Premises until Landlord shall execute the Agreement and deliver the same to Tenant. A binding agreement may only be formed by the execution of a written agreement duly signed by both parties.

21.19 **Rights and Remedies Cumulative.** The rights and remedies provided by this Agreement are cumulative and either party's using any right or remedy will not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

21.20 **Rules and Regulations.** Landlord shall have the right to adopt and amend rules and regulations applicable to the Premises and the Building ("Rules and Regulations") and from time to time. Any Rules and Regulations now in effect may be attached hereto as ***Exhibit C*** and incorporated herein by reference. Notice of amendments and supplements to such Rules and Regulations shall be given in writing to the Tenant. Tenant shall comply with and observe the Rules and Regulations, provided that the Rules and Regulations do not conflict with this Lease and shall apply generally to all tenants of the Building.

21.21 **Security.** Tenant shall be responsible for all security at the Premises. Landlord shall not be required to provide security services to the Building. If such services are provided, such services shall be an Operating Expense and Landlord shall not be responsible for any failure or inadequacy of such services.

21.22 **Financial Condition of Tenant.** Tenant represents and warrants that all financial information of Tenant and any Guarantor provided to Landlord is true and correct, and there has not been a material adverse change in its financial condition since the information was provided. Tenant is not aware of any pending or threatened litigation or claim which would materially affect the financial condition of the Tenant or a Guarantor or the business to be conducted at the Premises.

21.23 **Limitation.** Tenant acknowledges and agrees that there shall be no personal liability of the members or manager of Landlord for obligations of this Lease, and Tenant shall look solely to the equity of Landlord and its successors and assigns in the Building for satisfaction of any remedy of Tenant.

21.24 **Landlord Duties**. Landlord agrees to the following terms:

a. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date and extensions, as applicable.
b. Obey all laws with respect to Landlord's operation of the development.
c. Not lease to any other entity providing entertainment in the development.
d. Repair, replace, and maintain the (i) roof, (ii) foundation, (iii) Common Areas, and (iv) structural soundness of the exterior walls, excluding windows, store fronts, and doors, (all cost associated with these items will be included in Operational Expenses).
e. Return Security Deposit to Tenant, less itemized deduction, if any, on or before the sixtieth (60) day after the date Tenant surrenders the Premises.

[The Remainder of this Page Intentionally Left Blank]

EXECUTED IN MULTIPLE ORIGINAL COUNTERPARTS, which constitute but one and the same instrument, as of the day and year first above written. Upon the final execution hereof by Landlord and Tenant, the last to sign of such parties shall complete the date on the first page thereof.

LANDLORD:

LITTLE ELM ECONOMIC DEVELOPMENT CORPORATION
a Texas non-profit corporation,

By: _____
Ken Eaken, President
Date: _____

TENANT:

ECS PROPERTIES, LLC,
A Texas limited liability company,

By: _____
Name: Kenneth Wynn, Owner
Date: _____

Exhibit A

Survey

All that certain lot, tract or parcel of land lying and being situated in Denton County, Texas and being a part of the Matthew Jones Survey, Abstract Number 667 and also being all of that called 0.495 acre tract of land described in deed to Little Elm Economic Development Corporation, recorded in Instrument Number 2017-153534, Real Property Records, Denton County, Texas and also being all of that tract of land described in deed to Little Elm Economic Development Corporation, recorded in Instrument Number 2013-128002, Real Property Records, Denton County, Texas and being more fully described by metes and bounds as follows:

COMMENCING at a 1/2 inch iron rod found stamped "RPLS 4561" for the Southerly most Southwest corner of said 0.495 acre tract, in the North line of East Eldorado Parkway;

THENCE North 55 degrees 51 minutes 55 seconds West, a distance of 33.18 feet to a capped iron rod set stamped "KAZ" for the POINT OF BEGINNING;

THENCE North 53 degrees 29 minutes 38 seconds West, a distance of 40.36 feet to a capped iron rod set stamped "KAZ";

THENCE North 38 degrees 26 minutes 05 seconds West, a distance of 54.09 feet to a capped iron rod set stamped "KAZ";

THENCE South 51 degrees 29 minutes 11 seconds West, a distance of 8.97 feet to a capped iron rod set stamped "KAZ";

THENCE North 38 degrees 30 minutes 49 seconds West, a distance of 23.00 feet to a capped iron rod set stamped "KAZ";

THENCE South 53 degrees 34 minutes 42 seconds West, a distance of 6.68 feet to a capped iron rod set stamped "KAZ";

THENCE North 42 degrees 48 minutes 40 seconds West, a distance of 35.94 feet to a 1/2 inch capped iron rod found stamped "RPLS 4561";

THENCE South 88 degrees 00 minutes 21 seconds West, a distance of 7.02 feet to a capped iron rod set stamped "KAZ";

THENCE North, a distance of 73.30 feet to a capped iron rod set stamped "KAZ";

THENCE East, a distance of 80.59 feet to a capped iron rod set stamped "KAZ";

THENCE North 88 degrees 37 minutes 57 seconds East, a distance of 82.01 feet to a capped iron rod set stamped "KAZ";

THENCE North 85 degrees 52 minutes 28 seconds East, a distance of 39.87 feet to a capped iron rod set stamped "KAZ";

THENCE South 39 degrees 29 minutes 38 seconds East, a distance of 36.17 feet to a capped iron rod set stamped "KAZ";

THENCE North 51 degrees 30 minutes 24 seconds East, a distance of 16.00 feet to a capped iron rod set stamped "KAZ";

THENCE South 38 degrees 29 minutes 38 seconds East, a distance of 62.60 feet to a capped iron rod set stamped "KAZ";

THENCE South 32 degrees 56 minutes 11 seconds East, a distance of 6.00 feet to a capped iron rod set stamped "KAZ";

THENCE South 51 degrees 30 minutes 24 seconds West, a distance of 4.00 feet to a capped iron rod set stamped "KAZ";

THENCE North 38 degrees 29 minutes 38 seconds West, a distance of 5.98 feet to a capped iron rod set stamped "KAZ";

THENCE South 51 degrees 30 minutes 24 seconds West, a distance of 113.31 feet to a capped iron rod set stamped "KAZ";

THENCE North 38 degrees 29 minutes 36 seconds West, a distance of 1.14 feet to a capped iron rod set stamped "KAZ";

THENCE South 51 degrees 30 minutes 15 seconds West, a distance of 4.37 feet to a capped iron rod set stamped "KAZ";

THENCE North 38 degrees 29 minutes 45 seconds West, a distance of 7.00 feet to a capped iron rod set stamped "KAZ";

THENCE North 51 degrees 30 minutes 15 seconds East, a distance of 4.37 feet to a capped iron rod set stamped "KAZ";

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THENCE South 51 degrees 30 minutes 24 seconds West, a distance of 52.68 feet to the POINT OF BEGINNING and containing 0.727 of an acre of land, more or less.

FLOOD STATEMENT: I have reviewed the F.E.M.A. Flood Insurance Rate Map for the Town of Little Elm, Community Number 481152 effective date 4-18-2011 and that map indicates as scaled, that this property is within "Non-Shaded Zone X" defined as "Areas determined to be outside the 0.2% annual chance flood (500-year)" as shown on Panel 420 G of said map.

NOTE: ALL EASEMENTS AND LOTS SHOWN ARE PROPOSED

LINE	BEARING	DISTANCE
L1	N 05°51'05" W	33.18'
L2	N 53°29'38" W	40.36'
L3	N 38°26'05" W	54.09'
L4	S 51°29'11" W	8.97'
L5	N 38°30'49" W	23.00'
L6	S 53°34'42" W	6.68'
L7	N 42°48'40" W	35.94'
L8	S 88°00'21" W	7.02'
L9	NORTH	73.30'
L10	EAST	80.59'
L11	N 88°37'57" E	82.01'
L12	N 85°52'28" E	39.87'
L13	S 39°29'38" E	36.17'
L14	N 51°30'24" E	16.00'
L15	S 38°29'38" E	62.60'

LINE	BEARING	DISTANCE
L16	S 32°56'11" E	6.00'
L17	S 51°30'24" W	4.00'
L18	N 38°29'38" W	5.98'
L19	S 51°30'24" W	113.31'
L20	N 38°29'36" W	1.14'
L21	S 51°30'15" W	4.37'
L22	N 38°29'45" W	7.00'
L23	N 51°30'15" E	4.37'
L24	N 38°29'38" W	1.27'
L25	S 51°30'24" W	14.83'
L26	S 38°29'45" E	2.00'
L27	S 51°30'15" W	4.38'
L28	S 38°29'36" E	2.33'
L29	S 51°30'24" W	52.68'

LEGEND

R.O.W.	= RIGHT-OF-WAY
SIR	= SET IRON ROD W/CAPPED
FIR	= FOUND IRON ROD
FIRCAP	= FOUND IRON ROD W/CAPPED
POC	= POINT OF COMMENCING
POB	= POINT OF BEGINNING

SURVEYORS CERTIFICATION

Certified to Little Elm Economic Corporation

This survey correctly represents the results of an on-the-ground survey made under my direction and substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1B, Condition II Survey. There are no apparent encroachments, intrusions or protrusions except as shown hereon.

STATE OF TEXAS
KENNETH A. ZOLLINGER
5312
REGISTERED PROFESSIONAL LAND SURVEYOR
7-20-21

KAZ SURVEYING

1720 WESTMINSTER
DENTON, TX 76205
(940)382-3446

JOB NUMBER: 180082-11
DRAWN BY: MMF
DATE: 07-20-2021
R.P.L.S.
KENNETH A. ZOLLINGER

TX FIRM REGISTRATION # 10021700

Initial for Identification: _____ _____

Little Elm EDC ECS Properties, LLC

All that certain lot, tract or parcel of land lying and being situated in Denton County, Texas and being a part of the Matthew Jones Survey, Abstract Number 667 and also being all of that called 0.495 acre tract of land described in deed to Little Elm Economic Development Corporation, recorded in Instrument Number 2017-153534, Real Property Records, Denton County, Texas and also being a part of that tract of land described in deed to Little Elm Economic Development Corporation, recorded in Instrument Number 2013-128992, Real Property Records, Denton County, Texas and also being all of that tract of land described in deed to Little Elm Economic Development Corporation, recorded in Instrument Number 2008-129761, Real Property Records, Denton County, Texas and being more fully described by metes and bounds as follows;

COMMENCING at a 1/2 inch iron rod found stamped “RPLS 4561” for the Southerly most Southwest corner of said 0.495 acre tract, in the North line of East Eldorado Parkway;

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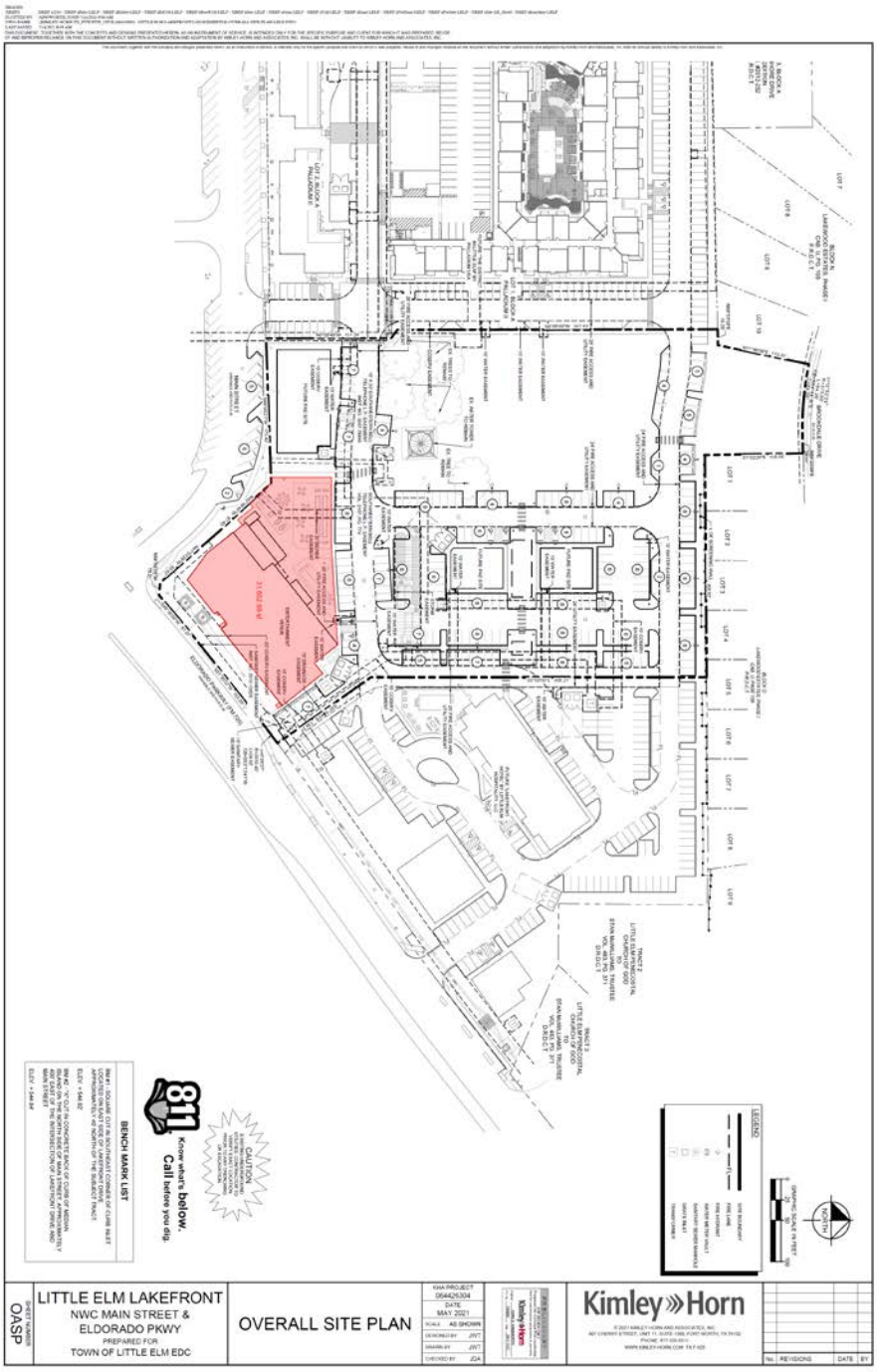
THENCE South 51 degrees 30 minutes 15 seconds West, a distance of 4.38 feet to a capped iron rod set stamped “KAZ”;

THENCE South 38 degrees 29 minutes 36 seconds East, a distance of 2.33 feet to a capped iron rod set stamped “KAZ”;

THENCE South 51 degrees 30 minutes 24 seconds West, a distance of 52.68 feet to the POINT OF BEGINNING and containing 0.727 of an acre of land, more or less.

Exhibit B

Site Plan, Elevations, Floor Plans, Landscape Plans, Hardscape Plans



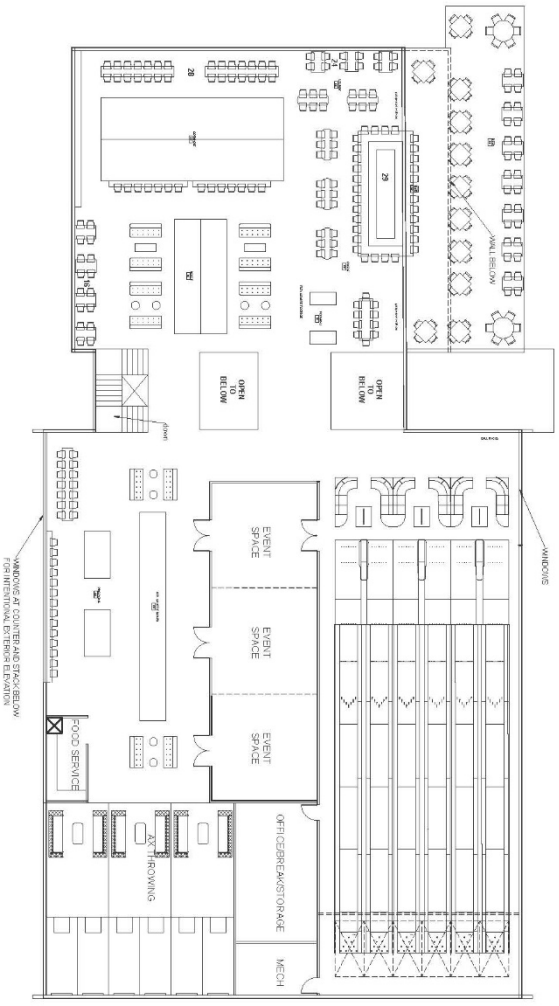
Initial for Identification: _____ _____

Little Elm EDC ECS Properties, LLC



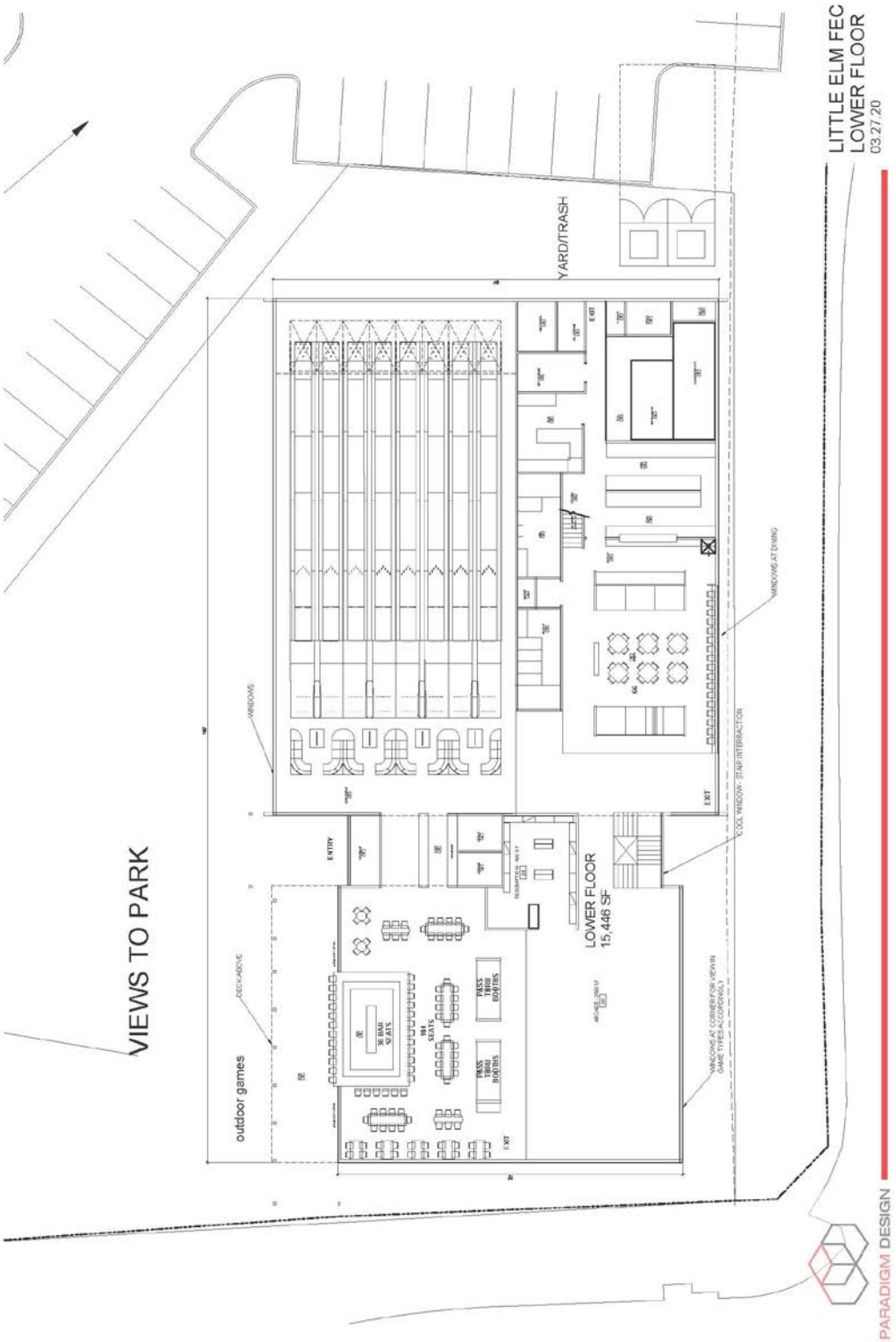
Upper Level

PARADIGM DESIGN



LITTLE ELM FEC
UPPER FLOOR
03.27.20

Lower Level



Initial for Identification: _____ _____

Little Elm EDC ECS Properties, LLC

Outside Play Area

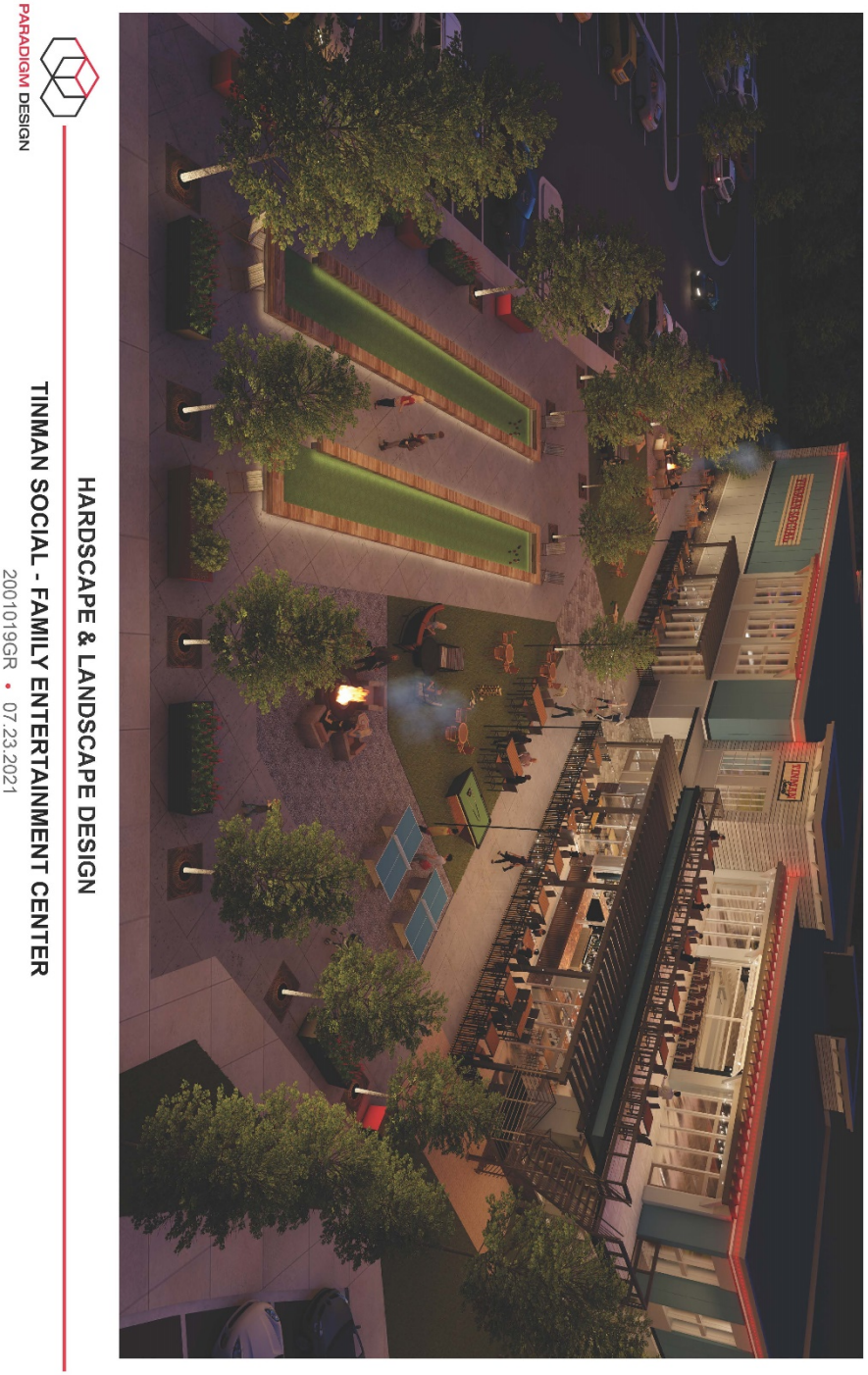


Exhibit C

Demarcation of Responsibility

RESPONSIBILITY MATRIX

ITEM NO.	ITEM	FURNISH		INSTALL		NOTES
		Owner	Tenant	Owner	Tenant	Items denoted "Owner" are to be performed by Twin Shores Management and are included in our contract as defined by the contract document plans and specifications
PERMITS						
1	Building/Health Permit	■	■			All kitchen related/hood ansul permits to be supplied by tenant
2	GC's Construction Permits	■				
3	Fire Suppression / Sprinkler System / Fire Alarm	■				
4	Signage Permit		■			
MILLWORK COUNTERS						
1	Guest Counter	■		■		An allowance of $250,000 is included for millwork
2	Redemption Store Counter	■		■		An allowance of $250,000 is included for millwork
3	Redemption Cubbies, Glass Cases, Display Shelves, and Slatwall	■		■		An allowance of $250,000 is included for millwork
4	Bar Counters, Service Counters, and Seating Counters	■		■		An allowance of $250,000 is included for millwork
FINISHES						
1	Flooring	■		■		Ceramic tile, carpet, vinyl tile, vinyl plank, etc to be provided by owner on slab surfaces. Any specialty flooring or raised flooring that is required for attractions to be provided and installed by tenant. Exception: The Bowler's Seating Deck flooring will be provided and installed by owner.
2	Interior Wall Finishes	■		■		Paint and limited areas of vinyl wallcovering to be provided and installed by owner on exterior and partition walls. Any specialty wallcovering, wall graphics, or wallcovering needed for attractions are to be by tenant. Examples of attraction items include nets, drapes, fencing, wall pads, etc
3	Ceiling Finishes	■		■		Drywall ceilings, standard acoustic ceilings and exposed painted ceilings to be provided and installed by owner. Any specialty ceilings needed for attractions are to be by tenant. Examples include netting, fencing, ceiling protection, etc.
EQUIPMENT						
FOOD SERVICE EQUIPMENT						
1	Bar Equipment		■		■	Owner will provide power and water rough-ins for equipment based on drawings provided by tenant - includes final hookup of equipment and sinks.
2	Roof Mounted Compressors		■	■		Tenant to provide curbs and compressors for installation by owner
3	Kitchen Equipment		■		■	Owner will provide power and water rough-ins for equipment based on drawings provided by tenant - includes final hookup of equipment and sinks.
4	Exhaust Hoods & Fans		■	■		Tenant to provide Hoods, roof curbs and fans for installation by owner. Grease duct by Owner
5	Dumb Waiter		■		■	Owner will provide chase and power
OTHER EQUIPMENT						
1	Bowling Equipment - Pin Setters, Lanes, Masking, Screens and Framing/Foundation		■		■	Power and final hookup by Owner
2	Sound/Draftstopping Insulation @ Bowling Lane Framing	■		■		
3	Deck for Raised Bowlers Seating	■		■		
4	Bowlers Scoring		■		■	Structural support will be provided by owner
5	Elec. Panels/Light Fixtures	■		■		
6	Audio Equip. PA System & Speakers (including Party Rooms)		■		■	
7	Cosmic & Equipment		■		■	Electrical provisions will be made by Owner if provided in a timely fashion
8	Video Source Equipment (Satellite or Cable Receivers)		■		■	
9	Lane Video Projectors		■		■	Owner will provide support and electrical hook up for projectors
10	Lane Operable Screens		■		■	
FURNITURE/FIXTURES						
1	Billiard (Billiard Tables)		■		■	
2	Bar/Seating Area (Seating, Furniture)		■		■	
3	Billiards (Stools & Side Tables)		■		■	
4	Party Rooms (Tables and Chairs)		■		■	
5	Bowlers Seating		■		■	
6	Office Area (Desk, Chairs, Cabinets)		■		■	
SIGNAGE						
1	Wall Graphics (GR-1)		■		■	
2	Exterior Wall Signage		■		■	Electrical provisions will be made by Owner if provided in a timely fashion
3	Interior Signage		■		■	Electrical provisions will be made by Owner if provided in a timely fashion
4	H.C. Accessibility Signage (Restrooms)		■		■	
MISCELLANEOUS ITEMS						
1	TV Support Brackets & Poles		■		■	Electrical provisions will be made by Owner if provided in a timely fashion
2	Individual TV's		■		■	Electrical provisions will be made by Owner if provided in a timely fashion
3	Cue Racks		■		■	
4	Shuffleboard		■		■	
5	Video Games		■		■	
6	Telephone System		■		■	
7	Security/Alarm System		■		■	
8	Bar & Snack Bar Matting		■		■	
9	Entrance Mats		■		■	
10	Site Furniture		■		■	
11	Billiards		■		■	
12	Time Clock		■		■	
13	Key Cabinet		■		■	
14	Safes		■		■	
15	Register/POS		■		■	
16	Misc. Furniture		■		■	
17	Soda Dispensing System		■		■	
18	Beer Lines & System		■		■	
19	Bocce Equipment		■		■	
20	Bocce Court		■		■	
21	Axe Throwing		■		■	
22	Cornhole		■		■	
23	Under Floor Conduits for Soda & Beer Lines	■		■		
24	Various Outdoor Attractions and Furnishings		■		■	An allowance of $150,000 is included for outdoor hardscape, landscape and lighting

Exhibit D

Rules and Regulations

1. **Rules and Regulations are Part of the Lease.** These Rules and Regulations are a part of this Lease. Tenant, its guests, employees and other invitees who occupy or enter the Premises, will at all times abide by these Rules and Regulations. Failure to comply with these Rules and Regulations shall be a default under the Lease.

2. **Use of the Patios.** Subject to applicable zoning and other municipal restrictions, Landlord has granted Tenant a revocable license to use the patio on the side of the Premises for dining and entertainment. Tenant shall be responsible for all cleaning, maintenance, repairs and zoning compliance for the patio area. Other than the patio area, the sidewalks and parking areas shall not be obstructed or used for any purpose other than ingress and egress to and from the Premises.

3. **Deliveries.** Furniture, equipment and supplies deliveries shall be made only during regular business hours or at such other time as Landlord may permit in writing.

4. **Heavy Patio Items.** Tenant may not move any furniture or equipment into the second floor of the Premises which exceeds 300 pounds, unless Tenant has obtained Landlord's written consent. Such consent may be withheld at Landlord's sole discretion, and may be contingent upon Tenant placing such article or equipment in a particular location designated by Landlord.

5. **Employee Parking.** Employees of the tenant shall not be allowed to park in the commercial parcel of the property or in the residential parcel of the development. Employees shall be advised and instructed to park in the overflow lot located across the street to the southwest.

6. **Take-Away & 3rd-Party Delivery Parking.** Subject to applicable zoning and other municipal restrictions, Tenant may designate four (4) parking spaces directly adjacent to the entrance at the corner of the property as "Curbside" or "Take-Away" Parking or such language as to clearly mark the spaces for intended purpose. These signs will be posted in accordance with local authorities so as to not alter the Premises.

7. **Signs.** Signs and other notices shall not be placed upon the Premises or upon the doors and windows without the written consent of Landlord. Tenant shall be solely responsible all sign permits and compliance with zoning and other applicable laws and regulations.

8. **Animals.** No animals shall be allowed inside the Premises other than Service Animals. Other animals, that do not quality as Service Animals will be allowed in the outside area adjacent to the patio space, but must be keep on a leash.

9. **Bicycles.** Bicycles, motorcycles and other vehicles shall not be permitted in Premises or upon sidewalks, and shall not be allowed to obstruct entrances to the Building or parking.

10. **Broadcasting.** Tenant shall not broadcast music or spoken word which can be heard outside of the Premises unless written consent from Landlord is first obtained and unless Tenant has obtained all appropriate permits.

11. **Debris.** Tenant shall not allow anything to be thrown from the second story of the Premises by Tenant, its guests, employees or other invitees.

12. **Locks.** Landlord and Tenant shall have keys to all locks in the Premises on the Commencement Date. No additional locks shall be placed by Tenant on any door in the Premises unless written consent of Landlord is first obtained. Tenant shall maintain a list of all employees with keys to the Premises and Tenant employees shall not have any duplicate keys made. At Lease termination, Tenant shall promptly return to Landlord all keys to the Premises. All keys in possession of the Landlord will be kept at Town Hall, locked in a safe and will require two authorized signatures to obtain. Upon entering the building the Landlord will enter a pass code into the security system that will be assigned specifically to the Landlord for identification purposes.

Exhibit E

Annual Compliance Report

Annual Compliance Report

Please complete the following worksheet and include supporting documentation upon submittal

Company Name:	
Company Address:	
Certifying Officer / Title:	
Contact Phone:	
Fax:	
Email:	

Applicable Agreement Conditions/Metrics – include documentation as an attachment

Reporting Year	
Capital Investment Value – Reporting Year	
Capital Investment Value – Total (to date)	
Certificate of Occupancy Date	
Donation Amount to City Event / Activity	
Chamber of Commerce Membership?	

Employment / Property Value / Taxes

New Full Time Employee Equivalent	
Average Annual Compensation per FTE	
Current Year Appraised Real Property Value	
Current Year Appraised Improvements Value	
Real Property – Taxes Paid	
Sales Tax – Taxes Paid	
FF&E / Inventory Taxes Paid	

Has construction / installation of planned improvements commenced? _____

Has construction / installation of planned improvements completed? _____

Additional required documentation:

____ Certificate of Occupancy (if applicable)

____ Capital Investment Supporting Documents

____ Brief Narrative Highlighting Project Progress

____ If Applicable, A statement addressing failure to meet agreement requirements

I certify that, to the best of my knowledge, the information and attachments provided herein are true and accurate and in compliance with the terms of the signed Economic Development agreement.

_____ _____ _____

Signature of Certifying Officer Title Date

Initial for Identification: _____ _____

Little Elm EDC ECS Properties, LLC

Date:	11/16/2021
Agenda Item #:	7. A.
Department:	Development Services
Strategic Goal:	Promote and expand Little Elm's identity
Staff Contact:	Fred Gibbs, Director of Development Services

AGENDA ITEM:

Hold a Public Hearing, Present, Discuss, and Consider Action on **Ordinance No. 1645 Regarding Request for a Specific Use Permit (SUP) for a Smoking Establishment and Bar, Generally Located on the Northeast Corner of Eldorado Parkway and Little Elm Parkway, Currently Zoned Planned Development - Light Commercial (PD-LC), Through Ordinances No. 521, 953, and 1457, in Order to Allow for a New Establishment with On-Premises Cigar Sales and Smoking and On-Premises Sale and Consumption of Alcoholic Beverages.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1645:

DESCRIPTION:

Location.
Generally located on the northeast corner of Eldorado Parkway and Little Elm Parkway, within Little Elm Town limits.

Planning Analysis.
Subject property is currently zoned Planned Development - Light Commercial (PD-LC), as approved through Ordinances No. 521, 953, and 1457, as amended. This PD covers a large multi-tenant shopping center with a mix of retail, office, and restaurant tenants, and consists of multiple parcels and pad sites. The subject property currently houses a newly constructed, single-story, strip retail building with several new, and pending, neighborhood retail type of tenants such as a beauty supply store, a pizza restaurant, massage therapy, a gym, and a dentist office. The proposed establishment would occupy the currently vacant 1,950 square-foot Suite 300.

A smoking establishment is defined as "an establishment that sells products and devices primarily for the purpose of smoking or vaping in various forms. These establishments sometimes provide a contained area with a separate ventilation system for the purpose of smoking within the associated

structure."

A bar is defined as “an establishment principally for the sale and consumption of alcoholic beverages on the premises that derives 75 percent or more of its gross revenue on a quarterly (three-month) basis from the sale or service of alcoholic beverages, as defined in the Texas Alcoholic Beverage Code, for on-premises consumption.”

Typically, smoking is prohibited where other uses are involved, however, Sec. 70-208. - Places Where Smoking is Not Prohibited lists smoking establishments, where the primary use is retail of smoking products, and the sale of alcoholic beverages is incidental. Therefore, the two proposed uses would be allowed to co-habitate in accordance with the Town's requirements.

> "Retail tobacco stores, hookah lounges, or other smoking establishments that are permitted to sell alcohol, where the sale of tobacco products, and accessories is the primary retail use and in which the sale of other products is merely incidental. Separate ventilation and HVAC systems that prevent the commingling of air with other businesses, common areas, hallways and other non-smoking areas shall be required."

The applicant, The Good Cigar Lounge, is proposing a cigar lounge and bar focusing on premium hand-rolled cigars, craft cocktails, and gourmet coffee. The applicant currently hosts a cigar and libations podcast with a large following and is now ready to open a brick-and-mortar location. Chapter 106 of the Little Elm Code of Ordinances requires a Specific Use Permit (SUP) be issued for smoking establishment use as well as a bar use. Because a smoking establishment and a bar require a Specific Use Permit, the applicant is requesting a Specific Use Permit for a smoking establishment and bar.

Proposal.
The applicant is requesting approval of a smoking establishment and bar as allowed uses on the subject property, for the purposes of on-premises cigar sales and smoking and on-premises sale and consumption of alcoholic beverages. The applicant has provided a letter of intent describing an upscale environment and committing to providing appropriate ventilation, as well as to keeping cigar lounge hours instead of late night bar hours.

The proposal includes a total SUP area of 1,950 square feet, to be used for the purposes of providing on premises cigar sales and smoking, as well as craft cocktails and gourmet coffee. The submitted floor plan depicts a bar area with lounge style seating, a walk in humidor, office and storage space. The applicant has also provided sample concepts of the interior space, which will be adopted as part of the SUP Ordinance.

Parking.
The proposed use is required to be parked at a ratio of one parking space per 200 square feet of floor area. The existing site was developed with a 16,769 square-foot multi-tenant commercial building, which requires a total of 84 parking spaces at full tenant occupancy. The site provides a total of 92 parking spaces and meets parking requirements.

Development Standards.
This site was developed through an approved Concept Plan and since the applicant is not making any exterior changes or site improvements in order to accommodate the proposed use, no additional site requirements were reviewed at this time.

Comprehensive Plan.
The Future Land Use Plan (FLUP) designates the subject property with a retail/commercial land use

category, which is appropriate for the proposed establishment. Therefore, the requested SUP, if approved, would not be in conflict with the Town's vision for this area.

Recommendation to Commission.
The purpose of an SUP is to add or modify specific land use rights to those already granted within a zoning district. Section 106.02.17 provides that each request considers the intensity of the proposed use within the context of the proposed location based on compatibility and suitability, and in evaluating the compatibility of the proposed use within the existing area context, "the town council may impose such additional development standards and safeguards as the conditions and locations indicate important to the welfare and protection of adjacent property from noise, vibration, dust, dirt, smoke, fumes, odor, gas, explosion, glare, offensive view, or other undesirable or hazardous conditions." Given the purpose of a Specific Use Permit, Staff suggested several possible conditions to help make the SUP more appropriate within the context of the existing shopping center, as well as its proximity to other uses. Staff recommended the Planning and Zoning Commission evaluate the proposed SUP request based on the presented information, in accordance with Section 106.02.17, and make a recommendation accordingly.

Commission Findings.
At their regular meeting on October 21, 2021, the Planning and Zoning Commission had a discussion with the applicant regarding the hours of operation, air ventilation system, inside seating, coffee offerings, advertising, and exterior signage. The Commission made a recommendation to approve the request subject to the following conditions, with five in favor and zero against:

1. Applicant must provide a separate ventilation system and must comply with the requirements listed in Chapter 70, Article IX. Smoking.
2. Prior to issuance of a certificate of occupancy, the business owner shall provide the town with a copy of its state permit to operate as a bar, brewpub, or similar use.
3. All alcohol-related activities must meet all standards found in Chapter 10, Alcoholic Beverages, of the Little Elm Code of Ordinances.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

The Commission recommends approval subject to the following conditions:

1. Applicant must provide a separate ventilation system and must comply with the requirements listed in Chapter 70, Article IX. Smoking.
2. Prior to issuance of a certificate of occupancy, the business owner shall provide the town with a copy of its state permit to operate as a bar, brewpub, or similar use.
3. All alcohol-related activities must meet all standards found in Chapter 10, Alcoholic Beverages, of the Little Elm Code of Ordinances.

Attachments

Location Map

Ordinance No. 1645

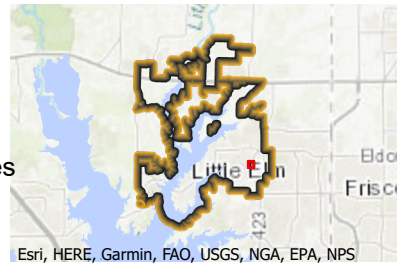


Document Path: G:\GIS\ForTownEmployees\Planning\LocationMap_Portrait.mxd

LITTLE ELM

SUP Case For Premium Cigar and Craft Cocktail Bar

0 0.02 0.04 0.07 Miles



Town of Little Elm
Denton County, Tx

N

Date: 9/16/2021

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.

TOWN OF LITTLE ELM

ORDINANCE NO. 1645

AN ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE TO GRANT A NEW SPECIFIC USE PERMIT FOR A SMOKING ESTABLISHMENT AND BAR, ON PROPERTY LOCATED AT 2401 LITTLE ELM PARKWAY, SUITE 300; PROVIDING A PENALTY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING 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, Chapter 106 (Zoning) of the Little Elm Code of Ordinances, requires a Specific Use Permit be granted by Town Council in order to legally operate and occupy the subject property with a smoking establishment and bar use while it is zoned Light Commercial (LC); and

WHEREAS, a request for a Specific Use Permit for a smoking establishment and bar use has been submitted by Alejandro Roman, TGCL LLC, on property located at 2401 Little Elm Parkway, Suite 300; and

WHEREAS, Section 106.02.17 of the Little Elm Code of Ordinances provides that Town Council may impose such additional development standards and safeguards as the conditions and locations indicate important to the welfare and protection of adjacent property from noise, vibration, dust, dirt, smoke, fumes, odor, gas, explosion, glare, offensive view, or other undesirable or hazardous conditions; and

WHEREAS, Town Council and the Planning & Zoning Commission of the Town of Little Elm, in compliance with the laws of the State of Texas and the ordinances of the Town of Little Elm, have given the required notices and held the required public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof regarding the requested planned development amendment described herein; and

WHEREAS, at its regular meeting held on October 21, 2021 the Planning & Zoning Commission considered and made recommendations on a request grant a Specific Use Permit for a smoking establishment and bar within Suite 300 of the subject property, totaling 1,950 square feet, (Case No. SUP-21-04456); and

WHEREAS, after due deliberations and consideration of the recommendation of the Planning & 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 request 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. AMENDMENT. That Ordinance No. 226 of the Town of Little Elm, Texas, the same being the Comprehensive Zoning Ordinance of the Town, as amended, is hereby amended by the following:

A. Granting a Specific Use Permit authorizing a smoking establishment and bar on the property located at 2401 Little Elm Parkway, Suite 300, subject to the following conditions:

1. Prior to the issuance of a Certificate of Occupancy, said Property shall be improved in accordance with the site plan and floor plan, which are attached hereto as Exhibit A and made a part hereof for all purposes.

2. The Specific Use Permit granted herein for a smoking establishment shall be limited to that particular area designated on the approved site plan as encompassing a total area not to exceed 1,950 square feet.

3. Applicant must provide a separate ventilation system and must comply with the requirements listed in Chapter 70, Article IX. Smoking.

4. Prior to issuance of a certificate of occupancy, the business owner shall provide the town with a copy of its state permit to operate as a bar, brewpub, or similar use.

5. All alcohol-related activities must meet all standards found in Chapter 10, Alcoholic Beverages, of the Little Elm Code of Ordinances.

SECTION 3. SAVINGS. This Ordinance (which includes the New Zoning 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 4. 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 5. 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 New 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 this Ordinance (which includes the New Zoning Ordinance) without the invalid parts and to this end the provisions of this Ordinance shall remain in full force and effect.

SECTION 6. REPEALER. That all ordinances of the Town of Little Elm in conflict with the provisions of this Ordinance are hereby repealed to the extent of that conflict.

SECTION 7. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its adoption 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 16th day of November, 2021.

The Town of Little Elm, Texas

_____

Curtis J. Cornelious, Mayor

ATTEST:

_____

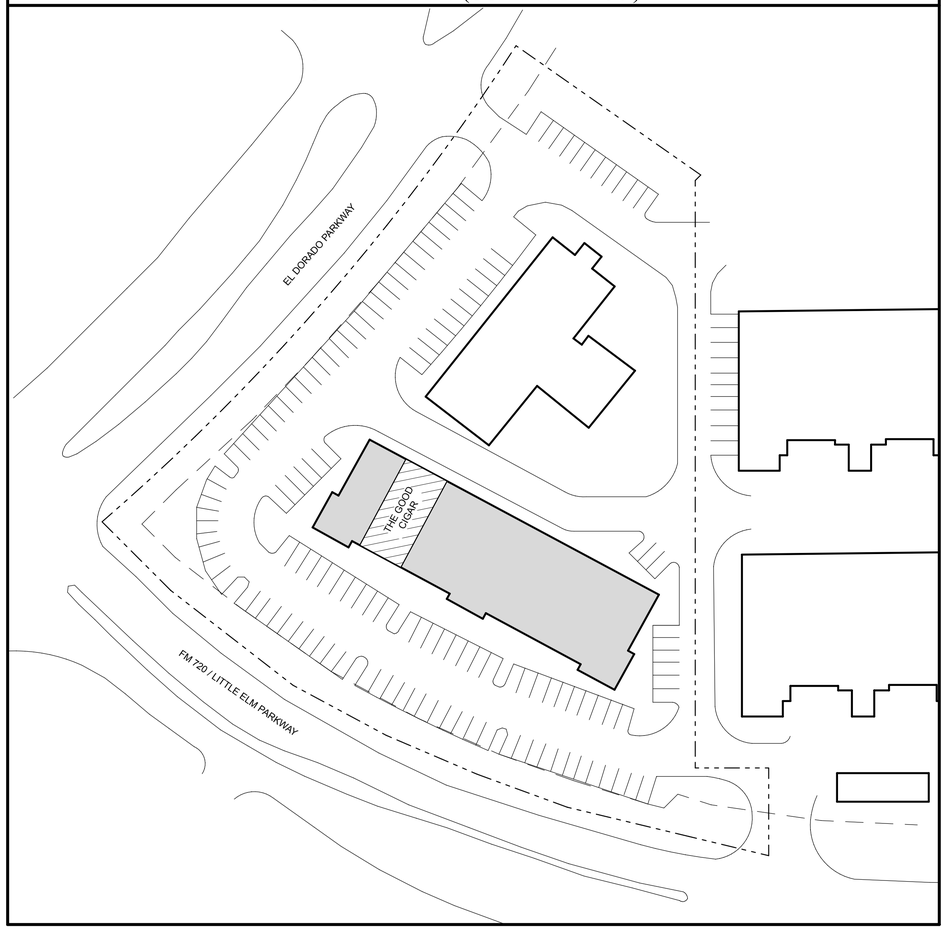
Kate Graham, Acting Town Secretary

ATTACHMENT – EXHIBIT A

The Good Cigar

2401 LITTLE ELM PARKWAY
SUITE #300
Little Elm, Texas 75068

SITE PLAN (SCALE: 1" = 50')



GENERAL NOTES

01. THE OWNER'S STANDARD FORM OF AGREEMENT AND GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION IS HEREBY MADE A PART OF THESE CONSTRACT DOCUMENTS.

02. THESE DESIGN DOCUMENTS ARE INTENDED TO BE A REPRESENTATION OF THE DESIGN INTENT.

03. THE SCOPE OF WORK TO BE PERFORMED IS AS DESCRIBED IN THESE GENERAL NOTES AS SHOWN ON THE ACCOMPANYING DRAWINGS AND SPECIFICATIONS, TO BE FURTHER SUPPLEMENTED BY EXPLANATORY DETAILS AS REQUIRED.

04. THE CONTRACTOR SHALL NOTIFY THE ARCHITECT IMMEDIATELY IN WRITING IF HE / SHE CANNOT COMPLY WITH ALL OF THE GENERAL NOTES CALLED FOR ON THIS SHEET AND ON ALL OTHER DRAWINGS.

05. ALL DESIGN DRAWINGS AND ALL CONSTRUCTION NOTES ARE COMPLIMENTARY AND WHAT IS CALLED FOR BY EITHER WILL BE BINDING AS IF CALLED FOR BY ALL. ANY WORK SHOWN OR REFERRED TO ON ANY ONE SET OF DRAWINGS SHALL BE PROVIDED AS THOUGH SHOWN ON ALL RELATED DRAWINGS.

06. ALL WORK LISTED OR IMPLIED ON THE DRAWING SHEETS OR NOTES SHALL BE SUPPLIED AND INSTALLED BY THE CONTRACTOR. IT IS EXPECTED THAT EACH CONTRACTOR SHALL CLOSELY COORDINATE HIS WORK WITH THE OTHER CONTRACTORS TO ASSURE THAT ALL SCHEDULES ARE MET.

07. THE CONSTRUCTION NOTES AND DRAWINGS ARE SUPPLIED TO ILLUSTRATE THE DESIGN AND GENERAL TYPE OF CONSTRUCTION DESIRED AND ARE INTENDED TO IMPLY A PREMIUM QUALITY OF CONSTRUCTION MATERIALS AND WORKMANSHIP THROUGHOUT.

08. THE CONTRACTORS, UPON ACCEPTANCE OF THE DRAWING, ASSUMES FULLY THE RESPONSIBILITY FOR THE CONSTRUCTION DOCUMENTS, FOR THEIR SPECIFIC TRADE, ON SITE DURING ALL PHASES OF CONSTRUCTION FOR USE BY ALL TRADES.

09. THE CONTRACTOR SHALL PROVIDE ALL NECESSARY PROTECTION FOR THEIR WORK DURING ALL PHASES OF CONSTRUCTION AND UNTIL TURNED OVER TO THE OWNER.

10. CONTRACTORS SHALL SUBMIT ALL FABRICATION SHOP DRAWINGS AND FIXTURE CUT SHEETS TO THE ARCHITECT FOR APPROVAL IN A TIMELY MANNER.

11. PRIOR TO BEGINNING WORK, THE CONTRACTOR SHALL PROVIDE THE ARCHITECTS WITH CONSTRUCTION SCHEDULES SHOWING THE CHRONOLOGICAL PHASES OF THEIR WORK FOR THE TIMELY COMPLETION OF THE PROJECT. THIS SCHEDULE SHALL INDICATE ALL ORDERING LEAD TIMES, LENGTH OF TIME FOR EACH PHASE, ITS START AND COMPLETION, AND THE FINAL COMPLETION DATE.

12. THE CONTRACTORS, THEIR SUBCONTRACTORS, OR ANY OTHER CONTRACTOR INVOLVED IN THIS PROJECT SHALL TAKE NOTE THAT ANY COST CAUSED BY DEFECTIVE WORK AS A RESULT OF BUT NOT LIMITED TO INFERIOR WORKMANSHIP OR MATERIALS, IMPROPER SCHEDULING OR DELINQUENT ORDERING, SHALL BE BORNE BY THE PARTY RESPONSIBLE.

13. THE CONTRACTORS SHALL FURNISH WEEKLY FIELD PROGRESS REPORTS TO THE ARCHITECT FOR ALL PHASES OF CONSTRUCTION.

14. CONTRACTORS SHALL FILE WITH THE DEPARTMENT OF BUILDING INSPECTION, PAY FILING FEES OR DEPOSITS AND OBTAIN BUILDING PERMITS, SPECIFIC TRADE PERMITS, LICENSES AND APPROVALS.

15. ALL CONSTRUCTION TO BE AS PER ALL APPLICABLE AND GOVERNING FEDERAL, STATE AND LOCAL CODES AND ORDINANCES AND AUTHORITIES, INCLUDING ADA COMPLIANCE.

16. ALL DRAWINGS ARE DRAWN TO SCALE AS MUCH AS POSSIBLE BUT ARE NOT INTENDED TO BE, AND SHOULD NOT BE, SCALED.

17. ALL CONTRACTORS SHALL FURNISH AND INSTALL ALL REQUIREMENTS FOR SAFETY TO MEET OR EXCEED OSHA REQUIREMENTS.

18. CONTRACTORS SHALL COORDINATE ALL WORK TO ALLOW ACCESSIBILITY AND USE OF ALL ADJACENT SPACES.

19. DURING CONSTRUCTION, THE CONTRACTOR WILL BE RESPONSIBLE FOR REPAIRING ANY DAMAGE TO EXISTING CONSTRUCTION THAT IS TO REMAIN.

20. LANDSCAPE SHRUBS AND TREES TO REMAIN MUST BE PROTECTED FROM DAMAGE.

21. CONTRACTORS ARE TO COORDINATE WITH OWNER'S SEPERATE CONTRACTORS FOR DATA/PHONE, CABLE AND SECURITY SYSTEM INSTALLATION.

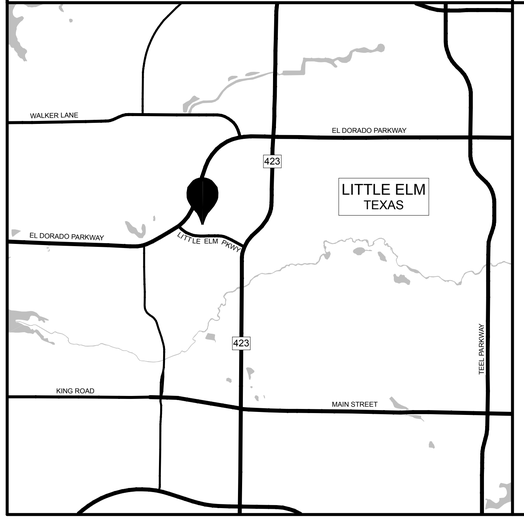
22. GENERAL CONTRACTOR IS TO PAY FOR ALL MATERIALS TESTING AND H.V.A.C. TESTING AND BALANCING. THESE ARE TO INDEPENDENT AGENCIES.

23. CONTRACTOR IS TO POWER WASH SPRAY CLEAN ALL EXISTING SIDEWALKS AND CURBS TO REMAIN.

24. UPON COMPLETION OF THE PROJECT, CONTRACTORS IS TO CLEAN ALL NEW AND EXISTING CONSTRUCTION SHOWN TO REMAIN.

25. ALL GENERAL NOTES APPLY TO ALL SHEETS.

LOCATION MAP



CONTACTS

TENANT:
AL ROMAN
ALROMAN@THEGOODCIGAR.COM
214-789-4321

ARCHITECT:
PECK ARCHITECTS
105 W. MAIN ST.
LEWISVILLE, TX 75057
972.221.1424

CODE SUMMARY

CODE REVIEW INFORMATION:
2018 International Building Code
with City of Little Elm Amendments
2018 International Mechanical Code
with City of Little Elm Amendments
2018 International Plumbing Code
with City of Little Elm Amendments
2017 National Electrical Code
with City of Little Elm Amendments
2018 International Fire Code with
with City of Little Elm Amendments
2018 International Energy Code
with City of Little Elm Amendments

USE AND OCCUPANCY CLASSIFICATION:
(Section 302.1) Group A Assembly
SECTION 1004 OCCUPANT LOAD
(Table 1004.1.2)
Assembly, without fixed seats (unconcentrated):15 net sq. ft. per occupant
747 sf / 15 = 50 allowable occupants
Business Office: 150 gross sq. ft. per occupant
305 sf / 150 = 2 allowable occupants
Kitchen, commercial: 200 gross sq. ft. per occupant
382 sf / 200 = 2 allowable occupants
TOTAL: 54 allowable occupants

BUILDING AREA:
OVERALL PROVIDED: 1,950 sq. ft.

(Section 602) CONSTRUCTION CLASSIFICATION
(Section 602.2,603) Construction Type: II-B
(Table 601) No Fire Resistance Rating Requirements
for Building Elements

FIRE SPRINKLER SYSTEM: - Existing
- Provided

1017.2 EXIT ACCESS TRAVEL DISTANCE:
250 FEET (WITH SPRINKLER SYSTEM)

SECTION 1006 EXITS:
(GROUP A OCCUPANCY)
(Table 1006.2.1) Minimum Number of Exits For Occupant Load
Minimum Number Required: 1 PROVIDED: 2

PARKING - EXISTING SHARED

DRAWING INDEX

SCOPE OF WORK

COMPLETE INTERIOR FINISH-OUT TO INCLUDE:

1.) WALL PARTITIONS per PLAN
2.) CEILING SYSTEM per PLAN
3.) ELECTRICAL SYSTEM per PLAN
4.) MECHANICAL SYSTEM per PLAN
5.) PLUMBING SYSTEM per PLAN



08-24-2021

These plans are intended to provide the basic construction information necessary to obtain a permit for the structure described on the cover sheet. Owner and contractor shall verify any and all conditions, dimensions, and equipment and notify the architect of any discrepancies, errors and/or omissions, if any, are to be brought to the attention of the Designer prior to any construction or purchases being made. It is recommended that the owner or builder obtain comprehensive insurance coverage for the project, including but not limited to builder's risk, liability and any other insurance of any kind. NOTE: All Federal, state, and Local codes, ordinances, and restrictions take precedence over any part of these construction documents which may conflict with same, and must be observed and complied with by the contractor.

THESE CONSTRUCTION DOCUMENTS AND THEIR USE, ARE THE PROPERTY OF WILLIAM PECK & ASSOCIATES, INC. AND SHALL NOT BE USED, LOANED OR REPRODUCED IN ANY MANNER, IN WHOLE OR IN PART, WITHOUT THE EXPRESS WRITTEN PERMISSION OF WILLIAM PECK & ASSOCIATES, INC.. ALL RIGHTS RESERVED

The Good Cigar
2401 LITTLE ELM PARKWAY
SUITE #300
Little Elm, Texas 75068

ARCHITECT:
PECK ARCHITECTS
972.221.1424
OWNER:
STEPHEN WILLIAMSON, JR.
214.802.6474
TENANT:
AL ROMAN
214.789.4321

WILLIAM PECK & ASSOC. INC. DBA
105 W. MAIN ST
LEWISVILLE, TEXAS 75057
WWW.PECKARCHITECTS.COM
972.221.1424

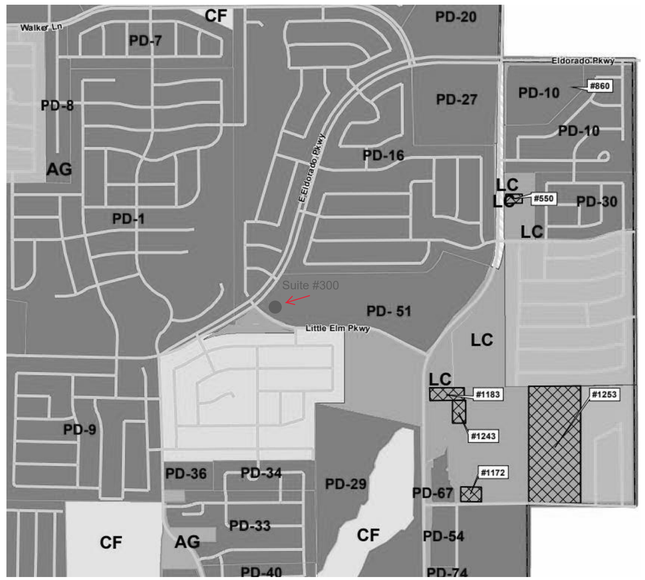
PECK ARCHITECTS

REVISIONS

INDEX

ISSUE DATE:
08.20.2021 SUP

Scale: REF. PLAN
Drawn: JB
Job: 21-154-001
Sheet Number:
A-001



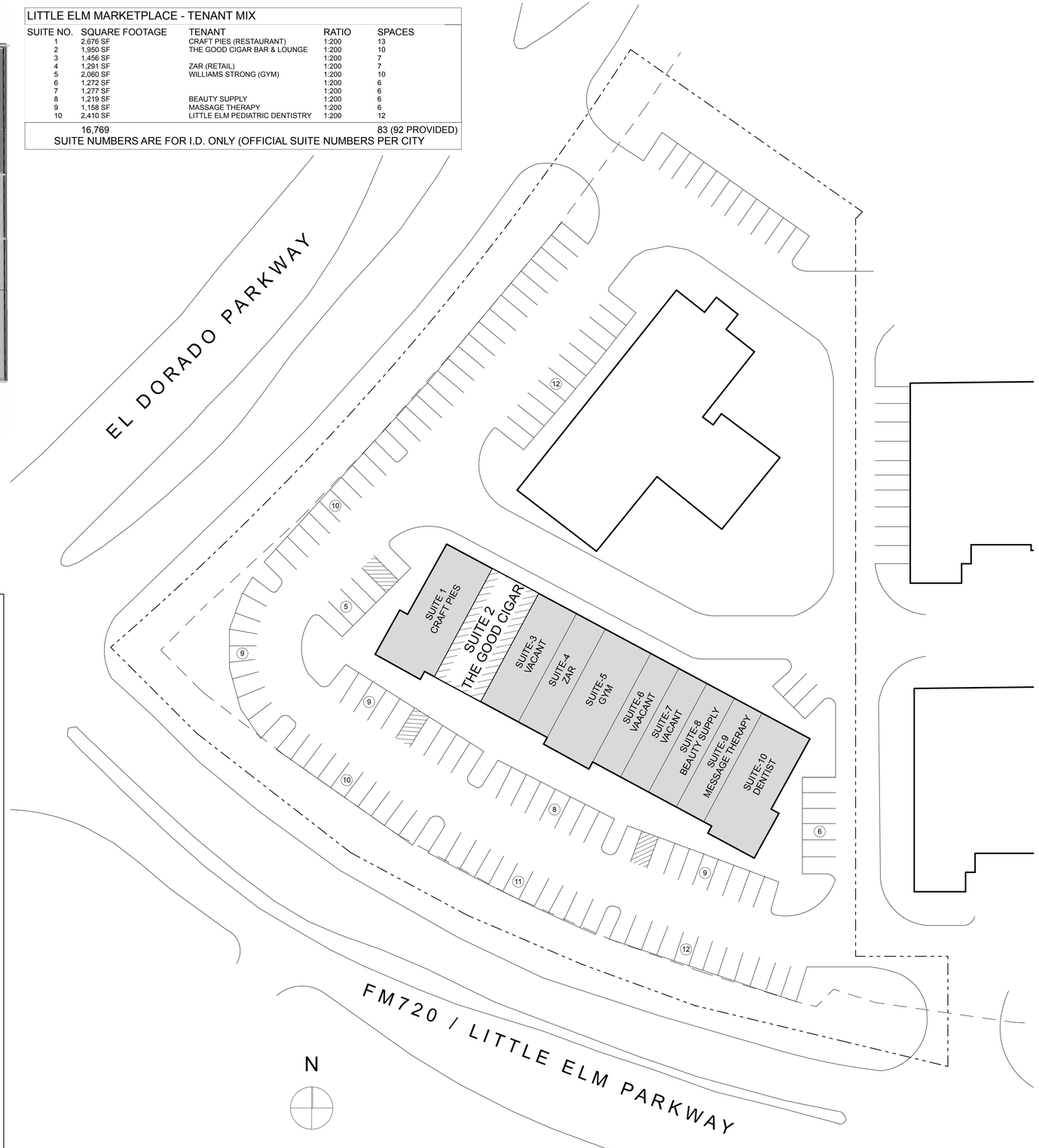
ZONING MAP

SCALE: NTS

PD-51

LITTLE ELM MARKETPLACE - TENANT MIX				
SUITE NO.	SQUARE FOOTAGE	TENANT	RATIO	SPACES
1	2,676 SF	CRAFT PIES (RESTAURANT)	1:200	13
2	1,950 SF	THE GOOD CIGAR BAR & LOUNGE	1:200	10
3	1,456 SF		1:200	7
4	1,291 SF	ZAR (RETAIL)	1:200	7
5	2,060 SF	WILLIAMS STRONG (GYM)	1:200	10
6	1,272 SF		1:200	6
7	1,277 SF		1:200	6
8	1,219 SF	BEAUTY SUPPLY	1:200	6
9	1,158 SF	MASSAGE THERAPY	1:200	6
10	2,410 SF	LITTLE ELM PEDIATRIC DENTISTRY	1:200	12
	16,769			83 (92 PROVIDED)

SUITE NUMBERS ARE FOR I.D. ONLY (OFFICIAL SUITE NUMBERS PER CITY



1 SITE PLAN

SCALE: 1" = 30'

0 1/2" 1" 2"
15' 30' 60'

3.298 ACRE TRACT:

BEING A TRACT OF LAND LOCATED IN THE WILLIAM MCFADDEN SURVEY, ABSTRACT No. 893, DENTON COUNTY, TEXAS, BEING A PORTION OF A TRACT OF LAND DESCRIBED IN A DEED TO ELMWOOD ESTATES, LTD., RECORDED IN DOCUMENT No. 97-R0089712, DEED RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT AN "X"-CUT SET AT THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF ELDORADO PARKWAY (A VARIABLE WIDTH RIGHT-OF-WAY) WITH THE NORTHEAST RIGHT-OF-WAY LINE OF F.M. 720 (A VARIABLE WIDTH RIGHT-OF-WAY), BEING THE BEGINNING OF A CURVE TO THE LEFT;

THENCE NORTHEASTERLY, AN ARC LENGTH OF 442.48 FEET ALONG THE SOUTHEAST RIGHT-OF-WAY LINE OF SAID ELDORADO PARKWAY AND SAID CURVE TO THE LEFT, HAVING A RADIUS OF 1560.00 FEET, A DELTA ANGLE OF 16°15'05", AND A CHORD BEARING OF N 41°06'59" E, 441.00 FEET TO A POINT, FROM WHICH A 1/2" IRON ROD FOUND BEARS N 32°43'11" E, 14.75 FEET, SAID IRON ROD BEING THE SOUTHWEST CORNER OF LOT 9, BLOCK X, ELDORADO ESTATES WEST PHASE II, AN ADDITION TO THE TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN CABINET V, PAGE 632, PLAT RECORDS, DENTON COUNTY, TEXAS (P.R.D.C.T.);

THENCE S 55°37'55" E, DEPARTING THE SOUTHEAST RIGHT-OF-WAY LINE OF SAID ELDORADO PARKWAY, A DISTANCE OF 157.60 FEET TO A POINT;

THENCE S 44°37'18" W, A DISTANCE OF 5.43 FEET TO A POINT;

THENCE S 00°22'44" E, A DISTANCE OF 410.66 FEET TO A POINT;

THENCE N 89°40'05" E, A DISTANCE OF 51.33 FEET TO A POINT;

THENCE S 01°26'00" W, A DISTANCE OF 61.32 FEET TO A POINT IN THE NORTH RIGHT-OF-WAY LINE OF SAID F.M. 720, BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

THENCE ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID F.M. 720 AS FOLLOWS:

(1) NORTHWESTERLY, AN ARC LENGTH OF 46.85 FEET ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 792.00 FEET, A DELTA ANGLE OF 03°23'21", AND A CHORD BEARING OF N 79°42'29" W, 46.84 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC";

(2) S 11°59'12" W, A DISTANCE OF 7.00 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

(3) NORTHWESTERLY, AN ARC LENGTH OF 49.89 FEET ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 798.96 FEET, A DELTA ANGLE OF 03°34'41", AND A CHORD BEARING OF N 76°13'26" W, 49.88 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE BEGINNING OF A COMPOUND CURVE TO THE RIGHT;

(4) NORTHWESTERLY, AN ARC LENGTH OF 119.44 FEET ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 815.00 FEET, A DELTA ANGLE OF 08°23'48", AND A CHORD BEARING OF N 71°38'28" W, 119.33 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC";

(5) S 22°30'09"W, A DISTANCE OF 3.39 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "WIER & ASSOC INC", BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT;

(6) NORTHWESTERLY, AN ARC LENGTH OF 319.40 FEET ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 805.00 FEET, A DELTA ANGLE OF 22°43'59", AND A CHORD BEARING OF N 54°28'12" W, 317.31 FEET TO THE PLACE OF BEGINNING, AND CONTAINING 3.298 ACRES (143,675 SQUARE FEET) OF LAND, MORE OR LESS.

SUP-21-04456

REGISTERED ARCHITECT
WILLIAM C. PECK
18501
STATE OF TEXAS

09-24-2021

These plans are intended to provide the basic construction information necessary to obtain a permit for the structure described herein. Additional information may be required by the builder for the structure to conform to local codes. Any deviations made on the plans and/or omissions, if any, are to be brought to the attention of the Designer prior to any construction or purchases being made. It is recommended that the owner or builder obtain competitive bids from several contractors for HVAC, plumbing, electrical, and framing work, at a minimum. NOTE: All Federal, state, and Local codes, ordinances, and restrictions take precedence over any part of these construction documents which may conflict with same, and must be strictly adhered to. Any discrepancies found in these documents must be reported to the Designer immediately.

THESE CONSTRUCTION DOCUMENTS AND THEIR USE, ARE THE PROPERTY OF WILLIAM PECK & ASSOCIATES, INC. AND SHALL NOT BE USED, IN WHOLE OR IN PART, WITHOUT THE EXPRESS, WRITTEN PERMISSION OF WILLIAM PECK & ASSOCIATES, INC.. ALL RIGHTS RESERVED

The Good Cigar

2401 LITTLE ELM PARKWAY
SUITE #300
Little Elm, Texas 75068

ARCHITECT:
PECK ARCHITECTS
972.221.1424
OWNER:
STEPHEN WILLIAMSON, JR.
214.802.6474
TENANT:
AL ROMAN
214.789.4321

WILLIAM PECK & ASSOC. INC. DBA
105 W. MAIN ST.
LEWISVILLE, TEXAS 75057
WWW.PECKARCHITECTS.COM
972.221.1424

PECK ARCHITECTS

REVISIONS

SITE PLAN

ISSUE DATE:
09.20.2021 SUP

Scale: REF. PLAN

Drawn: JB

Job: 21-154-001

Sheet Number:
A-005

REFLECTED CEILING PLAN LEGEND

L1	2x4 LIGHT FIXTURE
T1 T1	TRACK LIGHTS
P1	PENDANT LIGHT FIXTURE
P2	PENDANT LIGHT FIXTURE
2x4 / 10'-0"	CEILING TYPE / CEILING HEIGHT
2x4 OPEN	2x4 SECOND LOOK CEILING TILES OPEN TO STRUCTURE ABOVE

FLOOR PLAN LEGEND

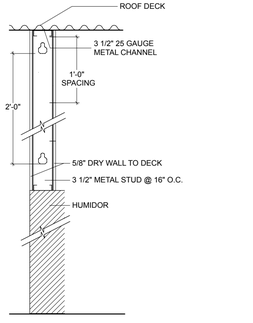
	EXISTING EXTERIOR WALL
	NEW EXTERIOR WALL
	NEW WALL
	NEW WALL WITH SOUNDPROOFING
W1	WALL TYPE
FLOOR: TILE	TILE FLOOR WITH BULLNOSE TILE BASE
WALLS: TILE/GYP	TILE TO 4'-0", TAPE/BED/PAINT GYPSUM BOARD ABOVE

FLOOR PLAN NOTES

01 ELECTRICAL PANEL

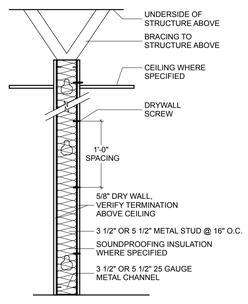
02

1. TAPE, BED, TEXTURE & PAINT ALL GYPSUM BOARD WALLS



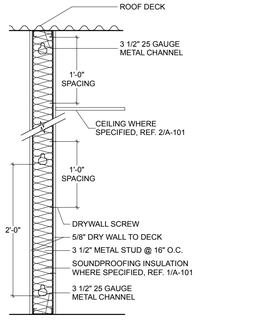
W4 INTERIOR WALL

NOT TO SCALE



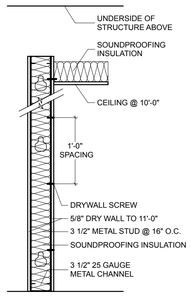
W3 INTERIOR WALL

NOT TO SCALE



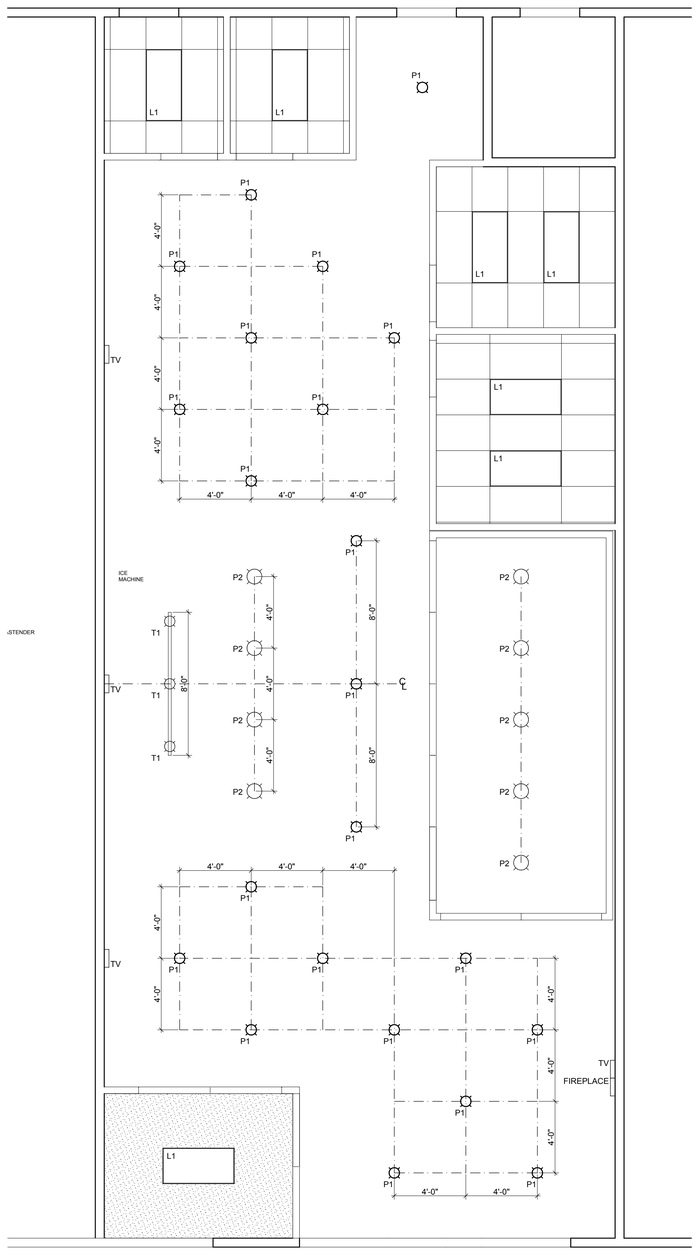
W2 WALL TO DECK

NOT TO SCALE



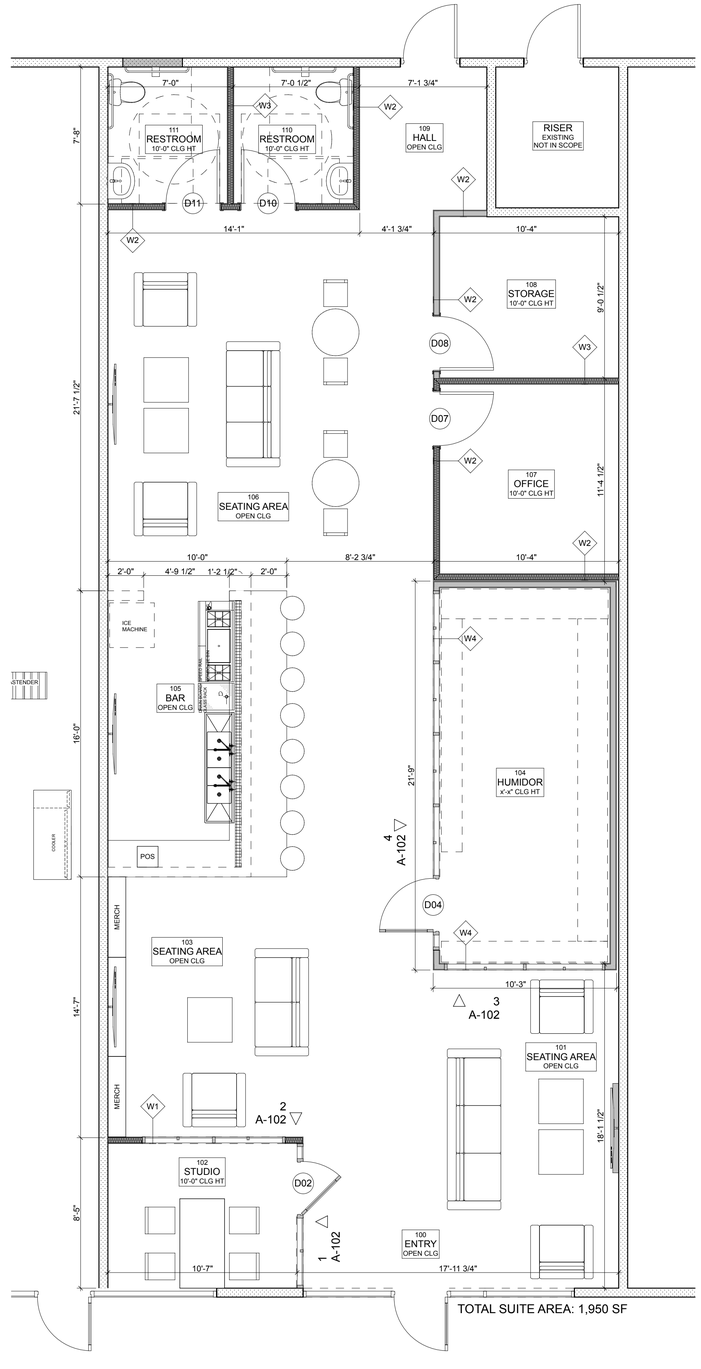
W1 INTERIOR WALL

NOT TO SCALE



2 REFLECTED CEILING PLAN

SCALE: 1/4" = 1'-0"



1 FLOOR PLAN

SCALE: 1/4" = 1'-0"

REGISTERED ARCHITECT WILLIAM C. PECK 18501 STATE OF TEXAS

08-24-2021

These plans are intended to provide the basic construction information necessary to successfully complete this structure. Those conditions not shown or noted on these plans shall be considered to be similar to the conditions shown and noted for similar conditions. Any deletions and/or additions, if any, are to be brought to the attention of the Designer prior to any construction or purchases being made. It is recommended that the owner or his/her obtain competent professional assistance in the areas of HVAC, structural, electrical, plumbing, and life safety. NOTE: All Federal, state, and Local codes, ordinances, and restrictions take precedence over any part of these construction documents which may conflict with same, and must be adhered to. Designer is not responsible for interpretation of same.

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PECK ARCHITECTS

REVISIONS

FLOOR PLAN

ISSUE DATE:
08.20.2021 SUP

Scale: REF. PLAN

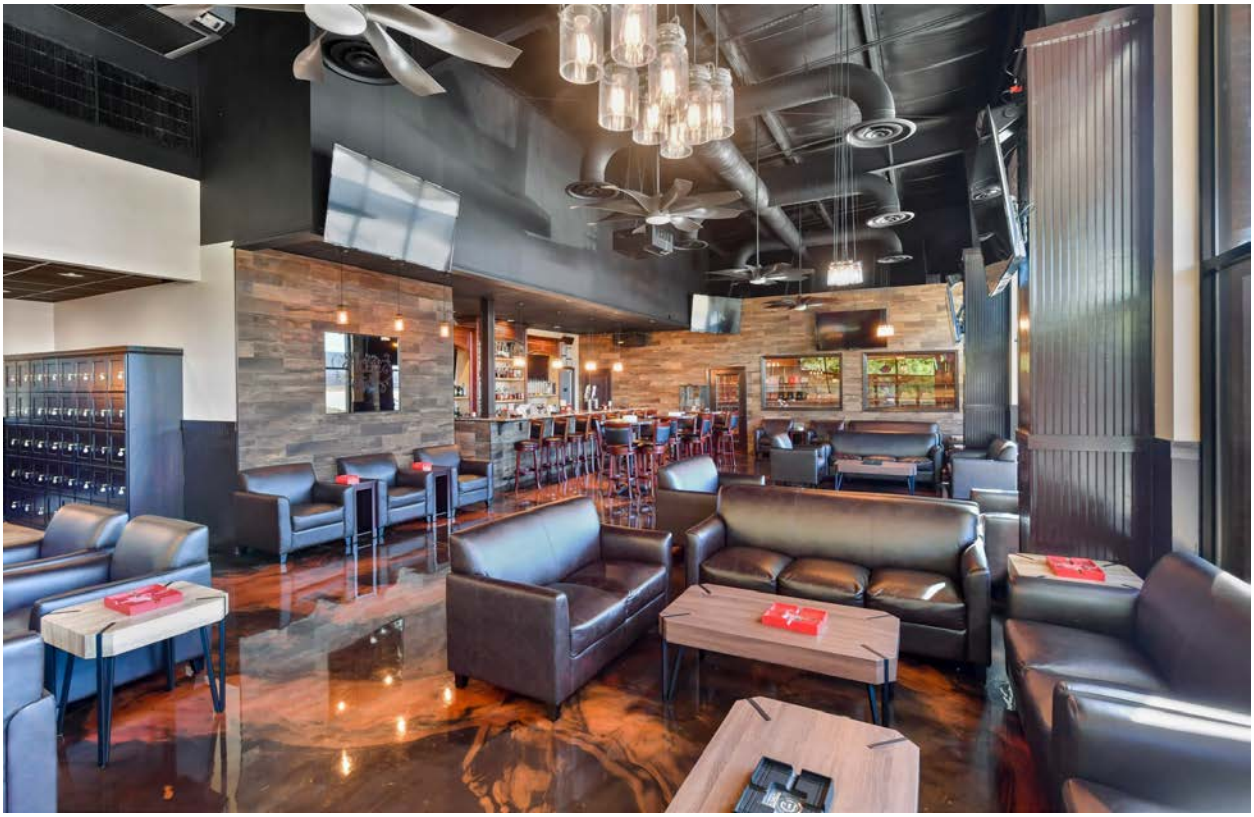
Drawn: JB

Job: 21-154-001

Sheet Number:
A-101



Open, bright and clean



Modern and inviting



Unique lighting and features through out



Custom Printed Art Through out



Simple unique bar



Well lit with LED and exceptional lighting



Black, Grey and Red chairs and loveseats



Seating areas for conversation and watching games.

Date:	11/16/2021
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:

Hold a Public Hearing, Present, Discuss, and Consider Action on **Ordinance No. 1646 Regarding a Proposed Text Amendment to Chapter 106, Zoning Ordinance, by Amending Sec.106.03.03(d) Zoning Districts (Non-Residential/Commercial/Industrial, Community Facilities District), Sec. 106.01.14 Land Use Definitions, and Sec. 106.05.01(b) (Schedule of Uses – Nonresidential Zoning Districts), in Order to Allow for Incidental Uses within the Community Facilities District.**

Open Public Hearing:
Receive Public Comments:
Close Public Hearing:
Take Action on Ordinance No. 1646:

DESCRIPTION:

Location.
N/A

Planning Analysis.
In recent years it has become more and more common for school districts to partner with various business entities in order to provide students with on-campus professional training opportunities. Most recently, these types of partnerships are being taken to the next level, offering the students part-time employment within the campus branch of that business entity, becoming a fully student-ran operation. The partnerships offer students an educational component as well as real-life experience of running the business and interacting with actual clients or customers. Some examples of these partnerships include, but are not limited to an on-campus restaurant, a radio station, and a bank branch.

The business entity locates on campus, provides regular business operations to students and employees of the institution in which they are located, as well as members of the public, primarily during school hours, with some limited after hours operations as necessary, and employs primarily the students of the institution they are located within, with one or two trained professionals to

oversee the student workers.

As this trend becomes more popular, it is important to ensure that the Town's Zoning Ordinance (Chapter 106) acknowledges this type of operation as a listed incidental use and provides the appropriate zoning district where such use would be allowed. In these cases, the primary user is the school district and the primary use is the school, which would fall under the Community Facilities (CF) zoning district. Therefore, Staff is proposing to amend certain sections of the Zoning Ordinance, relevant to the Community Facilities (CF) district as well as the definition of incidental uses in order to accommodate such operations.

Currently, Sec.106.03.03(d) Zoning Districts (Non-Residential/Commercial/Industrial, Community Facilities District), reads as follows:

(d) CF Community Facilities District.

(1) Purpose. The community facilities district is established to apply to those lands where federal, state or local government activities are conducted, where governments hold title to such lands, or for public and private educational and medical facilities. Certain nongovernmental and non-institutional uses may be permitted to provide necessary services to governmental and institutional uses.

Staff is proposing the following amendment language:

(d) CF Community Facilities District.

(1) Purpose. The community facilities district is established to apply to those lands where federal, state or local government activities are conducted, where governments hold title to such lands, or for public and private educational and medical facilities. Certain nongovernmental and non-institutional uses may be permitted to provide necessary services to governmental and institutional uses, or incidental retail and service uses which are appropriate and subordinate to the principal use, and offer instruction, training, and employment opportunities for the primary intended user of the principal use.

Currently, Sec. 106.01.14 Land Use Definitions, reads as follows:

Incidental retail and service uses. Defined as operating within another establishment, such as a bank branch, nail salon, eyewear service, tax service, etc. within a "big box" store. May also be located within an office complex or hotel, such as a deli, convenience store, or restaurant for the use of the employees, guests.

Staff is proposing the following amended language:

Incidental retail and service uses. Defined as operating within another establishment, such as a bank branch, nail salon, eyewear service, tax service, etc. within a "big box" store. May also be located within an office complex, hotel, or institution, such as a deli, convenience store, or restaurant for the use of the employees, guests, and students.

Currently, Sec. 106.05.01(b) (Schedule of Uses – Nonresidential Zoning Districts) does not permit Incidental Retail and Service Uses under the Community Facilities (CF) district. Staff is proposing to amend the Schedule of Uses to allow Incidental Retail and Service Uses as Permitted, as-of-right, under the Community Facilities (CF) district.

Recommendation to Commission.

Staff recommends approval of the proposed text amendment as presented.

Commission Findings.
At their regular meeting on October 21, 2021, the Planning and Zoning Commission recommended approval of the request as presented, with five in favor and zero opposed.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

The Planning and Zoning Commission recommends approval of the request as presented.

Attachments

Ordinance No. 1646

TOWN OF LITTLE ELM

ORDINANCE NO. 1646

AN ORDINANCE OF THE TOWN OF LITTLE ELM, TEXAS, AMENDING CHAPTER 106, "ZONING," OF THE TOWN'S CODE OF ORDINANCES THROUGH TEXTURAL CHANGES TO SECTION 106.03.03(D) ZONING DISTRICTS (NON-RESIDENTIAL / COMMERCIAL / INDUSTRIAL, COMMUNITY FACILITIES DISTRICT), SECTION 106.01.14 LAND USE DEFINITIONS, AND SECTION 106.05.01(B) (SCHEDULE OF USES – NON-RESIDENTIAL ZONING DISTRICTS), OF THE ZONING ORDINANCE; PROVIDING A PENALTY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the zoning ordinance ("Zoning Ordinance") of the Town of Little Elm, Texas ("Town"), is contained in Chapter 106 of the Town of Little Elm's Code of Ordinances ("Code"); and

WHEREAS, Town staff has recommended that the Zoning Ordinance be amended in Section 106.03.03(d) Zoning Districts (Non-Residential / Commercial / Industrial, Community Facilities District), Section 106.01.14 Land Use Definitions, and Section 106.05.01(b) (Schedule of Uses – Nonresidential Zoning Districts) in order to allow for incidental uses within the Community Facilities District; and

WHEREAS, Town Council and the Planning & Zoning Commission of the Town of Little Elm, in compliance with the laws of the State of Texas and the ordinances of the Town of Little Elm, have given the required notices and held the required public hearings and afforded a full and fair hearing regarding the adoption of the proposed Zoning Ordinance amendments; and

WHEREAS, at its regular meeting held on October 21, 2021 the Planning & Zoning Commission considered and made recommendations on the proposed Zoning Ordinance amendments, (Case No. ZOA-21-05689); and

WHEREAS, after due deliberations and consideration of the recommendation of the Planning & 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 request 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. AMENDMENT. That Ordinance No. 226 of the Town of Little Elm, Texas, the same being the Comprehensive Zoning Ordinance of the Town, as amended, is hereby repealed and amended by and through the adoption of the amended Section 106.03.03(d) Zoning Districts (Non-Residential / Commercial / Industrial, Community Facilities District), Section 106.01.14 Land Use Definitions, and Section 106.05.01(b) (Schedule of Uses – Nonresidential Zoning Districts) of the Zoning Ordinance, attached hereto, which amended Zoning Ordinance is hereby adopted.

SECTION 3. SAVINGS. This Ordinance (which includes the New Zoning 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 4. 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 5. 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 New 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 this Ordinance (which includes the New Zoning Ordinance) without the invalid parts and to this end the provisions of this Ordinance shall remain in full force and effect.

SECTION 6. REPEALER. That all ordinances of the Town of Little Elm in conflict with the provisions of this Ordinance are hereby repealed to the extent of that conflict.

SECTION 7. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its adoption 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 16th day of November, 2021.

The Town of Little Elm, Texas

_____

Curtis J. Cornelious, Mayor

ATTEST:

_____

Kate Graham, Acting Town Secretary

ATTACHMENT – AMENDED SECTIONS OF THE ZONING ORDINANCE

Section 106.03.03(d) Zoning Districts (Non-Residential / Commercial / Industrial, Community Facilities District)

Section 106.01.14 Land Use Definitions

Section 106.05.01(b) (Schedule of Uses – Nonresidential Zoning Districts)

Sec. 106.01.14 Land use definitions.

Accessory structure. Any structure, either attached or detached from the main building, located on the same lot, the use of which is incidental to that of the main structure. Accessory structures include, but are not limited to, patio covers, arbors, gazebos, cabanas, outdoor kitchens, recreational fire enclosures, trellis, and structures/sheds or the like. A permit is required for many accessory structures (see sections 106.05.02.1(a) and (b), "accessory uses - residential" and "accessory uses - nonresidential," respectively, for regulations).

Adult Day Service. A daytime care establishment that supports the health, nutritional, social, and daily living needs of adults in a professionally staffed, group setting.

Airport or landing field. A landing facility for fixed or rotary wing aircraft containing a minimum of 60 acres (see section 106.05.02.2(a), "airport/helipad/heliport" for regulations).

Airport/heliport. A place where aircraft and/or helicopters can land and take off, usually equipped with hangars, facilities for refueling and repair, and various accommodations for pilots and passengers (see section 106.05.02.2(a), "airport/helipad/heliport" for regulations).

Alternative energy systems.

(1) *Solar devices.* A solar panel or device is a structure that is intended to capture the light from the sun and transfer that energy to electricity for general use (see section 106.05.02.2(b), "alternative energy sources - solar" for regulations.)

(2) *Wind energy conversion system (WECS).* Any mechanical device, such as a wind charger, windmill, or wind turbine, which is designed to extract kinetic energy from the wind and converts or stores it for practical use or a form of usable energy. (see section 106.05.02.2(c), "alternative energy sources - wind energy" for regulations)

Alternative financial services. A check cashing business, payday advance or loan business, money transfer business, car title loan business or pawn shop (see section 106.05.02.2(d), "alternative financial services" for regulations).

(1) *Bank, savings and loan or credit union.* An establishment, open to the public, for the deposit, custody, loan, exchange or issue of money, the extension of credit, and/or facilitating the transmission of funds and that is typically licensed by the appropriate state or federal agency as a bank, savings and loan association, or credit union. This includes businesses' activities listed under SIC Codes 60 and 61, but excludes pawnshops, check cashing businesses, payday advance/loan businesses and car title loan businesses.

(2) *Car title and loan services.* An establishment that makes small consumer loans that leverage the equity value of a car or other vehicle as collateral where the title to such vehicle is owned free and clear by the loan applicant and any existing liens on the car or vehicle cancel the application. The loan terms are often for 30 days and failure to repay the loan or make interest payments to extend the loan allows the lender to take possession of the car or vehicle. This excludes state or federally chartered banks, savings and loan associations or credit unions engaged primarily in the business of making longer term loans and which make loans that leverage the total equity value of a car or vehicle as collateral.

(3) *Check cashing business.* An establishment that provides to the customer an amount of money that is equal to the face of the check or the amount specified in the written authorization for an electronic transfer of money, less any fee charged for the transaction, and where there is an agreement not to cash the check or execute an electronic transfer of money for a specified period of time, the business of cashing checks, warrants, drafts, money orders, or other commercial paper serving the same purpose for compensation by any person or entity other than a retail seller engaged primarily in the business of selling consumer goods, including consumables to retail buyers, that cashes checks or

money orders or issues money orders or money transfers for a minimum flat fee as a service that is incidental to its main purpose or business. This definition excludes a state or federally chartered bank, savings and loan association or credit union, pawnshop, grocery store or gas station, so long as the gas station does not handle more than 100 such transactions within any calendar month.

(4) *Pawn shop.* A shop that lends money in exchange for valuable personal property as security deposited with it or pledged to it. This definition includes the sale of such securities after repossession and the sale of merchandise generally found in retail stores.

(5) *Payday advance or loan business.* An establishment that makes small consumer loans, usually backed by postdated check or authorization to make an electronic debit against an existing financial account, where the check or debit is held for an agreed-upon term, or until an applicant's next payday, and then cashed unless the customer repays the loan to reclaim such applicant's check. ?

Amenity center. A recreational facility, including, but not limited to, clubhouse, swimming pool, or play area, operated for the exclusive use of private residents or neighborhood groups and their guests, and not open to the general public.

Antenna. An instrument or device consisting of wires, poles, rods, or reflecting discs, designed for transmitting or receiving any portion of the radio, microwave, or electromagnetic spectrum (see section 106.05.02.2(h), "communications antennas" for regulations)

Antenna support structure. Any tower, mast, pole, tripod, box frame, or other structure utilized for the purpose of transmission, retransmission, and/or reception of electromagnetic, radio, television, or microwave signals and used for commercial broadcasting or telecommunication purposes. This definition shall also include a satellite dish exceeding 12 feet in diameter and a microwave-transmitting tower. All radiating equipment must comply with Federal Communications Commission (FCC), Environmental Protection Agency (EPA), Occupational Health and Safety Administration (OSHA), and all other applicable state and federal regulatory agency requirements and guidelines for human safety, as they exist or may be amended. Definition includes ancillary ground equipment. (See section 106.05.02.2(i), "communications support structures/towers" for regulations)

Antenna, stealth. A stealth antenna is a commercial antenna that is designed to be non-obtrusive, or virtually transparent or invisible to the surrounding neighborhood. Stealth antennas include, but are not limited to:

(1) Antennas within a building's attic space,

(2) Antennas on the roof of a minimum three-story building and not visible from the property line of the lot on which the antenna is located,

(3) Antennas on a public utility structure, such as a water tower or high transmission line support tower, and painted to match the structure,

(4) Antennas located within a structure such as a flagpole, church steeple, lamppost, subdivision monument, clock tower, or similar architectural feature, and antennas located on an athletic field light pole.

Antique shop and used furniture. A retail establishment engaged in the selling of works of art, furniture, or other artifacts of an earlier period, with all sales and storage occurring inside a building.

Arcade. An establishment in which there are located six or more skill or pleasure machines used for compensation found in the schedule of uses as "Commercial Amusement, Indoor."

Assembly uses. A building or structure for the gathering together of persons for purposes of civic, social or religious functions.

Athletic stadium or field, private. A private field and/or structure used for sporting events with associated spectator seating, either permanent or temporary.

Athletic stadium or field, public. A field and/or structure owned and operated by the town and/or a local independent school district used for sporting events with associated spectator seating, either permanent or temporary. The stadium may include other accessory buildings such as a food service or catering facility and/or dressing rooms/showers.

Automated dispenser machine. An unmanned, freestanding structure that dispenses goods that may include, but are not limited to, water, ice, entertainment videos or CDs, newspapers, and soft drinks, that may be located outside of or separate from the primary structure.

Automated intake machine. An unmanned, freestanding structure that is designed to receive certain goods that include, but are not limited to, recycling items, library books and donations, that may be located outside of or separate from the primary structure.

Automated teller machine (ATM). An unmanned, freestanding structure that performs banking financial functions at a location that may be separate from the controlling financial institution.

Automobile. A self-propelled mechanical vehicle designed for use on streets and highways for the conveyance of goods and people, including, but not limited to, passenger cars, trucks, buses, motor scooters, and motorcycles.

Automobile and boat repair, major. A building or portion thereof whose principal use is for the repair, servicing, equipping, or maintenance of motor vehicles or motor vehicle components, including engines, radiators, starters, transmissions, brakes, tires and wheels, seats and similar components that may require overnight outdoor storage of vehicles awaiting or under repair, if screened in compliance with all applicable regulations. General repair or reconditioning of engines, air-conditioning systems, and transmissions for automobiles; wrecker or towing service with on-site storage of vehicles; collision services including body, frame, or fender straightening or repair; customizing; painting; vehicle steam cleaning; tire retreading; insurance estimations with on-site storage; undercoating and rust proofing, and other similar uses.

Automobile and boat repair, minor. A daytime retail operation wherein the sale, installation, and/or inspection of tires, batteries, brakes and other related minor parts or accessories is carried on; specifically intended to exclude major automotive repair and overnight outdoor storage of vehicles awaiting or under repair.

Automobile and boat sales, accessories. A retail shop that sells parts or accessories for vehicles that does not include any installation of same.

Automobile and boat sales, new. Retail sales or leasing of new automobiles, light load vehicles or boats. Sales, rental, and/or leasing of new automobiles or light load vehicles, including, as accessory uses: sales, repair, and automobile storage.

Automobile and boat sales, outside display. The use of any land area for the display and sale of new or used vehicles and accessory parts, including tires, for automobiles, trucks, vans, trailers, or recreation vehicles.

Automobile and boat sales, used. Retail sales or offering for sale of used automobiles, light load vehicles or boats.

Automobile and boat/rv storage. The storage on a lot or tract of operable motor vehicles for the purpose of holding such vehicles for sale, distribution or storage.

Automobile parking garage. A structure for the parking of automobiles.

Automobile parking lot. An area where a fee is charged for parking automobiles.

Automobile wash, automated secondary use. A facility for the washing of motor vehicles, including a self-service operation, operated in conjunction with another primary use, such as fueling stations or convenience stores.

Automobile wash, full service. A facility where a customer may have an automobile, motorcycle, or other vehicles washed in exchange for financial remuneration. This definition generally includes detailing of the vehicle and may include other services, such as leather or upholstery cleaning.

Automobile wash, self service. A facility, typically coin or token operated, used by the customer to wash their own automobiles, motorcycles, and other vehicles.

Bakery, candy or ice-cream shop. A relatively small retail establishment that primarily sells baked goods, candy and other confections, and/or ice-cream/yogurt for on-premises consumption or take-out.

Bar. An establishment principally for the sale and consumption of alcoholic beverages on the premises that derives 75 percent or more of its gross revenue on a quarterly (three-month) basis from the sale or service of alcoholic beverages, as defined in the Texas Alcoholic Beverage Code, for on-premises consumption. If an establishment is located in a hotel or motel, the gross revenues of the particular establishment, rather than the gross revenues of the entire hotel or motel, will be used in calculating the percentage of revenues derived from the sale or service of alcoholic beverages. (See section 106.05.02.2(e), "bar or brewpub" for regulations)

Bed and breakfast inn. An owner-occupied private home which offers lodging for paying guests not to exceed one week in duration, and which serves breakfast to these guests and which contains one or more guest bedrooms. (See section 106.05.02.2(f), "bed and breakfast" for regulations)

Body art studio. An establishment whose services include tattooing and/or body piercing. Tattooing shall mean the placing of designs, letters, figures, symbols or other marks upon or under the skin of any person, using ink or other substances that result in the permanent coloration of the skin by means of the use of needles or other instruments designed to contact or puncture the skin. Body piercing shall mean the creation of an opening in an individual's body, other than ear piercing, to insert jewelry or other decoration.

Brewpub. An establishment where the on-site brewing of beer occurs as well as tasting and/or retail sales. (See section 106.05.02.2(e), "bar or brewpub" for regulations)

Building material and hardware sales, major. An establishment for the sale of materials customarily used in the construction of buildings and other structures, including outside storage or display of materials or merchandise and may include the rental of construction tools and/or vehicles.

Building material and hardware sales, minor. An establishment for the sale of materials customarily used in the construction of buildings and other structures, without any outside storage or display of materials or merchandise.

Business Service. This group includes establishments primarily engaged in providing services not elsewhere classified to business enterprises on a fee contract basis including, but not limited to, advertising agencies, computer programming, and software services, tutoring services excluding trade schools, and office equipment sales, rental, leasing, or repair.

Campground or *RV park.* Any area that is designed for occupancy by transients using tents, mobile trailers, or recreational vehicles for temporary sleeping purposes. Also, a tract of land on which two or more campsites are located, established, or maintained as temporary living quarters for recreation, education or vacation purposes.

Caretaker's/guard's residence. A residence located on a premises with a main nonresidential use and occupied only by a caretaker or guard, and his/her family, employed on the premises. (see section 106.05.02.2(g), "caretaker or guard residence" for regulations)

Catering service. A business which offers prepared food and drink for consumption elsewhere.

Child care center, incidental. A place designed solely for the care of children belonging to employees and/or patrons of the primary use. The center shall be completely contained within the primary use and shall not constitute more than 15 percent of the main use. The operating hours of the center shall be the same as the

primary use and shall not include overnight lodging, medical treatment, counseling, or rehabilitation services. This use may be subject to regulation by the Texas Department of Family and Protective Services.

Child care center. A facility that is licensed to care for any number of children for less than 24 hours per day, at a location other than the permit holder's primary residence. Included in this definition are daycare services, Montessori schools.

Child care, group home. An adult and/or child caring facility licensed by the state, designed to provide resident services to individuals who are physically handicapped, mentally ill, mentally retarded, or developmentally disabled, in which no more than eight such individuals reside with one or more resident counselors or other staff persons. For the purposes of this section, mental illness and developmental disability shall not include illegal use of or addiction to a controlled substance or any criminal behavior.

Child care, foster family home (independent). Per the definition of the department of family and protective services (DFPS) or as amended by the DFPS, a single independent home that is the primary residence of the foster parents and licensed to provide care for up to six children up to the age of 18 years.

Child care, foster group home (independent). Per the definition of the department of family and protective services (DFPS) or as amended by the DFPS, a single independent home that is the primary residence of the foster parents licensed to provide care for seven to 12 children up to the age of 18 years.

Child care, licensed child care center. Per the definition of the department of family and protective services (DFPS) or as amended by the DFPS, an operation providing care for seven or more children younger than 14 years old for less than 24 hours per day at a location other than the permit holder's home.

Child care, licensed child care home. Per the definition of the department of family and protective services (DFPS) or as amended by the DFPS, the primary caregiver provides care in the caregiver's own residence for children from birth through 13 years. The total number of children in care varies with the ages of the children, but the total number of children in care at any given time, including the children related to the caregiver, must not exceed 12.

Child care, listed family home. Per the definition of the department of family and protective services (DFPS) or as amended by the DFPS, a caregiver at least 18 years old who provides care in her own home for compensation, for three or fewer children unrelated to the caregiver, ages birth through 13 years. Regular care is provided, which is care provided for at least four hours a day, three or more days a week, and more than nine consecutive weeks. The total number of children in care, including children related to the caregiver, may not exceed 12.

Child care, registered child care home. Per the definition of the department of family and protective services (DFPS) or as amended by the DFPS, a caregiver who provides regular care in her own home for not more than six children from birth through 13 years. Child day care can be provided for six additional school-aged children before and after the customary school day. The total number of children in care at any given time, including the children related to the caregiver, must not exceed 12.

Clinic, animal (no outside runs). An animal medical facility designed for immediate and short term care (i.e. not requiring the animal to be boarded or kept within the facility overnight), for diagnosis, treatment of household pets including but not limited to dogs, cats, and birds.

Clinic, animal (with outside runs). A facility for diagnosis, treatment or hospitalization of household pets including but not limited to dogs, cats, birds, and horses.

Clinic/medical lab. Offices for one or more physicians, surgeons or dentists engaged in treating sick or injured persons, but not including rooms for the lodging of patients. The facility may also conduct the testing of blood and other tissue samples for the purpose of diagnosis of diseases.

College, university, or *trade school.* An institution established for educational purposes offering courses for study beyond the secondary education level, including trade schools and commercial schools offering training or instruction in a trade, art, or occupation.

Commercial amusement, indoor. An enterprise providing for indoor recreational activities, services, amusements, and instruction, usually for an admission fee. Uses may include, but are not limited to, bowling alleys, ice or roller skating rinks, bingo parlors, amusement arcades, and/or sports practice areas. Such business shall be constructed to limit noise by installing adequate acoustic barriers.

Commercial amusement, outdoor. An enterprise providing for outdoor recreational activities, services, amusements, and instruction, usually for an admission fee, including, but not limited to, batting cages, miniature golf, go-kart tracks, and carnivals.

Commissary. A facility that is the home base for a restaurant-equipped vehicle that serves as a mobile food vendor. The commissary also is used for the storage and partial production of food items that are delivered to customers by the mobile food vendor located away from the commissary location.

Communication tower/antenna. Any tower, mast, pole, tripod, box frame, or other structure utilized for the purpose of transmission, retransmission, and/or reception of electromagnetic, radio, television, or microwave signals. See also "antenna support structure." (See section 106.05.02.2(h), "communication antennas" for regulations)

Concrete batch plant, permanent. A permanent manufacturing facility for the production of concrete or asphalt.

Concrete batch plant, temporary. A temporary manufacturing facility for the on-site production of concrete or asphalt during construction of a project, and to be removed when the project is completed. Following removal, the tract shall be returned to its previous condition. (See section 106.05.03(a), "batch plants, temporary" for regulations)

Construction yard, field office, temporary. A building, structure, or storage/assembly yard used in conjunction with a development project for housing temporary supervisory or administrative functions related to development, construction, or the sale of real estate properties within the development and subject to removal at completion of construction. A facility used for the temporary office and material storage in connection with a project under construction or remodel. (See section 106.05.03(d), "construction yard, temporary" for regulations)

Contractor's shop. A facility for the contractor's office and the storage and maintenance of contractor's supplies and operational equipment.

Custom personal service. A shop, such as tailor, shoe repair, barbershop, beauty shop, health studio, spa/salon, or travel consultant.

Dwelling, assisted living facility. A private facility that provides care for chronically ill, aged, or disabled persons who need some health supervision and related care but not including hospital care. Such facilities do not contain facilities for surgical care or the treatment of alcoholism, drug addiction, communicable disease or injury. A facility designed for adults or children with special needs and/or who need assistance with daily living, including but not limited to the production of meals, assistance with shopping, management of medications and personal grooming. Typically, the resident occupies a room or suite of rooms and eats the majority of meals communally.

Dwelling, assisted living home. A facility located in a private residential home designed for adults who need or desire assistance with daily living, including but not limited to the production of meals, assistance with shopping, management of medications and personal grooming. (See section 106.05.02.2(j), "home child care" for regulations)

Dwelling, boardinghouse or rooming house. A building other than a hotel where lodging and/or meals for three or more persons are provided for compensation.

Dwelling, duplex. A building containing two single-family dwelling units totally separated from each other by an unpierced fire wall from basement to roof, intended or designed for occupancy by two families.

Dwelling, factory-built home. Any manufactured single-family mobile home constructed prior to June 15, 1976. (See also dwelling, HUD-Code manufactured home)

Dwelling, group home. An adult and/or child care facility, licensed by the state, designed to provide resident services to individuals who are physically handicapped, mentally impaired, or developmentally disabled, but does not provide services to individuals with psychiatric, addiction, substance abuse or who exhibit criminal behavior. (See section 106.05.02.2(j), "home child care" for regulations)

Dwelling, HUD-Code manufactured home. A HUD-Code compliant single-family structure constructed after June 15, 1976, designed for long-term residential use that is constructed elsewhere and is moved from the factory or sales location to its permanent site (see also dwelling, factory-built home)

Dwelling, listed family home. A home that provides child care for compensation for three or fewer children, excluding children who are related to the caretaker, for at least four hours a day, three or more days a week, for more than nine consecutive weeks in the caretaker's own residence and that is required to [be] listed with the state. (See section 106.05.02.2(j), "home child care" for regulations)

Dwelling, live-work. A dwelling unit that contains, to a limited extent, a separate commercial component on the ground floor and is typically in the form similar to a townhouse or store with residential quarters above or behind the commercial use.

Dwelling, mobile home. Any manufactured single-family mobile home constructed prior to June 15, 1976.

Dwelling, multifamily. Any building or portion thereof, which is designed, built, rented, leased, or let to be occupied as three or more dwelling units or apartments or which is occupied as a home or place of residence by three or more families living in independent dwelling units. Though residential in use, it is considered a commercial development in regard to and application of development standards and regulations. A building containing three or more dwelling units on a single lot or tract designed to be occupied by three or more families living independent of one another.

Dwelling, patio home. A dwelling on a separate lot with open space setbacks on at least three sides.

Dwelling, single-family, detached. A platted lot containing one dwelling unit, not attached to any other dwelling by any means and is surrounded by open space or yards, designed and constructed for occupancy by one family and has no physical connection to a building located on any other separate lot or tract.

Dwelling, townhome. A structure containing three or more dwelling units with each unit designed for occupancy by one household and each unit attached by a common fire wall.

Electrical power generating plant. All equipment, fixtures, and property operated or maintained in connection with the production of electricity and transmission of electricity produced.

Electrical substation. A location for transforming electricity prior to the distribution of electricity to individual customers.

Fairgrounds/exhibition area. An area that may include structures or outside areas for the exhibition of rodeos, conventions and similar special events.

Farm accessory building. A structure located on an active farm, ranch, or orchard in which livestock, feed, equipment, vehicles, or accessories necessary for the running of the business are kept, including but not limited to, barns, silos, sheds and exercise pavilions.

Farm, ranch, stable, garden or *orchard.* An area of five acres or more which is used for growing of usual farm products, vegetables, fruits, trees and grain and for the raising thereon of the usual farm poultry and farm animals such as horses, cattle, and sheep and including the necessary accessory uses for raising, treating, and storing

products raised on the premises, but not including the commercial feeding of offal or garbage to swine or other animals and not including any type of agriculture or husbandry specifically prohibited by ordinance or law.

Farmers market. An area containing individual vendors who offer fruits, vegetables, herbs, spices, edible seeds, nuts, live plants, flowers, and honey for sale. This definition does include the sale of meat, fish, poultry, eggs, refrigerated dairy products, or home canned or packaged items when the proper health rules and regulations are followed and/or health permit obtained. (See section 106.05.03(c), "farmers market, temporary" for regulations)

Florist. A facility for the retail sale of flowers, ornamental plants, and accessory items. This definition does not include a nursery with outside display. (See also Greenhouse and Nursery)

Fraternal organization, lodge, civic club, fraternity or *sorority.* A group of people whose membership is restricted by a set of bylaws or regulations.

Funeral home/crematorium. A place for the storage of human bodies prior to their burial or cremation, or a building used for the preparation of the deceased for burial or cremation, where cremation occurs within the building, with or without place where ceremonies or gatherings connected to the deceased may occur.

Funeral home/mortuary. A place for the storage of human bodies prior to their burial, or a building used for the preparation of the deceased for burial and the display of the deceased, a place where ceremonies or gatherings connected to the deceased may occur, but does not allow the cremation of human remains.

Gas pumps/fuel sales. A retail fuel sales facility selling fuel for motor vehicles including, but not limited to, automobiles, motorcycles, buses, or recreational vehicles with no ancillary services such as vehicle service, vehicle repair, or sale of items other than fuel. The fueling or gasoline station may be attended or automated.

Golf course, tennis club, polo club, or *country club (private).* An area of 20 acres or more containing a golf course, polo facilities, tennis facilities and/or a clubhouse and available only to private specific membership; such a club may contain adjunct facilities such as private club, dining room, swimming pool, retail sales, and similar recreational or service facilities. A tract of land with at least nine holes for playing the game of golf that may include a clubhouse, dining and snack bar, pro shop, practice facility and other accessory uses.

Greenhouse or *nursery for retail plant sales.* A facility that may include the outside display of plants offered for sale when such display is located behind the front yard line established in the district in which the nursery or greenhouse is located.

Gun or archery range, indoor. Any indoor facility open to the public and occupying all or a portion of a building where firearms are discharged or arrows are shot for either testing or recreation purposes. Such business shall be constructed to limit noise by installing adequate acoustic barriers.

Gunsmith. A retail establishment for the sale and service of guns and related items.

Gymnastics/dance studio/martial arts. A building or portion of a building used by a gymnast, dancer, or martial artist for practice or for instructional classes in gymnastics, dance, or martial arts and similar activities.

Health/fitness center. A facility which promotes physical fitness, weight control, exercise, and personal improvement that may also include massage or bathing.

Heavy machinery sales, service, and storage. A retail or wholesale facility that sells, services and stores heavy machinery such as farm equipment, dredging equipment, paving equipment, etc.

Helipad. A place, typically on the roof of a building or a small ground area where helicopters may land and take off, but without any service or fueling capabilities. (See section 106.05.02.2(a), "airport/helipad/heliport" for regulations)

Home occupation. An occupation, which is secondary to the primary use of a dwelling as a residence, conducted on residential premises by the occupant of the residence. Home occupations shall be subject to the

conditions set forth in section 106.05.02.2(k), "home occupations." Any activity carried out for personal gain in a dwelling unit by a resident of the premises, which occupation is secondary to the residential purpose of the premises.

Hospital. An institution or place where sick or injured patients are given medical or surgical care either at public (charity) or private expense.

Hotel. A building or group of buildings designed for and occupied as a temporary abiding place of individuals with access to the rooms from an indoor corridor and providing six or more room units where customary services such as linen, maid service, telephone, and upkeep of furniture are provided for a daily fee.

Hotel, extended stay (also called "residence hotel"). A building or group of buildings used as a temporary dwelling place for individuals in exchange for financial consideration where customary hotel services such as linen, housekeeping service, and telephone are provided. Residence hotel room units are designed to be suitable for long term occupancy with financial consideration typically being calculated on a weekly and/or monthly basis. Typical residence hotel attributes include, but are not limited to, kitchen facilities, and external doorways into room units. (See section 106.05.02.2(l), hotel, extended stay" for regulations)

Hotel, full-service. A full service hotel is considered a top tier hotel in terms of amenities and service provided to the clientele. (See section 106.05.02.2(m), "hotel, full-service" for regulations)

Hotel, limited service. A limited service hotel provides travelers an economical choice with fewer amenities than a full service hotel. (See section 106.05.02.2(n), "hotel, limited-service" for regulations)

Household appliance service and repair. A retail establishment where household appliances are serviced and repaired on site. May also include sales of new or used household appliances.

Incidental retail and service uses. Defined as operating within another establishment, such as a bank branch, nail salon, eyewear service, tax service, etc. within a "big box" store. May also be located within an office complex or hotel, *or institution,* such as a deli, convenience store, or restaurant for the use of the employees, guests*, and students.*

Kennel, indoor. An establishment where domesticated animals(four or more dogs, cats or other domestic animals at least four months of age) are housed, groomed, bred, boarded, trained, or sold for commercial purposes that does not include outside pens or runs.

Kennel, outdoor. An establishment where domesticated animals (four or more dogs, cats or other domestic animals at least four months of age) are housed, groomed, bred, boarded, trained, or sold for commercial purposes that includes outdoor pens or runs.

Laundry and/or dry cleaning, commercial. A plant for cleaning garments, fabrics, rugs, uniforms, draperies, or other similar items on a commercial or bulk basis.

Laundry and/or dry cleaning, pickup and receiving station. A facility that only receives and dispenses laundry and dry cleaning that is processed in bulk by a commercial laundry or dry cleaning facility located elsewhere.

Laundry and/or dry cleaning, self-service. A facility for washing and/or dry cleaning garments and similar items where typically the customer supervises and handles the cleaning of his/her garments and items, such as a laundromat. Machines for use are typically of a similar size as found in the home and not a commercial laundry or cleaning plant.

Laundry and/or dry cleaning, small custom shop. A retail establishment for the cleaning of individual garments, fabrics, rugs, draperies or other similar items on the premises, which may include minor garment repair. A custom cleaning shop not exceeding 5,000 square feet of floor area or a pickup station.

Liquor store. A facility for the sale of beer, wine, and/or liquor not for on-premises consumption that derives 75 percent or more of its gross revenue from the on-premises sale of beer, wine, and/or liquor. (See section 106.05.02.2(o), "liquor stores" for regulations).

Machine/welding shop. A facility in which materials are processed by machining, cutting, grinding, welding, etc.

Manufactured home. Any manufactured single-family mobile home constructed prior to June 15, 1976. (See also Dwelling, factory-built home. (See section 106.05.02.2(p), "manufactured home replacement" for replacement regulations)

Manufactured/mobile home display and sales. The offering for sale, storage, or display of trailers, HUD-Code manufactured homes or mobile homes on a parcel of land but excluding the use of such facilities as dwellings either on a temporary or permanent basis. Such use may be permitted with the approval of the town council in the MH Mobile Home District to permit sale of mobile homes or HUD-Code manufactured homes owned by the mobile home park owner or operator for placement in the mobile home park.

Manufacturing and industrial, heavy. A facility that involves assembly and fabrication activities and the use of machines, tools and labor to make items for use or sale and typically requires access to major thoroughfares, major highways, and/or other means of transportation such as the railroad for transfer of parts and final products. May also include warehousing, research and development, wholesaling operations with infrequent customer or client visits, and may include related office and shipping areas. Heavy industry involves one or more of the following characteristics such as large and heavy products; large and heavy equipment and facilities (such as heavy equipment, large machine tools, and spacious buildings); or complex and numerous processes. The labor for heavy industry often must be highly skilled. Examples of heavy industry include, but are not limited to, steel manufacturing, automotive assembly, machine tool design and construction, boat or aircraft manufacturing, and power plants.

Manufacturing and industrial, light. A facility that involves assembly and fabrication activities and the use of machines, tools and labor to make items for use or sale. May also include warehousing, research and development, wholesaling operations with infrequent customer or client visits, and may include related office and shipping areas. Light industry is often assembly-based and is typically consumer-oriented (i.e., most light industrial products are sold to retail stores or end users rather than as intermediate parts for use by other industries). Light industry generally has less environmental impact than those associated with heavy industry. Light industry may employ lower skilled workers with only moderate training and often employ large numbers of people. Light industries require a relatively small amount of raw materials, area and power. Examples of light industry include, but are not limited to, plastic items, clothing, shoes, foods, beverages, personal care and home care products, cosmetics, drugs, furniture, consumer electronics, and home appliances.

Media studio. A facility where the production, editing, storage, and/or transmittal of audio/visual media occurs. Includes, but is not limited to, a TV studio, a radio studio, a production or editing facility. (See section 106.05.02.2(q), media studio" for regulations)

Mini-warehouse/self storage. A building containing separate, individual self-storage units for rent or lease. The conduct of sales, business, or any activity other than storage is prohibited within any individual storage unit.

Mixed-use building. A vertical mixed use building that includes a variety of retail, office, and/or residential uses such as lofts, live-work units, apartments and condominiums, but contains nonresidential use in a majority of the ground floor.

Mobile food vendor, food truck. Any person who operates and sells food from a motorized vehicle capable of moving from place to place during the course of the day and may include some preparation of food or drink for sale.

Mobile food vendor, stationary. Any person or persons who operates and sells food from a stationary cart or trailer mounted on a chassis, for a period of 15 calendar days or more per year. Stationary mobile food vendors include, but are not limited to, snow-cone stands, hot-dog carts, and ice-cream carts. Any similar facility that operates for 14 calendar days or less shall be considered a "temporary food establishment" as defined by the town health ordinance, as it exists or may be amended.

Model home. A single-family dwelling in a developing subdivision located on a legally platted lot of record that is limited to temporary use as a sales office for the subdivision and to provide an example of the dwellings which have been built or which are proposed to be built in the same subdivision. (See section 106.05.03(e), "model home, temporary" for regulations)

Motel. A facility offering short-term overnight lodging accommodations on a daily rate to the general public and having direct access to individual guest rooms from the parking area or outside balconies.

Motorcycle sales/service. A facility that sells, leases, and services motorcycles, usually defined as two-wheeled, self-propelled vehicle having one or two saddles or seats, and may have a sidecar attached. For purposes of this chapter, motorbikes, motor-scooters, mopeds and similar vehicles are classified as motorcycles.

Municipal uses operated by the Town of Little Elm. Any structure, park, open space, or roadway owned and/or operated by the Town of Little Elm, including but not limited to town hall, libraries, recreation centers, parks, and roadways.

Museum/art gallery. A building serving as a repository for a collection of natural, scientific, artistic, or literary objects of interest, and designed to be used for viewing, with or without an admission charge, and which may include as an accessory use the sale of goods related to the collection.

Office, administrative, medical, or professional. A building used for the provision of executive, management, or administrative services. Typical uses include, but are not limited to, administrative offices and services including real estate, property management, investment, medical, architect, engineer, travel, secretarial services, accounting organizations and associations, and vehicle rental office without on-site storage of fleet vehicles.

Office, showroom. A building that primarily consists of sales offices and sample display areas for products and/or services delivered or performed off-premises. Catalog and telephone sales facilities are examples. Incidental retail sales of products associated with the primary products and/or services are also permitted. Warehousing facilities shall not exceed 50 percent of the total floor area. This designation does not include contractor's shop and storage yard.

Office, warehouse, distribution center. A building primarily devoted to storage, warehousing, and distribution of goods, merchandise, supplies, and equipment. Accessory uses may include retail and wholesale sales areas, sales offices, and display areas for products sold and distributed from the storage and warehousing areas. Also referred to as "flex space."

Open storage and display, permanent. A secondary land use providing outdoor storage or display of commodities, materials, goods, equipment, vehicles, or merchandise in its normal day-to-day business activities. This definition excludes new and used sale or lease of automobiles, motorcycles recreational vehicles, boats, or watercrafts. This definition does not include temporary outside merchandise display, such as a sidewalk sale. (See section 106.05.02.2(s), "open storage, permanent or ongoing" for regulations)

Open storage and display, temporary. The temporary display of merchandise for sale outside of a building. (See section 106.05.03(f), "open storage, temporary" for regulations)

Open storage and display, under eave display, temporary. The temporary display of merchandise for sale located immediately outside the main entrance to the building and generally in the area that is adjacent to the building and between the building and the walkway/entrance. Items include, but are not limited to, firewood, plants, pumpkins, shopping carts, and other similar items. (See section 106.05.03(g), "open storage, temporary, under eave display" for regulations)

Park or playground. An open recreation facility or park owned and operated by a public agency such as the municipal park department or school board and available to the general public.

Portable building sales. A retail establishment that sells portable buildings meant to be used as accessory uses only and not for habitation.

Print shop, major industrial plant. An establishment specializing in long-run printing operations including, but not limited to, book, magazine, and newspaper publishing using engraving, die cutting, lithography, and thermography processes.

Print shop, minor retail shop. An establishment specializing in short-run operations to produce newsletters, flyers, resumes, maps, construction documents and plans, and similar materials using photocopying, duplicating, and blue printing processes. This definition shall include mailing and shipping services, but excludes the on-site storage of heavy load fleet vehicles, such as a Kinko's.

Printing plant, reprographic shop. A facility for the reproduction of materials or drawings on a job order or bulk basis utilizing lithography, off-set printing, or other printing techniques.

Private club. A facility that caters to a limited clientele that requires membership standing in order to participate. May include, but is not limited to, cigar clubs, gaming clubs, pool rooms, or other similar type uses. May require additional licenses from TABC or the state for operation. Does not include not-for-profit gaming operations, such as Bingo, offered by charitable organizations.

Religious facility. A building used primarily for religious assembly and worship and those accessory activities which are customarily associated therewith, and the place of residence for ministers, priests, nuns, rabbis, or other religious personnel on the premises (tax exempt as defined by state law). For the purposes of this chapter, Bible study and other similar activities that occur in a person's primary residence do not constitute a "religious facility."

Research and development center. Facilities for research including laboratories, experimental equipment and operations involving compounding or testing of materials or equipment. Any facility that is determined by health, fire, or building official to be a hazard or nuisance to adjacent property or the community at large, due to the possible emission of excessive smoke, noise, gas, fumes, dust, odor, or vibration, or the danger of fire, explosion, or radiation is not to be included in this category.

Restaurant. A building or portion of a building where food and drink is served for consumption in the building, and where provisions may be made for serving food on the premises outside the building.

Restaurant, dine-in only. An establishment where food and drink are prepared, served and consumed by the general public within an indoor dining area and may include an outdoor seating area.

Restaurant, dine-in only with alcoholic beverages. An establishment where food and drink, including alcoholic beverages, are prepared, served and consumed by the general public within an indoor dining area and may include an outdoor seating area.

Restaurant, drive-in. An eating establishment where food or drink is served to customers in motor vehicles or where facilities are provided on the premises which encourage the serving and consumption of food in automobiles on or near the restaurant premises. An establishment where food and drink are prepared and ordered via service screens and served to customers either in an outdoor seating area or in their motor vehicles that are temporarily parked and which the food will generally be consumed in their vehicles or off-premises.

Restaurant, drive-through service. An establishment where food and drink are prepared, served and consumed by customers who are given the option of dining within the indoor dining area, the outdoor seating area or via a service window and drive-through lane to customers in motor vehicles who will be consuming the food off-premises.

Restaurant, pick-up or delivery only. An establishment preparing food to the general public in which the food, once prepared, is either picked up for consumption off-premises, or is delivered to the end user by the restaurant staff.

Restaurant, temporary. A retail food establishment that operates at a fixed location for a limited period of time.

Restaurant, with micro-brewery. An establishment that serves food and alcoholic beverages that prepares handcrafted natural beer or ale intended for consumption on the premises as an accessory use.

Salvage yard, wrecking yard. Any lot upon which four or more motor vehicles of any kind which are incapable of being operated due to condition or a lack of license or have been placed for the purpose of obtaining parts for recycling or resale.

School, charter. An alternative institution to the public school system licensed and funded by the state which provides a basic academic education comparable to that provided in the public schools and receives funding from the state and charges no admission fees to its attendees.

School, private or parochial. A school under the sponsorship of a private or religious agency having a curriculum generally equivalent to public elementary or secondary schools, but not including private or trade or commercial schools, and receives no funding from any governmental agency. Establishments that provide cooperative education (co-op) are included in this definition.

School, public. An educational institution regulated by the state which is operated by the public or an independent school district, having a curriculum that includes kindergarten, elementary or secondary education, but not including private, business, commercial, trade, or craft schools.

Seasonal sales. Temporary display and sale of items customarily associated with a particular season, such as Christmas trees, holiday decorations, firewood; pumpkins, or any other similar product for sale during a recognized holiday.

Senior living facility. A multiple family dwelling means any building or portion thereof which is designed, built, rented, leased or let to contain three or more age-restricted (55 or older) dwelling units or apartments on a single lot, or which is occupied as a home or place of residence by three or more age-restricted (55 or older) families living in independent dwelling units.

Sewage pump station. A facility for transporting sewer including pumps, piping, valves and controls.

Sewage treatment plant. A facility that treats sewage so that it may be returned to the natural water supply without negative effects. Water from a sewage treatment plant is considered "gray water" and is suitable for irrigation but no consumption.

Sexually oriented businesses. Sexually oriented establishments and businesses as defined in town Ordinance No. 628 as it exists or may be amended. Sexually oriented uses include, but are not limited to, adult bookstore, adult video store, adult theater, adult cabaret, sexual encounter center, and nude modeling center. (See section 106.05.02.2(v), "sexually oriented businesses" and the aforementioned town ordinances for regulations)

Smoking establishment. An establishment that sells products and devices primarily for the purpose of smoking or vaping in various forms. These establishments sometime provide a contained area with a separate ventilation system for the purpose of smoking within the associated structure.

Store, big box. A retail establishment with a single-tenant that comprises more than 50,000 square feet, such as Target or Walmart.

Store, convenience. A retail establishment providing for the sale of food items, nonprescription drugs, small household items and gifts. Gasoline and diesel fuel may also be offered for sale. Maximum size of the establishment shall be no more than 6,000 square feet, not including storage areas and administrative offices.

Store, discount, variety or department. A retail establishment offering a wide variety of merchandise in departments and exceeding 6,000 square feet in floor area.

Store, drugstore or pharmacy. A retail establishment for preparing, preserving, compounding and dispensing of drugs and medicines; and may include the display and sale of other merchandise such as cosmetics, notions, fountain service and similar items.

Store, feed. A retail establishment for the sale of grain, prepared feed, and forage for pets, livestock and fowl, but not involving the grinding, mixing, or commercial compounding of such items. An establishment for the selling of corn, grain, and other foodstuffs for animals and livestock and including other implements and goods related to agricultural processes, but not including farm machinery.

Store, furniture, home furnishings and appliance store. A retail facility that sells primarily goods for the home, such as furniture, carpet, appliances, and accessories.

Store, grocery. A retail establishment that displays and sells consumable goods and sundries and may include secondary uses such as a pharmacy, photo shop, banking service, delicatessen, bakery and/or prepared foods.

Store, hardware and home improvement. A retail establishment that sells building materials, paint, cutlery, tools, utensils, screws, nails, etc. This definition does not include "big box" hardware/lumber/home improvement type stores with outdoor display.

Store, incidental retail or service uses. Located within an office or other employment center, such uses include barbershop or beauty shop, smoke shop, candy counter, restaurant, pharmacy, or other incidental activity secondary to the primary office or employment occupancy.

Store, pet shop. A retail establishment offering small animals, fish, or birds for sale as pets and where all such creatures are housed within the building.

Store, shopping center. A group of retail, service, commercial, and restaurant establishments planned, constructed and managed as a single entity with customer and employee parking provided on-site, provision for goods delivery separated from customer access, provision of aesthetically appropriate design and protection from the elements.

Street, private. A thoroughfare which affords access to property abutting thereon for residents of that property and service vehicles only via controlled gate access. The land on which the street is constructed is owned by a homeowners association and the street is maintained by that entity. (See sections 106.05.02.2(t), "private street development/gated communities - existing subdivisions" and (u), "private street development/gated communities - new subdivisions", for regulations)

Street, public. A thoroughfare which affords principal means of access to property abutting thereon. The land on which the street is constructed is owned by a governmental entity and the pavement is maintained by that entity.

Telephone exchange. A telecommunications facility to which subscribers' telephones connect that switches calls among subscribers or to other exchanges for further routing.

Theater, drive-in. An outdoor facility arranged so that patrons can view the screen and receive the sound in the privacy of their cars, or while seated outside.

Theater, indoor. A facility for showing motion pictures to an audience inside an enclosed structure.

Transit center/bus terminal. Passenger terminal or loading facilities for franchised private or publicly-owned transit system.

Truck terminal. An area where trucks used to transport goods are stored or parked between trips.

Truck/trailer/heavy equipment/RV/bus repair. An establishment providing major and minor automobile repair services to heavy load vehicles defined as self-propelled vehicles having a manufacturer's recommended gross vehicle weight (GVW) of greater than 11,000 pounds, such as large recreational vehicles, tractor trailers, buses and other similar vehicles. Such vehicle repair may occur within a structure or outside the structure due to the size of the vehicles.

Truck/trailer/heavy equipment/RV/bus sales. A facility which sells or leases vehicles having a manufacturer's recommended gross vehicle weight (GVW) of greater than 11,000 pounds, such as large recreational vehicles,

tractor trailers, buses and other similar vehicles. The term "truck" shall be construed to mean "heavy load vehicle" unless specifically stated otherwise. The sales and leasing facility includes outdoor storage and display of the vehicles listed.

Utility distribution/transmission line. Facilities, including subsidiary stations, that serve to distribute, transmit, transform, or reduce the pressure of gas, water, or electric current, including, but not limited to, electrical transmission lines, gas transmission lines, and metering stations.

Vending kiosk, commercial. An unmanned structure that provides a product for remuneration. Examples are ice machines, video vending machines (see section 106.05.02.2(w), "vending kiosk, commercial" for regulations).

Vending kiosk, not-for-profit. An unmanned structure that provides a product. The fee for such product may be reduced or waived. (See section 106.05.02.2(x), "vending kiosk, not-for-profit" for regulations)

Warehouse. A large facility used primarily for the storage of goods and may include an office incidental to the primary use.

Water pumping station. A facility for transporting water including pumps, piping, valves and controls.

Water reservoir or *well.* An artesian well or manmade underground reservoir where water is collected and kept in quantity for use by a water system.

Water treatment plant. A facility for the purifying, storage, and distribution of town water including a system of reservoirs, channels, and mains.

Wholesale and distribution center. An establishment engaged in the receipt, storage, and distribution of goods, products, cargo, and materials to retailers, wholesalers, agents, brokers, and/or to industrial, commercial, institutional, or professional business users and may include an office incidental to the primary use.

Winery/brewery retail sales. An establishment operated by the holder of a winery or brewery permit which has been lawfully issued to the permittee for the premises by the Texas Alcoholic Beverage Commission (or any successor entity thereto) in accordance with V.T.C.A., Alcoholic Beverage Code ch. 16 for the on-premises consumption of wine and or beer.

Winery/brewery/distillery. A manufacturing plant designed to distill alcoholic spirits such as wine, beer, ale or liquor. No on-premises individual sales of alcoholic drinks are allowed.

(Ord. No. 1407, § 2, 8-15-2017; Ord. No. 1527, § 2, 10-15-2019; Ord. No. 1582 , § 2, 12-1-2020)

Sec. 106.03.03 Zoning districts—Non-residential/commercial/industrial.

(a) *AG Agricultural District.*

(1) *General purpose and description.* Agricultural zoning strives to protect the viability of agriculture in a region. The AG Agricultural District's intent is to prevent the fragmentation of existing farms; provide for agricultural uses and uses compatible with or supportive of agriculture, including crop production, the raising of livestock, poultry and other animals; encourage compatibility of farm buildings with the surrounding neighborhood and avoid conflicts between agricultural and non-agricultural uses. The AG Agricultural District is also intended to protect areas that may be unsuitable for development because of physical problems, lack of infrastructure, constraints, or potential health or safety hazards such as flooding, as well as providing for preservation of natural open space areas.

(2) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential" or the following:

a. All forms of agriculture, horticulture, and animal husbandry, including necessary farm structures;

b. All agricultural/farm buildings including, but not limited to, a stable, barn, pen, corral, kennel, greenhouse, or coop;

c. Riding schools and/or horse boarding stables;

d. On-site sale of farm products, 75 percent of this must be produced on-site;

e. Bed and breakfast; or

f. Storage of recreational vehicles, camp trailers or other wheeled vehicles used for the pleasure of the owner (may not be inhabited).

(3) *Height and area regulations.* The height of buildings and structures, the minimum dimensions of lots and yards, and the minimum lot area per family shall be as follows:

ARTICLE III, TABLE Q	
AG AGRICULTURAL DISTRICT DEVELOPMENT STANDARDS	
Maximum height (2½ stories)	35'
Minimum front yard setback	45'
Minimum side yard setback	20'
Minimum side yard setback on corner[1]	28'
Minimum rear yard setback	30'
Minimum lot width (at building line)[2]	60'
Minimum lot area	5 acres
Minimum floor area[3]	1,600 sq. ft.

Note 1. Corner lots. Where interior lots have been planned or sold fronting on the side street, it may project not more than ten feet in front of the line established for buildings by the front yard requirements for the interior lots on the side street, provided this regulation shall not be interpreted to reduce the buildable width of a corner lot in separate ownership at the time of the passage of this chapter, to less than 28 feet, and provided that the side yard regulations above shall be observed.

Note 2. The minimum width of a lot shall be measured at the front building line provided that where a lot has less width than herein required, in separate ownership at the time of the passage of this chapter, this regulation will not prohibit the erection of a single-family dwelling. Lots bordering streets on curves or contours shall be 60 feet in width at the building line.

Note 3. Each dwelling unit hereafter erected, constructed, reconstructed or altered shall have a floor area, excluding basements, open and screened porches, and garages, of not less than 1,600 square feet.

(4) *Residences.* One primary residential structure per lot.

(5) *Accessory structures.* Agriculture related structures shall be made of masonry materials, metal, wood, or cementitious fiber board and are not required to meet the square footage requirements as referenced in section 106.05.021, "accessory uses."

(6) *Parking requirement.* The minimum off-street parking requirements shall be an asphalt or concrete surface with four parking spaces per dwelling unit.

(b) *O Office District.*

(1) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(2) Height and area regulations. The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE R	
O OFFICE DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'
Minimum front yard setback	20'
Maximum front yard setback	100'
Minimum side yard setback[2]	No minimum
Minimum side yard setback adjacent to residential[2]	5'
Minimum rear yard setback	No minimum
Minimum rear yard setback adjacent to residential	35'
Minimum lot width	50'
Minimum lot area	1 acre

Note 1. Height. Nonresidential buildings shall not exceed 60 feet. Portions of buildings within 120 feet of a single-family residential lot may not exceed 45 feet in height. Beyond 120 feet, the building must fit within a plane created by a slope of one foot in additional height for each additional three feet from the property line.

Note 2. Side yard. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as A-2 Single-Family District.

(c) *NS Neighborhood Services District.*

(1) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(2) *Height and area regulations.* The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE S	
NS NEIGHBORHOOD SERVICES DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'
Minimum front yard setback	20'
Maximum front yard setback	100'
Minimum side yard setback[2]	No minimum
Minimum side yard setback adjacent to residential[2]	5'
Minimum rear yard setback	No minimum
Minimum rear yard setback adjacent to residential	35'
Minimum lot width	50'
Minimum lot area[3]	1 acre

Note 1. Height. Nonresidential buildings shall not exceed 60 feet. Portions of buildings within 120 feet of a single-family residential lot may not exceed 45 feet in height. Beyond 120 feet, the building must fit within a plane created by a slope of one foot in additional height for each additional three feet from the property line.

Note 2. Side yard. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as A-2 Single-Family District.

Note 3. Lot size. The minimum lot size for nonresidential districts is one acre, unless otherwise approved through the site plan process.

(d) *CF Community Facilities District.*

(1) *Purpose.* The community facilities district is established to apply to those lands where federal, state or local government activities are conducted, where governments hold title to such lands, or for public and private educational and medical facilities. Certain nongovernmental and non-institutional uses may be permitted to provide necessary services to governmental and institutional uses, or incidental retail and service uses which are appropriate and subordinate to the principal use, and offer instruction, training, and employment opportunities for the primary intended user of the principal use.

(2) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(3) *Height and area regulations.* The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE T	
CF COMMUNITY FACILITIES DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'
Minimum front yard setback	25'
Maximum front yard setback	100'
Minimum side yard setback[2]	15'
Minimum side yard setback adjacent to residential[2]	25'
Minimum rear yard setback	25'

Minimum rear yard setback adjacent to residential	35'
Minimum lot width	No minimum
Minimum lot area	No minimum
Minimum open space	15%
Maximum impervious area	75%

Note 1. Any nonsingle-family use that is over one story in height and that is located adjacent to (and not across any right-of-way from) any existing single-family zoning district shall be setback from the applicable perimeter property line a distance equal to the height of the building, but not less than 25 feet.

Note 2. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as O Office District.

(e) *LC Light Commercial District.*

(1) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(2) *Height and area regulations.* The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE U	
LC LIGHT COMMERCIAL DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'
Minimum front yard setback	20'
Maximum front yard setback	100'
Minimum side yard setback[2]	No minimum
Minimum side yard setback adjacent to residential[2]	5'
Minimum rear yard setback	No minimum
Minimum rear yard setback adjacent to residential	35'
Minimum lot width	50'
Minimum lot area[3]	1 acre

Note 1. Height. Nonresidential buildings shall not exceed 60 feet. Portions of buildings within 120 feet of a single-family residential lot may not exceed 45 feet in height. Beyond 120 feet, the building must fit within a plane created by a slope of one foot in additional height for each additional three feet from the property line.

Note 2. Side yard. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as A-2 Single-Family District.

Note 3. Lot size. The minimum lot size for nonresidential districts is one acre, unless otherwise approved through the site plan process.

(f) *HC Heavy Commercial District.*

(1) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(2) *Height and area regulations.* The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE V	
HC HEAVY COMMERCIAL DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'
Minimum front yard setback	20'
Maximum front yard setback	100'
Minimum side yard setback[2]	No minimum
Minimum side yard setback adjacent to residential[2]	5'
Minimum rear yard setback	No minimum
Minimum rear yard setback adjacent to residential	35'
Minimum lot width	50'
Minimum lot area[3]	1 acre

Note 1. Height. Nonresidential buildings shall not exceed 60 feet. Portions of buildings within 120 feet of a single-family residential lot may not exceed 45 feet in height. Beyond 120 feet, the building must fit within a plane created by a slope of one foot in additional height for each additional three feet from the property line.

Note 2. Side yard. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as A-2 Single-Family District.

Note 3. Lot size. The minimum lot size for nonresidential districts is one acre, unless otherwise approved through the site plan process.

(g) *LI Light Industrial District.*

(1) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(2) *Height and area regulations.* The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE W	
LI LIGHT INDUSTRIAL DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'
Minimum front yard setback	20'
Maximum front yard setback	100'
Minimum side yard setback[2]	No minimum
Minimum side yard setback adjacent to residential[2]	20'
Minimum rear yard setback	No minimum
Minimum rear yard setback adjacent to residential	40'
Minimum lot width	No minimum
Minimum lot area[3]	1 acre

Note 1. Height. Nonresidential buildings shall not exceed 60 feet. Portions of buildings within 120 feet of a single-family residential lot may not exceed 45 feet in height. Beyond 120 feet, the building must fit within a plane created by a slope of one foot in additional height for each additional three feet from the property line.

Note 2. Side yard. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as A-2 Single-Family District.

Note 3. Lot size. The minimum lot size for nonresidential districts is one acre, unless otherwise approved through the site plan process.

(h) *HI Heavy Industrial District.*

(1) *Use regulations.* No building, structure, land or premises will be used, and no building or structure shall hereafter be erected, constructed, reconstructed, or altered, except for one or more of the uses specified in section 106.05.01(b), "schedule of uses - nonresidential."

(2) *Height and area regulations.* The height of buildings, the minimum dimensions of the lots and yards shall be as follows:

ARTICLE III, TABLE X	
HI HEAVY INDUSTRIAL DISTRICT DEVELOPMENT STANDARDS	
Maximum height[1]	60'

Minimum front yard setback	20'
Maximum front yard setback	100'
Minimum side yard setback[2]	No minimum
Minimum side yard setback adjacent to residential[2]	20'
Minimum rear yard setback	No minimum
Minimum Rear yard setback adjacent to residential	40'
Minimum lot width	No minimum
Minimum lot area[3]	1 acre

Note 1. Height. Nonresidential buildings shall not exceed 60 feet. Portions of buildings within 120 feet of a single-family residential lot may not exceed 45 feet in height. Beyond 120 feet, the building must fit within a plane created by a slope of one foot in additional height for each additional three feet from the property line.

Note 2. Side yard. Where a lot abuts upon the side of a lot zoned for dwelling purposes there shall be a side yard of not less than five feet, otherwise no side yard shall be required but, if provided, it shall be not less than five feet. On corner lots, with lots having reversed frontage at the rear, the side yard requirements shall be the same as A-2 Single-Family District.

Note 3. Lot size. The minimum lot size for nonresidential districts is one acre, unless otherwise approved through the site plan process.

(Ord. No. 1407, § 2, 8-15-2017)

Sec. 106.05.01 Schedule of uses.

Land and buildings in each of the following classified districts may be used for any of the following listed uses but no land shall hereafter be used, and no building or structure shall hereafter be erected, altered or converted which is arranged or designed or used for other than uses specified for the district in which it is located as set forth by the use schedule located in section 106.05.01(a) and (b), "Schedule of uses - residential" and "schedule of uses - nonresidential," respectively.

(a) Residential zoning districts uses. P=permitted by right; C=conditional use; S=specific use permit required. A blank space indicates the use is prohibited in that district. **(TO REMAIN UNCHANGED)**

(b) *Nonresidential zoning districts uses.* P=permitted by right; C=Conditional Use; S=Specific Use Permit required.

ARTICLE V, TABLE B Nonresidential Zoning Districts	AG	O	NS	CF	LC	HC	LF	LI	HI
Primary Residential Uses									
Amenity center							P		
Dwelling, accessory	P								
Dwelling, assisted living facility		S			S	S			
Dwelling, assisted living home									
Dwelling, boarding house or rooming house									
Dwelling, duplex									
Dwelling, group home									
Dwelling, HUD Code man. home									
Dwelling, listed family home									
Dwelling, live-work unit							P		
Dwelling, mobile home									
Dwelling, model home									
Dwelling, multifamily									
Dwelling, single-family detached	P								
Dwelling, townhome							P	S	S
Senior living facility		S			S		S		
Mixed use building					C	C	P	C	C
Accessory and Incidental Uses									
Accessory structure	C	C	C	C	C	C	C	C	C
Automated dispenser machine			P		P	P		P	P
Automated intake machine			S		S	S		S	S
Automated teller machine, off-site			S		S	S		S	S
Caretaker's/guard's residence						C		C	C

Construction yard, field office, temporary	C	C	C		C	C	C	C	C
Farm accessory building	C								
Home occupation	C				C	C	C		
Open storage, permanent/ongoing	S				S	S		S	S
Open storage, temporary					C	C		C	C
Seasonal sales	C				C	C		C	C
Solar panels, devices, commercial		C			C	C	C	C	C
Vending kiosk, commercial		C			C	C	C	C	C
Vending kiosk, not-for-profit	C	C	C	C	C	C	C	C	C
Wind energy conversion system (WECS)	C	C	C	C	C	C	C	C	C
Assembly uses	S	P	P	P	P	P	P	P	P
Athletic stadium or field	S	S	S	P	S	S		S	S
Cemetery or mausoleum	S	S	S		S	S		S	S
Institutional and Special Uses									
College, university, or trade school	S	P	S	P	P	P	S	P	P
Farm, ranch, stable, garden, or orchard	P								
Fraternal organization, lodge, civic club, fraternity, or sorority		P	P		P	P	P	P	P
Golf course, tennis club, polo club, or country club (private)	S	S	S	P	P	P		P	P
Gun or archery range, indoor				S	S	S		S	S
Hospital		S	S	P	P	P		P	P
Municipal uses operated by the Town of Little Elm	P	P	P	P	P	P	P	P	P
Museum/art gallery		S	S	P	P	P	P	P	P
Park or playground	P	P	P	P	P	P	P	P	P
Recreation center	S	P	P	P	P	P	P	P	P
Religious facility	P	P	P	P	P	P	P	P	P
School, private, charter or parochial	S	S	S	S	S	S	S	S	S
School, public	P	P	P	P	P	P	P	P	P
Infrastructure Type Uses									
Airport/landing field/heliport		C		C	C	C	C	C	C
Alternate energy system	C	C	C	C	C	C	C	C	C
Communication tower	C	C	C	C	C	C	S	C	C
Electric power generating plant	S			S	S	S		S	P
Electric substation	S	S	S	S	S	S	S	S	S
Helipad									
Private utility, other than listed	P	P	P	P	P	P	P	P	P
Sewage pumping station	P	P	P	P	P	P	P	P	P
Sewage treatment plant	S	S	S	S	S	S		S	S
Telephone exchange	S	S	P		P	P	P	P	P

Transit center/bus terminal		P	P		P	P	P	P	P
Utility distribution/transmission line	S	S	S		S	S	S	S	S
Water Reservoir, water pumping station, water well	P	P	P		P	P	P	P	P
Water treatment plant	S	S	S		S	S		S	S
Retail Uses									
Antique shop and used furniture, inside only					P	P	P	P	P
Arcade					S	S	S	S	S
Bakery, candy or ice-cream shop			P		P	P	P	P	P
Bar/brewpub					S	S	P	S	S
Building material and hardware sales, major					P	P	P	P	P
Building material and hardware sales, minor					P	P	P	P	P
Commercial amusement, indoor					P	P	P	P	P
Commercial amusement, outdoor					S	S	S	P	P
Farmers market					S	S	S	S	
Florist			P		P	P	P	P	P
Greenhouse/nursery for plant sales		S			P	P	P	P	P
Heavy machinery sales and storage						P		P	P
Portable building sales					S	P		P	P
Private club					S	S			
Restaurant, dine-in		S	P		P	P	P	P	P
Restaurant, drive-in			S		P	P	P	P	P
Restaurant, drive-thru			S		P	P	P	P	P
Restaurant, with brewpub					P	P	P	P	P
Restaurant, pick-up only					P	P	P	P	P
Smoking Establishment		S	S		S	S	S	S	S
Store, big box					P	P	P	P	P
Store, convenience			P		P	P	P	P	P
Store, discount, variety, or department store					P	P	P	P	P
Store, drugstore or pharmacy					P	P	P	P	P
Store, feed					P	P		P	P
Store, florist			P		P	P	P	P	P
Store, grocery					P	P	P	P	P
Store, hardware and home imp.					P	P	P	P	P
Store, incidental (within another use)					P	P	P	P	P
Store, liquor					S	S	S	S	S
Store, pet shop					S	S	S	S	S
Store, shopping center					P	P	P	P	P
Store, other than listed above					P	P	P	P	P

Theatre, indoor		S			P	P	P	P	P
Theatre, drive-in					S	P		P	P
Winery/brewery retail sales					P	P	P	P	P
Service Uses									
Alternative financial services					C	C		C	C
Bank, savings and loan, or credit union		P			P	P	P	P	P
Bed and breakfast inn	S	P	P		P		P		
Body art studio						S	S	S	S
Business Service	S	S	S		S	S	S	S	S
Campground or RV park	S								
Catering service					P	P	P	P	P
Child care center		S	S		S	S	S	S	S
Child care center, in-home	C								
Cleaning and pressing (small shop/pickup)			P		P	P	P	P	P
Clinic/medical lab		P	P		P	P	P	P	P
Clinic, animal (no outside runs)	S		P		P	P	P	P	P
Clinic, animal (with outside runs)	S				S	P		P	P
Commissary					S	S		S	S
Contractor's shop with outside storage						P		P	P
Contractor's shop inside only					P	P		P	P
Custom personal service		P	P		P	P	P	P	P
Day Service, Adult		S	S		S	S	S	S	S
Fairgrounds/exhibition area		S			S	P		P	P
Fortune teller/psychic						S		S	S
Funeral home/crematorium		S			S	S		S	S
Funeral home/mortuary		S			P	P	P	P	P
Gunsmith					P	P	P	P	P
Gymnastics/dance studio/martial arts		P	P		P	P	P	P	P
Health/fitness center		P			P	P	P	P	P
Hotel, extended stay					S	S	S	S	S
Hotel, full service					P	P	P	P	P
Hotel, limited service					S	S	S	S	S
Household appliance service and repair		S	P		P	P	P	P	P
Incidental retail and service uses			P	P	P	P	P	P	P
Kennel, no outside runs					P	P	P	P	P
Kennel, with outside runs					S	S	S	S	S
Laundry/dry cleaning, commercial						P		P	P
Laundry/dry cleaning, pickup station			P		P	P	P	P	P
Laundry/dry cleaning, self-service					P	P		P	P
Motel									
Office, professional and general administrative		P	P		P	P	P	P	P

Personal service (other than listed)					P	P	P	P	P
Print shop, minor retail shop					P	P	P	P	P
Sexually oriented businesses								C	C
Studio, photography, music, artistry		P	P		P	P	P	P	P
Studio, media		P			P	P	P	P	P
Automobile and Vehicular Uses									
Auto/boat repair, major					S	S		S	S
Auto/boat repair, minor					S	S		S	S
Auto/boat sales, accessories only					P	P	P	P	P
Auto/boat sales/leasing, new, outdoor display					S	S		P	P
Auto/boat sales, used, outdoor display						S		P	P
Auto/boat/RV storage						S		P	P
Auto parking, lot or garage		P			P	P	P	P	P
Auto wash, automated					S	S		S	S
Auto wash, full-service					S	S		S	S
Auto wash, self-serve						S		S	S
Gas pumps/fuel sales					S	S		S	S
Manufactured/mobile home display and sales								S	P
Motorcycle sales/service					P	P		P	P
Truck, trailer, heavy equipment, RV, bus repair								P	P
Truck, trailer, heavy equipment, RV and bus sales and leasing						P		P	P
Truck terminal						P		P	P
Industrial and Manufacturing Uses									
Concrete batch plant, permanent									S
Concrete batch plant, temporary	C	C	C		C	C		C	C
Machine/welding shop								P	P
Manufacturing or industrial uses, heavy									C
Manufacturing or industrial uses, light								C	C
Mini-warehouse/self-storage						S		S	S
Office/showroom						P		P	P
Print shop, industrial						P		P	P
Research and dev't center						P		P	P
Salvage yard, wrecking yard									S
Warehouse/distribution center								P	P
Winery/brewery/distillery manufacturing					S	S	P	P	P

(Ord. No. 1407, § 2, 8-15-2017; Ord. No. 1582 , § 2, 12-1-2020; Ord. No. 1587 , § 2, 1-5-2021)

Date:	11/16/2021
Agenda Item #:	7. C.
Department:	Economic Development Corporation
Strategic Goal:	Promote and expand Little Elm's identity
Staff Contact:	Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Continue a Public Hearing, Present, and Discuss the **Spiritas Ranch East Public Improvement District in accordance with a Chapter 372 of the Texas Local Government Code.**

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

DESCRIPTION:

On August 26, 2021, Robert G. Penley and Robert G. Penley, Sr and Faith Penley submitted and filed with the Town Secretary of Little Elm, a petition for the establishment of the Spiritas East Public Improvement District for the property within the Town. On September 21, 2021, Resolution No. 9021202101 set the date for the Public Hearing for October 19, 2021.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends continuing the Public Hearing for discussion of the creation of the Spiritas East Public Improvement District.

Date:	11/16/2021
Agenda Item #:	8. A.
Department:	Economic Development Corporation
Strategic Goal:	Ensure excellence in public services while keeping up with the growth in the community
Staff Contact:	Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Present, Discuss, and Consider Action on **Resolution No 1116202101 Recognizing and Ratifying the Town's Obligation to Pay for Certain Public Improvements Pursuant to the Terms between Town of Little Elm and Valencia on the Lake, L.P.**

DESCRIPTION:

This Resolution recognizes, confirms and ratifies the Town's obligation to pay and reimburse the Developer for the cost of the Valencia Phase 2 B-1 Public Improvements, pursuant to the obligation created by the Agreement, through the issuance of PID Bonds.

BUDGET IMPACT:

The Reimbursement will be funded by PID Bonds.

RECOMMENDED ACTION:

Staff recommends that Council approves the Resolution as presented.

Town Council Meeting

Date:	11/16/2021
Agenda Item #:	8. B.
Department:	Economic Development Corporation
Strategic Goal:	Maintain operational integrity and viability
Staff Contact:	Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Present, Discuss, and Consider Action on **Resolution No 1116202102 Determining the Cost of Certain Authorized Improvements to be Financed within Phase #2B-1 of the Valencia Public Improvement District; Approving a Preliminary Service Plan and Assessment Plan, Including a Proposed Phase #2B-1 Assessment Roll; Calling a Regular Meeting and Noticing a Public Hearing for December 7, 2021, to Consider an Ordinance Levying Assessment on Property Located within the Phase #2B-1 of the Valencia Public Improvement District; Directing the Filing of the Proposed Phase #2B-1, Assessment Roll with the Town's Secretary to Make Available for Public Inspection; Directing Town Staff to Publish and Mail, Notice of Said Public Hearing; and Resolving Other Matters Incident and Related Thereto.**

DESCRIPTION:

The Preliminary SAP for the District including the proposed Phase #2B-1 Assessment Role, determines that the total cost of Phase #2B-1 local improvements to be financed by #2B-1 of the District, which costs include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds. The proposed Phase #2B-1 Assessment Roll states the assessment proposed to be levied against each parcel of land located in Phase #2B-1 of the District that is benefited by the Phase #2B-1 local improvements, as determined by the method of assessment chosen by the Town in the Authorized Resolution. The Resolution hereby authorizes, and calls, a meeting and Public Hearing, to be held on December 7, 2021, at or after 6 pm at Little Elm Town Hall, 100 West Eldorado Parkway, Little Elm Texas, 75068. The Town Council hereby authorizes and directs the Town's Secretary to publish Notice of the Assessment Hearing to be held on December 7, 2021, in a newspaper of general circulation in the Town on or before November 25, 2021, and the proposed Phase #2B-1 Assessment Roll is filed with the Town Secretary and directs said Secretary to mail to owners of property liable for assessment Notice of the Assessment Hearing.

BUDGET IMPACT:

The preliminary SAP outlines the districts costs associated with infrastructure brought into the Town by the Developer to service this area. These costs are then passed to the homeowners in a form of an annual property levy assessment that is detailed out in the preliminary SAP. The costs the Town incurs for administering the PID and will be reimbursed through administrative fees captured in the levy assessment.

RECOMMENDED ACTION:

Staff recommends Council approves the Resolution as presented.

Attachments

Resolution No 1116202102 Determining Costs for Valencia PID

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 1116202102

A RESOLUTION OF THE TOWN OF LITTLE ELM, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED WITHIN PHASE #2B-1 OF THE VALENCIA PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING A PROPOSED PHASE #2B-1 ASSESSMENT ROLL; CALLING A REGULAR MEETING AND NOTICING A PUBLIC HEARING FOR *DECEMBER 7, 2021* TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE PHASE #2B-1 OF THE VALENCIA PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED PHASE #2B-1 ASSESSMENT ROLL WITH THE TOWN SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING TOWN STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

RECITALS

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act") authorizes the governing body (the "Town Council") of the Town of Little Elm, Texas (the "Town") to create a public improvement district within the Town and within the extraterritorial jurisdiction of the Town; and

WHEREAS, on September 17, 2013, the Town Council conducted a public hearing to consider a petition received by the Town titled "Petition for the Creation of a Public Improvement District Within the Town of Little Elm, Texas, for the Valencia on the Lake Development" requesting the creation of a public improvement district; and

WHEREAS, on September 17, 2013, the Town Council approved Resolution No. 09171301 (the "Authorization Resolution"), authorizing, establishing, and creating the Valencia Public Improvement District (the "District"); and

WHEREAS, the Town authorized the creation of the District and the issuance of up to $45,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

WHEREAS, the Town Council and the Town staff have been presented a "Valencia Public Improvement District Preliminary Service and Assessment Plan", including the proposed assessment

roll attached thereto (the "Proposed Phase #2B-1 Assessment Roll"), dated as of November 16, 2021 (collectively, the "Preliminary SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District for Phase #2B-1 (as defined in the Preliminary SAP) and the Proposed Phase #2B-1 Assessment Roll states the assessments proposed to be levied against each parcel of land in Phase #2B-1 of the District that benefits from the Phase #2B-1 Local Improvements (as defined in the Preliminary SAP) as determined by the method of assessment chosen by the Town; and

WHEREAS, the Act requires that the Proposed Phase #2B-1 Assessment Roll be filed with the Town Secretary of the Town (the "Town Secretary") and be subject to public inspection; and

WHEREAS, the Act requires that a public hearing (the "Assessment Hearing") be called to consider the proposed assessments and requires the Town Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

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

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

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

SECTION 2. THAT the Town Council does hereby accept the Preliminary SAP for the District, including the Proposed Phase #2B-1 Assessment Roll, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. THAT the Town Council hereby determines that the total costs of the Phase #2B-1 Local Improvements to be financed by Phase #2B-1 of the District are as set forth in Table IV-E of

the Preliminary SAP, which costs include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

SECTION 4. THAT the Town Council's final determination and approval of the costs of the Phase #2B-1 Local Improvements, or any portion thereof, shall be subject to and contingent upon Town Council approval of a final Service and Assessment Plan which will include a final assessment roll for Phase #2B-1, after the properly noticed and held Assessment Hearing.

SECTION 5. THAT the Proposed Phase #2B-1 Assessment Roll states the assessment proposed to be levied against each parcel of land located in Phase #2B-1 of the District that is benefitted by the Phase #2B-1 Local Improvements, as determined by the method of assessment chosen by the Town in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 6. THAT the Town Council expressly defers the levy of assessments against property within future phases of the District for phase-specific improvements that will benefit only the property within each subsequent phase until such time as the costs of such phase-specific improvements can be determined with certainty as referenced in the Preliminary SAP.

SECTION 7. THAT the Town Council hereby authorizes and directs the filing of the Proposed Phase #2B-1 Assessment Roll with the Town Secretary and the same shall be available for public inspection.

SECTION 8. THAT the Town Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *December 7, 2021 at or after 6:00 p.m. at Little Elm Town Hall, 100 W. Eldorado Parkway, Little Elm, Texas 75068,* at which the Town Council shall, among other actions, hear and pass on any objections to the proposed assessments; and, upon the adjournment of the Assessment Hearing, the Town Council will consider an ordinance levying the assessments as special assessments on property within Phase #2B-1 of the District that benefit from the Phase #2B-1 Local Improvements (which ordinance shall specify the method of payment of the assessments).

SECTION 9. THAT the Town Council hereby authorizes and directs the Town Secretary to publish notice of the Assessment Hearing to be held on *December 7, 2021,* in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general

circulation in the Town, on or before **November 25, 2021,** which is before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

SECTION 10. THAT when the Proposed Phase #2B-1 Assessment Roll is filed with the Town Secretary, the Town Council hereby authorizes and directs the Town Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *December 7, 2021*, on or before **November 25, 2021**, which is before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(c) of the Act.

SECTION 11. THAT Town staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *December 7, 2021* meeting of the Town Council.

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

[*Remainder of page intentionally left blank; signatures follow*]

PASSED AND APPROVED on this the 16th day of November, 2021.

ATTEST:

_____
Curtis J. Cornelious, Mayor

_____
Kate Graham, Acting Town Secretary

APPROVED AS TO FORM:

_____,
Robert Brown, Town Attorney

EXHIBIT A

PRELIMINARY SERVICE AND ASSESSMENT PLAN

VALENCIA
PUBLIC IMPROVEMENT DISTRICT

LITTLE ELM, TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

INITIALLY APPROVED ON:
February 13, 2014

As updated for Phase #2 on June 6, 2017, updated for refunding and Phased PID Bond issuances on February 20, 2018, and updated for Improvement Area #3 on November 16, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

VALENCIA PUBLIC IMPROVEMENT DISTRICT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On September 17, 2013, (the "Creation Date") the Town Council (the "Town Council") of the Town of Little Elm, Texas (the "Town") passed and approved Resolution No. 09171301 approving and authorizing the creation of the Valencia 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 located within the Town of Little Elm.

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

Chapter 372 of the Texas Local Government Code, the "Public Improvement Assessment Act" (as amended, the "PID Act"), governs the creation and operation of public improvement districts within the State of Texas. This Valencia Public Improvement District Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must (1) cover a period of at least five years; (2) define the annual indebtedness and the projected costs for improvements; and (3) include a copy of the notice form required by Section 5.014, Property Code." Additionally, the PID act requires that "the governing body of the municipality or county shall review and update the service plan 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. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix D.

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

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

Section 372.016 of the PID Act requires that "after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter." The Assessment Rolls for the PID are included as Appendix F, Appendix G, Appendix H, and Appendix I (which includes Appendix I-1, Appendix I-2, and Appendix I-3), of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of

assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. Definitions

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

"2014 Major Improvement Bonds" mean those certain "Town of Little Elm, Texas, Special Assessment Revenue Bonds, Series 2014 (Valencia Public Improvement District Phases #2-5 Major Improvement Project)" issued to finance the portion of the Major Improvements benefitting Assessed Property outside of Phase #1.

"2014 Phase #1 Bonds" mean those certain "Town of Little Elm, Texas, Special Assessment Revenue Bonds, Series 2014 (Valencia Public Improvement District Phase #1 Project)" issued to finance a portion of the Phase #1 Improvements.

"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 Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, Town permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the 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.

"Administrative Expenses" mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including

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

"Administrator" means the employee or designee of the Town, identified in any indenture of trust relating to the Bonds or in any other agreement approved by the Town Council, who shall have the responsibilities provided for herein.

"Annual Installment" means, with respect to each Parcel, each annual payment of: (i) the Assessment, as shown on the Assessment Rolls attached hereto as Appendix F, Appendix G, Appendix H and Appendix I (including Appendix I-1, Appendix I-2, and/or Appendix I-3), as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) Administrative Expenses, (iii) the portion of the interest on the Assessments designed for the prepayment reserve described in Section V.K of this Service and Assessment Plan, and (iv) the portion of the interest on the Assessments designed for the delinquency reserve described in Section V.K of this Service and Assessment Plan.

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

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

"Assessment" means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years including the portion of those Annual Installments collected to pay Administrative Expenses and to fund the prepayment reserve and/or delinquency reserve (separately or collectively) and interest on all Assessments, as described in the applicable Assessment Roll.

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

"Assessment Revenues" mean the revenues actually received by or on behalf of the Town from the collection of Assessments.

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

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

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

"Bonds" mean any bonds issued by the Town in one or more series and secured in whole or in part by the Assessment Revenues.

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

"**County**" means Denton County, Texas.

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

"Developer" means Valencia on the Lake, L.P., a Texas limited partnership, including its successors and assigns.

"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 E attached hereto.

"**Future Phases**" means phases that are fully developed after Phase #1, Improvement Area #2, Phase #3B, and Phase #2B-1. The Future Phases are subject to adjustment and are shown for example only.

"**Homebuyer Disclosure**" means the form of notice required by the PID Act and Section 5.014 of the Texas Property Code, as amended. A copy of the Homebuyer Disclosure for the PID is attached as Appendix D hereto.

"Homeowner Association" means a homeowner's association or property owners' association established for the benefit of property owners within the boundaries of the PID.

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner's Association.

"Improvement Area #2" means the Assessed Property identified as subphases #2A, #3A, and #3C on the map attached as Appendix A.

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

"**Improvement Area #2 Assessment Revenues**" mean the actual revenues received by or on behalf of the Town from the collection of Assessments levied against Improvement Area #2 Assessed Property, or the Annual Installments thereof, for the Improvement Area #2 Improvements.

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

"**Improvement Area #2 Improvements**" mean the portion of the Authorized Improvements consisting of the Improvement Area #2 Local Improvements and the pro rata portion of the Major Improvements which only benefit Improvement Area #2 Assessed Property and are described in Section III.D.

"**Improvement Area #2 Local Improvements**" mean the portion of the Authorized Improvements, consisting of the local improvements which only benefit Improvement Area #2 Assessed Property and are described in Section III.D.

"**Improvement Area #2 Local Improvements Maximum Assessment Per Equivalent Unit**" means for Improvement Area #2 an Assessment per Equivalent Unit for related to the Improvement Area #2 Improvements not to exceed $39,719.72.

"Improvement Area #2 Refunding and Improvement Bonds" mean those certain "Town of Little Elm, Texas, Special Assessment Revenue Refunding and Improvement Bonds, Series 2018 (Valencia Public Improvement District Improvement Area #2 Project)" issued by the Town (a) to refund the pro rata portion of the 2014 Major Improvement Bonds relating to the portion of Major

Improvements benefitting Improvement Area #2 and (b) to refinance Improvement Area #2 Local Improvements funded by the Developer pursuant to the Phase #2 Reimbursement Agreement.

"Improvement Area #3" means the Assessed Property identified as subphases #3B and #2B-1 on the map attached as Appendix A.

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

"Improvement Area #3 Bonds" means those certain Town of Little Elm, Texas Special Assessment Revenue Bonds, Series 2021 (Valencia Public Improvement District Improvement Area #3 Project) that are secured by actual revenues received by or on behalf of the Town from the collection of Assessments levied against Phase #3B Assessed Property and Phase #2B-1 Assessed Property, or the Annual Installments thereof, for the Phase #3B Improvements and Phase #2B-1 Improvements.

"**Improvement Area #3 Improvements**" means, collectively, the portion of the Authorized Improvements consisting of the Phase #2B-1 Local Improvements and the Phase #3B Local Improvements and are described in Section III hereof.

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

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

"Major Improvements" means the Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III.B.

"Major Improvement Area" means, collectively, the areas shown as Phases #2B-1, #2B-2, #3B, #4A, #4B, and #4C shown as such in Appendix A and any Future Phases therein.

"Major Improvement Area Assessed Property" means, for any year, all Parcels within the Major Improvement Area other than Non-Benefited Property.

"**Major Improvement Area Assessment Revenues**" mean the actual revenues received by or on behalf of the Town from the collection of Assessments levied against Major Improvement Area

Assessed Property, or the Annual Installments thereof, for the Major Improvement Area Improvements.

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

"Major Improvement Area Assessments" means the Assessments levied against Assessed Property in the Major Improvement Area relating to the Major Improvement Area Improvements.

"Major Improvement Area Improvements" means the portion of the Authorized Improvements consisting of the portion of the Major Improvements described in Section III.B which benefit the Major Improvement Area.

"**Major Improvement Area Maximum Assessment Per Equivalent Unit**" means for the Major Improvement Area an Assessment per Equivalent Unit related to the Major Improvements not to exceed $14,318.13.

"Major Improvement Area Refunding Bonds" means those certain "Town of Little Elm, Texas, Special Assessment Revenue Refunding Bonds, Series 2018 (Valencia Public Improvement District Major Improvement Area Project)" issued by the Town to refund the pro rata portion of the 2014 Major Improvement Bonds relating to the Major Improvement Area Improvements.

"**Maximum Assessment Per Equivalent Unit**" means, as applicable, the Major Improvement Area Maximum Assessment Per Equivalent Unit, Phase #1 Maximum Assessment Per Equivalent Unit, Improvement Area #2 Maximum Assessment Per Equivalent Unit, Phase #3B Maximum Assessment Per Equivalent Unit, or the Phase #2B-1 Maximum Assessment Per Equivalent Unit.

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

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

"Phase" means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased

PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

"**Phase #1**" means the initial Phase, identified as "Phase #1" and generally shown in Appendix A, as specifically depicted and described as the sum of all Parcels shown in Appendix G.

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

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

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

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

"**Phase #1 Maximum Assessment Per Equivalent Unit**" means for Phase #1 an Assessment per Equivalent Unit relating to the Phase #1 Improvements not to exceed $41,795.49.

"Phase #1 Reimbursement Agreement" means that certain Valencia Public Improvement District Reimbursement Agreement, dated February 13, 2014, by and between the Town and the Developer in which the Developer agreed to fund certain Actual Costs of the Phase #1 Improvements and the Town agreed to reimburse the Developer for a portion of such Actual Costs of the Phase #1 Improvements funded by the Developer with interest as permitted by the PID Act.

"Phase #1 Refunding and Improvement Bonds" mean certain "Town of Little Elm, Texas, Special Assessment Revenue Refunding and Improvement Bonds, Series 2018 (Valencia Public Improvement District Phase #1 Project)" to be issued by the Town (a) to refund the 2014 Phase #1 Bonds and (b) to refinance the portion of the Phase #1 Improvements funded by the Developer pursuant to the Phase #1 Reimbursement Agreement.

"Phase #2" means, collectively, Improvement Area #2 and Phase #3B.

"Phase #2 Reimbursement Agreement" means that certain Valencia Public Improvement District Reimbursement Agreement, dated June 6, 2017, by and between the Town and the Developer in which the Developer agreed to fund certain Actual Costs of the Improvement Area #2 Local Improvements and the Phase #3B Local Improvements and the Town agreed to reimburse the Developer for a portion of such Actual Costs of the Improvement Area #2 Local Improvements and the Phase #3B Local Improvements, each funded by the Developer with

interest as permitted by the PID Act. A portion of the Phase #2 Reimbursement Agreement relating to Improvement Area #2 was repaid with the Improvement Area #2 Refunding and Improvement Bonds. The portion of the Phase #2 Reimbursement Agreement related to the Phase #3B Local Improvements is anticipated to be repaid with a portion of the proceeds of the Improvement Area #3 Bonds.

"Phase #2B-1" means the Assessed Property identified as Phase #2B-1 on the map attached as Appendix A. Phase #2B-1 is located within the Major Improvement Area

"Phase #2B-1 Local Improvement Assessed Property" means, for any year, all Parcels within Phase #2B-1 other than Non-Benefited Property and shown in the Phase #2B-1 Assessment Roll against which an Assessment relating to the Phase #2B-1 Local Improvements is levied.

"Phase #2B-1 Assessment Roll" means the document included in this Service and Assessment Plan as Appendix I-3**,** as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

"**Phase #2B-1 Local Improvements**" mean the portion of the Authorized Improvements, consisting of the local improvements which only benefit Phase #2B-1 Local Improvement Assessed Property and are described in Section III.E.

"**Phase #2B-1 Local Improvements Maximum Assessment Per Unit**" means for Phase #2B-1 an Assessment per Unit relating to the Phase #2B-1 Local Improvements not to exceed $26,281.

"Phase #3B" means the Assessed Property identified as Phase #3B on the map attached as Appendix A. Phase #3B is located within the Major Improvement Area.

"Phase #3B Local Improvement Assessed Property" means, for any year, all Parcels within Phase #3B other than Non-Benefited Property and shown in the Phase #3B Assessment Roll against which an Assessment relating to the Phase #3B Local Improvements is levied.

"Phase #3B Assessment Roll" means the document included in this Service and Assessment Plan as Appendix I-2**,** as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

"**Phase #3B Local Improvements**" mean the portion of the Authorized Improvements, consisting of the local improvements which only benefit Phase #3B Local Improvement Assessed Property and are described in Section III.D.

"**Phase #3B Local Improvements Maximum Assessment Per Equivalent Unit**" means for Phase #3B an Assessment per Equivalent Unit relating to the Phase #3B Local Improvements not to exceed $27,038.

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

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

"PID Act" means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

"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.

"Public Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the Town, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

"Reimbursement Agreement" means each Reimbursement Agreement by and between the Town and the Developer in which the Developer agrees to fund the Actual Costs of certain Authorized Improvements and the Town agrees to reimburse the Developer for the Actual Costs of those Authorized Improvements funded by the Developer with interest as permitted by the Act.

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

"TIRZ No. 4" means the Tax Increment Reinvestment Zone No. 4, Town of Little Elm, Texas.

"TIRZ Credit" means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to Section VI (B) of this Service and Assessment Plan.

"TIRZ Ordinance" means an ordinance adopted by the 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 the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 4 Project Plan and Financing Plan (including amendments or supplements thereto).

"TIRZ Revenues" mean, for each year, the incremental property tax amounts from TIRZ No. 4 paid by the Town from the TIRZ No. 4 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.E 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.

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

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

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II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the Town and contains approximately 447.9 acres of land. The property within the PID was annexed to the Town on September 16, 2014, by Ordinance No. 1231. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 1,416 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The updated estimated number of lots and the classification of each lot are based upon the concept plan and shown in Table II-C.

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

Table II-A
Original Proposed Development

Proposed Residential Development	Quantity	Measurement
Single Family - 100 Feet	164	Units
Single Family - 80 Feet	163	Units
Single Family - 60 Feet	409	Units
Single Family - 40 Feet	450	Units
Single Family - 25 Feet	53	Units
Total	**1,239**	**Units**

The original development plan was revised in 2018 as shown in Table II-B. The revised estimated number of lots (1,309) and the classification of each lot are based upon the revised concept plan:

Table II-B
2018 Revised Proposed Development

Proposed Residential Development	Quantity	Measurement
Single Family - 80 Feet	181	Units
Single Family - 70 Feet	154	Units
Single Family - 60 Feet	501	Units
Single Family - 50 Feet	43	Units
Single Family - 40 Feet	386	Units
Single Family - 25 Feet	44	Units
Total	**1,309**	**Units**

The revised development plan has since been revised in 2021 as shown in Table II-C. The revised estimated number of lots (1,309) and the classification of each lot are based upon the revised concept plan:

Table II-C
2021 Revised Proposed Development

Proposed Residential Development	Quantity	Measurement
Single Family - 80 Feet	41	Units
Single Family - 70 Feet	0	Units
Single Family - 60 Feet	608	Units
Single Family - 50 Feet	381	Units
Single Family - 40 Feet	386	Units
Single Family - 25 Feet	0	Units
Total	**1,416**	**Units**

B. Property Included in Phase #1

Phase #1 consists of approximately 62.4 acres and consists of 210 single family residential units, developed as Phase #1, as further described in Section III. Phase #1 was developed as shown in Table II-D. A map of the property within Phase #1 and depicting the boundaries of each proposed Phase is shown in Appendix A.

Table II-D
Phase #1 Development

Proposed Residential Development	Quantity	Measurement
Single Family - 80 Feet	41	Units
Single Family - 60 Feet	169	Units
Total	**210**	**Units**

C. Property Included in Improvement Area #2

Improvement Area #2 consists of approximately 103.68 acres and consists of 444 single family residential units located in the areas shown as Phases #2A, #3A and #3C. Improvement Area #2 was developed as shown in Table II-E. A map of the property within Improvement Area #2 and depicting the boundaries of each proposed Phase therein is shown in Appendix A.

Table II-E
Improvement Area #2 Development

Proposed Residential Development	Quantity	Measurement
Single Family - 60 Feet	154	Units
Single Family - 50 Feet	22	Units
Single Family - 40 Feet	268	Units
Total	**444**	**Units**

D. Property Included in Major Improvement Area

Major Improvement Area (including subphases #2B-1, #2B-2 #3B, #4A, #4B, and #4C)

The Major Improvement Area consists of approximately 236.6 acres and currently consists of 762 single family residential units, to be developed in phases as described below. The Major Improvement Area was revised to be developed as shown in Table II-F.2. A map of the property within the Major Improvement Area, and depicting the boundaries of the Major Improvement Area, is shown in Appendix A.

Table II-F.1
2018 Revised Major Improvement Area Development

Proposed Residential Development	Quantity	Measurement
Single Family - 80 Feet	140	Units
Single Family - 70 Feet	154	Units
Single Family - 60 Feet	178	Units
Single Family - 50 Feet	21	Units
Single Family - 40 Feet	118	Units
Single Family - 25 Feet	44	Units
Total	**655**	**Units**

The Major Improvement Area is revised in 2021 to be developed as shown in Table II-F.2.

Table II-F.2
2021 Revised Major Improvement Area Development

Proposed Residential Development	Quantity	Measurement
Single Family - 60 Feet	285	Units
Single Family - 50 Feet	359	Units
Single Family - 40 Feet	118	Units
Total	**762**	**Units**

Phase #3B portion of the Major Improvement Area

Phase #3B consists of approximately 28.98 acres and consists of 139 single family residential units, to be developed as Phase #3B. Phase #3B is being developed as shown in Table II-G. Phase #3B is a part of the Major Improvement Area, and the 139 single family residential units described above are a part of the units described in Table II-F.2. A map of the property within Phase #3B and depicting the boundaries of Phase #3B is shown in Appendix A.

Table II-G
Phase #3B Development

Proposed Residential Development	Quantity	Measurement
Single Family - 50 Feet	21	Units
Single Family - 40 Feet	118	Units
Total	**139**	**Units**

Phase #2B-1 portion of the Major Improvement Area

Phase #2B-1 consists of approximately 28.78 acres and consists of 89 single family residential units, to be developed as Phase #2B-1. Phase #2B-1 is being developed as shown in Table II-H. Phase #2B-1 is a part of the Major Improvement Area, and the 89 single family residential units described above are a part of the units described in Table II-F.2. A map of the property within Phase #2B-1 and depicting the boundaries of the proposed Phase #2B-1 is shown in Appendix A.

Table II-H
Phase #2B-1 Development

Proposed Residential Development	Quantity	Measurement
Single Family - 60 Feet	89	Units
Total	**89**	**Units**

E. PROPERTY INCLUDED IN MAJOR IMPROVEMENT AREA (FUTURE PHASES)

As Future Phases are developed within the Major Improvement Area, in connection with the issuance of Phased PID Bonds or the levy of Assessments on property within such Future Phase(s), this Service and Assessment Plan will be updated to add additional details of each new Future Phase(s). The map of such Future Phase(s) in Appendix A is shown for illustrative purposes only and is subject to adjustment. The current Parcels in the PID are shown on the Assessment Rolls included as Appendix F, Appendix G, Appendix H, and Appendix I (including Appendix I-1, Appendix I-2, and Appendix I-3).

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

III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

372.003. Authorized Improvements

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

(b) A public improvement may include:

(i) landscaping;

(ii) erection of fountains, distinctive lighting, and signs;

(iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;

(iv) construction or improvement of pedestrian malls;

(v) acquisition and installation of pieces of art;

(vi) acquisition, construction, or improvement of libraries;

(vii) acquisition, construction, or improvement of off-street parking facilities;

(viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;

(ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;

(x) the establishment or improvement of parks;

(xi) projects similar to those listed in Subdivisions (i)-(x);

(xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;

(xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;

(xiv) payment of expenses incurred in the establishment, administration and operation of the district; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the Town has determined at this time to undertake only Authorized Improvements listed in Section III.B, Section III.C, Section III.D, Section III.E, Section III.F, and shown in the opinion of probable costs and on the diagrams included as Appendix B and Appendix C, respectively, for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the Town and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND COSTS OF MAJOR IMPROVEMENTS

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

The updated costs of the 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, including such other improvements as deemed necessary to further improve the properties within the PID. The original estimated costs of the Major Improvements are shown in Appendix B attached to this Service and Assessment Plan.

A description of the Major Improvements follows:

Roadway Improvements

The roadway portion of the improvements consists of constructing approximately 13,365 linear feet a 2-lane divided thoroughfare (Rockhill Parkway) from the Doe Creek and Rockhill Parkway intersection to the opposite end of the PID. This provides access off of FM 423 into the development by Rockhill Parkway; and from US 380 to Rockhill Parkway by Doe Creek Road. Rockhill Parkway is expected to subsequently be widened to a 4-lane divided thoroughfare as part of the phased development of local area improvements for each Phase of the PID. These roadway improvements will be constructed according to Town standards and will be owned and operated by Town.

Water Improvements

A twenty (20”) inch water line was constructed to serve the Frisco Hills and Valencia Developments in 2010. The newly constructed 20-inch water line starts at the Town’s elevated storage tank located along FM 423 north of El Dorado Parkway and continues on a northerly direction along FM 423 to the Frisco Ranch Development and then turns on a northwesterly direction to the Frisco Hills master metering station located within the Frisco Hills Development. The total length of the 20-inch water line is 9,560 linear feet. Frisco Hills Development is an adjacent development located within Denton County Fresh Water Supply District No. 8-C (DCFWSD 8-C). The PID and DCFWSD 8-C (Frisco Hills) developments share this line which is operated and maintained by the Town.

Furthermore, the off-site water line has been extended from the Frisco Hills master meter to the Valencia PID Development along the Brazos Electric Easement and Rockhill Parkway for approximately 8,100 linear feet to the Phase #1 limits.

A second point of connection consisting of a 12-inch water line and appurtenances crosses the Corps of Engineers land and connects to a Town water line within the Sunset Pointe development.

The waterline improvements include connection to the existing water-main, installation of associated 12" valves, fire hydrants, ductile iron fittings, erosion control, trench safety and testing. These water improvements have been constructed according to Town standards and specifications and are owned and operated by Town.

Sanitary Sewer Improvements

The sanitary sewer improvement projects consist of lift stations, a 10-inch force main, and a 16-inch of sanitary sewer gravity line generally flowing along the south side of the PID and Frisco Hills Developments and connecting to the Frisco Hills lift station.

The Frisco Hills lift station is shared by the PID and DCFWSD 8-C (Frisco Hills and Frisco Ranch) sending the wastewater flows to the Town treatment plant through a 14-inch force main. This force main connects to an existing Town 14-inch force main located along the west side of FM 423.

Cutoff valves and air release valves have been constructed in accordance with Town and TCEQ regulations. The 10-inch force main and pumps were designed to maintain the 3.0 fps minimum velocity. The line has been designed and constructed in accordance with Town standards and are owned and operated by Town.

Storm Drainage Improvements

The storm drainage improvement projects consist of drainage improvements to support Rockhill Parkway. This includes underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls. This project has been constructed according to Town standards and specifications and are owned and operated by Town.

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Table III-A
Major Improvement Costs

Authorized Improvements	Total Major Improvement Costs	Major Improvement Area Allocated Amount	Phase #1 Allocated Amount[1]
Roadway Improvements	$3,635,839	$3,009,570	$626,269
Water Improvements	$1,666,322	$1,379,300	$287,022
Sanitary Sewer Improvements	$1,572,612	$1,301,731	$270,881
Storm Drainage Improvements	$546,856	$452,661	$94,195
Other Soft and Miscellaneous Costs	$3,990,005	$3,302,731	$687,274
Total Authorized Improvements	**$11,411,634**	**$9,445,993**	**$1,965,641**

[1] See Table V-A for details.

Note: The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

C. DESCRIPTIONS OF PHASE #1 IMPROVEMENTS

The Phase #1 Improvements are described below. The Actual Costs of the Phase #1 Improvements including the proportional share of the estimated costs of the Major Improvements are shown in Table III-B. The original estimated costs of the Phase #1 Improvements are shown in Appendix B attached to this Service and Assessment Plan.

A description of the Major Improvements allocable to Phase #1 are described in Section III.B above. A description of the Phase #1 Improvements, excluding the Major Improvements allocable to Phase #1 are as follows:

Roadway Improvements

Roadway improvements within Phase #1 include construction of approximately 10,110 linear feet of 6" thick, 31-foot wide, concrete pavement with curb and gutter. The concrete is 3,600 pounds per square inch (psi) strength. Unclassified excavation for the project consists of 120,400 cubic yards of cut and fill. 37,070 square yards (sy) of Pavement sub-grade is lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. These roadway improvements include streets that provide street access to each lot within Phase #1. These projects provide access to community roadways and state highways. All roadway projects have been designed and constructed in accordance with Town standards and specifications and are owned and operated by Town.

Water Improvements

The Phase #1 water distribution system improvements consist of approximately 10,430 linear feet of an 8" water line and associated 8" gate valves. One-inch diameter water services provide each of the 210 Lots within Phase #1. All associated waterline testing, trench safety and erosion protection during construction are included. The waterline is connected to the 12" water line constructed in Rockhill Parkway. These lines include the necessary appurtenances to be fully

operational transmission lines extending water service to the limits of Phase #1 and all lots within Phase #1. These lines are designed and constructed in accordance with Town standards and specifications and are owned and operated by Town.

Sanitary Sewer Improvements

- *Sanitary Sewer Line (12" Gravity Line)*

Phase #1 sanitary sewer improvements consist of approximately 250 linear feet of 12" gravity sewer trunk line flowing to the lift station located at the southwest corner of Phase #1. This project consists of constructing manholes, associated erosion control, trench safety and sewer line testing.

- *Sanitary Sewer Line (10" Gravity Line)*

Phase #1 sanitary sewer improvements consist of approximately 1,375 linear feet of a 10" gravity sewer main line that connects to the 12" gravity sewer trunk line. This project consists of constructing manholes, associated erosion control, trench safety and sewer line testing.

- *Sanitary Sewer Line (8" Gravity Line)*

Phase #1 sanitary sewer improvements also include construction of 10,110 linear feet of a 8" gravity sanitary sewer line that connects to the 10" gravity sewer main line. Construction includes connection at multiple points through 36 concrete manholes. Services to individual Lots are by 4" gravity sewer lines.

These lines will include the necessary appurtenances to be fully operational extending wastewater service to the limits of Phase #1 and each of the Lots within Phase #1. All lines will be designed and constructed in accordance with Town standards and specifications and are owned and operated by Town.

Storm Drainage Improvements

The drainage portion of the Phase #1 Improvements consists of underground reinforced concrete storm sewer pipes, inlets, and rock riprap protection at outfalls. The main means of conveyance of storm drainage within Phase #1 is within roadways and underground storm drain pipes. The roadway pavement section incorporates the use of curbs with integrated drainage inlets to control runoff and conveyance of storm-water throughout the drainage basins associated with Phase #1. The system includes underground reinforced concrete pipe (RCP) with associated headwalls, safety end treatments, manholes and storm sewer energy dissipaters at the points of discharge. All of the drainage areas within Phase #1 flow to Lake Lewisville. This project will be constructed in accordance with Town standards and specifications and are owned and operated by Town.

Table III-B
Phase #1 Improvement Costs

Authorized Improvements	Proportional Share of Major Improvements[1]	Phase #1 Improvement Costs	Total
Roadway Improvements	$626,269	$1,799,960	$2,426,229
Water Improvements	$287,022	$468,155	$755,177
Sanitary Sewer Improvements	$270,881	$600,493	$871,374
Storm Drainage Improvements	$94,195	$372,030	$466,225
Other Soft and Miscellaneous Costs	$687,274	$737,245	$1,424,519
Total Authorized Improvements	**$1,965,641**	**$3,977,883**	**$5,943,524**

[1] See Table III-A.
Note: The figures shown in Table III-B may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

D. DESCRIPTIONS OF IMPROVEMENT AREA #2 LOCAL IMPROVEMENTS AND PHASE #3B LOCAL IMPROVEMENTS (PHASE #2)

The Improvement Area #2 Local Improvements and Phase #3B Local Improvements (collectively the "Phase #2 Improvements") are described below. The costs of the Improvement Area #2 Local Improvements and the costs of the Phase #3B Local Improvements are shown in Table III-C. The costs shown in Table III-C are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID. The original estimated costs of the Improvement Area #2 Local Improvements and Phase #3B Local Improvements are shown in Appendix B attached to this Service and Assessment Plan.

A description of the Phase #2 Improvements are as follows:

Roadway Improvements

The Roadway improvements within Improvement Area #2 and Phase #3B include construction of approximately 72,880 linear feet of a 6" thick, 31-foot wide, concrete pavement with curb and gutter. The concrete is 3,600 pounds per square inch (psi) strength. Unclassified excavation for the project will consists of 267,853 cubic yards of cut and fill. The 95,719 square yards (sy) of pavement sub-grade is lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. These roadway improvements include streets that provide street access to each lot within Improvement Area #2 and Phase #3B. These projects provide 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.

Utility Improvements

The utility improvements include water improvements, sanitary sewer improvements and storm drainage improvements.

Water Distribution System Improvements

- 8-inch Water Line Segments

The water distribution system improvements consist of approximately 24,836 linear feet of an 8-inch water line and associated 8-inch gate valves. One-inch diameter water services will be provided to each Lot within Improvement Area #2 and Phase #3B. All associated waterline testing, trench safety and erosion protection during construction are included. These lines include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Improvement Area #2 and Phase #3B and all Lots within Improvement Area #2 and Phase #3B. These lines have been designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

- 12-inch Water Line Segments

This water distribution system improvements consist of approximately 3,847 linear feet of a 12-inch water line and associated 12-inch gate valves within the right-of-way of Rockhill Parkway. All associated waterline testing, trench safety and erosion protection during construction are included. These lines include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Improvement Area #2 and Phase #3B and all Lots within Improvement Area #2 and Phase #3B. These lines have been designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Sanitary Sewer Improvements

- Sanitary Sewer Line (8-inch Gravity Line)

Improvement Area #2 and Phase #3B sanitary sewer improvements also include construction of 16,800 linear feet of an 8-inch gravity sanitary sewer line. This project consists of constructing manholes, associated erosion control, trench safety and sewer line testing.

- Sanitary Sewer Line (10-inch Gravity Line)

Improvement Area #2 and Phase #3B sanitary sewer improvements consists of approximately 2,758 linear feet of a 10-inch gravity sewer main line that connects to the lift station located at the northwest corner of the property in Improvement Area #2 and Phase #3B. This project consists of constructing manholes, associated erosion control, trench safety and sewer line testing.

Sanitary Sewer Line (12-inch Gravity Line)

Improvement Area #2 and Phase #3B sanitary sewer improvements consists of approximately 4,687 linear feet of a 12-inch gravity sewer trunk line flowing the to the existing lift station located

at the southwest corner of the property in Improvement Area #2 and Phase #3B. This project consists of constructing manholes, associated erosion control, trench safety and sewer line testing.

- Sanitary Sewer Line (6-inch Force Main)

Improvement Area #2 and Phase #3B sanitary sewer improvements consists of approximately 1,701 linear feet of a 6-inch force main sewer trunk line flowing from the lift station located at the northwest corner of the property within Improvement Area #2 and Phase #3B. This project consists of constructing manholes, associated erosion control, trench safety and sewer line testing.

Services to individual Lots are by 4" gravity sewer lines. These lines will include the necessary appurtenances to be fully operational extending wastewater service to the limits of Improvement Area #2 and Phase #3B and all the Lots within Improvement Area #2 and Phase #3B. All lines have been designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Storm Drainage Improvements

The drainage improvements consist of underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls. The main means of conveyance of storm drainage within Improvement Area #2 and Phase #3B is within roadways and underground storm drainage pipes. The roadway pavement section incorporates the use of curbs with integrated drainage inlets to control runoff and conveyance of storm-water throughout the drainage basins associated with Improvement Area #2 and Phase #3B. The system includes underground reinforced concrete pipe (RCP) with associated headwalls, safety end treatments, manholes and storm sewer energy dissipaters at the points of discharge. All of the drainage areas within Improvement Area #2 and Phase #3B flow to Lake Lewisville. This project has been constructed to Town standards and specifications and will be owned and operated by the Town.

Table III-C
Phase #2 Improvement Costs

Authorized Improvements	Improvement Area #2 Local Improvements	Phase #3B Local Improvements	Total (Phase #2)
Roadway Improvements	$4,421,148	$1,163,279	$5,584,427
Water Improvements	$1,664,105	$256,530	$1,920,635
Sanitary Sewer Improvements	$1,917,592	$1,847,782	$3,765,374
Storm Drainage Improvements	$981,977	$108,561	$1,090,538
Other Soft and Miscellaneous Costs	$1,811,725	$135,174	$1,946,899
Total Authorized Improvements	**$10,796,547**	**$3,511,326**	**$14,307,873**

Note: The figures shown in Table III-D may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

E. DESCRIPTIONS OF IMPROVEMENT AREA #3 IMPROVEMENTS INCLUDING PHASE #2B-1 LOCAL IMPROVEMENTS AND PHASE #3B LOCAL IMPROVEMENTS

The Phase #2B-1 Local Improvements are described below. The costs of the Phase #2B-1 Local Improvements are shown in Table III-D. The costs shown in Table III-D are estimates and may be revised in Annual Service Plan Updates, including such other improvements as deemed necessary to further improve the properties within the PID.

The Phase #3B Local Improvements are described in Section III.B above. Table III-E shows the combined costs of the Phase #2B-1 Local Improvements and the Phase #3B Local Improvements that comprise the Improvement Area #3 Improvements.

A description of the Phase #2B-1 Local Improvements are as follows:

Roadway Improvements

The road improvement portion of the Phase #2B-1 Local Improvements consists of the construction of road improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Phase #2B-1 Local Improvement Assessed Property. All roadway projects will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Utility Improvements

The utility improvements portion of the Phase #2B-1 Local Improvements includes water improvements, sanitary sewer improvements and storm drainage improvements.

Water Improvements

The water improvements portion of the Phase #2B-1 Local Improvements consists of construction and installation of a looped water main network, which includes waterlines, valves, fire hydrants, and appurtenances, necessary for the portion of the water distribution system that will service the Phase #2B-1 Local Improvement Assessed Property. The water improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Sanitary Sewer Improvements

The sanitary sewer improvement portion of the Phase #2B-1 Local Improvements consists of construction and installation of various sized sanitary sewer pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Phase #2B-1 Local Improvement Assessed Property. The sanitary sewer improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Storm Drainage Improvements

The storm drainage improvement portion of the Phase #2B-1 Local Improvements consist of reinforced concrete pipes, reinforced concrete boxes, multi-reinforced box culverts, junction boxes, inlets, headwalls, and appurtenances necessary to provide adequate drainage to the Improvement Area #1 Assessed Property. 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-D
Estimated Phase #2B-1 Local Improvement Costs

Authorized Improvements	Total
Roadway Improvements	$1,792,042
Water Improvements	$267,193
Sanitary Sewer Improvements	$321,450
Storm Drainage Improvements	$220,898
Other Soft and Miscellaneous Costs	$293,899
Total Authorized Improvements	**$2,895,482**

Note: The figures shown in Table III-D may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

Table III-E shows the combined #3B Local Improvements and #2B-1 Local Improvements.

Table III-E
Estimated Improvement Area #3 Improvement Costs

Authorized Improvements	Phase #2B-1 Local Improvements	Phase #3B Local Improvements	Total (Improvement Area #3)
Roadway Improvements	$1,792,042	$1,163,279	$2,955,321
Water Improvements	$267,193	$256,530	$523,723
Sanitary Sewer Improvements	$321,450	$1,847,782	$2,169,232
Storm Drainage Improvements	$220,898	$108,561	$329,459
Other Soft and Miscellaneous Costs	$293,899	$135,174	$429,073
Total Authorized Improvements	**$2,895,482**	**$3,511,326**	**$6,406,808**

Note: The figures shown in Table III-E may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the Total Authorized Improvements amount does not change.

F. FUTURE PHASES

As Phases are developed, additional assessments may be levied and Phased PID Bonds may be issued to finance Authorized Improvements for each Future Phase. As additional assessments are levied or as Phased PID Bonds are issued for each Future Phase, this Service and Assessment Plan will be updated to identify the specific Authorized Improvements to be financed by such

assessments or Phased PID Bonds that benefit each Phase (e.g., a Table III-E will be added to show the costs for the specific Authorized Improvements financed within the specific Future Phase being developed.)

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IV. SERVICE PLAN

A. SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. The Major Improvements are approximately 95% complete according to the 2021 first quarter developer continuing disclosure report. The Phase #1 Improvements (excluding Phase #1's proportional share of Major Improvements), the Improvement Area #2 Improvements and the Phase #3B Local Improvements are complete. It is anticipated the Phase #2B-1 Local Improvements will be completed and dedicated to the Town in 2021.

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." The Service and Assessment Plan will be updated to correspond with the development of each Future Phase. The Town Council shall approve the Annual Service Plan Update by ordinance each year; and, within seven (7) days from the date of approval, the Town shall file a copy of the Annual Service Plan Update with the County Clerk of the County.

The 2014 Phase #1 Bonds were issued in 2014 to finance a portion of the Phase #1 Improvements. The 2014 Major Improvement Bonds were issued in 2014 to finance a portion of the Major Improvements benefitting subphases #2A, #2B-1, #2B-2, #3A, #3B, #3C, #4A, #4B, and #4C (as shown on the map in Appendix A hereof). Table IV-A.1 shows the original sources and uses of the 2014 Phase #1 Bonds and the 2014 Major Improvement Bonds. The original estimated costs for the Authorized Improvements financed with the 2014 Major Improvement Bonds plus costs related to the issuance of the 2014 Major Improvement Bonds and payment of expenses incurred in the establishment, administration, and operation of the PID is $12,240,000 as shown in Table IV-A.1. Tables IV-A.2 and IV-A.3 include information regarding the refinancing of the 2014 Major Improvement Bonds. The original estimated costs for the Authorized Improvements financed with the 2014 Phase #1 Bonds, Phase #1 Reimbursement Agreement, costs related to the issuance of the 2014 Phase #1 Bonds, and payment of expenses incurred in the establishment, administration, and operation of the PID is $7,435,000 as shown in Table IV-B.1. Table IV-B.2 includes information regarding the refinancing of the 2014 Phase #1 Bonds.

On June 6, 2017, the Town and the Developer entered into the Phase #2 Reimbursement Agreement pursuant to which the Developer was to fund the Improvement Area #2 Local Improvements and the Phase #3B Local Improvements. On such date, the Town levied a single assessment on all property in subphases #2A, #3A, #3B, and #3C as shown on the map in Appendix A, which consisted of both the assessments levied against Improvement Area #2 (as described in the Improvement Area #2 Local Improvement Assessment Roll attached hereto as Appendix H) (the "Improvement Area #2 Local Improvement Assessments") and the assessments levied against Phase #3B (as described in the Phase #3B Local Improvement Assessment Roll

attached hereto as Appendix I-2) (the "Phase #3B Local Improvement Assessments"). Table IV-C.1 summarizes the original aggregate sources and uses of funds required to construct the Improvement Area #2 Local Improvements and the Phase #3B Local Improvements under the Phase #2 Reimbursement Agreement.

On February 20, 2018, the Town approved the issuance of the Phase #1 Refunding and Improvement Bonds, the Improvement Area #2 Refunding and Improvement Bonds and the Major Improvement Area Refunding Bonds. The Phase #1 Refunding and Improvement Bonds were issued to refund the 2014 Phase #1 Bonds and refinance the Phase #1 Reimbursement Agreement and are secured by the Phase #1 Assessments shown on the Phase #1 Assessment Roll attached hereto as Appendix G. Table IV-B.1 summarizes the original aggregate sources and uses of funds required to construct the Phase #1 Improvements. Table IV-B.2 summarizes sources and uses of funds required for the Phase #1 Refunding and Improvement Bonds. The sources and uses of funds shown in Table IV-B.2 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

The Improvement Area #2 Refunding and Improvement Bonds were issued to refund the pro rata portion of the 2014 Major Improvement Bonds relating to Improvement Area #2 and the refinance the pro rata portion of the Phase #2 Reimbursement Agreement relating to the Improvement Area #2 Local Improvements and are secured by the Improvement Area #2 Assessments shown on the Improvement Area #2 Assessment Roll attached hereto as Appendix H. Table IV-A.2 shows the proportional allocation of the 2014 Major Improvement Bonds, including the portion refunded by the Improvement Area #2 Refunding and Improvement Bonds. Table IV-C.1 summarizes the original aggregate sources and uses of funds relating to the Phase #2 Reimbursement Agreement, including the portion relating to the Improvement Area #2 Local Improvements and the Phase #3B Local Improvements. Table IV-D.1 summarizes sources and uses of funds required for the Improvement Area #2 Refunding and Improvement Bonds. The sources and uses of funds shown in Table IV-D.1 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

The Major Improvement Area Refunding Bonds were issued to refund the pro rata portion of the 2014 Major Improvement Bonds relating to subphases #2B-1, #2B-2, #3B, #4A, #4B, and #4C, as shown in Appendix A, and are secured by the Assessments shown on the Major Improvement Area Assessment Roll attached hereto as Appendix F. Table IV-A.1 summarizes the original sources and uses of funds required to construct the Major Improvements financed with the 2014 Major Improvement Bonds, establish the PID, and issue the 2014 Major Improvement Bonds and Table IV-A.2 summarizes the allocation of such Major Improvements to the Improvement Area #2 Refunding and Improvement Bonds and the Major Improvement Area Refunding Bonds. Table IV-A.3 summarizes sources and uses of funds required for the Major Improvement Area Refunding Bonds. The sources and uses of funds shown in Table IV-A.3 shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

The portion of the Phase #2 Reimbursement Agreement relating to the Phase #3B Local Improvements is being satisfied with a portion of the proceeds of the Improvement Area #3 Bonds in order to acquire the completed Phase #3B Local Improvements and is secured solely by the Phase #3B Local Improvement Assessments shown on the Phase #3B Local Improvements Assessment Roll attached hereto as Appendix I-2. Table IV-D.2 summarizes the original updated

sources and uses for the Phase #3B Local Improvements relating to the Improvement Area #2 Reimbursement Agreement. Table IV-E summarizes the updated sources and uses for the Phase #3B Local Improvements relating to the Improvement Area #3 Bonds.

The portion of the Improvement Area #3 Bonds relating to the Phase #2B-1 Local Improvements is secured solely by the assessments levied against Phase #2B-1 shown on the Phase #2B-1 Local Improvement Assessment Roll attached hereto as Appendix I-3. Table IV-E summarizes the sources and uses for the Phase #2B-1 Local Improvements relating to the Improvement Area #3 Bonds.

The sources and uses of funds shown in the tables in the Section IV shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs. As Future Phases are developed in connection with the levy of additional assessments or the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended to reflect the allocation to such Future Phases.

Table IV-A.1
Original Sources and Uses – Major Improvement Area

Sources of Funds	2014 Major Improvement Bonds
Bond Par Amount	$12,240,000
Total Sources	**$12,240,000**
Uses of Funds	
Roadway Improvements	$3,393,436
Water Improvements	$1,320,115
Sanitary Sewer Improvements	$1,368,555
Storm Drainage Improvements	$372,086
Other Soft and Miscellaneous Costs	$2,952,716
Subtotal	*$9,406,909*
Bond Issuance Costs	$2,833,091
Total Uses	**$12,240,000**

Major Improvement Area Refinancing

On February 20, 2018, the Town approved the issuance of the Major Improvement Area Refunding Bonds to refund a portion of the 2014 Major Improvement Bonds relating to the Major Improvements benefitting the Major Improvement Area.

The total outstanding par amount of the 2014 Major Improvement Bonds was $11,115,000 as of the date of refunding. $640,000 in principal payments of assessments securing the 2014 Major Improvement Bonds were collected from the tax year 2017-18 Annual Installment of such assessments billed by the tax collector and deposited into the escrow funds established for the payment of the 2014 Major Improvement Bonds. As a result, the total outstanding principal

amount of the Assessments to be collected relating to the 2014 Major Improvement Bonds was $10,475,000 as of the date of refunding.

The 2014 Major Improvement Bonds were originally secured by Assessments levied in the area identified as subphases #2A, #2B-1, #2B-2, #3A, #3B, #3C, #4A, #4B, and #4C in the map shown in Appendix A. A portion of the 2014 Major Improvement Bonds relating to Phases #2A, #3A and #3C were refunded by the Improvement Area #2 Refunding and Improvement Bonds. The Improvement Area #2 Refunding and Improvement Bonds are secured by the Improvement Area #2 Assessments only, which consist of (i) assessments levied in Improvement Area #2 relating to the portion of the Major Improvements benefitting Improvement Area #2 and (ii) the Improvement Area #2 Local Improvement Assessments. The remaining portion of the 2014 Major Improvement Bonds relating to Phases #2B-1, #2B-2, #3B and #4 were refunded by the Major Improvement Area Refunding Bonds. The Major Improvement Area Refunding Bonds are secured by only, the assessments levied in the Major Improvement Area relating to the portion of the Major Improvements benefitting the Major Improvement Area. The Phase #3B Local Improvement Assessments are levied solely in Phase #3B, which is located in the Major Improvement Area, but such Phase #3B Local Improvement Assessments are not pledged as security for the Major Improvement Area Refunding Bonds. The Phase #2B-1 Local Improvement Assessments are levied solely in Phase #2B-1, which is located in the Major Improvement Area, but such Phase #2B-1 Local Improvement Assessments are not pledged as security for the Major Improvement Area Refunding Bonds.

As shown in Appendix E, the total Equivalent Units contained in Phases #2A, #2B-1, #2B-2, #3A, #3B, #3C, #4A, and #4B, and #4C is 854.86. The total Equivalent Units within Improvement Area #2 (subphases #2A, #3A, and #3C) is 315.66, the total Equivalent Units within Phase #3B is 92.66, and the total Equivalent Units in subphases #2B-2, #4A, #4B, and #4C (as shown on the map in Appendix A hereto and identified as "Future Phases") is 446.54. A proportional share of the 2014 Major Improvement Bonds applicable to Improvement Area #2 [36.93% = (315.66 ÷ 854.86)] was refunded as part of the Improvement Area #2 Refunding and Improvement Bonds. The balance of the 2014 Major Improvement Bonds [63.07% = (854.86 – 315.66) ÷ 854.86] applicable to the Major Improvement Area, which includes subphases #2B-1, #2B-2, #3B, #4A, #4B, and #4C (as shown on the map in Appendix A hereto, and identified as "Future Phases"), were refunded as part of the Major Improvement Area Refunding Bonds. Table IV-A.2 shown the breakdown described above.

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Table IV-A.2
Proportional Breakdown of the 2014 Major Improvement Bonds

Description	Total Estimated units	Total Equivalent Units	% of Equivalent Units	Proportional share of Outstanding 2014 Major Improvement Bonds[(1)]
Major Improvement Area				
Phase #3B	139	92.66	10.84%	$1,135,406
Future Phases	516	446.54	52.24%	$5,471,664
Subtotal: Major Improvement Area	*655*	*539.20*	*63.08%*	*$6,607,070*
Improvement Area #2	444	315.66	36.92%	$3,867,930
Total	**1,099**	**854.86**	**100.00%**	**$10,475,000**
2014 Major Improvement Bonds to be refunded with Improvement Area #2 Refunding and Improvement Bonds	444	315.66	36.93%	$3,867,930
2014 Major Improvement Bonds to be refunded with the Major Improvement Area Refunding Bonds	655	539.20	63.07%	$6,607,070
Total	**1,099**	**854.86**	**100.00%**	**$10,475,000**

[(1)] Excludes amounts related to $640,000 principal payments of assessments securing the 2014 Major Improvement Bonds that were collected from the tax year 2017-18 Annual Installment of such assessments billed by the tax collector which have been deposited in the escrow funds established for the payment of the 2014 Major Improvement Bonds.

The total par amount of the Major Improvement Area Refunding Bonds is $6,606,994 ($6,607,070 shown in Table IV-A.2 above less $76 rounding). Table IV-A.3 e shows the projected sources and uses for the Major Improvement Area Refunding Bonds.

Table IV-A.3
Projected Sources and Uses – Major Improvement Area Refunding Bonds

Sources of Funds	Phase #3B	Future Phases	Total
Outstanding Par Amount	$1,135,406	$5,471,664	$6,607,070
Rounding	($6)	($70)	($76)
Subtotal - Par Amount	*$1,135,400*	*$5,470,594*	*$6,606,994*
Other Funding Sources	$198,501	$956,644	$1,155,145
Total Sources	**$1,333,901**	**$6,428,238**	**$7,762,139**
Uses of Funds			
Proportional share of 2014 Major Improvement Bonds refunded	$1,135,406	$5,471,664	$6,607,070
Subtotal	*$1,135,406*	*$5,471,664*	*$6,607,070*
Bond Issuance Costs:			
Capitalized Interest	$0	$0	$0
Reserve Fund	$96,310	$464,128	$560,438
Administrative Expenses Fund	$0	$0	$0
Other Bond Issuance Costs	$102,186	$492,446	$594,632
Subtotal: Bond Issuance Costs	*$198,495*	*$956,574*	*$1,155,069*
Total Uses	**$1,333,901**	**$6,428,238**	**$7,762,139**

Phase #1 Refinancing

As shown in Table IV-B.1, the Phase #1 Improvements were originally anticipated to be financed by Bonds issued in two series. The 2014 Phase #1 Bonds were issued to pay and/or reimburse the Developer for a portion of the costs of Phase #1 Improvements. The remaining costs of Phase #1 Improvements were financed through the Phase #1 Reimbursement Agreement, which was anticipated to be replaced by a second series of Bonds for Phase #1 after some or all of the Phase #1 Improvements are constructed and the proceeds of this second series of Bonds for Phase #1 would be used to refinance the Phase #1 Reimbursement Agreement and/or reimburse the Developer for the remaining portion of the costs of Phase #1 Improvements. Table IV-B.1 shows the original sources and uses for the Phase #1 Improvements as financed through the 2014 Phase #1 Bonds and the Phase #1 Reimbursement Agreement.

On February 20, 2018, the Town approved issuance of the Phase #1 Refunding and Improvement Bonds to refund the 2014 Phase #1 Bonds and refinance the portion of the Phase #1 Improvements funded by the Developer pursuant to the Phase #1 Reimbursement Agreement. The Town's obligations under the Phase #1 Reimbursement Agreement terminated upon issuance of the Phase #1 Refunding and Improvement Bonds. The total outstanding par amount of the 2014 Phase #1 Bonds was $3,825,000 as of the date of refunding. $95,000 in principal payments of Phase #1 Assessments were collected from the tax year 2017-18 Annual Installment of the Phase #1 Assessments billed by the tax collector and deposited into the escrow fund for the payment of the 2014 Phase #1 Bonds. The total outstanding principal amount under the Phase #1 Reimbursement Agreement was $3,200,000 as of the date of refunding. Accordingly, the total outstanding amount Phase #1 Assessments relating to the 2014 Phase #1 Bonds and the Phase #1 Reimbursement Agreement was approximately $6,930,000 ($3,730,000 + $3,200,000) as of the date of refunding. Table IV-B.2 shows the sources and uses of the Phase #1 Refunding and Improvement Bonds.

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Table IV-B.1
Original Sources and Uses – Phase #1

Sources of Funds	2014 Phase #1 Bonds	Phase #1 Reimbursement Agreement[2]	Total
Par Amount	$4,000,000	$3,435,000	$7,435,000
Total Sources	**$4,000,000**	**$3,435,000**	**$7,435,000**
Uses of Funds			
Major Improvements[1]:			
Roadway Improvements	$721,517	$0	$721,517
Water Improvements	$280,685	$0	$280,685
Sanitary Sewer Improvements	$290,984	$0	$290,984
Storm Drainage Improvements	$79,114	$0	$79,114
Other Soft and Miscellaneous Costs	$627,811	$0	$627,811
Subtotal	*$2,000,110*	*$0*	*$2,000,110*
Phase #1 Improvements:			
Roadway Improvements	$505,870	$1,294,090	$1,799,960
Water Improvements	$131,573	$336,582	$468,155
Sanitary Sewer Improvements	$168,766	$431,727	$600,493
Storm Drainage Improvements	$104,557	$267,473	$372,030
Other Soft and Miscellaneous Costs	$207,199	$530,046	$737,245
Subtotal	*$1,117,965*	*$2,859,918*	*$3,977,883*
Estimated Bond Issuance Costs	$881,926	$575,082	$1,457,008
Total Uses	**$4,000,000**	**$3,435,000**	**$7,435,000**

(1) Phase #1 Improvements include the Authorized Improvements listed under this heading plus the original estimated $2,000,110 pro rata share of the Major Improvements allocated to Phase #1.

(2) The costs of Phase #1 Improvements shown under the Phase #1 Reimbursement Agreement were refinanced by the Phase #1 Refunding and Improvement Bonds.

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Table IV-B.2
Sources and Uses – Phases #1 Refunding and Improvement Bonds

Sources of Funds	**Total**
Par Amount	$6,929,998
2017-2018 Assessment Payments	$95,000
Subtotal - Par Amount	*$7,024,998*
Other Funding Sources	$1,128,196
Total Sources	**$8,153,195**
Uses of Funds	
Deposit to Escrow Fund for 2014 Phase #1 Bonds	$3,825,000
Outstanding Phase #1 Reimbursement Agreement balance refinanced	$3,200,000
Subtotal	*$7,025,000*
Bond Issuance Costs:	
Capitalized Interest	$0
Reserve Fund	$517,763
Administrative Expenses Fund	$0
Other Bond Issuance Costs	$610,432
Subtotal: Bond Issuance Costs	*$1,128,195*
Total Uses	**$8,153,195**

Phase #2 Reimbursement Agreement (Improvement Area #2 Local Improvements and Phase #3B Local Improvements)

The costs of Improvement Area #2 Local Improvements and Phase #3B Local Improvements were originally financed through the Phase #2 Reimbursement Agreement. On June 20, 2017, the Town and the Developer entered into the Phase #2 Reimbursement Agreement pursuant to which the Developer was to fund the Improvement Area #2 Local Improvements and the Phase #3B Local Improvements. On such date the Town levied a single Assessment on all property in Phases #2A, #3A, #3B, and #3C as shown in Appendix A, which consisted of both the Improvement Area #2 Local Improvement Assessments and the Phase #3B Local Improvement Assessments. The Town issued the Improvement Area #2 Refunding and Improvement Bonds to, in part, refinance the Improvement Area #2 Local Improvements financed through the Phase #2 Reimbursement Agreement. After the issuance of the Improvement Area #2 Refunding and Improvement Bonds, the Town's obligations relating to the Improvement Area #2 Local Improvements under the Phase #2 Reimbursement Agreement were extinguished and the Improvement Area #2 Local Improvement Assessments are pledged to the payment of the Improvement Area #2 Bonds. The Town's remaining obligations relating to the Phase #3B Local Improvements under the Phase #2 Reimbursement Agreement are being repaid with a portion of the proceeds of the Improvement Area #3 Bonds and will be secured solely by the Phase #3B Local Improvement Assessments shown on Appendix I-2.

Table IV-C.1 shows the original sources and uses of the Phase #2 Reimbursement Agreement obligation for the collective total of the Improvement Area #2 Local Improvements and Phase #3B Local Improvements.

Table IV-C.1
Sources and Uses – Phase #2 Reimbursement Agreement – Original

Sources of Funds	Phase #2 Reimbursement Agreement
Assessments	$11,220,000
Other Funding Sources[1]	$1,495,700
Total Sources	**$12,715,700**
Uses of Funds	
Roadway Improvements	$5,327,737
Water Improvements	$1,423,460
Sanitary Sewer Improvements	$1,617,016
Storm Drainage Improvements	$787,327
Other Soft and Miscellaneous Costs	$3,160,161
Subtotal	*$12,315,700*
Miscellaneous PID Related Costs	$400,000
Total Uses	**$12,715,700**

(1) Includes right-of-way.
Other funding sources represent Developer contribution for the cost of Authorized Improvements in excess of the amounts financed with the Phase #2 Reimbursement Agreement.

Improvement Area #2 Refinancing

On February 20, 2018, the Town approved issuance of the Improvement Area #2 Refunding and Improvement Bonds to refund the proportional share of 2014 Major Improvement Bonds applicable to Improvement Area #2 and refinance the portion of the Phase #2 Reimbursement Agreement relating to the Improvement Area #2 Local Improvements funded by the Developer.

The total outstanding principal amount of the Phase #2 Reimbursement Agreement was $11,220,000 as of the date of refunding. As shown in Appendix E, the total Equivalent Units in the assessed property located in Improvement Area #2 and Phase #3B is 408.32, of which total Equivalent Units of 315.66 (77.31%) are within Improvement Area #2 and the remaining total Equivalent Units of 92.66 (22.69%) are within Phase #3B. As a result, the amount of the Phase #2 Reimbursement Agreement relating to the Improvement Area #2 Local Improvements that was refinanced with Improvement Area #2 Refunding and Improvement Bonds is $8,673,847 ($11,220,000 × 77.31% = $8,673,847) and the balance of the Phase #2 Reimbursement Agreement applicable to Phase #3B was $2,546,153 ($11,220,000 × 22.69% = $2,546,153) as of the date of refunding. Table IV-D.2 shows the original remaining balance of the Phase #2 Reimbursement Agreement related to the Phase #3B Local Improvements.

As explained above, and shown in Table IV-A.2, the proportional share of the 2014 Major Improvement Bonds applicable to Improvement Area #2 refunded as part of the Improvement Area #2 Refunding and Improvement Bonds is $3,867,930. As a result, the total par amount of Improvement Area #2 Refunding and Improvement Bonds issued to refund the proportional share

of the 2014 Major Improvement Bonds applicable to Improvement Area #2 and to refinance the portion of the Improvement Area #2 Local Improvements funded by the Developer pursuant to the Phase #2 Reimbursement Agreement (net of -$3,849 in rounding) is $12,537,928 ($8,673,847 + $3,867,930 - $3,849). The Town's obligations under the Phase #2 Reimbursement Agreement applicable to the Improvement Area #2 Local Improvements terminated upon issuance of the Improvement Area #2 Refunding and Improvement Bonds. Table IV-D.1 shows the updated sources and uses for Improvement Area #2.

Table IV-D.1
Updated Sources and Uses – Improvement Area #2

Sources of Funds	**Improvement Area #2 Refunding and Improvement Bonds**
Par Amount of Phase #2 Reimbursement Agreement related to Improvement Area #2 Local Improvements	$8,673,847
Proportional share of 2014 Major Improvement Bonds refunded[(1)]	$3,867,930
Rounding	($3,849)
Subtotal	*$12,537,928*
Other Funding Sources	$4,288,700
Total Sources	**$16,826,628**
Uses of Funds	
Deposit to Escrow Fund for portion of 2014 Major Improvement Bonds refunded[(1)]	$3,867,930
Improvement Area #2 Local Improvements	
Roadway Improvements	$4,421,148
Water Improvements	$1,664,105
Sanitary Sewer Improvements	$1,917,592
Storm Drainage Improvements	$981,977
Other Soft and Miscellaneous Costs	$1,811,725
Subtotal	*$10,796,547*
Bond Issuance Costs:	
Capitalized Interest	$229,875
Reserve Fund	$905,125
Other Bond Issuance Costs	$1,027,151
Subtotal: Bond Issuance Costs	*$2,162,151*
Total Uses	**$16,826,628**

[(1)] The proportional share of 2014 Major Improvement Bonds relating to Improvement Area #2 is shown in Table IV-A.2

Table IV-D.2
Updated Sources and Uses – Phase #2 Reimbursement Agreement – Phase #3B Local Improvements – Original

Sources of Funds	Phase #2 Reimbursement Agreement – Phase #3B Local Improvements
Assessments	$2,546,153
Other Funding Sources	$248,657
Total Sources	**$2,794,810**
Uses of Funds	
Roadway Improvements	$1,209,023
Water Improvements	$323,036
Sanitary Sewer Improvements	$366,949
Storm Drainage Improvements	$178,668
Other Soft and Miscellaneous Costs[(1)]	$717,135
Total Uses	**$2,794,810**

[(1)] Includes right-of-way.

Improvement Area #3 Bonds

Improvement Area #3 Bonds are being issued to fulfill the Town's obligations under the Phase #2 Reimbursement Agreement related to the Phase #3B Local Improvements and finance the Phase #2B-1 Local Improvements. The Actual Costs for the Phase #3B Local Improvements and the Phase #2B-1 Local Improvements and payment of its allocated portion of the expenses incurred in issuing the Improvement Area #3 Bonds is $7,363,324 as shown in Table IV-E.

Table IV-E
Estimated Sources and Uses – Improvement Area #3

Sources of Funds	Phase #3B	Phase #2B-1	Total
Improvement Area #3 Bond Amount	$2,505,306	$2,899,695	$5,405,000
Other funding sources (a)	$1,406,539	$551,784	$1,958,323
Total Sources	**$3,911,845**	**$3,451,479**	**$7,363,324**
Uses of Funds			
Authorized Improvements (b)	$3,511,326	$2,895,482	$6,406,808
Debt Service Reserve Fund	$162,515	$188,098	$350,613
Capitalized Interest	$0	$92,428	$92,428
Costs of Issuance	$162,845	$188,480	$351,325
Underwriter's Discount	$75,159	$86,991	$162,150
Total Uses	**$3,911,845**	**$3,451,479**	**$7,363,324**

(a) The other funding sources represent projected costs of Authorized Improvements that have been paid by the Developer in excess of the Improvement Area #3 Bond proceeds without reimbursement from the City or the proceeds of the Improvement Area #3 Bonds.
(b) See Table III-C and Table III-D for details.

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."

B. FIVE-YEAR SERVICE AND ASSESSMENT PLAN

The annual projected costs and annual projected indebtedness for the Major Improvement Area is shown in Table IV-F. The annual projected costs and indebtedness are subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-F
Major Improvement Area
Annual Projected Costs and Projected Indebtedness

Period Ending 9/30	Annual Projected Costs	Annual Projected Indebtedness	Other Funding Sources	Projected Annual Installments
2021 & Prior	$12,240,000	$12,240,000	$0	$1,866,094
2022	$0	$0	$0	$622,866
2023	$0	$0	$0	$623,410
2024	$0	$0	$0	$624,000
2025	$0	$0	$0	$624,623
2026	$0	$0	$0	$625,273
2027	$0	$0	$0	$626,900
Total	**$12,240,000**	**$12,240,000**	**$0**	**$5,613,166**

The annual projected costs shown in Table IV-F are the annual expenditures relating to the Major Improvements shown in Table III-A and the costs associated with setting up the District and costs of issuance of Bonds relating to the Major Improvements including reserves shown in Table IV-A.1. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

The annual projected costs and annual projected indebtedness for Phase #1 is shown in Table IV-G. 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.

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Table IV-G
Phase #1
Annual Projected Costs and Projected Indebtedness

Period Ending 9/30	Annual Projected Costs	Annual Projected Indebtedness	Other Funding Sources	Projected Annual Installments
2021 & Prior	$7,435,000	$7,435,000	$0	$1,736,217
2022	$0	$0	$0	$580,958
2023	$0	$0	$0	$577,548
2024	$0	$0	$0	$578,710
2025	$0	$0	$0	$579,310
2026	$0	$0	$0	$579,348
2027	$0	$0	$0	$578,825
Total	**$7,435,000**	**$7,435,000**	**$0**	**$5,210,916**

The annual projected costs shown in Table IV-G are the annual expenditures relating to the Phase #1 Improvements shown in Table III-B and the costs associated with setting up the District and costs of issuance of Bonds relating to the Phase #1 Improvements including reserves shown in Table IV-B.2. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

The annual projected costs and annual projected indebtedness for Improvement Area #2 is shown in Table IV-H. The annual projected costs and indebtedness are subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-H
Improvement Area #2
Annual Projected Costs and Projected Indebtedness

Period Ending 9/30	Annual Projected Costs	Annual Projected Indebtedness	Other Funding Sources	Projected Annual Installments
2021 & Prior	$16,826,628	$12,537,928	$4,288,700	$2,987,488
2022	$0	$0	$0	$992,826
2023	$0	$0	$0	$994,992
2024	$0	$0	$0	$996,560
2025	$0	$0	$0	$993,160
2026	$0	$0	$0	$994,148
2027	$0	$0	$0	$994,212
Total	**$16,826,628**	**$12,537,928**	**$4,288,700**	**$8,953,386**

The annual projected costs shown in Table IV-H are the annual expenditures relating to the Improvement Area #2 Local Improvements shown in Table III-C and the costs associated with setting up the District and costs of issuance of Bonds relating to Improvement Area #2 Local Improvements including reserves shown in Table IV-D.1. The difference between the total

projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

The annual projected costs and annual projected indebtedness for Improvement Area #3 is shown in Table IV-I. The annual projected costs and indebtedness are subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-I
Improvement Area #3
Annual Projected Costs and Projected Indebtedness

Period Ending 9/30	Annual Projected Costs	Annual Projected Indebtedness	Other Funding Sources	Projected Phase #3B Local Improvements Annual Installments	Projected Phase #2B-1 Local Improvements Annual Installments
2021 & Prior[1]	$7,390,147	$5,405,000	$1,985,147	$788,542	$0
2022	$0	$0	$0	$171,181	$198,128
2023	$0	$0	$0	$198,402	$229,635
2024	$0	$0	$0	$198,419	$229,654
2025	$0	$0	$0	$198,334	$229,556
2026	$0	$0	$0	$198,613	$229,879
2027	$0	$0	$0	$198,306	$229,523
Total	**$7,390,147**	**$5,405,000**	**$1,985,147**	**$1,951,797**	**$1,346,376**

[1]The amounts shown for years 2021 and prior are related to the annual projected costs and annual projected indebtedness for Phase #3B and the annual projected costs and annual projected indebtedness for Phase #2B-1 that are to be incurred as part of the issuance of the Improvement Area #3 Bonds in 2021.

The annual projected costs shown in Table IV-I are the annual expenditures relating to the Phase #3B Local Improvements and the Phase #2B-1 Local Improvements shown in Table III-E and the costs associated with issuing the Improvement Area #3 Bonds. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

C. HOMEBUYER DISCLOSURE

The PID Act required that this Service and Assessment Plan and each Annual Service Plan Update include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Homebuyer Disclosure is attached as Appendix D hereto and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the Town Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development of property within the PID. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. The Town previously issued the (i) 2014 Phase #1 Bonds, (ii) 2014 Major Improvement Bonds, (iii) Phase #1 Refunding and Improvement Bonds (to refund the 2014 Phase #1 Bonds and to fund additional improvements in Phase #1 funded pursuant to the Phase #1 Reimbursement Agreement), (iv) the Improvement Area #2 Refunding and Improvement Bonds (to refund a portion of the 2014 Major Improvement Bonds and to finance additional Improvements Area #2 Local Improvements funded pursuant to the Phase #2 Reimbursement Agreement), (v) the Major Improvement Area Refunding Bonds to refund a portion of the 2014 Major Improvement Bonds, and (vi) the Improvement Area #3 Bonds. Subsequent Phased PID Bonds are anticipated to be issued over the upcoming decade as the Future Phases of the PID are gradually constructed.

The purpose of this gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages, to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

Additionally, phased issuance of debt will maintain a prudent value to lien ("VtL") within the financing program. In order to maintain a prudent VtL, the initial issuance of bonds for a specific set of Authorized Improvements may not fund the entire desired level of public infrastructure because the property value is not high enough to support the entire debt load at the VtL chosen for the development. In that case, the Developer will need to fund the additional infrastructure costs with cash at closing. This cash investment by the Developer for certain Authorized Improvements can be reimbursed by a subsequent parity lien bond financing, secured by the same

special assessments, once the assessed property is partially or fully developed and the value has increased sufficiently to permit the issuance of the additional bonds in a prudent fashion.

As is noted above, the subsequent series of bonds to be issued for each additional phase will only be issued when private development is ready to proceed, and the financing can be undertaken on a prudent basis with strong municipal marketplace acceptance. Each of the individual Phased PID Bond financings may contain an additional bonds test ("ABT") that will set forth credit tests for the issuance of additional parity lien 'B' bonds to be secured by the same assessments that secure the series of Phased PID Bonds . The ABT is intended to protect the credit of the financing program by providing standards for the issuance of the parity bonds.

For purposes of this Service and Assessment Plan, the Town Council has determined that the costs of the Major Improvements, Phase #1 Improvements, the Improvement Area #2 Local Improvements, the Phase #3B Local Improvements, and the Phase #2B-1 Local Improvements shall be allocated as described below:

1. The Major Improvement Area Improvements, Phase #1 Improvements, the Improvement Area #2 Local Improvements, the Phase #3B Local Improvements, and the Phase #2B-1 Local Improvements shall be allocated on the basis of Equivalent Units once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The Town Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the Town Council has taken in to consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home process provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the improvements.

3. The Assessed Property is classified into different Lot Types as described in Appendix E based on the type and size of proposed development on each Parcel.

4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.

5. The Major Improvements are proportionally allocated to the Major Improvement Area Assessed Property (which included subphases #2B-1, #2B-2, #3B, #4A, #4B, and #4C as shown in Appendix A), the Improvement Area #2 Assessed Property, and the Phase #1 Assessed Property based on the ratio of total Equivalent Units estimated for the Major Improvement Area Assessed Property, the Improvement Area #2 Assessed Property and the Phase #1 Assessed Property.

6. The Major Improvement Area Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Major Improvement Area Assessed

Property (which included subphases #2B-1, #2B-2, #3B, #4A, #4B, #4C as shown in Appendix A) based on the total Equivalent Units estimated for each Parcel.

7. The Improvement Area #2 Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Improvement Area #2 Assessed Property based on the total Equivalent Units estimated for each Parcel. The Improvement Area #2 Local Improvement costs are allocated to each Parcel within the Improvement Area #2 Assessed Property based on the total Equivalent Units estimated for each Parcel.

8. The Phase #1 Improvements (including Phase #1 Assessed Property's proportional share of the costs of the Major Improvements) are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.

9. The Phase #3B Local Improvements are allocated to each Parcel within the Phase #3B Local Improvement Assessed Property based on the total Equivalent Units estimated for each Parcel.

10. The Phase #2B-1 Local Improvements are allocated to each Parcel within the Phase #2B-1 Local Improvement Assessed Property based on the total Equivalent Units estimated for each Parcel.

Table V-A provides the estimated allocation of costs of the Major Improvements to Phase #1, Improvement Area #2, Phase #3B (as a portion of the Major Improvement Area), Phase #2B-1 (as a portion of the Major Improvement Area) and the Future Phases (as portions of the Major Improvement Area).

At this time, it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from internal subdivision Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time Parcels will only be assessed for the special benefits conferred upon the Parcel because of the Major Improvement Area Improvements, the Phase #1 Improvements, the Improvement Area #2 Local Improvements, the Phase #3B Local Improvements, and the Phase #2B-1 Local Improvements, as applicable to such Parcels.

In connection with the issuance of Phased PID Bonds and/or execution of any related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Phase receives from the specific Authorized Improvements funded with those Phased PID Bonds issued with respect to that Future Phase or execution of any related reimbursement agreements related thereto. Prior to assessing Parcels located within Future Phases in connection with issuance of Phased PID Bonds or the execution of a related reimbursement agreement, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result the Major Improvement Area Improvements,

the Phase #1 Improvements, the Improvement Area #2 Local Improvements, the Phase #3B Local Improvements, and the Phase #2B-1 Local Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Major Improvement Area Assessed Property, the Phase #1 Assessed Property, the Improvement Area #2 Local Improvement Assessed Property, the Phase #3B Local Improvement Assessed Property, and the Phase #2B-1 Local Improvement Assessed Property for such improvements, as applicable, and (iii) establishes the methodologies by which the Town Council allocates and reallocates the special benefit of the Major Improvement Area Improvements, the Phase #1 Improvements, the Improvement Area #2 Improvements, the Phase #3B Local Improvements, and the Phase #2B-1 Local Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the 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.

As Future Phases are developed, in connection with the issuance of Phased PID Bonds or the execution of related reimbursement agreements, this Service and Assessment Plan will be updated based on the Town's determination of the assessment methodology for each Future Phase.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance, if applicable, and payment of costs incurred in the establishment, administration, and operation of the PID shown in Section IV are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of the close proximity of these improvements to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as "the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." (*Dictionary of Real Estate Appraisal, Third Edition*.) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

The Assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax. As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax-exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the 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 and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the Town Council to be the most beneficial means of doing so. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the Town Council.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;

2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;

3. The Authorized Improvements are required for the highest and best use of the property;

4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);

5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,

6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ALLOCATION OF COSTS OF MAJOR IMPROVEMENTS TO ASSESSED PROPERTY

The Major Improvements will provide a special benefit to all property in the PID. Accordingly, the estimated Major Improvement costs must be allocated throughout all Assessed Property in the District. Table V-A summarizes the allocation of estimated costs for each Major Improvement. The costs shown in Table V-A are estimates and may be revised in Annual Service Plan Updates, but the related Assessment may not be increased.

Phase #1 contains 210 residential units. As shown in the original Appendix E, the total revised Equivalent Units for Phase #1 is calculated as 177.89. Improvement Area #2 contains 444 residential units. As shown in Appendix E, the total Equivalent Units within Improvement Area #2 (Phases #2A, #3A, and #3C) is 315.66. Phase #3B contains 139 residential units. As shown in Appendix E, the total Equivalent Units for Phase #3B is 92.66. Phase #2B-1 contains 89 residential units. As shown in Appendix E, the total Equivalent Units for Phase #2B-1 is 72.09. The Future Phases are projected to contain approximately 374.45 Equivalent Units. Table V-A shows the breakdown of the Major Improvement Costs based on the Equivalent Units described above.

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Table V-A
Allocation of Major Improvement Costs

Authorized Improvement	Major Improvement Costs
Road Improvements	$3,635,839
Water Improvements	$1,666,322
Sanitary Sewer Improvements	$1,572,612
Storm Drainage Improvements	$546,856
Other soft and miscellaneous costs	$3,990,005
Total Major Improvements[1]	**$11,411,634**
Phase #1	
Total Equivalent Units[2]	177.89
% of total Equivalent Units	17.22%
Proportionate Share of Costs[3]	**$1,965,641**
Improvement Area #2 (Phases #2A, 3A and 3C)	
Total Equivalent Units[2]	315.66
% of total Equivalent Units	30.56%
Proportionate Share of Costs[3]	**$3,487,966**
Major Improvement Area	
Total Equivalent Units[2]	539.39
% of total Equivalent Units	52.22%
Proportionate Share of Costs[3]	**$5,958,027**
Reallocation of Major Improvement Area	
Major Improvement Area (Phase #3B)	
Total Equivalent Units[2]	92.66
% of total Equivalent Units	15.97%
Proportionate Share of Costs[3]	**$951,207**
Major Improvement Area (Phase #2B-1)	
Total Equivalent Units[2]	72.09
% of total Equivalent Units	12.42%
Proportionate Share of Costs[3]	**$740,044**
Major Improvement Area (Future Phases)	
Total Equivalent Units[2]	415.64
% of total Equivalent Units	71.61%
Proportionate Share of Costs[3]	**$4,266,776**

Notes:
1 - See Appendix B for detailed costs of the Major Improvements.
2 - See Appendix E for the detailed calculations of Equivalent Units.
3 – These amounts represent the proportional estimated costs of the Major Improvements (excluding bond issuance related costs) originally funded through the Series 2014 Major Improvement Bonds.

D. Allocation of Actual Costs of Phase #1 Improvements

The Phase #1 Improvements provide a special benefit to the Phase #1 Assessed Property, other than the Non-Benefited Property. The Actual Costs of the Neighborhood Phase #1 Improvements are, therefore, allocated entirely to the Phase #1 Assessed Property, as shown in Table V-C.

Table V-C
Cost Allocation of Phase #1 Improvements

		Phase #1's Share of Major Improvements		Phase #1 Onsite Improvements	
Authorized Improvements	Total Cost (a)	% Allocation	Share of Costs	% Allocation	Share of Costs
Road Improvements	$2,426,229	17.22%	$626,269	100.00%	$1,799,960
Water Improvements	$755,177	17.22%	$287,022	100.00%	$468,155
Sanitary Sewer Improvements	$871,374	17.22%	$270,881	100.00%	$600,493
Storm Drainage Improvements	$466,225	17.22%	$94,195	100.00%	$372,030
Other soft and miscellaneous costs	$1,424,519	17.22%	$687,274	100.00%	$737,245
Total Authorized Improvements	**$5,943,524**		**$1,965,641**		**$3,977,883**

(a) See Table III-B for details. Any public improvement that is allocated 100% to the Assessed Property would be required to be built on a stand-alone basis

E. Allocation of Actual Costs of Improvement Area #2 Local Improvements

The Improvement Area #2 Local Improvements provide a special benefit to the Improvement Area #1 Assessed Property, other than the Non-Benefited Property. The Actual Costs of the Improvement Area #2 Local Improvements are, therefore, allocated entirely to the Improvement Area #2 Assessed Property, as shown in Table V-D.

Table V-D
Cost Allocation of Improvement Area #2 Local Improvements

		Improvement Area #2 Local Improvements	
Authorized Improvements	Total Cost (a)	% Allocation	Share of Costs
Road Improvements	$4,421,148	100%	$4,421,148
Water Improvements	$1,664,105	100%	$1,664,105
Sanitary Sewer Improvements	$1,917,592	100%	$1,917,592
Storm Drainage Improvements	$981,977	100%	$981,977
Other soft and miscellaneous costs	$1,811,725	100%	$1,811,725
Total Authorized Improvements	**$10,796,547**	**100%**	**$10,796,547**

(a) See Table III-C for details. Any public improvement that is allocated 100% to the Assessed Property would be required to be built on a stand-alone basis

F. Allocation of Actual Costs of Phase #3B Local Improvements

The Phase #3B Local Improvements provide a special benefit to the Phase #3B Local Improvement Assessed Property, other than the Non-Benefited Property. The Actual Costs of the Phase #3B Local Improvements are, therefore, allocated entirely to the Phase #3B Local Improvement Assessed Property, as shown in Table V-E.

Table V-E
Cost Allocation of Phase #3B Local Improvements

		Phase #3B Local Improvements	
Authorized Improvements	**Total Cost (a)**	**% Allocation**	**Share of Costs**
Road Improvements	$1,163,279	100%	$1,163,279
Water Improvements	$256,530	100%	$256,530
Sanitary Sewer Improvements	$1,847,782	100%	$1,847,782
Storm Drainage Improvements	$108,561	100%	$108,561
Other soft and miscellaneous costs	$135,174	100%	$135,174
Total Authorized Improvements	**$3,511,326**	**100%**	**$3,511,326**

(a) See Table III-C for details. Any public improvement that is allocated 100% to the Assessed Property would be required to be built on a stand-alone basis

G. Allocation of Actual Costs of Phase #2B-1 Local Improvements

The Phase #2B-1 Local Improvements provide a special benefit to the Phase #2B-1 Local Improvement Assessed Property, other than the Non-Benefited Property. The Actual Costs of the Phase #2B-1 Local Improvements are, therefore, allocated entirely to the Phase #2B-1 Local Improvement Assessed Property, as shown in Table V-G.

Table V-G
Cost Allocation of Phase #2B-1 Local Improvements

		Phase #2B-1 Local Improvements	
Authorized Improvements	**Total Cost (a)**	**% Allocation**	**Share of Costs**
Road Improvements	$1,792,042	100%	$1,792,042
Water Improvements	$267,193	100%	$267,193
Sanitary Sewer Improvements	$321,450	100%	$321,450
Storm Drainage Improvements	$220,898	100%	$220,898
Other soft and miscellaneous costs	$293,899	100%	$293,899
Total Authorized Improvements	**$2,895,482**	**100%**	**$2,895,482**

(a) See Table III-D for details. Any public improvement that is allocated 100% to the Assessed Property would be required to be built on a stand-alone basis

H. 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 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.

Having taken into consideration the matters described under Section V.A and Section V.B above, the Town Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the Lot Types. These classifications (from Lot Type 1 (80 Ft Lots) representing the highest residential value to Lot Type 6 (25 Ft Lot) representing the lowest value. Assessments are allocated to each land use class on the basis of the average value for each Lot Type. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each Lot Type, setting the Equivalent Unit factor for Lot Type 1 (80 Ft Lots) to 1.0.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the Town Council. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the Town Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

1. Assessment Methodology for the Major Improvements for Major Improvement Area

For purpose of this Service and Assessment Plan, the Town Council determined that the portion of Actual Costs of the Major Improvements to be allocated to the Major Improvement Area shall be allocated to the Major Improvement Area Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix E using the types, number and average home value of Lots anticipated to be developed on each Parcel.

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

2. Assessment Methodology for Phase #1 Improvements

For the purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Phase #1 Improvements, including and the portion of the Major Improvements to be financed or refinanced with the Phase #1 Refunding and Improvement Bonds, shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix E using the types and number of lots anticipated to be developed on each Parcel within Phase #1.

Based on the Actual Costs of the Phase #1 Improvements and the portion of the Phase #1 Improvements that benefit Phase #1, as set forth in Table III-B, the Town Council has determined that the benefit to Phase #1 property attributable to the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 Assessed Property.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

3. Assessment Methodology for Improvement Area #2

For the purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Improvement Area #2 Local Improvements shall be allocated to the Improvement Area #2 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix E using the types and number of lots anticipated to be developed on each Parcel within Improvement Area #2.

Based on the Actual Costs of the Improvement Area #2 Local Improvements that benefit Improvement Area #2, as set forth in Table III-C, and the portion of the Major Improvement benefitting Improvement Area #2, the Town Council has determined that the benefit to Improvement Area #2 property attributable to the Improvement Area #2 Local Improvements is at least equal to the Assessments levied on the Improvement Area #2 Assessed Property.

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #2 is shown on the Improvement Area #2 Assessment Roll, attached as Appendix H and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

4. Assessment Methodology for Phase #3B Local Improvements

For the purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Phase #3B Local Improvements shall be allocated to the Phase #3B Local Improvement Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix E using the types and number of lots anticipated to be developed on each Parcel within Phase #3B.

Based on the estimated costs of the Phase #3B Local Improvements that benefit Phase #3B, as set forth in Table III-C, the Town Council has determined that the benefit to Phase #3B property attributable to the Phase #3B Local Improvements is at least equal to the Assessments levied on the Phase #3B Local Improvement Assessed Property.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #3B is shown on the Phase #3B Local Improvement Assessment Roll, attached as Appendix I-2, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

5. Assessment Methodology for Phase #2B-1 Local Improvements

For purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Phase #2B-1 Local Improvements to be financed with the Phase #2B-1 Reimbursement Agreement, shall be allocated to the Phase #2B-1 Local Improvement Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of Equivalent Units anticipated to be developed on each Parcel.

Based on the estimates of the costs of the Phase #2B-1 Local Improvements, as set forth in Table III-D, the Town Council has determined that the benefit to Phase #2B-1 Local Improvement Assessed Property of the Phase #2B-1 Local Improvements is at least equal to the Assessments levied on the Phase #2B-1 Local Improvement Assessed Property.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #2B-1 is shown on the Phase #2B-1 Local Improvement Assessment Roll, attached as Appendix I-3, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

5. Assessment Methodology for Future Phases

When any given Future Phase is developed, and Phased PID Bonds for that Future Phase are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

I. ASSESSMENTS

The Assessments for the Major Improvement Area Refunding Bonds, the Phase #1 Refunding and Improvement Bonds, the Improvement Area #2 Refunding and Improvement Bonds, and the Improvement Area #3 Bonds are levied on each Parcel according to the Major Improvement Area Assessment Roll attached hereto as Appendix F, the Phase #1 Assessment Roll attached hereto as Appendix G, the Improvement Area #2 Assessment Roll attached hereto as Appendix H, and the Improvement Area #3 Assessment Roll attached hereto as Appendix I-1, respectively. The Annual Installments for the Major Improvement Area Refunding Bonds, the Phase #1 Refunding and Improvement Bonds, the Improvement Area #2 Refunding and Improvement Bonds, and the Improvement Area #3 Bonds as shown on the Major Improvement Area Assessment Roll, the Phase #1 Assessment Roll, the Improvement Area #2 Assessment Roll, and the Improvement Area #3 Assessment Roll (as well as the Phase #2B-1 Assessment Roll attached hereto as Appendix I-3 and the Phase #3B Assessment Roll attached hereto as Appendix I-2), respectively, are subject to any revisions made during an Annual Service Plan Update

J. 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 each Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

K. Prepayment and Delinquency Reserve

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, which will be allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and to fund a delinquency reserve. With respect to the Annual Installments of the Assessments securing the Improvement Area #3 Bonds, this additional interest will be collectively deposited into a separate reserve account created under the indenture authorizing the Improvement Area #3 Bonds.

L. TIRZ Credit

Pursuant to the TIRZ Ordinance, the Town has agreed to use TIRZ Revenues (the 46% of the property tax increment collected and deposited into the TIRZ No. 4 tax increment fund) generated from each Parcel to offset a portion of such Parcel's Assessments (the "TIRZ Annual Credit Amount"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit applicable to each Parcel shall be calculated as described under Section VI 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 THE MAJOR IMPROVEMENT AREA

The Assessment and Annual Installments for each Assessed Property located within the Major Improvement Area are shown on the Major Improvement Area Assessment Roll, attached as Appendix F, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Major Improvement Area Refunding Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, to cover Administrative Expenses of the Major Improvement Area. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel in the Major Improvement Area shall be calculated in the manner described below.

B. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Assessment and Annual Installments for each Assessed Property located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Phase #1 Refunding and Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, and to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel in Phase #1 shall be calculated in the manner described below.

C. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN IMPROVEMENT AREA #2

The Assessment and Annual Installments for each Assessed Property located within Improvement Area #2 is shown on the Improvement Area #2 Assessment Roll, attached as Appendix H, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Improvement Area #2 Refunding and Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in Section V, and to cover Administrative Expenses of Improvement Area #2. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel in Improvement Area #2 shall be calculated in the manner described below.

D. Amount of Assessments and Annual Installments for Parcels Located Within Improvement Area #3

The Assessment and Annual Installments for Improvement Area #3 Improvements (relating to Phase #3B) for each Assessed Property located within Improvement Area #3 is shown on the Improvement Area #3 Assessment Roll, attached as Appendix I-1 (as well as the Phase #3B Assessment Roll attached as Appendix I-2), and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the portion of the Improvement Area #3 Bonds relating to Phase #3B Local Improvements to fund the prepayment reserve and delinquency reserve described in Section V, and to cover a portion of the Administrative Expenses in Phase #3B. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel in Phase #3B shall be calculated in the manner described below.

The Assessment and Annual Installments for Improvement Area #3 Improvements (relating to Phase #2B-1) for each Assessed Property located within Improvement Area #3 is shown on the Improvement Area #3 Assessment Roll, attached as Appendix I-1 (as well as the Phase #2B-1 Assessment Roll attached as Appendix I-3), and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the portion of the Improvement Area #3 Bonds relating to Phase #2B-1, to fund the prepayment reserve and delinquency reserve described in Section V and to cover the Administrative Expenses in Phase #2B-1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Credit for each Parcel in Phase #2B-1 shall be calculated in the manner described below.

E. Amount of Assessments and Annual Installments for Parcels Located Within Future Phases

As Future Phases are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Phases (e.g., an Appendix will be added as the Assessment Roll for each Future Phase). The Assessments shall not exceed the benefit received by the Assessed Property in such Future Phase.

F. TIRZ Credit to Annual Installments

The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel. The TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate the Parcel's TIRZ Credit for such Parcel (and/or new Parcels subdivided from such Parcel) in the following year (i.e., TIRZ Revenues collected in 2017 were used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2018). The TIRZ Credit shall be calculated for those Parcels that are subject to Assessments in the PID and have generated TIRZ Revenues.

G. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel
B = the Assessment for the Parcel prior to subdivision
C = the estimated number of Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated number of Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of 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 Equivalent 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.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the Town Council.

H. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the 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.

2. If at any time the Assessment per Equivalent Unit on a Parcel exceeds the applicable Maximum Assessment per Equivalent Unit calculated in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the Town prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per Unit for the Parcel exceeds the applicable Maximum Assessment per Unit calculated in this Service and Assessment Plan.

3. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the PID Act.

I. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the Town Council pro rata such that the sum of the resulting reduced Assessments securing the Bonds for all applicable Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds as described in the indenture securing such series of Bonds. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds. If all of the Authorized Improvements are not completed, the 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 and as described in the applicable indenture.

2. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the Town Council to reflect only the amounts required to repay the Bonds, including interest on the Bonds and Administrative Expenses, and such excess Bond proceeds shall be applied to redeem Bonds as described in the indenture securing such series of Bonds. The Town Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on Equivalent units, if determined by the Town Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Administrative Expenses. The principal portion of the Assessment for each Parcel shall be reduced pro rata

to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced principal portion of the Bonds is equal to the outstanding principal amount of the Bonds.

J. PAYMENT OF ASSESSMENTS

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest paid beyond the date of the prepayment and reserve funds applied to the redemption under the applicable indenture, net of any other costs applicable to the redemption of Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of the Assessment and all Prepayment Costs, the Town shall deposit the payment in accordance with the applicable indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes an Assessment to be paid in installments and additionally allows the Town to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the respective Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Prepayment Reserve and Delinquency Reserve, if applicable. Payment of the Annual Installments shall commence as described under Section VI.L.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds secured by such assessment and (ii) if Bonds are not issued, at a rate (a) not to exceed five hundred basis points above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the Town and reported in the month prior to the establishment of the respective Assessment and continuing for a period of five years from such date, and (b) not to exceed two hundred basis points above such bond index rate described above for the period beginning with the sixth year after the establishment of the respective Assessment and continuing until the Assessments are paid in full.

The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on the bond interest rates of 4.10%, 4.20%, 4.30%, 4.40% and 5.25% for the Phase #1 Refunding and Improvement Bonds due in 2019, 2020, 2021, 2022, and 2044, respectively, and additional interest at the rate of 0.5% for administrative expenses, and a Prepayment Reserve and Delinquency Reserve. The Improvement Area #2 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on the bond interest rates on the bond interest rates of 4.60%, 4.70%, 4.80%, 4.90%, 5.00% and 5.75% for the Improvement Area #2 Refunding and Improvement Bonds due in 2019, 2020, 2021, 2022, 2023 and 2048 respectively, and additional interest at the rate of 0.5% for administrative expenses, and a Prepayment Reserve and Delinquency Reserve. The Major Improvement Area Assessment Roll sets forth for each year the Annual Installment for each Parcel based on the bond interest rates on the bond interest rates of 4.85%, 5.00%, 5.10%, 5.20%, 5.30%, 5.40%, 5.50% and 6.75% for the Major Improvement Area Refunding Bonds due in 2019, 2020, 2021, 2022, 2023, 2024, 2025 and 2048, respectively, and additional interest at the rate of 0.5% for administrative expenses, and a Prepayment Reserve and Delinquency Reserve.

The Improvement Area #3 Assessment Roll (for Phase #3B Local Improvements) and the Phase #3B Assessment Roll sets forth for each year the Annual Installment for each Parcel of Phase #3B Local Improvement Assessed Property based on an estimated interest rate of 4.25% on the portion of the Improvement Area #3 Bonds relating to the Phase #3B Local Improvements.

The Improvement Area #3 Assessment Roll (for Phase #2B-1 Local Improvements) and the Phase #2B-1 sets forth for each year the Annual Installment for each Parcel of Phase #2B-1 Local Improvement Assessed Property based on an estimated interest rate of 4.25% on the portion of the Improvement Area #3 Bonds relating to the Phase #2B-1 Local Improvements.

Furthermore, the principal and interest component of the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Rolls, updated with the actual interest rates on the Major Improvement Area Bonds, Phase #1 Bonds, the Improvement Area #2 Bonds, or the Improvement Area #3 Bonds, are shown as Appendix F, Appendix G, Appendix H, and Appendix I-1, Appendix I-2, and Appendix I-3, as applicable.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The Town reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

K. 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 updated Assessment Rolls and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits for a prepayment reserve. Annual Installments shall be collected by the 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 PID 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 for the Major Improvement Area, 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. Collection of the first Annual Installment for the Major Improvement Area commenced in 2015.

Each Annual Installment for Phase #1, 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. Collection of the first Annual Installment for Phase #1 commenced in 2015.

Each Annual Installment for Improvement Area #2, 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. Collection of the first Annual Installment for Improvement Area #2 commenced in 2019.

Each Annual Installment for Phase #3B, 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. Collection of the first Annual Installment for Phase #3B commenced in 2020.

Each Annual Installment for Phase #2B-1, 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. Collection of the first Annual Installment for Phase #2B-1 will commence with the issuance of the Improvement Area #3 Bonds.

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VII. THE ASSESSMENT ROLL

A. MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Each Parcel within the Major Improvement Area has been evaluated by the Town Council (based on the concept plan, developable area, proposed Homeowner Association Property and Public Property, the Major Improvements, best and highest use of land, and other development factors deemed relevant by the Town Council) to determine the Assessed Property within each Parcel.

The Major Improvement Area Assessed Property has been assessed for the special benefits conferred upon the property as a result of the Major Improvement Area Improvements. Table IV-A.3 summarizes the $7,762,139 in special benefit received by the Major Improvement Area Assessed Property from the Major Improvement Area Improvements and miscellaneous PID related costs. The initial par amount of Major Improvement Area Refunding Bonds was $6,606,994, which is less than the benefit received by Major Improvement Area Assessed Property, and as such the total Assessment for all Major Improvement Area Assessed Property, as of the issuance of the Major Improvement Area Refunding Bonds, is $6,606,994 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Major Improvement Area is calculated based on the allocation methodologies described in Section V of this Service and Assessment Plan. The Major Improvement Area Assessment Roll is attached hereto as Appendix F.

B. PHASE #1 ASSESSMENT ROLL

Phase #1 Assessed Property has been assessed for the special benefits conferred upon the property as a result of the Phase #1 Improvements that benefit Phase #1, which include a proportionate share of the Major Improvements allocable to Phase #1. Table IV-B.2 summarizes the $8,153,195 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Improvements and miscellaneous PID related costs. The initial par amount of Phase #1 Refunding and Improvement Bonds was $6,929,998, which is less than the benefit received by the Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #1, as of the issuance of the Phase #1 Refunding and Improvement Bonds, is $6,929,998 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 is calculated based on the allocation methodologies described in Section V of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix G.

C. IMPROVEMENT AREA #2 ASSESSMENT ROLL

Improvement Area #2 Assessed Property has been assessed for the special benefits conferred upon the property as a result of the Improvement Area #2 Local Improvements that benefit Improvement Area #2. Table IV-D.1 summarizes the $16,826,628 in special benefit received by Improvement Area #2 Assessed Property from the Improvement Area #2 Improvements that benefit Improvement Area #2 and miscellaneous PID related costs. The initial par amount of the Improvement Area #2 Refunding and Improvement Bonds was $12,537,928, which is less than the benefit received by Improvement Area #2 Assessed Property, and as such the total Assessment

for all Assessed Property within Improvement Area #2, as of the issuance of the Improvement Area #2 Refunding and Improvement Bonds, is $12,537,928 plus annual Administrative Expenses and other authorized charges. The Assessment for each Parcel of Assessed Property within Improvement Area #2 is calculated based on the allocation methodologies described in Section V of this Service and Assessment Plan. The Improvement Area #2 Assessment Roll is attached hereto as Appendix H.

D. IMPROVEMENT AREA #3 ASSESSMENT ROLL

Phase #3B Local Improvement Assessed Property and the Phase #2B-1 Local Improvement Assessed Property has been assessed for the special benefits conferred upon the property as a result of the Improvement Area #3 Improvements that benefit Improvement Area #3. Table IV-E summarizes the $7,363,324 in special benefit received by the Phase #3B Local Improvement Assessed Property and Phase #2B-1 Local Improvement Assessed Property from the Improvement Area #3 Improvements and miscellaneous PID related costs. The collectively amount of the Phase #3B Local Improvement Assessments and Phase #2B-1 Local Improvement Assessments is $5,405,000, which is less than the benefit received by Phase #3B Local Improvement Assessed Property and Phase #2B-1 Local Improvement Assessed Property, and as such the total Assessment for all Phase #3B Local Improvement Assessed Property and Phase #2B-1 Local Improvement Assessed Property is $5,405,000 plus annual Administrative Expenses and other authorized charges, including amounts collected to fund the prepayment reserve and delinquency reserve described in Section V. The Assessment for each Parcel of the Phase #3B Local Improvement Assessed Property and Phase #2B-1 Local Improvement Assessed Property within Improvement Area #3 is calculated based on the allocation methodologies described in Section V of this Service and Assessment Plan. The Improvement Area #3 Assessment Roll is attached hereto as I, which includes Appendix I-1, Appendix I-2 (which respect to Phase #3B), and Appendix I-3 ((which respect to Phase #2B-1).

E. FUTURE PHASE ASSESSMENT ROLL

As Future Phases are developed, this SAP will be amended to determine the Assessment for each Parcel or Lot located within such Future Phase (e.g. an appendix will be added as the Assessment Roll for each Future Phase).

F. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the Town Council for approval, annual updates to the Major Improvement Area Assessment Roll, the Phase #1 Assessment Roll, the Improvement Area #2 Assessment Roll, the Improvement Area #3 Assessment Roll (as well as the Phase #3B Assessment Roll and the Phase #2B-1 Assessment Roll) in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the 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 of this Service and Assessment Plan.

Once Bonds that are secured by a set of Assessments are issued, the respective Assessment Roll(s) shall be updated, which update may be done in the next Annual Service Plan Update or as a part of an interim update to this Service and Assessment Plan, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The Town may elect to designate a third party to serve as Administrator. The Town shall notify Developer in writing at least fifteen (15) days in advance before appointing a third-party Administrator.

To the extent consistent with the Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the 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 Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the 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(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the Town Council, the decision of the Town Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the 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 the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in an applicable Trust Indenture, such determination shall be conclusive.

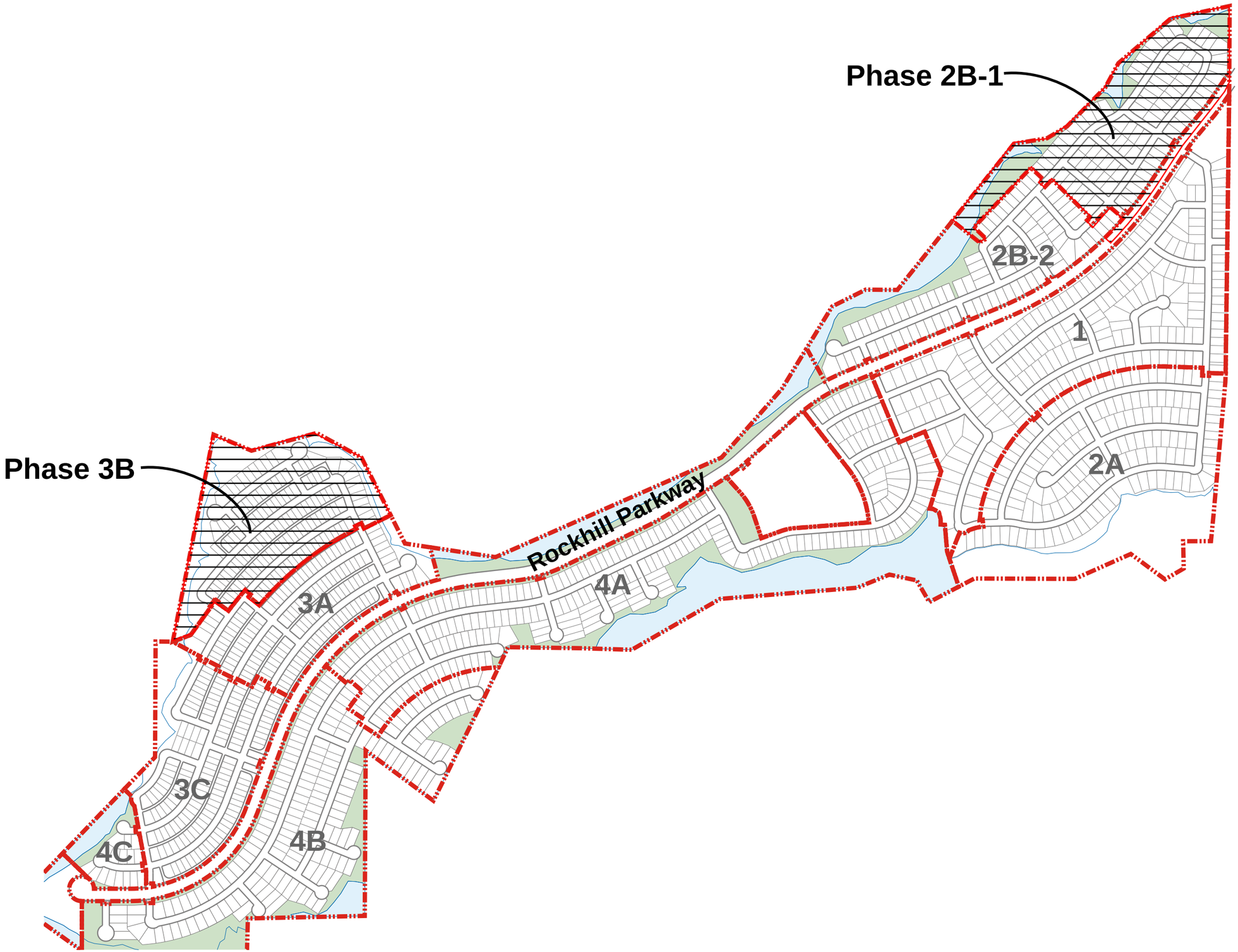
E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the 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



BARRAZA
CONSULTING GROUP, LLC
PLANNING • ENGINEERING

VALENCIA ON THE LAKE
TOWN OF LITTLE ELM ETJ, DENTON COUNTY, TEXAS

SCALE: 1"=400'
DATE: JUNE 2021

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

Appendix B
Estimated Cost of Authorized Improvements

Authorized Improvement	Estimated Costs		
	Major Improvements to be funded with Series 2014 Phase #2-5 Major Improvement Bonds	**Phase 1 Improvements to be funded with Series 2014 and 2015 Phase 1 Bonds**	**Future Phase Costs to be Funded with Future Bonds (For information purposes only)**
Road Improvements			
Right-of-way clearing & Grubbing	$19,980	$72,240	$337,380
Unclassified Excavation	$123,763	$301,000	$1,761,538
Concrete Paving	$1,438,300	$888,165	$6,311,775
Lime Stabilization	$143,063	$129,745	$847,403
Lime Material	$114,750	$103,500	$674,250
Temporary Pavement Section	$0	$31,365	$0
5' Concrete Sidewalk	$98,400	$8,480	$186,720
Curlex Erosion Control Matting	$20,048	$15,165	$117,788
Franchise Utility Sleeves	$29,825	$32,400	$178,625
Concrete Header & Barricade	$4,875	$11,800	$4,875
Enhanced Paving Crosswalk	$64,000	$0	$64,000
Barrier Free Ramps	$14,300	$31,900	$165,000
Maintenance Bond	$0	$0	$0
Street Signs	$0	$7,500	$44,000
Street Lights	$68,000	$80,000	$564,000
Pavement Markings	$55,000	$0	$60,000
Screening Wall (Including Columns)	$1,041,500	$0	$1,041,500
Landscape / Irrigation (Median)	$467,775	$0	$520,975
Landscape / Irrigation (Parkway)	$334,125	$0	$353,125
Erosion Control and Storm Water Pollution Prevention	$41,250	$62,700	$364,250
Traffic Control	$36,000	$24,000	$204,000
Subtotal - Road Improvements	**$4,114,953**	**$1,799,960**	**$13,801,203**

Appendix B
Estimated Cost of Authorized Improvements

Authorized Improvement	Estimated Costs		
	Major Improvements to be funded with Series 2014 Phase #2-5 Major Improvement Bonds	**Phase 1 Improvements to be funded with Series 2014 and 2015 Phase 1 Bonds**	**Future Phase Costs to be Funded with Future Bonds (For information purposes only)**
Water Improvements			
Ex. 20" PVC Waterline	$598,000	$0	$0
12" PVC Waterline	$652,000	$0	$155,000
8" PVC Waterline	$0	$229,460	$1,005,620
Waterline Installation by Bore	$160,000	$0	$0
12" Gate Valve & Box	$38,000	$0	$20,000
8" Gate Valves & Box	$0	$44,400	$228,000
Fire Hydrant Assembly	$10,500	$59,500	$469,000
Connect to Existing 12" Waterline	$1,000	$0	$1,000
Connect to Existing Waterline W/ Wet Tap	$10,000	$0	$0
End and Plug	$350	$4,200	$0
1" Single Water Service	$0	$114,950	$583,000
Seeding	$5,500	$0	$0
Sod	$41,000	$0	$0
Silt Fence	$10,000	$0	$0
Land Acquisition Costs	$50,000	$0	$0
Trench Safety	$8,150	$5,215	$24,793
Test (Excluding Geotech)	$16,300	$10,430	$49,585
Subtotal - Water Improvements	**$1,600,800**	**$468,155**	**$2,535,998**

Appendix B
Estimated Cost of Authorized Improvements

Authorized Improvement	Estimated Costs		
	Major Improvements to be funded with Series 2014 Phase #2-5 Major Improvement Bonds	Phase 1 Improvements to be funded with Series 2014 and 2015 Phase 1 Bonds	Future Phase Costs to be Funded with Future Bonds (For information purposes only)
Sanitary Sewer Improvements			
Frisco Hills Lift Station (40%)	$339,070	$0	$0
6" Force Main	$0	$0	$79,560
10" Force Main	$161,400	$0	$15,400
14" Force Main	$395,958	$0	$0
8" PVC Sanitary Sewer Line	$0	$222,420	$891,770
10" PVC Sanitary Sewer Line	$0	$41,250	$0
12" PVC Sanitary Sewer Line	$0	$10,000	$207,000
16" PVC Sanitary Sewer Line	$74,375	$0	$0
Extra Depth Sanitary Sewer	$0	$32,000	$0
4" Service Lines	$0	$114,950	$578,050
5' Dia. Manhole	$14,700	$0	$0
Sanitary Sewer Manhole	$0	$126,000	$612,500
Cleanout	$0	$0	$2,450
2000 PSI Concrete Encasement	$0	$12,800	$0
Metering Station	$50,000	$0	$0
Lift Station No. 1 - 0.1 MGD	$0	$0	$125,000
Lift Station No. 2 - 0.44 MGD	$0	$0	$175,000
Lift Station No. 3 - 0.1 MGD	$0	$0	$125,000
Lift Station No. 4 - 1.5 MGD	$600,000	$0	$0
Trench Safety	$6,868	$11,735	$50,680
Test (Excluding Geotech)	$17,169	$29,338	$126,700
Subtotal - Sanitary Improvements	**$1,659,539**	**$600,493**	**$2,989,110**

Appendix B
Estimated Cost of Authorized Improvements

Authorized Improvement	Estimated Costs		
	Major Improvements to be funded with Series 2014 Phase #2-5 Major Improvement Bonds	**Phase 1 Improvements to be funded with Series 2014 and 2015 Phase 1 Bonds**	**Future Phase Costs to be Funded with Future Bonds (For information purposes only)**
Storm Drainage Improvements			
Roadway Drainage	$0	$0	$22,800
Reinforced Concrete Storm Sewer Pipe	$260,330	$211,930	$2,112,610
Debris Separators	$50,000	$37,500	$362,500
Inlets W/Protection	$109,125	$93,000	$604,125
Outfall Structures	$11,500	$10,500	$99,000
Rock Rip Rap	$6,000	$7,200	$66,000
Grade to Drain	$8,000	$8,150	$8,000
End and Plug	$700	$0	$700
Trench Safety	$5,545	$3,750	$27,220
Subtotal - Drainage Improvements	**$451,200**	**$372,030**	**$3,302,955**
TOTAL	**$7,826,492**	**$3,240,638**	**$22,629,265**
Soft Costs			
Contingency hard costs (5%)	$391,325	$162,032	$1,131,463
Engineering, Design & Surveying fees (12%)	$939,179	$388,877	$2,715,512
Geotechnical and Materials Testing (2.5%)	$195,662	$81,016	$565,732
Inspection Fees (3.25%)	$254,361	$105,321	$735,451
ROW Cost	$1,800,000		$1,000,000
General Contractor fee			
General Conditions			
PIDLegal			
Subtotal Soft Costs	**$3,580,527**	**$737,245**	**$6,148,158**
Grand Total Improvements + Soft Costs	**$11,407,019**	**$3,977,883**	**$28,777,423**
Estimated Major Improvement Costs allocated to Phase 1	($2,000,110)	$2,000,110	
Total Estimated Improvement Costs to be funded	**$9,406,909**	**$5,977,992**	**$8,453,828**

Appendix B
Estimated Cost of Authorized Improvements

Authorized Improvement	Estimated Costs		
	Major Improvements to be funded with Series 2014 Phase #2-5 Major Improvement Bonds	**Phase 1 Improvements to be funded with Series 2014 and 2015 Phase 1 Bonds**	**Future Phase Costs to be Funded with Future Bonds (For information purposes only)**
Estimated Bond issuance related costs			
Deposits to Debt Service Reserve Fund	$1,224,000	$620,025	
Deposits to Capitaized Interest	$525,040	$178,810	
Other costs of issuance (underwriters, bond counsel etc)	$1,084,051	$658,173	
Total estimated Bond issuance related costs	**$2,833,091**	**$1,457,008**	
TOTAL ESTIMATED COSTS	**$12,240,000**	**$7,435,000**	

Valencia PID - Estimated Authorized Improvements - Phase #2

Phase 3C-Horton

Phase	Contract	Contractor	Original Contract Amount	Change Orders	Liquidated Damages	Final Contract Amount	Other (Non-Reimbursable)	Total Reimbursable	Water	Sanitary	Storm	Paving	Grading	Engineering	Contingency	Total	
Phase 3C	Mass Grading	FCS Construction	$ 280,951.05	$ -		$ 280,951.05	$ (156,180.30)	$ 124,770.75					$ 124,770.75	$ 18,715.61	$ 6,238.54	$ 149,724.90	
Phase 3C	water, sanitary sewer & drainage	CW Young	$ 855,932.00	$ -		$ 855,932.00	$ -	$ 855,932.00	$ 275,989.50	$ 345,352.35	$ 234,590.14			$ 128,389.80	$ 42,796.60	$ 1,027,118.39	
Phase 3C	Paving	Gilco Contracting	$ 1,067,659.00	$ -		$ 1,067,659.00	$ -	$ 1,067,659.00				$ 1,067,659.00		$ 160,148.85	$ 53,382.95	$ 1,281,190.80	
						$ -	$ -	$ -								$ -	
						$ -	$ -	$ -				$ -				$ -	
Phase 3C-Horton	***Engineering***	***Petitt Barraza LLC***															
	Engineering	Petitt Barraza LLC															
TOTAL Phase 3C Horton			***$ 2,204,542***	***$ -***	***$ -***	***$ 2,204,542***	***$ (156,180)***	***$ 2,048,362***	***$ 275,990***	***$ 345,352***	***$ 234,590***	***$ 1,067,659***	***$ 124,771***	***$ 307,254***	***$ 102,418***	***$ 2,458,034***	

Phase 3A, 3B-Beazer

Phase	Contract	Contractor	Original Contract Amount	Change Orders	Liquidated Damages	Final Contract Amount	Other (Non-Reimbursable)	Total Reimbursable	Water	Sanitary	Storm	Paving	Grading	Engineering	Contingency	Total	
Phase 3A, 3B-Beazer	Grading	FCS	$ 569,265.55	$ -		$ 569,265.55	$ (238,170.00)	$ 331,095.55					$ 331,095.55	$ 49,664.33	$ 16,554.78	$ 397,314.66	
Phase 3A, 3B-Beazer	water, sanitary sewer & drainage	Kodiak	$ 833,657.00			$ 833,657.00		$ 833,657.00	$ 304,486.00	$ 308,599.50	$ 220,571.50			$ 125,048.55	$ 41,682.85	$ 1,000,388.40	
Phase 3A, 3B-Beazer	Paving	Kodiak	$ 909,199.00			$ 909,199.00		$ 909,199.00				$ 909,199.00		$ 136,379.85	$ 45,459.95	$ 1,091,038.80	
	Engineering	***Petitt Barraza LLC***															
TOTAL Phase 3A, 3B Beazer			***$ 2,312,122***	***$ -***	***$ -***	***$ 2,312,122***	***$ (238,170)***	***$ 2,073,952***	***$ 304,486***	***$ 308,600***	***$ 220,572***	***$ 909,199***	***$ 331,096***	***$ 311,093***	***$ 103,698***	***$ 2,488,742***	

Centurion

Phase	Contract	Contractor	Original Contract Amount	Change Orders	Liquidated Damages	Final Contract Amount	Other (Non-Reimbursable)	Total Reimbursable	Water	Sanitary	Storm	Paving	Grading	Engineering	Contingency	Total	
Phase 2A-Centurion	Grading	RPMx	$ 610,497.45	$ -		$ 610,497.45	$ (366,754.00)	$ 243,743.45					$ 243,743.45	$ 36,561.52	$ 24,374.35	$ 304,679.31	
Phase 2A-Centurion	Utilities	TBD	$ 934,133.00			$ 934,133.00	$ -	$ 934,133.00	$ 317,292.00	$ 284,676.00	$ 332,165.00			$ 140,119.95	$ 93,413.30	$ 1,167,666.25	
Phase 2A-Centurion	Paving	TBD	$ 944,695.00			$ 944,695.00		$ 944,695.00				$ 944,695.00		$ 141,704.25	$ 94,469.50	$ 1,180,868.75	
Phase 3 -Centurion	Grading	FCS	$ 94,250.00			$ 94,250.00		$ 94,250.00					$ 94,250.00	$ 14,137.50	$ 9,425.00	$ 117,812.50	
Phase 3 -Centurion	Water/Sewer utility lines and LS	Kodiak	$ 1,204,079.00			$ 1,204,079.00		$ 1,204,079.00	$ 525,692.00	$ 678,387.73				$ 180,611.85	$ 120,407.90	$ 1,505,099.48	
	Engineering	***Petitt Barraza LLC***															
TOTAL CENTURION			***$ 3,787,654***	***$ -***	***$ -***	***$ 3,787,654***	***$ (366,754)***	***$ 3,420,900***	***$ 842,984***	***$ 963,064***	***$ 332,165***	***$ 944,695***	***$ 337,993***	***$ 513,135***	***$ 342,090***	***$ 4,276,126***	

SUMMARY

TOTAL Phase 3C Horton			***$ 2,204,542***	***$ -***	***$ -***	***$ 2,204,542***	***$ (156,180)***	***$ 2,048,362***	***$ 275,990***	***$ 345,352***	***$ 234,590***	***$ 1,067,659***	***$ 124,771***	***$ 307,254***	***$ 102,418***	***$ 2,458,034***	***$ 2,458,034.09***
TOTAL Phase 3A, 3B Beazer			***$ 2,312,122***	***$ -***	***$ -***	***$ 2,312,122***	***$ (238,170)***	***$ 2,073,952***	***$ 304,486***	***$ 308,600***	***$ 220,572***	***$ 909,199***	***$ 331,096***	***$ 311,093***	***$ 103,698***	***$ 2,488,742***	***$ 2,488,741.86***
TOTAL CENTURION			***$ 3,787,654***	***$ -***	***$ -***	***$ 3,787,654***	***$ (366,754)***	***$ 3,420,900***	***$ 842,984***	***$ 963,064***	***$ 332,165***	***$ 944,695***	***$ 337,993***	***$ 513,135***	***$ 342,090***	***$ 4,276,126***	***$ 4,276,125.56***
TOTAL			**$ 8,304,318**	**$ -**	**$ -**	**$ 8,304,318**	**$ (761,104)**	**$ 7,543,214**	**$ 1,423,460**	**$ 1,617,016**	**$ 787,327**	**$ 2,921,553**	**$ 793,860**	**$ 1,131,482**	**$ 548,206**	**$ 9,222,902**	**$ 11,315,698.64**

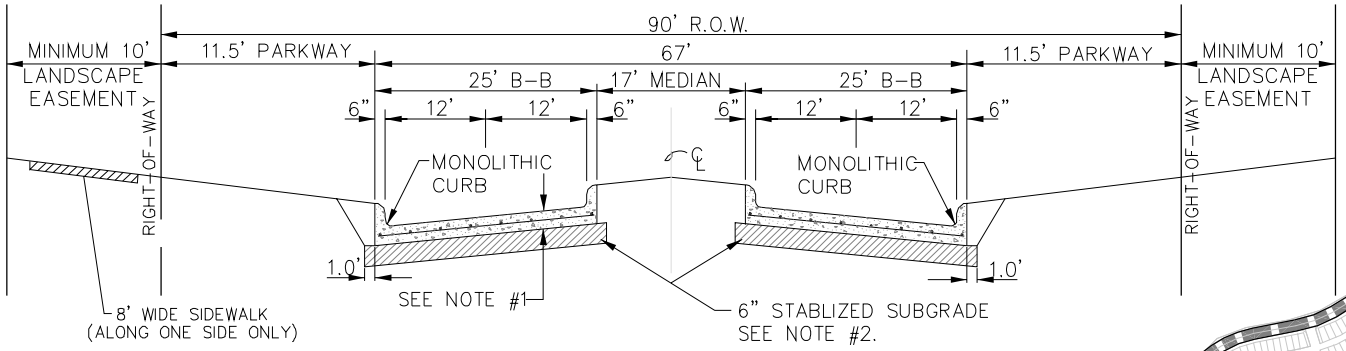
Valencia on the Lake
Summary - 2021 Bond: 3B and 2B-1

Phase 3B - Beazer	**Amount**
Water Improvements	256,530
Sanitary Improvements	1,847,782
Storm Improvements	108,561
Paving Improvements	1,163,279
Engineering Improvements	98,640
City Fees	36,534
	3,511,326

Phase 2B-1 - MM Valencia	
Water Improvements	267,193
Sanitary Improvements	321,450
Storm Improvements	220,898
Onsite Paving Improvements	1,792,042
Engineering Improvements	293,899
	2,895,482

Combined	
Utility Improvements	1,066,070
Paving Improvements	2,955,321
ROW Acquisition	-
Engineering Improvements	392,539
City Fees	36,534
Total	4,450,464

APPENDIX C
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

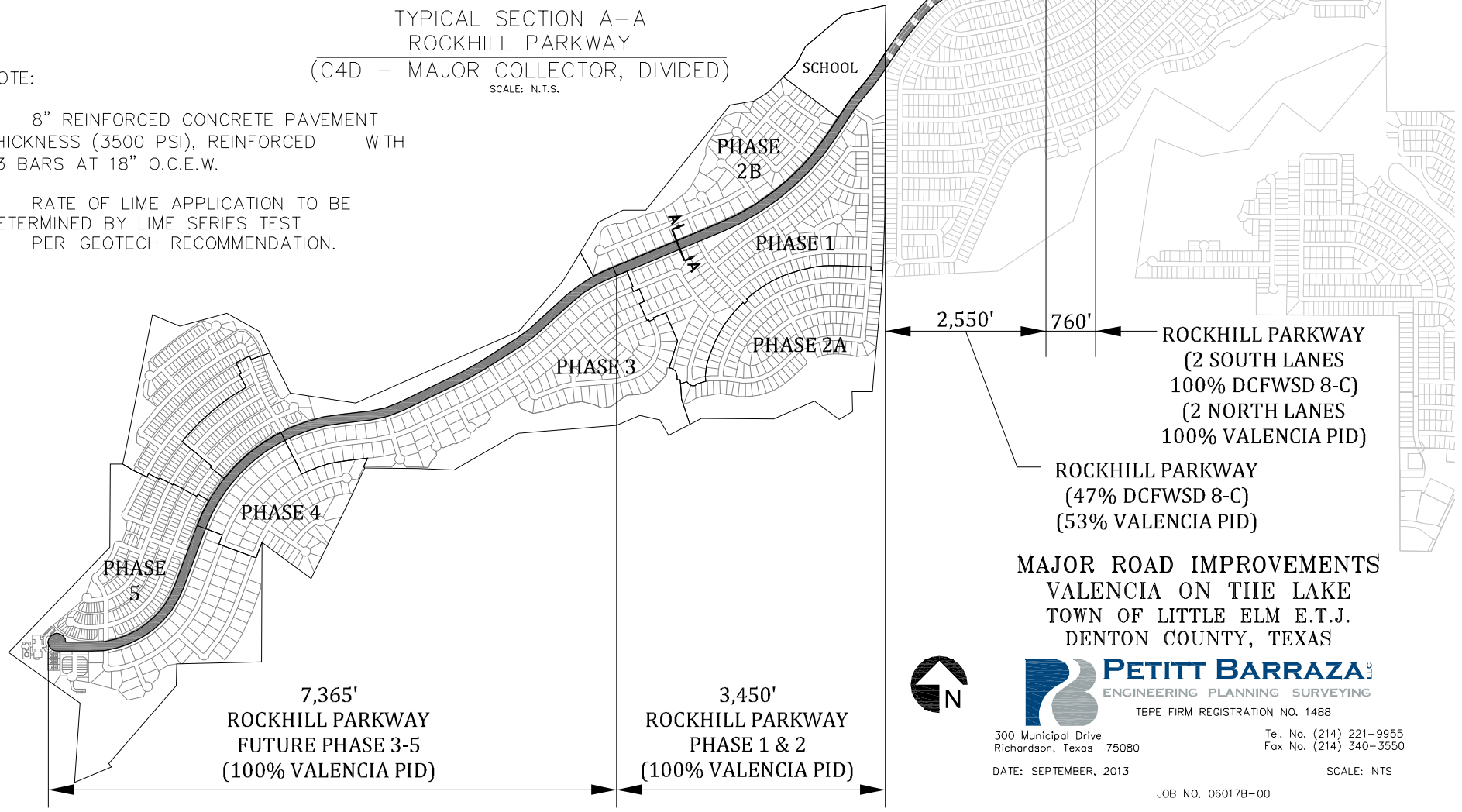


TYPICAL SECTION A-A
ROCKHILL PARKWAY
(C4D - MAJOR COLLECTOR, DIVIDED)
SCALE: N.T.S.

NOTE:

1. 8" REINFORCED CONCRETE PAVEMENT THICKNESS (3500 PSI), REINFORCED WITH #3 BARS AT 18" O.C.E.W.

2. RATE OF LIME APPLICATION TO BE DETERMINED BY LIME SERIES TEST PER GEOTECH RECOMMENDATION.

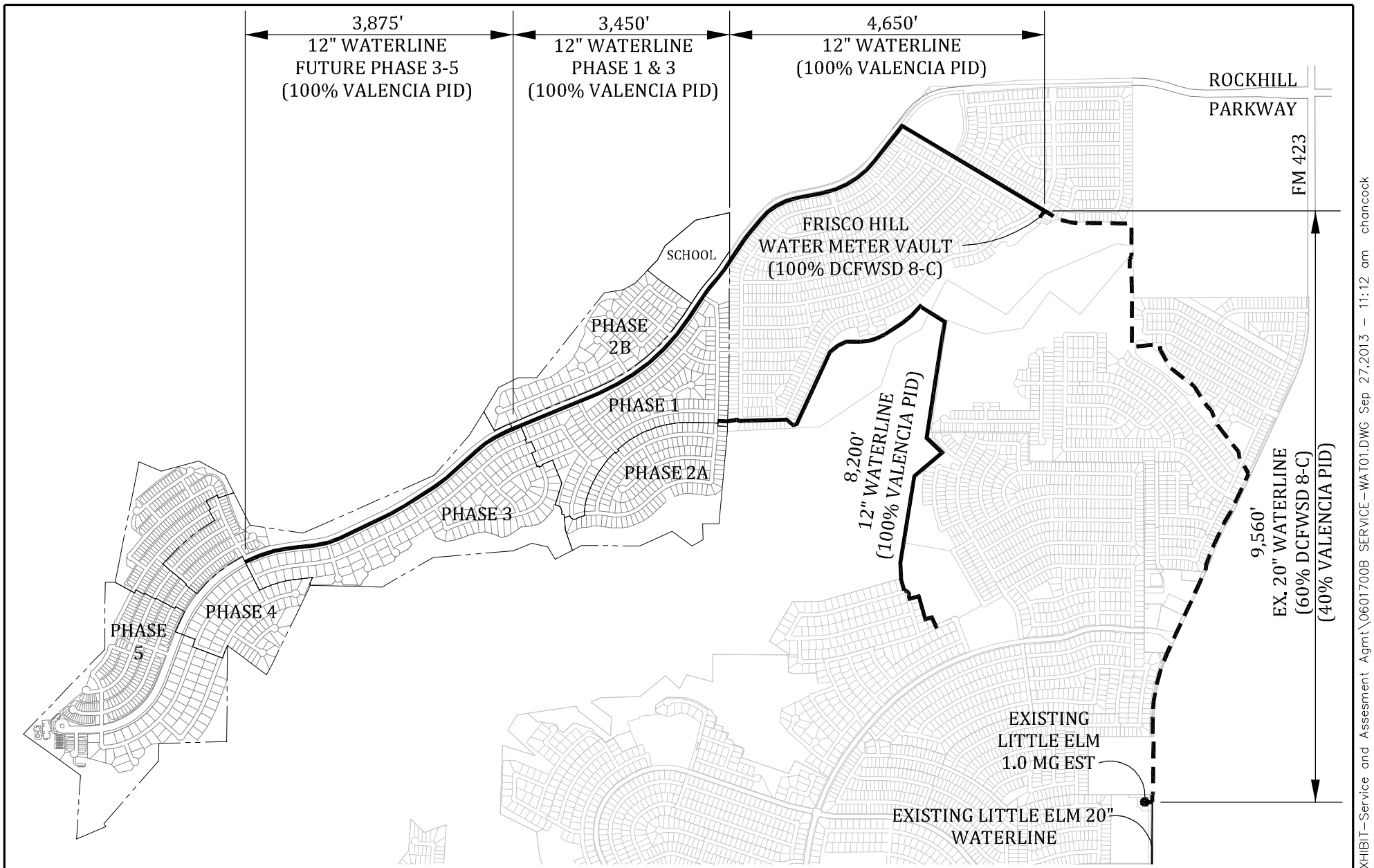


MAJOR ROAD IMPROVEMENTS
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

PETITT BARRAZA LLC
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488
300 Municipal Drive
Richardson, Texas 75080
Tel. No. (214) 221-9955
Fax No. (214) 340-3550

DATE: SEPTEMBER, 2013
SCALE: NTS
JOB NO. 06017B-00

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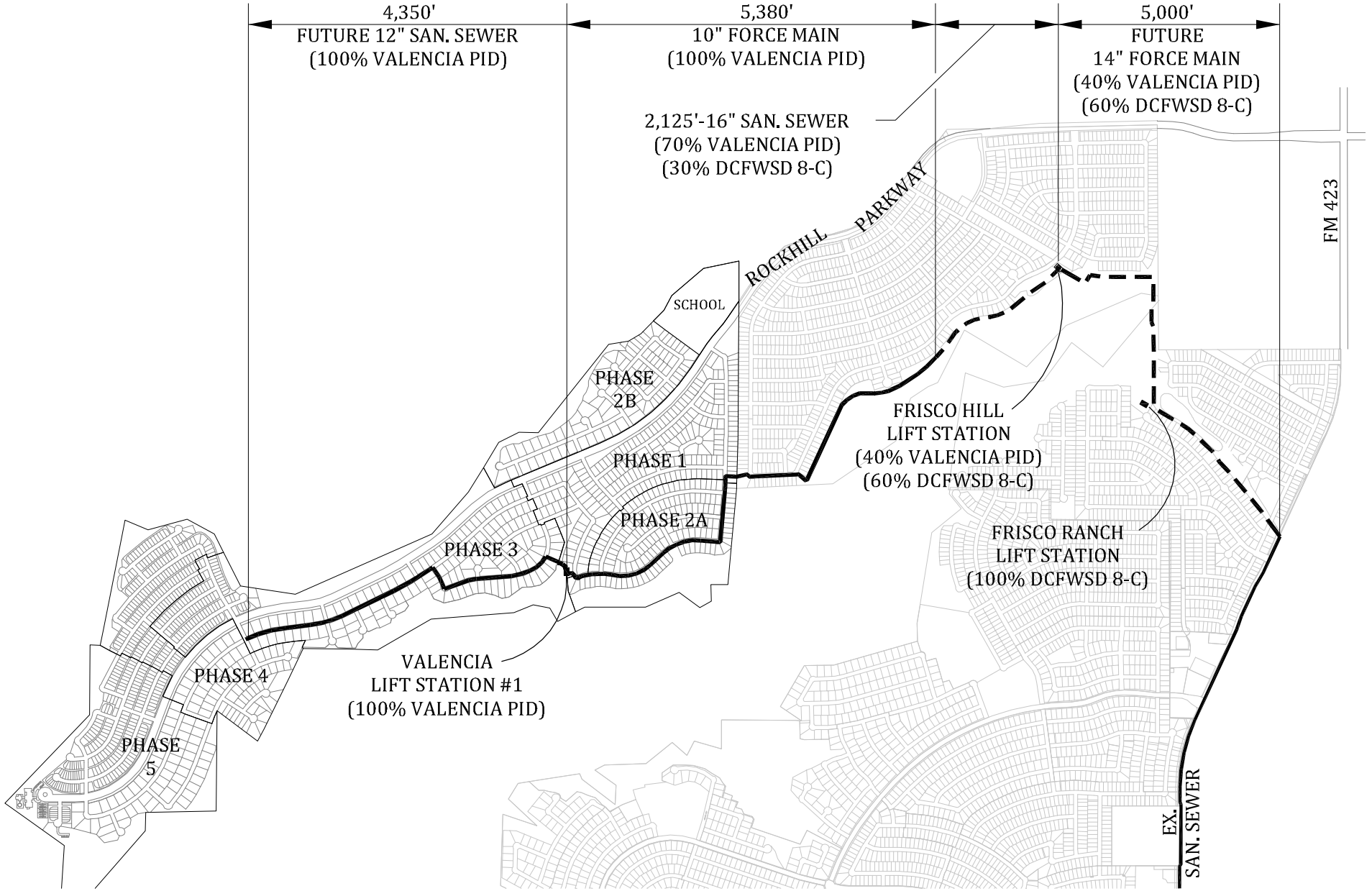
MAJOR WATER IMPROVEMENTS
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

N

PETITT BARRAZA LLC
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488
300 Municipal Drive
Richardson, Texas 75080
Tel. No. (214) 221-9955
Fax No. (214) 340-3550

DATE: SEPTEMBER, 2013
SCALE: NTS
JOB NO. 06017B-00

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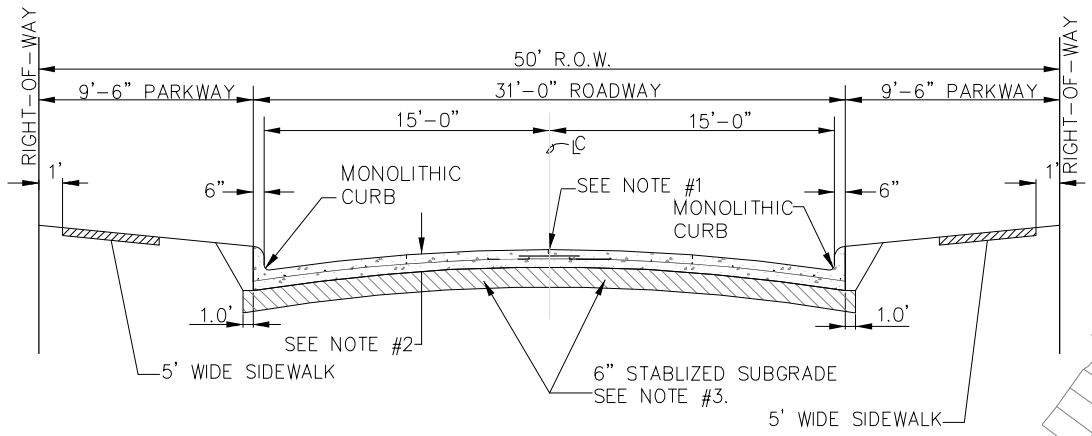


MAJOR SANITARY SEWER IMPROVEMENTS
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

PETITT BARRAZA LLC
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488
300 Municipal Drive
Richardson, Texas 75080
Tel. No. (214) 221-9955
Fax No. (214) 340-3550

DATE: SEPTEMBER, 2013
SCALE: NTS
JOB NO. 06017B-00

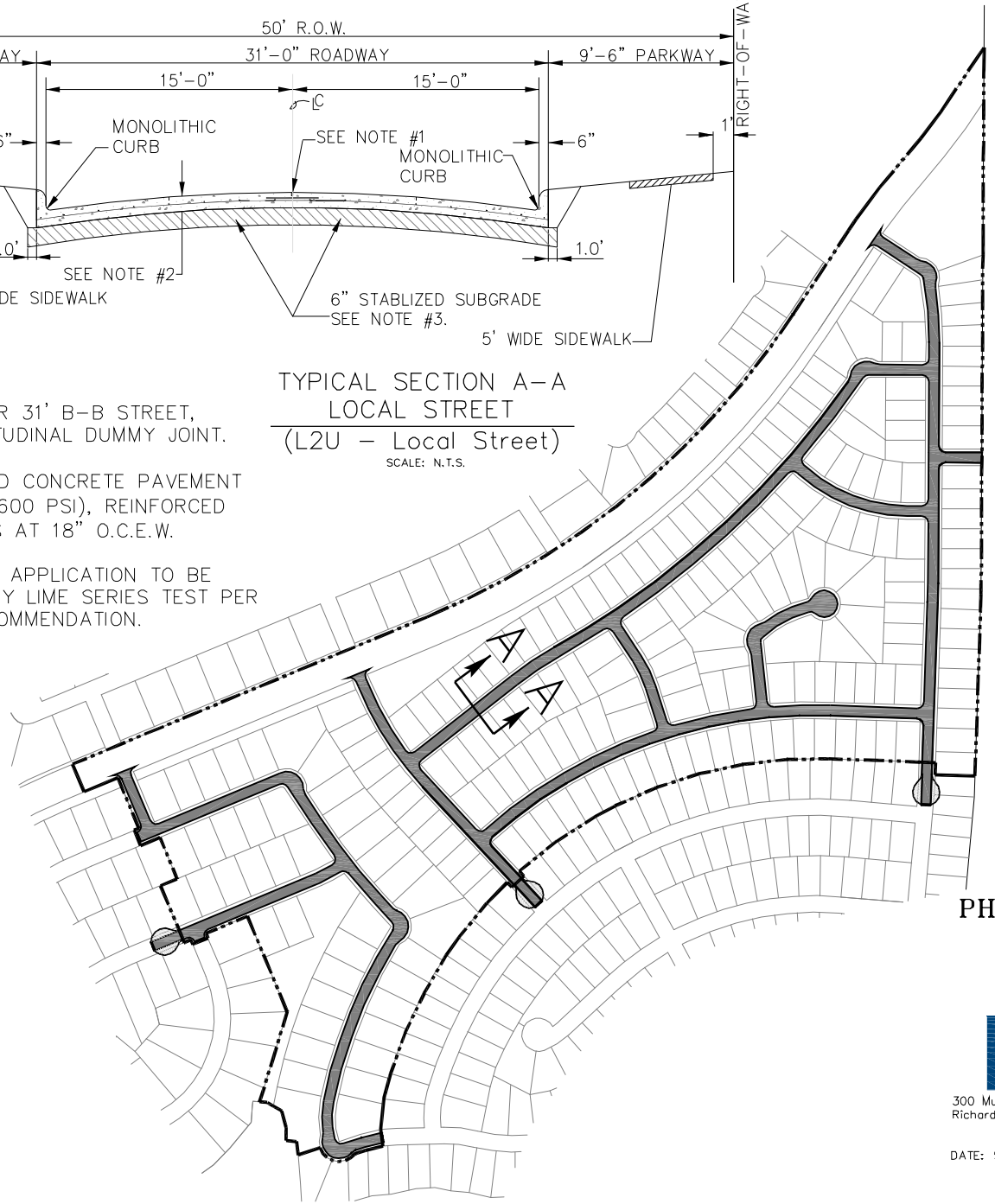
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NOTE:

1. 5" CROWN FOR 31' B-B STREET, SAWED LONGITUDINAL DUMMY JOINT.
2. 6" REINFORCED CONCRETE PAVEMENT THICKNESS (3600 PSI), REINFORCED WITH #3 BARS AT 18" O.C.E.W.
3. RATE OF LIME APPLICATION TO BE DETERMINED BY LIME SERIES TEST PER GEOTECH RECOMMENDATION.

TYPICAL SECTION A-A
LOCAL STREET
(L2U – Local Street)
SCALE: N.T.S.





PRELIMINARY
PHASE 1 ROAD IMPROVEMENTS
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

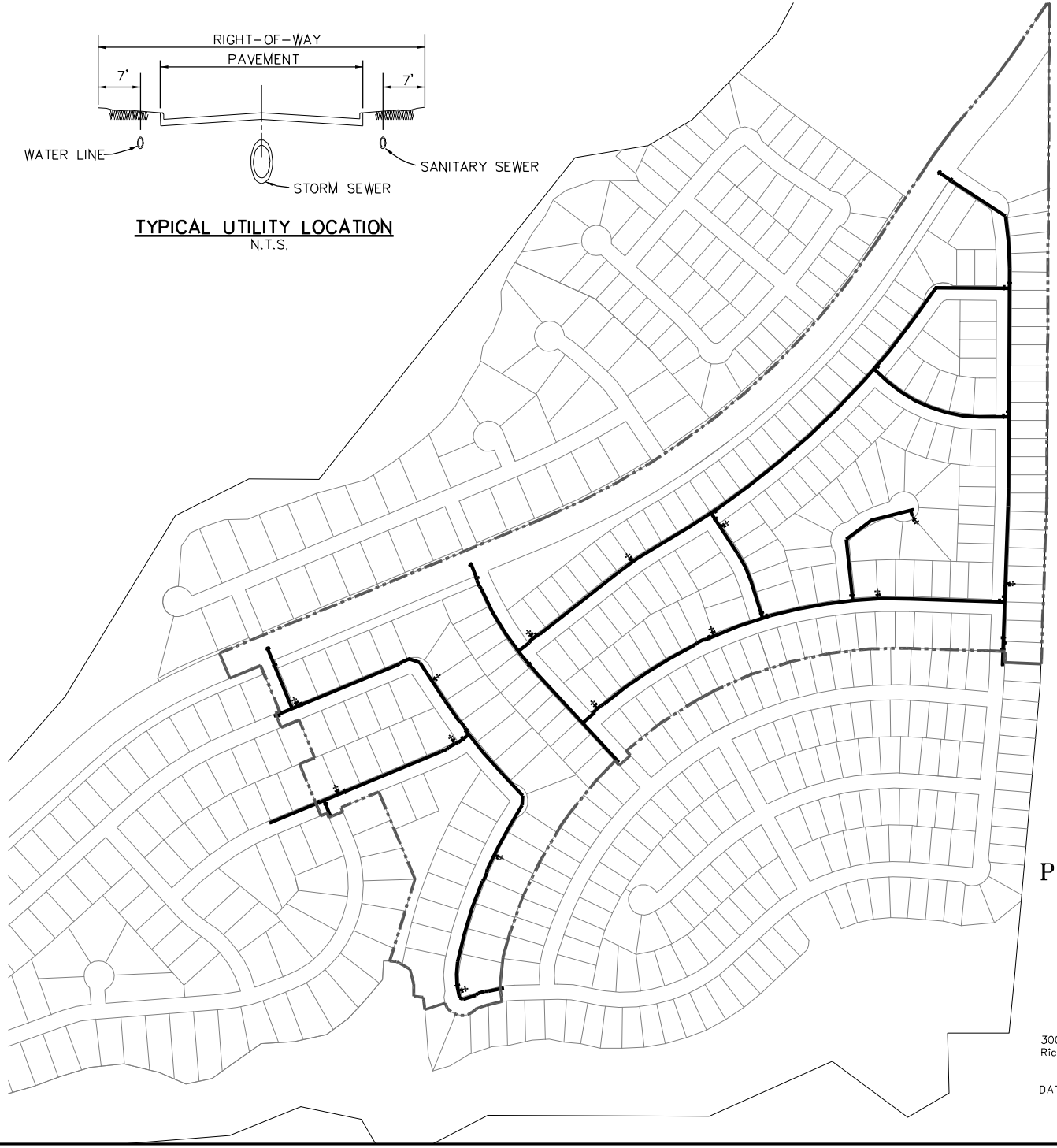
PETITT BARRAZA LLC
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488
300 Municipal Drive
Richardson, Texas 75080
Tel. No. (214) 221-9955
Fax No. (214) 340-3550

DATE: SEPTEMBER, 2013
SCALE: 1"=500'

JOB NO. 06017B-00

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TYPICAL UTILITY LOCATION
N.T.S.



N

LEGEND

PROPOSED FIRE HYDRANT

PROPOSED WATER LINE

PRELIMINARY
PHASE 1 WATER IMPROVEMENTS
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

PETITT BARRAZA LLC
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488

300 Municipal Drive
Richardson, Texas 75080

Tel. No. (214) 221-9955
Fax No. (214) 340-3550

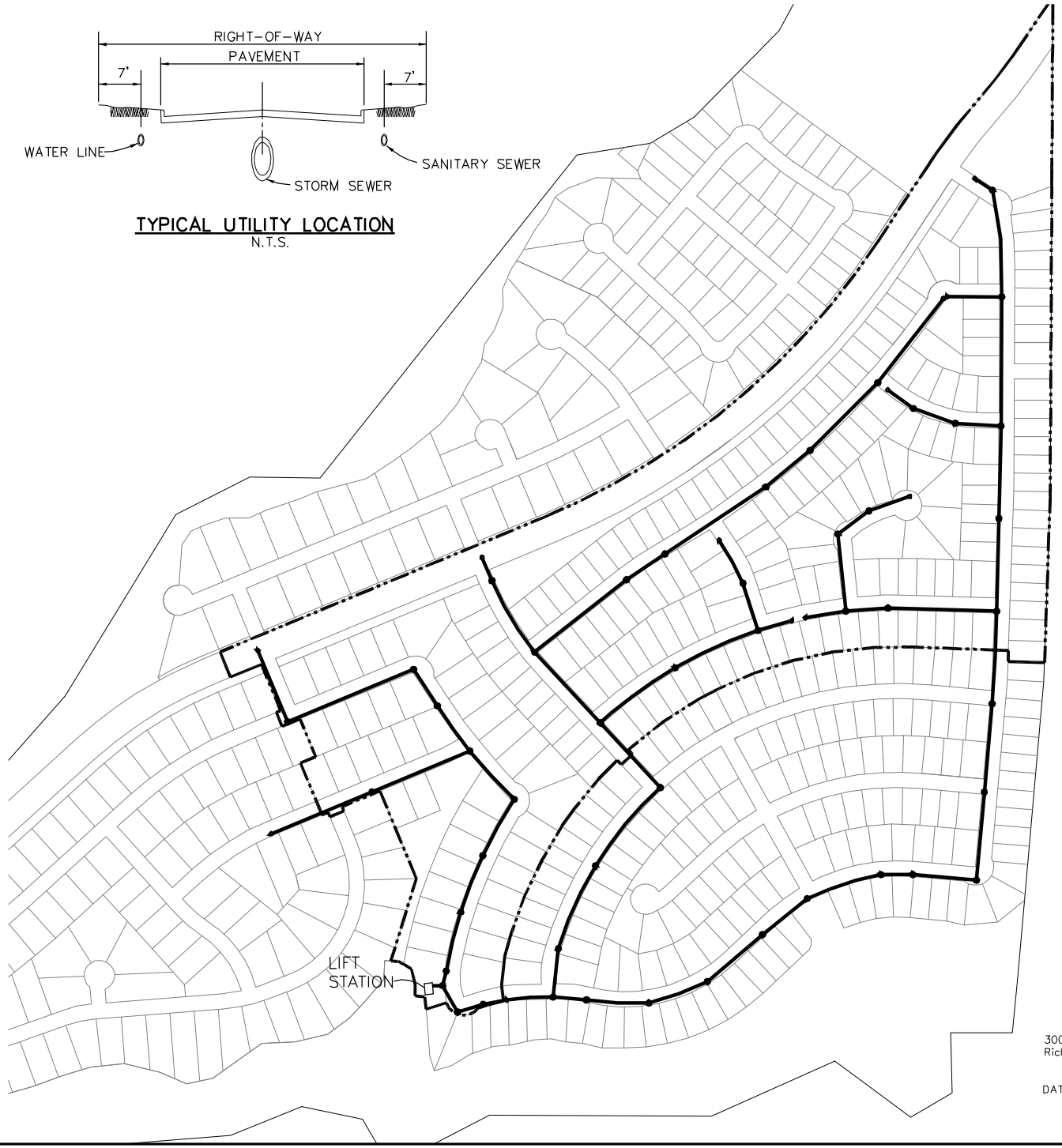
DATE: SEPTEMBER, 2013

SCALE: 1"=500'

JOB NO. 06017B-00

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TYPICAL UTILITY LOCATION
N.T.S.



N

LEGEND

- PROPOSED MANHOLE
- PROPOSED SANITARY SEWER
- PROPOSED CLEANOUT

PRELIMINARY
PHASE 1 SANITARY IMPROVEMENTS
VALENCIA ON THE LAKE
TOWN OF LITTLE ELM E.T.J.
DENTON COUNTY, TEXAS

PETITT BARRAZA LLC
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488

300 Municipal Drive
Richardson, Texas 75080

Tel. No. (214) 221-9955
Fax No. (214) 340-3550

DATE: SEPTEMBER, 2013

SCALE: 1"=500'

JOB NO. 06017B-00

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Legend

Steel Reinforced Concrete Paving



Paving Improvements



Water Improvements

BARRAZA
CONSULTING GROUP, LLC
PLANNING • ENGINEERING

VALENCIA ON THE LAKE PHASE 2B-1
TOWN OF LITTLE ELM ETJ, DENTON COUNTY, TEXAS

SCALE: 1"=100'
DATE: JUNE 2021



Wastewater Improvements

BARRAZA
CONSULTING GROUP, LLC
PLANNING • ENGINEERING

VALENCIA ON THE LAKE PHASE 2B-1
TOWN OF LITTLE ELM ETJ, DENTON COUNTY, TEXAS

SCALE: 1"=100'
DATE: JUNE 2021

Legend

Class III Reinforced Concrete Pipe (RCP)

Concrete Curb Inlet

Phase 2B-1

Phase 2B-2

Phase 1

Rockhill Parkway

Storm Sewer Improvements



Paving Improvements



Water Improvements



Wastewater Improvements



Storm Sewer Improvements

APPENDIX D
HOMEBUYER DISCLOSURE

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
TOWN OF LITTLE ELM TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: $_____

As the purchaser of the real property described above, you are obligated to pay assessments to the Town of Little Elm, Texas (the "Town"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Valencia Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the Town. The exact amount of each annual installment will be approved each year by the Town Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the Town.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by_____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

APPENDIX E
LOT TYPES, EQUIVALENT UNITS, AND ASSESSMENT PER UNIT

Appendix E

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of three Lot Types.

"Lot Type 1" means lots identified as such on the Assessment Roll, being lots with 10,000 square feet size and a minimum lot width of 80 feet measured at front building line, which may be referred to as such in the development standards.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots with 8,400 square feet size and a minimum lot width of 70 feet measured at front building line, which may be referred to as such in the development standards.

"Lot Type 3" means lots identified as such on the Assessment Roll, being lots with 7,200 square feet size and a minimum lot width of 60 feet measured at front building line, which may be referred to as such in the development standards.

"Lot Type 4" means lots identified as such on the Assessment Roll, being lots with 5,000 square feet size and a minimum lot width of 50 feet measured at front building line, which may be referred to as such in the development standards.

"Lot Type 5" means lots identified as such on the Assessment Roll, being lots with 4,000 square feet size and a minimum lot width of 40 feet measured at front building line, which may be referred to as such in the development standards.

"Lot Type 6" means lots identified as such on the Assessment Roll, being lots with 2,500 square feet size and a minimum lot width of 25 feet measured at front building line, which may be referred to as such in the development standards.

A) Proposed Development

Table E-1 shows the proposed residential units to be developed within the PID.

Table E-1
Proposed Development within the PID - Original

Lot Type	Description	Proposed Development	
Lot Type 1	100 Ft Lots	164	Units
Lot Type 2	80 Ft Lots	163	Units
Lot Type 3	60 Ft Lots	409	Units
Lot Type 4	40 Ft Lots	450	Units
Lot Type 5	25 Ft Lots	53	Units
Total		**1,239**	**Units**

Table E-2 shows the 2018 revised proposed residential Lot Types within the PID.

Table E-2
Proposed Development within the PID – 2018 Revised

Lot Type	Description	Proposed Development	
Lot Type 1	80 Ft Lots	181	Units
Lot Type 2	70 Ft Lots	154	Units
Lot Type 3	60 Ft Lots	501	Units
Lot Type 4	50 Ft Lots	43	Units
Lot Type 5	40 Ft Lots	386	Units
Lot Type 6	25 Ft Lots	44	Units
Total		**1,309**	**Units**

Table E-3 shows the 2021 revised proposed residential Lot Types within the PID.

Table E-3
Proposed Development within the PID – 2021 Revised

Lot Type	Description	Proposed Development	
Lot Type 1	80 Ft Lots	41	Units
Lot Type 2	70 Ft Lots	-	Units
Lot Type 3	60 Ft Lots	608	Units
Lot Type 4	50 Ft Lots	381	Units
Lot Type 5	40 Ft Lots	386	Units
Lot Type 6	25 Ft Lots	-	Units
Total		**1,416**	**Units**

Table E-4 shows the revised total residential Lot Types within Phase #1.

Table E-4
Proposed Development – Phase #1 - Original

Lot Type	Description	Proposed Development	
Lot Type 2	80 Ft Lots	41	Units
Lot Type 3	60 Ft Lots	168	Units
Total		**209**	**Units**

Table E-5 shows the revised total residential Lot Types within Phase #1.

Table E-5
Proposed Development – Phase #1 - Revised

Lot Type	Description	Proposed Development	
Lot Type 1	80 Ft Lots	41	Units
Lot Type 3	60 Ft Lots	169	Units
Total		**210**	**Units**

Table E-6 shows the original proposed residential Lot Types within the Major Improvement Area (subphases #2B-1, #2B-2 #3B, #4, #4B, and #4C) and Improvement Area #2 (subphases #2A, #3A and #3C).

Table E-6
Proposed Development
Major Improvement Area and Improvement Area #2 - Original

Lot Type	Description	Proposed Development	
Lot Type 1	80 Ft Lots	164	Units
Lot Type 2	70 Ft Lots	122	Units
Lot Type 3	60 Ft Lots	241	Units
Lot Type 4	50 Ft Lots	450	Units
Lot Type 5	40 Ft Lots	53	Units
Total		**1,030**	**Units**

Table E-7 shows the 2018 revised proposed residential Lot Types within the Major Improvement Area (subphases #2B-1, #2B-2 #3B, #4, #4B, and #4C) and Improvement Area #2 (subphases #2A, #3A and #3C).

Table E-7
Proposed Development
Major Improvement Area and Improvement Area #2 – 2018 Revised

Lot Type	Description	Proposed Development	
Lot Type 1	80 Ft Lots	140	Units
Lot Type 2	70 Ft Lots	154	Units
Lot Type 3	60 Ft Lots	332	Units
Lot Type 4	50 Ft Lots	43	Units
Lot Type 5	40 Ft Lots	386	Units
Lot Type 6	25 Ft Lots	44	Units
Total		**1,099**	**Units**

Table E-8 shows the 2021 revised proposed residential Lot Types within the Major Improvement Area (subphases #2B-1, #2B-2 #3B, #4, #4B, and #4C) excluding Improvement Area #2 (subphases #2A, #3A and #3C).

Table E-8
Proposed Development
Major Improvement Area (Excluding Improvement Area #2) – 2021 Revised

Lot Type	Description	Proposed Development	
Lot Type 1	80 Ft Lots	-	Units
Lot Type 2	70 Ft Lots	-	Units
Lot Type 3	60 Ft Lots	285	Units
Lot Type 4	50 Ft Lots	359	Units
Lot Type 5	40 Ft Lots	118	Units
Lot Type 6	25 Ft Lots	-	Units
Total		**762**	**Units**

Table E-9 shows the proposed residential Lot Types within Improvement Area #2 (subphases #2A, #3A and #3C).

Table E-9
Proposed Development – Improvement Area #2

Lot Type	Description	Proposed Development	
Lot Type 3	60 Ft Lots	154	Units
Lot Type 4	50 Ft Lots	22	Units
Lot Type 5	40 Ft Lots	268	Units
Total		**444**	**Units**

Table E-10 shows the proposed residential Lot Types within Phase #3B.

Table E-10
Proposed Development – Phase #3B

Lot Type	Description	Proposed Development	
Lot Type 4	50 Ft Lots	21	Units
Lot Type 5	40 Ft Lots	118	Units
Total		***139***	**Units**

Table E-11 shows the proposed residential Lot Types within Phase #2B-1.

Table E-11
Proposed Development – Phase #2B-1

Lot Type	Description	Proposed Development	
Lot Type 3	60 Ft Lots	89	Units
Total		**89**	**Units**

B) Calculation of Equivalent Units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Authorized Improvements shall be allocated to the parcel of Assessed Property receiving benefit from such Authorized Improvements by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the Town Council has determined that the Assessments shall be allocated to the 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 Town Council has taken into consideration (i) the type of lots (i.e., 100 Ft, 80 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 Town Council has determined that allocating the Assessments among Parcels of Assessed Property based on average home value is best accomplished by creating classifications of benefited Parcels based on the "Lot Types" defined above. The original classifications (from Lot Type 1 (100 Ft Lots) representing the highest value to Lot Type 5 (25 Ft Lot) representing the lowest value for residential lots). Originally, the Assessments were 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 (100 Ft Lots) to 1.0.

Table E-12 shows the original Equivalent Unit Factors within the PID.

Table E-12
Equivalent Unit Factors - Original

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor	
Lot Type 1 (100 ft Lots)	$450,000	1.00	per dwelling unit
Lot Type 2 (80 ft Lots)	$350,000	0.78	per dwelling unit
Lot Type 3 (60 ft Lots)	$300,000	0.67	per dwelling unit
Lot Type 4 (40 ft Lots)	$240,000	0.53	per dwelling unit
Lot Type 5 (25 ft Lots)	$175,000	0.39	per dwelling unit

In light of changes to the development process and per request from the Developer, the lot type classifications described above have been updated by the Town Council. These classifications (from Lot Type 1 (80 Ft Lots) representing the highest value to Lot Type 6 (25 Ft Lot) representing the lowest value for residential lots).

Table E-13 shows the revised Equivalent Unit Factors within the PID.

Table E-13
Equivalent Unit Factors - Revised

Lot Type	Estimated Average Unit Value[1]	Equivalent Unit Factor	
Lot Type 1 (80 Ft Lots)	$370,000	1.00	per dwelling unit
Lot Type 2 (70 Ft Lots)	$340,000	0.92	per dwelling unit
Lot Type 3 (60 Ft Lots)	$300,000	0.81	per dwelling unit
Lot Type 4 (50 Ft Lots)	$280,000	0.76	per dwelling unit
Lot Type 5 (40 Ft Lots)	$240,000	0.65	per dwelling unit
Lot Type 6 (25 Ft Lots)	$175,000	0.47	per dwelling unit

[1]Based on projected average home values at the time Equivalent Units were calculated.

The original total estimated Equivalent Units for Phase #1 are shown in Table E-14 as calculated based on the Equivalent Unit factors shown in Table E-12, estimated Lot Types and number of units estimated to be built within Phase #1.

Table E-14
Estimated Equivalent Units
Phase #1 - Original

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 2 (80 ft Lots)	41	0.78	31.98
Lot Type 3 (60 ft Lots)	168	0.67	112.56
Total Equivalent Units	**209**		**144.54**

The revised total estimated Equivalent Units for Phase #1 are shown in Table E-15 as calculated based on the Equivalent Unit factors shown in Table E-13, estimated Lot Types and number of units estimated to be built within Phase #1.

Table E-15
Estimated Equivalent Units
Phase #1 - Revised

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (80 ft Lots)	41	1.00	41.00
Lot Type 3 (60 ft Lots)	169	0.81	136.89
Total Equivalent Units	**210**		**177.89**

The original total estimated Equivalent Units for the Major Improvement Area and Improvement Area #2 is shown in Table E-16 as calculated based on the original Equivalent Unit factors shown in Table E-12, estimated Lot Types and number of units estimated to be built within the Major Improvement Area and Improvement Area #2.

Table E-16
Estimated Equivalent Units
Major Improvement Area and Improvement Area #2 - Original

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (100 ft Lots)	164	1.00	164.00
Lot Type 2 (80 ft Lots)	122	0.78	95.16
Lot Type 3 (60 ft Lots)	241	0.67	161.47
Lot Type 4 (40 ft Lots)	450	0.53	238.50
Lot Type 5 (25 ft Lots)	53	0.39	20.67
Total Equivalent Units	**1,030**		**679.80**

The revised estimated Equivalent Units for the Major Improvement Area and Improvement Area #2 is shown in Table E-17 as calculated based on the revised Equivalent Unit factors shown in Table E-13, estimated Lot Types and number of units estimated to be built within the Major Improvement Area and Improvement Area #2.

Table E-17
Estimated Equivalent Units
Major Improvement Area and Improvement Area #2 - Revised

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (80 ft Lots)	140	1.00	140.00
Lot Type 2 (70 ft Lots)	154	0.92	141.68
Lot Type 3 (60 ft Lots)	332	0.81	268.92
Lot Type 4 (50 ft Lots)	43	0.76	32.68
Lot Type 5 (40 ft Lots)	386	0.65	250.90
Lot Type 6 (25 ft Lots)	44	0.47	20.68
Total Equivalent Units	**1,099**		**854.86**

The 2021 revised estimated Equivalent Units for the Major Improvement Area (Excluding Improvement Area #2) is shown in Table E-18 as calculated based on the revised Equivalent Unit factors shown in Table E-13, estimated Lot Types and number of units estimated to be built within the Major Improvement Area (Excluding Improvement Area #2).

Table E-18
Estimated Equivalent Units
Major Improvement Area (Excluding Improvement Area #2)

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (80 ft Lots)	0	1.00	0.00
Lot Type 2 (70 ft Lots)	0	0.92	0.00
Lot Type 3 (60 ft Lots)	285	0.81	230.85
Lot Type 4 (50 ft Lots)	359	0.76	272.84
Lot Type 5 (40 ft Lots)	118	0.65	76.70
Lot Type 6 (25 ft Lots)	0	0.47	0.00
Total Equivalent Units	**762**		**580.39**

The total estimated Equivalent Units for Improvement Area #2 are shown in Table E-19 as calculated based on the revised Equivalent Unit factors shown in Table E-13, estimated Lot Types and number of units estimated to be built within Improvement Area #2.

Table E-19
Estimated Equivalent Units
Improvement Area #2

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 3 (60 ft Lots)	154	0.81	124.74
Lot Type 4 (50 ft Lots)	22	0.76	16.72
Lot Type 5 (40 ft Lots)	268	0.65	174.20
Total Equivalent Units	**444**		**315.66**

The total estimated Equivalent Units for Phase #3B are shown in Table E-20 as calculated based on the revised Equivalent Unit factors shown in Table E-13, estimated Lot Types and number of units estimated to be built within Phase #3B.

Table E-20
Estimated Equivalent Units
Phase #3B

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 4 (50 ft Lots)	21	0.76	15.96
Lot Type 5 (40 ft Lots)	118	0.65	76.70
Total Equivalent Units	**139**		**92.66**

The total estimated Equivalent Units for Phase #2B-1 are shown in Table E-21 as calculated based on the revised Equivalent Unit factors shown in Table E-13, estimated Lot Types and number of units estimated to be built within Phase #2B-1.

Table E-21
Estimated Equivalent Units
Phase #2B-1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 3 (60 ft Lots)	89	0.81	72.09
Total Equivalent Units	**89**		**72.09**

C) Initial Allocation of Assessments to Lots within the Major Improvement Area and Improvement Area #2

As shown in Section IV of this Service and Assessment Plan, the total amount of the Series 2014 Major Improvement Bonds, which represents the total Assessment allocated to all Parcels in the Major Improvement Area Assessed Property and Improvement Area #2 Assessed Property, is $12,240,000. As shown in Table E-16, there were a total of 679.80 estimated Equivalent Units, resulting in an original Assessment per Equivalent Unit of $18,005.30.

The original Assessment per dwelling unit or acre is calculated as the product of (i) $18,005.30 multiplied by (ii) the applicable original Equivalent Unit value for each Lot Type, as described in Table E-13. For example, the Assessment for a Lot Type 1 (100 Ft Lot) dwelling unit is $18,005.30 (i.e. $18,005.30 × 1.00). The Assessment for a Lot Type 2 (80 Ft Lot) dwelling unit is $14,044.13 (i.e. $18,005.30 × 0.78). Table E-22 sets forth the original Assessment per dwelling unit for each of the Lot Types in the Major Improvement Area and Improvement Area #2.

Table E-22
Assessment Per Unit
Major Improvement Area and Improvement Area #2 - Original

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (100 ft Lots)	164	$18,005.30	1.00	$18,005.30	per dwelling unit	$2,952,868
Lot Type 2 (80 ft Lots)	122	$18,005.30	0.78	$14,044.13	per dwelling unit	$1,713,384
Lot Type 3 (60 ft Lots)	241	$18,005.30	0.67	$12,063.55	per dwelling unit	$2,907,315
Lot Type 4 (40 ft Lots)	450	$18,005.30	0.53	$9,542.81	per dwelling unit	$4,294,263
Lot Type 5 (25 ft Lots)	53	$18,005.30	0.39	$7,022.07	per dwelling unit	$372,169
Total	**1,030**					**$12,240,000**

D) Revised (2018) Allocation of Assessments to Lot Types in Major Improvement Area and Improvement Area #2

According to the Developer and as described in the 2016 Annual Service Plan Update approved by the Town Council, The development plan changed as provided in the revised proposed development plan. As shown in Table E-17, there are a total of 854.86 estimated Equivalent Units in Major Improvement Area and Improvement Area #2, resulting in a revised Assessment per Equivalent Unit of $14,318.13.

The Assessment per dwelling unit or acre is recalculated as the product of (i) $14,318.13 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type, as described in Table E-13. For example, the Assessment for a Lot Type 1 (80 Ft Lot) dwelling unit is $14,318.13 (i.e. $14,318.13 × 1.00). The Assessment for a Lot Type 2 (70 Ft Lot) dwelling unit is $14,044.13 (i.e. $14,318.13 × 0.92). Table E-23 sets forth the revised Assessment per dwelling unit for each of the Lot Types in the Major Improvement Area and Improvement Area #2.

Table E-23
Assessment Per Unit
Major Improvement Area and Improvement Area #2- Revised 2018

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (80 ft Lots)	140	$14,318.13	1.00	$14,318.13	per dwelling unit	$2,004,539
Lot Type 2 (70 ft Lots)	154	$14,318.13	0.92	$13,172.68	per dwelling unit	$2,028,593
Lot Type 3 (60 ft Lots)	332	$14,318.13	0.81	$11,597.69	per dwelling unit	$3,850,433
Lot Type 4 (50 ft Lots)	43	$14,318.13	0.76	$10,881.78	per dwelling unit	$467,917
Lot Type 5 (40 ft Lots)	386	$14,318.13	0.65	$9,306.79	per dwelling unit	$3,592,420
Lot Type 6 (25 ft Lots)	44	$14,318.13	0.47	$6,729.52	per dwelling unit	$296,099
Total	**1,099**					**$12,240,000**

E) Revised (2021) Allocation of Assessments to Lot Types in Major Improvement Area

The development plan within the Major Improvement Area has changed as shown in Table E-18 and, a result, there are currently a total of 580.39 estimated Equivalent Units projected to be developed within Major Improvement Area. The original total Assessment for the Major Improvement Area was $6,606,695, resulting in a revised Assessment per Equivalent Unit of $11,383.72.

The Assessment per dwelling unit or acre is recalculated as the product of (i) $11,383.72 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type, as described in Table E-13. For example, the Assessment for a Lot Type 1 (80 Ft Lot) dwelling unit is $11,383.72 (i.e. $11,383.72 × 1.00). The Assessment for a Lot Type 2 (70 Ft Lot) dwelling unit is $10,473.02 (i.e. $11,383.72 × 0.92). Table E-24 sets forth the revised Assessment per dwelling unit for each of the Lot Types in the Major Improvement Area (Excluding Improvement Area #2).

Table E-24
Assessment Per Unit
Major Improvement Area – Revised 2021

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Original Assessments (2018)
Lot Type 1 (80 ft Lots)	0	$11,383.72	1.00	$11,383.72	per dwelling unit	$0
Lot Type 2 (70 ft Lots)	0	$11,383.72	0.92	$10,473.02	per dwelling unit	$0
Lot Type 3 (60 ft Lots)	285	$11,383.72	0.81	$9,220.81	per dwelling unit	$2,627,931
Lot Type 4 (50 ft Lots)	359	$11,383.72	0.76	$8,651.62	per dwelling unit	$3,105,933
Lot Type 5 (40 ft Lots)	118	$11,383.72	0.65	$7,399.42	per dwelling unit	$873,131
Lot Type 6 (25 ft Lots)	0	$11,383.72	0.47	$5,350.35	per dwelling unit	$0
Total	**762**					**$6,606,995**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-25.

Table E-25
Projected Leverage
Major Improvement Area – Revised 2021

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Assessment per unit[2]	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (80 ft Lots)	-	-	-	-	-	-
Lot Type 2 (70 ft Lots)	-	-	-	-	-	-
Lot Type 3 (60 ft Lots)	285	$72,000	$384,000	$9,220.81	7.81	41.64
Lot Type 4 (50 ft Lots)	359	$53,000	$373,000	$8,651.62	6.13	43.11
Lot Type 5 (40 ft Lots)	118	$42,000	$343,000	$7,399.42	5.68	46.36
Lot Type 6 (25 ft Lots)	-	-	-	-	-	-

[1]Based on information provided by the Developer as of 11/09/21 for Improvement Area #3 (Phases #3B and Phase #2B-1)
[2]As calculated in Table E-24.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table E-26.

Table E-26
Estimated Tax Rate Equivalent per Unit
Major Improvement Area – Revised 2021

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Projected Average Annual Installment per unit[2]	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (80 ft Lots)	-	-	-	-	-	-
Lot Type 2 (70 ft Lots)	-	-	-	-	-	-
Lot Type 3 (60 ft Lots)	285	$72,000	$384,000	$868.19	$1.21	$0.23
Lot Type 4 (50 ft Lots)	359	$53,000	$373,000	$814.60	$1.54	$0.22
Lot Type 5 (40 ft Lots)	118	$42,000	$343,000	$696.70	$1.66	$0.20
Lot Type 6 (25 ft Lots)	-	-	-	-	-	-

[1] Based on information provided by the Developer as of 11/09/21 for Improvement Area #3 (Phases #3B and Phase #2B-1)
[2]Represents the average outstanding Annual Installment for 2022 through 2048.

F) Initial Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Series 2014 Phase #1 Bonds and the Phase #1 Reimbursement Agreement, which represents the total original Assessment allocated on all Parcels within Phase #1, is $7,435,000. As shown in Table E-14, the original estimated Equivalent Units in Phase #1 was 144.54, resulting in an original Assessment per Equivalent Unit of $51,439.05.

The Assessment per dwelling unit or acre is calculated as the product of (i) $51,439.05 multiplied by (ii) the applicable original Equivalent Unit value for each Lot Type, as described in Table E-12. For example, the Assessment for a Lot Type 2 (80 Ft Lot) dwelling unit is $40,122.46 (i.e., $51,439.05 × 0.78). The Assessment for a Lot Type 3 (60 Ft Lot) dwelling unit is $34,464.16 (i.e., $51,439.05 × 0.67). Table E-27 sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #1.

Table E-27
Assessment Per Unit
Phase #1 - Original

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 2 (80 ft Lots)	41	$51,439.05	0.78	$40,122.46	per dwelling unit	$1,645,021
Lot Type 3 (60 ft Lots)	168	$51,439.05	0.67	$34,464.16	per dwelling unit	$5,789,979
Total	**209**					**$7,435,000**

G) Revised Allocation of Assessments to Lot Types in Phase #1

According to the Developer and as described in the 2016 Annual Service Plan Updates approved by the Town Council, the development plan has been revised. As shown in Table E-15, there are a total of 177.89 estimated Equivalent Units in Phase #1, resulting in a revised Assessment per Equivalent Unit of $41,795.49.

The revised original Assessment per dwelling unit or acre is calculated as the product of (i) $41,795.49 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type, as described in Table E-19. For example, the Assessment for a Lot Type 1 (80 Ft Lot) dwelling unit is $41,795.49 (i.e. $41,795.49 × 1.00). The Assessment for a Lot Type 3 (60 Ft Lot) dwelling unit is $33,854.35 (i.e. $41,795.49 × 0.81). Table E-28 sets forth the revised original Assessment per dwelling unit for each of the Lot Types in Phase #1.

Table E-28
Assessment Per Unit
Phase #1 - Revised

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (80 ft Lots)	41	$41,795.49	1.00	$41,795.49	per dwelling unit	$1,713,615
Lot Type 3 (60 ft Lots)	169	$41,795.49	0.81	$33,854.35	per dwelling unit	$5,721,385
Total	**210**					**$7,435,000**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-29.

Table E-29
Projected Leverage
Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (80 ft Lots)	41	$80,000	$400,000	$41,795	1.91	9.57
Lot Type 3 (60 ft Lots)	169	$70,000	$350,000	$33,854	2.07	10.34

[1]Provided by the Developer as of 11/09/21.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table E-30.

Table E-30
Estimated Tax Rate Equivalent per Unit
Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Projected Average Annual Installment per unit[2]	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (80 ft Lots)	41	$80,000	$400,000	$3,230	$4.0369	$0.8074
Lot Type 3 (60 ft Lots)	169	$70,000	$350,000	$2,616	$3.7371	$0.7474

[1]Provided by the Developer as of 11/09/21.
[2]Represents the average outstanding Annual Installment.

H) Allocation of Assessments to Lot Types in Improvement Area #2

As shown in Section IV of this Service and Assessment Plan, the total amount of the Improvement Area #2 Refunding and Improvement Bonds, which represents the total original Assessment allocated on all Parcels within Improvement Area #2, is $12,537,928. As shown in Table E-19, there are a total of 315.56 estimated Equivalent Units in Improvement Area #2, resulting in an original Assessment per Equivalent Unit of $39,719.72.

The original Assessment per dwelling unit or acre is calculated as the product of (i) $39,719.72 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type, as described in Table E-13. For example, the Assessment for a Lot Type 3 (60 Ft Lot) dwelling unit is $32,172.98 (i.e., $39,719.72 × 0.81). The Assessment for a Lot Type 4 (50 Ft Lot) dwelling unit is $30,186.99 (i.e., $39,719.72 × 0.76). The Assessment for a Lot Type 5 (40 Ft Lot) dwelling unit is $25,817.82 (i.e., $39,719.72 × 0.65). Table E-31 sets forth the Assessment per dwelling unit for each of the Lot Types in Improvement Area #2.

Table E-31
Assessment Per Unit
Improvement Area #2

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 3 (60 ft Lots)	154	$39,719.72	0.81	$32,172.98	per dwelling unit	$4,954,638
Lot Type 4 (50 ft Lots)	22	$39,719.72	0.76	$30,186.99	per dwelling unit	$664,114
Lot Type 5 (40 ft Lots)	268	$39,719.72	0.65	$25,817.82	per dwelling unit	$6,919,176
Total	**444**					**$12,537,928**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-32.

Table E-32
Projected Leverage
Improvement Area #2

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 3 (60 ft Lots)	154	$70,000	$350,000	$32,173	2.18	10.88
Lot Type 4 (50 ft Lots)	22	$60,000	$300,000	$30,187	1.99	9.94
Lot Type 5 (40 ft Lots)	268	$50,000	$250,000	$25,818	1.94	9.68

[1]As provided by the Developer as of 11/09/21.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table E-33.

Table E-33
Estimated Tax Rate Equivalent per Unit
Improvement Area #2

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Projected Average Annual Installment per unit[2]	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 3 (60 ft Lots)	154	$70,000	$350,000	$2,522	$3.6032	$0.7206
Lot Type 4 (50 ft Lots)	22	$60,000	$300,000	$2,367	$3.9443	$0.7889
Lot Type 5 (40 ft Lots)	268	$50,000	$250,000	$2,024	$4.0480	$0.8096

[1]Provided by the Developer as of 11/09/21.
[2]Represents the average outstanding Annual Installment.

I) Allocation of Assessments to Lot Types in Phase #3B

As shown in Section IV of this Service and Assessment Plan, the total amount of the Improvement Area #3 Bonds relating to Phase #3B, which represents the total outstanding Assessment allocated on all Parcels within Phase #3B, is $2,505,306. As shown in Table E-20, there are a total of 92.66 estimated Equivalent Units in Phase #3B, resulting in an Assessment per Equivalent Unit of $27,037.62.

The Assessment per dwelling unit or acre is calculated as the product of (i) $27,037.62 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type, as described in Table E-13. For example, the Assessment for a Lot Type 4 (50 Ft Lot) dwelling unit is $20,548.59 (i.e., $27,037.62 × 0.76). The Assessment for a Lot Type 5 (40 Ft Lot) dwelling unit is $17,574.45 (i.e., $27,037.62 × 0.65). Table E-34 sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #3B.

Table E-34
Assessment Per Unit
Phase #3B

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 4 (50 ft Lots)	21	$27,037.62	0.76	$20,548.59	per dwelling unit	$431,520
Lot Type 5 (40 ft Lots)	118	$27,037.62	0.65	$17,574.45	per dwelling unit	$2,073,785
Total	**139**					**$2,505,306**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-35.

Table E-35
Projected Leverage
Phase #3B

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 4 (50 ft Lots)	21	$53,000	$373,000	$20,549	2.58	18.15
Lot Type 5 (40 ft Lots)	118	$42,000	$343,000	$17,574	2.39	19.52

[1]Provided by the Developer as of 11/09/21.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table E-36.

Table E-36
Estimated Tax Rate Equivalent per Unit
Phase #3B

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Projected Average Annual Installment per unit[2]	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 4 (50 ft Lots)	21	$53,000	$373,000	$1,627	$3.07	$0.44
Lot Type 5 (40 ft Lots)	118	$42,000	$343,000	$1,391	$3.31	$0.41

[1]Provided by the Developer as of 11/09/21.
[2]Represents the average outstanding Annual Installment.

J) Allocation of Assessments to Lot Types in Phase #2B-1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Improvement Area #3 Bonds relating to Phase #2B-1, which represents the total Assessment allocated on all

Parcels within Phase #2B-1, is $2,899,695. As shown in Table E-21, there are a total of 72.09 estimated Equivalent Units in Phase #2B-1, resulting in an Assessment per Equivalent Unit of $40,223.26.

The Assessment per dwelling unit or acre is calculated as the product of (i) $40,223.26 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type, as described in Table E-13. For example, the Assessment for a Lot Type 3 (60 Ft Lot) dwelling unit is $32,580.84 (i.e., $40,223.26 × 0.81). Table E-37 sets forth the Assessment per dwelling unit for each of the Lot Types in Phase #2B-1.

Table E-37
Assessment Per Unit
Phase #2B-1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 3 (60 ft Lots)	89	$40,223.26	0.81	$32,580.84	per dwelling unit	$2,899,695
Total	**89**					**$2,899,695**

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-38.

Table E-38
Projected Leverage
Phase #2B-1

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 3 (60 ft Lots)	89	$72,000	$384,000	$32,581	2.21	11.79

[1]Provided by the Developer as of 11/09/21.

The projected tax rate equivalent per unit calculated based on the estimated finished lot values and home values for each unit is shown in Table E-39.

Table E-39
Estimated Tax Rate Equivalent per Unit
Phase #2B-1

Description	Planned No. of Units	Estimated Finished Lot Value per unit[1]	Projected Home Value per unit[1]	Projected Average Annual Installment per unit[2]	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 3 (60 ft Lots)	89	$72,000	$384,000	$2,579	$3.58	$0.67

[1]Provided by the Developer as of 11/09/21.
[2]Represents the average outstanding Annual Installment.

APPENDIX F
MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Appendix F
Major Improvement Area Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**580.39**
Assessment	**$6,606,994**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Prepayment and Delinquency Reserve	Available Credits	Total Annual Installment[4]
2019	$66,795	$491,893	$30,000	$33,035	$0	$621,722
2020	$43,498	$515,190	$30,600	$32,701	$0	$621,988
2021	$28,326	$530,361	$31,212	$32,484	$0	$622,383
2022	$18,446	$540,241	$31,836	$32,342	$0	$622,866
2023	$12,013	$546,675	$32,473	$32,250	$0	$623,410
2024	$7,823	$550,865	$33,122	$32,190	$0	$624,000
2025	$5,094	$553,594	$33,785	$32,150	$0	$624,623
2026	$125,000	$433,688	$34,461	$32,125	$0	$625,273
2027	$135,000	$425,250	$35,150	$31,500	$0	$626,900
2028	$140,000	$416,138	$35,853	$30,825	$0	$622,815
2029	$150,000	$406,688	$36,570	$30,125	$0	$623,382
2030	$160,000	$396,563	$37,301	$29,375	$0	$623,239
2031	$170,000	$385,763	$38,047	$28,575	$0	$622,385
2032	$185,000	$374,288	$38,808	$27,725	$0	$625,821
2033	$195,000	$361,800	$39,584	$26,800	$0	$623,184
2034	$210,000	$348,638	$40,376	$25,825	$0	$624,839
2035	$225,000	$334,463	$41,184	$24,775	$0	$625,421
2036	$240,000	$319,275	$42,007	$23,650	$0	$624,932
2037	$255,000	$303,075	$42,847	$22,450	$0	$623,372
2038	$270,000	$285,863	$43,704	$21,175	$0	$620,742
2039	$290,000	$267,638	$44,578	$19,825	$0	$622,041
2040	$310,000	$248,063	$45,470	$18,375	$0	$621,907
2041	$330,000	$227,138	$46,379	$16,825	$0	$620,342
2042	$355,000	$204,863	$47,307	$15,175	$0	$622,344
2043	$375,000	$180,900	$48,253	$13,400	$0	$617,553
2044	$400,000	$155,588	$49,218	$11,525	$0	$616,331
2045	$430,000	$128,588	$50,203	$9,525	$0	$618,315
2046	$460,000	$99,563	$51,207	$7,375	$0	$618,144
2047	$490,000	$68,513	$52,231	$5,075	$0	$615,818
2048	$525,000	$35,438	$53,275	$2,625	$0	$616,338
Total	**$6,606,994**	**$10,136,594**	**$1,217,042**	**$701,801**	**$0**	**$18,662,431**

1 – The 9/30/XX dates represent the fiscal year end for Bonds.

2 - The interest is calculated assuming an interest rate of 4.85% in year 1 (2019), 5.00% in year 2 (2020), 5.10% in year 3 (2021), 5.20% in year 4 (2022), 5.30% in year 5 (2023), 5.40% in year 6 (2024), 5.50% in year 7 (2025), and 6.75% in years 8 through 30 (2026-2048) interest rate on the Major Improvement Area Refunding Bonds.

3- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

4 – Annual Installment does not include any TIRZ Credit.

Appendix F-1
Assessment Roll Summary - Major Improvement Area
2021-22

Parcel	Estimated No. of units	Lot Size	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
38646	143	N/A	Various	115.83	$1,389,524.99	$3,962.59	$116,053.68	$6,947.62	$11,600.19	($5.91)	$138,558.17
43806	89	N/A	3	81.34	$975,808.57	$2,782.77	$81,499.92	$4,879.04	$8,146.35	($64.99)	$97,243.09
43910	54	N/A	3	50.56	$606,530.12	$1,729.68	$50,657.64	$3,032.65	$5,063.50	($3.85)	$60,479.62
44219	192	N/A	3	164.04	$1,967,863.94	$5,611.87	$164,356.78	$9,839.32	$16,428.34	($12.39)	$196,223.92
584981	7	N/A	3	6.44	$77,255.81	$220.32	$6,452.44	$386.28	$644.96	($1,054.49)	$6,649.49
958385	31	N/A	3	28.33	$339,819.56	$969.08	$28,381.86	$1,699.10	$2,836.92	($22.63)	$33,864.33
757670	1	0	0	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
757669	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($98.81)	$678.77
757668	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757667	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757666	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($98.81)	$678.77
757665	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757664	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757663	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($194.63)	$582.95
757662	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757661	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757660	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757659	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757658	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757657	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757656	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757655	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757654	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757653	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($330.00)	$579.16
757652	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($909.17)	$0.00
757651	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($254.51)	$654.65
757650	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($710.41)	$198.76
757649	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($134.74)	$774.42
757648	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($125.76)	$783.41
757647	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($194.63)	$714.54
757646	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($224.57)	$684.60
757645	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($696.33)	$212.84
757644	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($909.17)	$0.00
757643	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($909.17)	$0.00
757642	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($125.76)	$783.41
757641	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($125.76)	$783.41
757640	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($125.76)	$783.41
757639	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($209.60)	$699.57
757638	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($209.60)	$699.57
757637	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($125.76)	$783.41
757636	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($209.60)	$699.57
757635	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($209.60)	$699.57
757634	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($618.22)	$290.95
757633	1	50	4	0.76	$9,117.15	$26.00	$761.47	$45.59	$76.11	($909.17)	$0.00
757632	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($107.79)	$669.78
757631	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757630	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($149.71)	$627.86
757629	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757628	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757627	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757626	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757625	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757624	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757623	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($89.82)	$687.75
757622	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($107.79)	$669.78
757621	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($107.79)	$669.78
757620	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757619	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757618	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757617	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757616	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757615	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757614	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757613	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($134.74)	$642.83
757612	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757611	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($602.05)	$175.52
757610	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757609	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757608	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757607	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($134.74)	$642.83
757606	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757605	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757604	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757603	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757602	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757601	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757600	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73

Parcel	Estimated No. of units	Lot Size	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
757599	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757598	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757597	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757596	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757595	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757594	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757593	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757592	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757591	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757590	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757589	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($244.71)	$532.87
757588	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($116.78)	$660.80
757587	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757586	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757585	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757584	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757583	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757582	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757581	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757580	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757579	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757578	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757577	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757576	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757575	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757574	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757573	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($134.74)	$642.83
757572	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757571	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757570	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757569	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757568	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757567	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($675.52)	$102.05
757566	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757565	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757564	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($350.78)	$426.79
757563	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($421.22)	$356.35
757562	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($662.45)	$115.13
757561	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($777.58)	$0.00
757560	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($107.79)	$669.78
757559	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757558	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($351.06)	$426.52
757557	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($568.44)	$209.14
757556	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757555	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($662.70)	$114.87
757554	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757553	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($405.14)	$372.44
757552	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757551	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757550	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757549	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757548	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757547	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757546	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757545	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757544	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757543	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757542	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757541	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757540	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757539	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757538	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757537	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757536	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757535	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757534	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($134.74)	$642.83
757533	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($80.85)	$696.73
757532	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($134.74)	$642.83
757531	1	40	5	0.65	$7,797.56	$22.24	$651.26	$38.99	$65.10	($179.66)	$597.92
Total	**656**			**539.20**	**$6,468,375.00**	**$18,446.25**	**$540,241.25**	**$32,341.87**	**$54,000.00**	**($29,483.14)**	**$615,546.24**

APPENDIX G
PHASE #1 ASSESSMENT ROLL

Appendix G
Phase #1 Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**177.89**
Assessment	**$6,929,998**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Prepayment and Delinquency Reserve	Available Credits	Total Annual Installment[4]
2019	$94,612	$420,800	$30,000	$34,650	$0	$580,062
2020	$77,342	$434,920	$30,600	$34,177	$0	$577,039
2021	$73,690	$440,423	$31,212	$33,790	$0	$579,115
2022	$74,354	$441,346	$31,836	$33,422	$0	$580,958
2023	$165,000	$347,025	$32,473	$33,050	$0	$577,548
2024	$175,000	$338,363	$33,122	$32,225	$0	$578,710
2025	$185,000	$329,175	$33,785	$31,350	$0	$579,310
2026	$195,000	$319,463	$34,461	$30,425	$0	$579,348
2027	$205,000	$309,225	$35,150	$29,450	$0	$578,825
2028	$215,000	$298,463	$35,853	$28,425	$0	$577,740
2029	$225,000	$287,175	$36,570	$27,350	$0	$576,095
2030	$240,000	$275,363	$37,301	$26,225	$0	$578,889
2031	$255,000	$262,763	$38,047	$25,025	$0	$580,835
2032	$265,000	$249,375	$38,808	$23,750	$0	$576,933
2033	$280,000	$235,463	$39,584	$22,425	$0	$577,472
2034	$290,000	$220,763	$40,376	$21,025	$0	$572,164
2035	$305,000	$205,538	$41,184	$19,575	$0	$571,296
2036	$325,000	$189,525	$42,007	$18,050	$0	$574,582
2037	$340,000	$172,463	$42,847	$16,425	$0	$571,735
2038	$360,000	$154,613	$43,704	$14,725	$0	$573,042
2039	$380,000	$135,713	$44,578	$12,925	$0	$573,216
2040	$395,000	$115,763	$45,470	$11,025	$0	$567,257
2041	$420,000	$95,025	$46,379	$9,050	$0	$570,454
2042	$440,000	$72,975	$47,307	$6,950	$0	$567,232
2043	$465,000	$49,875	$48,253	$4,750	$0	$567,878
2044	$485,000	$25,463	$49,218	$2,425	$0	$562,106
2045	$0	$0	$0	$0	$0	$0
2046	$0	$0	$0	$0	$0	$0
2047	$0	$0	$0	$0	$0	$0
2048	$0	$0	$0	$0	$0	$0
Total	**$6,929,998**	**$6,427,052**	**$1,010,127**	**$582,664**	**$0**	**$14,949,841**

1 – The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an interest rate of 4.10% in year 1 (2019), 4.20% in year 2 (2020), 4.30% in year 3 (2021), 4.40% in year 4 (2022), and 5.25% in years 5 through 24 (2023-2044) interest rate on the Phase #1 Refunding and Improvement Bonds.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Credit.

Appendix G-1
Assessment Roll Summary - Phase #1
2021-22

Parcel	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
662496	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,042.69)	$1,630.15
662497	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($569.71)	$2,103.12
662498	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($670.10)	$2,002.74
662499	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($574.69)	$2,098.15
662500	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($653.93)	$2,018.90
662501	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,178.10)	$1,494.73
662502	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,130.19)	$1,542.64
662503	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,225.34)	$1,447.50
662504	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,243.19)	$1,429.65
662505	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,133.18)	$1,539.65
662506	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($959.35)	$1,713.49
662507	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($612.32)	$2,060.52
662508	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($675.51)	$1,997.32
662509	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($900.92)	$1,771.91
662510	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,076.54)	$1,596.30
662511	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($920.86)	$1,751.97
662512	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($875.55)	$1,797.28
744817[1]	3	0.41	$15,249.98	$170.31	$998.37	$76.25	$91.48	($521.11)	$815.31
662513[1]	3	0.41	$15,249.98	$170.31	$998.37	$76.25	$91.48	($536.05)	$800.37
662514	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($629.51)	$2,043.32
662515	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,188.24)	$1,484.59
662516	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,057.81)	$1,615.02
662517	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,064.66)	$1,608.18
662518	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,036.14)	$1,636.69
662519	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($917.65)	$1,755.19
662520	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,079.41)	$1,593.43
662521	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,022.11)	$1,650.72
662522	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,138.21)	$1,534.62
662523	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,111.12)	$1,561.71
662524	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,110.87)	$1,561.96
662525	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,303.40)	$1,369.43
662526	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($971.76)	$1,701.07
662527	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,175.01)	$1,497.82
662528	0	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
662529	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,404.81)	$1,268.03
662530	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,245.08)	$1,427.75
662531	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,105.79)	$1,567.04
662532	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,080.28)	$1,592.56
662533	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	$0.00	$2,672.84
662534	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,066.64)	$1,606.19
662535	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($981.10)	$1,691.74
662536	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,261.94)	$1,410.90
662537	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	$0.00	$2,672.84
662538	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,120.73)	$1,552.10
662539	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,071.64)	$1,601.19
662540	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,314.03)	$1,358.81
662541	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,044.60)	$1,628.24
662542	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,225.34)	$1,447.50
662543	3	0.54	$20,478.44	$228.70	$1,340.66	$102.39	$182.97	($1,243.27)	$611.46
662544	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,322.29)	$1,350.54
662545	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,372.61)	$1,300.23
662546	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,129.70)	$1,543.13
662547	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,165.57)	$1,507.27
662548	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,074.93)	$1,597.91
662549	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,087.88)	$1,584.96
662550	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,075.91)	$1,596.93
662551	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,105.79)	$1,567.04
662552	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($886.44)	$1,786.40
662553	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($639.65)	$2,033.18
662554	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,026.32)	$1,646.52
662555	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,120.73)	$1,552.10
662556	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,068.48)	$1,604.36
662557	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,157.38)	$1,515.46
662558	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,069.15)	$1,603.68
662559	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,144.16)	$1,528.67
662560	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,044.54)	$1,628.30
662561	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,057.98)	$1,614.86
662562	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,062.37)	$1,610.47
662563	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,024.70)	$1,648.13
662564	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,210.90)	$1,461.93
662565	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($969.21)	$1,703.62
662566	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,075.91)	$1,596.93

Parcel	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
662567	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,066.51)	$1,606.33
662568	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,164.65)	$1,508.19
662569	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,022.08)	$1,650.75
662570	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,176.49)	$1,496.35
662571	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,072.00)	$1,600.83
662572	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,126.45)	$1,546.39
662573	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,168.55)	$1,504.28
662574	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,065.11)	$1,607.73
662575	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,302.24)	$1,370.60
662576	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,237.86)	$1,434.97
662577	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,231.62)	$1,441.22
662578	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,026.72)	$1,646.11
662579	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,041.35)	$1,631.48
662580	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,107.24)	$1,565.59
662581	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,309.70)	$1,363.13
662582	0	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
662583	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,272.84)	$1,400.00
662584	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,001.19)	$1,671.65
662585	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,225.04)	$1,447.79
662586	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($957.69)	$1,715.14
662587	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,009.68)	$1,663.15
662588	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,019.44)	$1,653.40
662589	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,204.77)	$1,468.06
662590	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,185.36)	$1,487.47
662591	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,011.03)	$1,661.80
662592	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,201.12)	$1,471.72
662593	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,241.25)	$1,431.59
662594	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,180.51)	$1,492.33
662595	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,225.04)	$1,447.79
662596	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($916.31)	$1,756.53
662597	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,054.99)	$1,617.85
662598	0	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
662599	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,071.41)	$1,601.42
662600	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,013.88)	$1,658.96
662601	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($960.00)	$1,712.84
662602	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($967.47)	$1,705.37
662603	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,353.82)	$1,319.01
662604	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,411.91)	$1,260.92
662605	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,042.22)	$1,630.61
662606	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
662607	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($910.97)	$1,761.87
662608	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,014.96)	$1,657.87
662609	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,222.35)	$1,450.49
662610	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	$0.00	$2,672.84
662611	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,111.77)	$1,561.07
662612	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,055.86)	$1,616.97
662613	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,037.06)	$1,635.78
662614	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($824.97)	$1,847.87
662615	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($927.06)	$1,745.78
662616	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,021.72)	$1,651.12
662617	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,135.68)	$1,537.15
662618	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,270.07)	$1,402.76
662619	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,198.44)	$1,474.39
662620	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,093.84)	$1,579.00
662621	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($983.26)	$1,689.58
662622	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,030.24)	$1,642.60
662623	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,270.17)	$1,402.67
662624	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,209.91)	$1,462.93
662625	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,090.50)	$1,582.34
662626	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,084.87)	$1,587.96
662627	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($595.16)	$2,077.67
662628	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,233.06)	$1,439.77
662629	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,060.96)	$1,611.87
662630	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($885.91)	$1,786.93
662631	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($804.06)	$1,868.78
662632	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,190.45)	$1,482.39
662633	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,204.74)	$1,468.09
662634	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($918.85)	$1,753.99
662635	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,108.14)	$1,564.70
662636	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($986.25)	$1,686.59
662637	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,046.02)	$1,626.81
662638	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,371.14)	$1,301.69
662639	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,216.37)	$1,456.46
662640	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,240.28)	$1,432.56
662641	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,318.31)	$1,354.53
662642	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,515.66)	$1,157.18

Parcel	Lot Type	Equivalent Unit Factor	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
662643	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,042.79)	$1,630.05
662644	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,102.23)	$1,570.60
662645	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,262.15)	$1,410.68
662646	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,086.23)	$1,586.60
662647	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,208.25)	$1,464.58
662648	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,334.78)	$1,338.06
662649	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,154.70)	$1,518.14
662650	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,146.47)	$1,526.37
662651	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,023.96)	$1,648.88
662652	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,026.15)	$1,646.69
662653	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($950.44)	$1,722.39
662654	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,180.56)	$1,492.28
662655	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,335.96)	$1,963.84
662656	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	$0.00	$3,299.80
662657	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,072.19)	$2,227.61
662658	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,134.99)	$2,164.81
662659	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,477.16)	$1,822.64
662660	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,207.71)	$2,092.09
662661	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,292.47)	$2,007.33
662662	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($829.78)	$2,470.01
662663	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,362.58)	$1,937.22
662664	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,399.11)	$1,900.68
662665	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,180.51)	$2,119.29
662666	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,150.62)	$2,149.18
662667	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,409.82)	$1,889.98
662668	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,315.00)	$1,984.80
662669	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,282.93)	$2,016.87
662670	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	$0.00	$3,299.80
662671	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($912.07)	$2,387.73
662672	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,089.11)	$2,210.68
662673	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,322.44)	$1,977.35
662674	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,360.55)	$1,939.25
662675	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,228.76)	$2,071.04
662676	0	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
662677	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,049.01)	$1,623.83
662678	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($257.77)	$2,415.06
662679	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($257.77)	$2,415.06
662680	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,330.96)	$1,341.87
662681	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,020.98)	$1,651.86
662682	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($910.25)	$1,762.59
662683	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,091.18)	$1,581.65
662684	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($896.59)	$1,776.24
662685	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	$0.00	$2,672.84
662686	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($50.64)	$2,622.19
662687	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,052.05)	$1,620.79
662688	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,282.27)	$1,390.56
662689	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,347.68)	$1,952.12
662690	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,253.27)	$2,046.53
662691	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,311.09)	$1,988.70
662692	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,049.79)	$2,250.00
662693	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,096.83)	$2,202.97
662694	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($983.26)	$2,316.54
662695	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,128.59)	$2,171.20
662696	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,195.45)	$2,104.34
662697	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,171.04)	$2,128.76
662698	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,154.11)	$2,145.69
662699	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,492.65)	$1,807.14
662700	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,412.37)	$1,887.43
662701	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,339.16)	$1,960.64
662702	3	0.81	$30,499.97	$340.62	$1,996.75	$152.50	$182.97	($1,210.39)	$1,462.44
662703	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,197.69)	$2,102.11
662704	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,258.91)	$2,040.89
662705	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	$0.00	$3,299.80
662706	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,186.49)	$2,113.31
662707	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,240.28)	$2,059.52
662708	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,133.31)	$2,166.49
662709	1	1.00	$37,654.28	$420.52	$2,465.12	$188.27	$225.89	($1,216.37)	$2,083.42
662710	0	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total		**176.81**	**$6,657,798.97**	**$74,353.85**	**$435,866.98**	**$33,288.99**	**$40,000.00**	**($221,658.37)**	**$361,851.46**

1 - Parcel's Equivalent Unit, Outstanding Assesssment, and Annual Installment due are split based upon ownership records per the Denton County Appraisal District as of August 4, 2021 and as a result, do not represent a new Lot Type.

APPENDIX H
IMPROVEMENT AREA #2 ASSESSMENT ROLL

Appendix H
Improvement Area #2 Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**315.66**
Assessment	**$12,537,928**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Prepayment and Delinquency Reserve	Available Credits	Total Annual Installment[4]
2019	$147,277	$754,461	$30,000	$62,690	$0	$994,427
2020	$144,002	$761,123	$30,600	$61,953	$0	$997,678
2021	$141,187	$761,751	$31,212	$61,233	$0	$995,383
2022	$141,586	$758,877	$31,836	$60,527	$0	$992,826
2023	$148,877	$753,823	$32,473	$59,819	$0	$994,992
2024	$225,000	$679,363	$33,122	$59,075	$0	$996,560
2025	$235,000	$666,425	$33,785	$57,950	$0	$993,160
2026	$250,000	$652,913	$34,461	$56,775	$0	$994,148
2027	$265,000	$638,538	$35,150	$55,525	$0	$994,212
2028	$280,000	$623,300	$35,853	$54,200	$0	$993,353
2029	$295,000	$607,200	$36,570	$52,800	$0	$991,570
2030	$310,000	$590,238	$37,301	$51,325	$0	$988,864
2031	$330,000	$572,413	$38,047	$49,775	$0	$990,235
2032	$350,000	$553,438	$38,808	$48,125	$0	$990,371
2033	$370,000	$533,313	$39,584	$46,375	$0	$989,272
2034	$390,000	$512,038	$40,376	$44,525	$0	$986,939
2035	$415,000	$489,613	$41,184	$42,575	$0	$988,371
2036	$435,000	$465,750	$42,007	$40,500	$0	$983,257
2037	$460,000	$440,738	$42,847	$38,325	$0	$981,910
2038	$490,000	$414,288	$43,704	$36,025	$0	$984,017
2039	$515,000	$386,113	$44,578	$33,575	$0	$979,266
2040	$545,000	$356,500	$45,470	$31,000	$0	$977,970
2041	$575,000	$325,163	$46,379	$28,275	$0	$974,817
2042	$610,000	$292,100	$47,307	$25,400	$0	$974,807
2043	$645,000	$257,025	$48,253	$22,350	$0	$972,628
2044	$680,000	$219,938	$49,218	$19,125	$0	$968,281
2045	$720,000	$180,838	$50,203	$15,725	$0	$966,765
2046	$765,000	$139,438	$51,207	$12,125	$0	$967,769
2047	$805,000	$95,450	$52,231	$8,300	$0	$960,981
2048	$855,000	$49,163	$53,275	$4,275	$0	$961,713
Total	**$12,537,928**	**$14,531,322**	**$1,217,042**	**$1,240,248**	**$0**	**$29,526,540**

1 – The 9/30/XX dates represent the fiscal year end for the Bonds.
2 - The interest is calculated assuming an interest rate of 4.60% in year 1 (2019), 4.70% in year 2 (2020), 4.80% in year 3 (2021), 4.90% in year 4 (2022), 5.0% in year 5 (2023), and 5.75% in years 6 through 30 (2024-2048) interest rate on the Improvement Area #2 Refunding and Improvement Bonds.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Credit.

Appendix H-1
Assessment Roll Summary - Improvement Area #2
2021-22

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
727063	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,040.04)	$1,548.31
727064	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($971.30)	$1,617.05
727065	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,178.09)	$1,410.26
727066	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,234.30)	$1,354.05
727067	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,249.96)	$1,338.39
727068	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,040.04)	$1,548.31
727069	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,141.66)	$1,446.69
3670365[1]	1	3	0.27	0.27	$10,249.87	$120.39	$642.55	$51.25	$39.96	($383.99)	$470.16
8452371[1]	1	3	0.54	0.54	$20,810.34	$244.43	$1,304.58	$104.05	$81.14	($759.60)	$974.60
727071	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($924.49)	$1,663.86
727072	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,276.15)	$1,312.20
727073	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,272.42)	$1,315.93
727074	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,306.03)	$1,282.32
727075	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,243.27)	$1,345.08
727076	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,127.27)	$1,461.08
727077	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,040.03)	$1,548.32
727078	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,185.44)	$1,402.91
727079	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,100.59)	$1,487.76
727080	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($988.41)	$1,599.94
727081	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,135.36)	$1,452.99
727082	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,033.67)	$1,554.68
727083	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,440.13)	$1,148.22
727084	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,285.11)	$1,303.24
727085	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,329.94)	$1,258.41
727086	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,054.99)	$1,533.36
727087	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,025.10)	$1,563.25
727088	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($985.49)	$1,602.86
727089	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,163.91)	$1,424.44
727090	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,123.55)	$1,464.80
727091	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,344.88)	$1,243.47
727092	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
727093	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($955.32)	$1,633.03
727094	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727095	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($261.65)	$2,326.70
727096	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($273.96)	$2,314.39
727097	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,037.77)	$1,550.58
727098	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,105.49)	$1,482.86
727099	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,149.59)	$1,438.76
727100	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727101	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727102	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727103	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($535.36)	$2,052.99
727104	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727105	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727106	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727107	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($818.56)	$1,769.79
727108	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727109	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727110	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($267.87)	$2,320.48
727111	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,043.03)	$1,545.32
727112	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($182.77)	$2,405.58
727113	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,048.17)	$1,540.18
727114	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($987.12)	$1,601.23
727115	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($251.58)	$2,336.77
727116	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,006.55)	$1,581.80
727117	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($201.47)	$2,386.88
727118	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,283.62)	$1,304.73
727119	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,060.96)	$1,527.39
727120	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727121	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($884.47)	$1,703.88
727122	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,225.34)	$1,363.01
727123	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,125.68)	$1,462.67
727124	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,145.85)	$1,442.50
727125	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($817.95)	$1,770.40
727126	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,040.04)	$1,548.31
727127	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,223.95)	$1,364.40
727128	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727129	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,233.81)	$1,354.54
727130	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,304.20)	$1,284.15
727131	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,225.34)	$1,363.01
727132	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($696.62)	$1,891.73
727133	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($585.33)	$2,003.02
727134	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($266.67)	$2,321.68
727135	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,183.43)	$1,404.92

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
727136	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($266.67)	$2,321.68
727137	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($266.70)	$2,321.65
727138	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($266.81)	$2,321.54
727139	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($830.84)	$1,757.51
727140	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($313.31)	$2,275.04
727141	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,025.10)	$1,563.25
727142	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($894.61)	$1,693.74
727143	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,007.40)	$1,580.95
727144	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($811.28)	$1,777.07
727145	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,009.43)	$1,578.92
727146	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,218.84)	$1,369.51
727147	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($638.07)	$1,950.28
727148	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($513.54)	$2,074.81
727149	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($866.94)	$1,721.41
727150	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($883.46)	$1,704.89
727151	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,204.86)	$1,383.49
727152	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($999.95)	$1,588.40
727153	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($902.08)	$1,686.27
727154	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,227.01)	$1,361.34
727155	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($286.02)	$2,302.33
727156	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727157	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727158	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($963.93)	$1,624.42
727159	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($926.48)	$1,661.87
727160	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,410.33)	$1,178.02
727161	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,315.04)	$1,273.31
727162	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($905.37)	$1,682.98
727163	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($978.93)	$1,609.42
727164	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($261.38)	$2,326.97
727165	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,110.41)	$1,477.94
727166	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($152.77)	$2,435.58
727167	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($806.79)	$1,781.56
727168	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($519.95)	$2,068.40
727169	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,196.34)	$1,392.01
727170	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,359.82)	$1,228.53
727171	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727172	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,382.30)	$1,206.05
727173	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,330.43)	$1,257.92
727174	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,036.93)	$1,551.42
727175	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,013.58)	$1,574.77
727176	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,190.69)	$1,397.66
727177	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,113.80)	$1,474.55
727178	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,028.09)	$1,560.26
727179	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,192.46)	$1,395.89
727180	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,216.93)	$1,371.42
727181	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,132.51)	$1,455.84
727182	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,031.97)	$1,556.38
727183	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($679.47)	$1,908.88
727184	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($754.62)	$1,833.73
727185	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($915.95)	$1,672.40
727186	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($564.13)	$2,024.22
727187	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,053.02)	$1,535.33
727188	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,060.96)	$1,527.39
727189	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,210.39)	$1,377.96
727190	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,042.41)	$1,545.94
727191	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($265.50)	$2,322.85
727192	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($265.78)	$2,322.57
727193	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($499.87)	$2,088.48
727194	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($274.16)	$2,314.19
727195	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,321.03)	$1,267.32
727196	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727197	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,290.01)	$1,298.34
727198	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,379.28)	$1,209.07
727199	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($984.62)	$1,603.73
727200	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($988.64)	$1,599.71
727201	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,379.28)	$1,209.07
727202	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,208.26)	$1,380.09
727203	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,019.33)	$1,569.02
727204	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,042.49)	$1,545.86
727205	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,247.91)	$1,340.44
727206	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($935.44)	$1,652.91
727207	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($970.46)	$1,617.89
727208	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,317.99)	$1,270.36
727209	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($326.83)	$2,261.52
727210	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,276.03)	$1,312.32
727211	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	$0.00	$2,588.35
727212	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($972.71)	$1,615.64
727213	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($928.95)	$1,659.40

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
727214	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($643.54)	$1,944.81
727215	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,082.57)	$1,505.78
727216	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,334.27)	$1,254.08
727217	1	3	0.81	0.81	$31,060.21	$364.82	$1,947.13	$155.30	$121.10	($1,485.17)	$1,103.18
725604	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($126.80)	$1,950.27
725605	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($92.96)	$1,984.11
725606	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($1,144.53)	$932.54
725607	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($674.87)	$1,402.20
725608	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($924.39)	$1,152.68
725609	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($856.29)	$1,220.78
725610	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($764.72)	$1,312.35
725611	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($849.84)	$1,227.23
725612	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.09)	$1,992.98
725613	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.09)	$1,992.98
725614	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($675.55)	$1,401.52
725615	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($793.44)	$1,283.63
725616	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($926.97)	$1,150.10
725617	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($513.06)	$1,564.01
725618	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($921.11)	$1,155.96
725619	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($849.84)	$1,227.23
725620	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($140.16)	$1,936.91
725621	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.09)	$1,992.98
725622	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($140.16)	$1,936.91
725623	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($849.11)	$1,227.96
725624	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.09)	$1,992.98
725625	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.09)	$1,992.98
725626	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.09)	$1,992.98
725627	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($509.68)	$1,567.39
725628	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($860.22)	$1,216.85
725629	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.93)	$1,409.14
725630	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
725631	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($986.25)	$1,090.82
725632	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($845.22)	$1,231.85
725633	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($679.41)	$1,397.66
725634	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($847.32)	$1,229.76
725635	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($675.43)	$1,401.64
725636	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($769.26)	$1,307.81
725637	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($925.69)	$1,151.39
725638	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($680.09)	$1,396.98
725639	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($899.43)	$1,177.64
725640	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($855.00)	$1,222.07
725641	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($679.41)	$1,397.66
725642	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($925.69)	$1,151.39
725643	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.92)	$1,409.16
725644	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($847.32)	$1,229.76
725645	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($680.09)	$1,396.98
725646	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($764.95)	$1,312.12
725647	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.92)	$1,409.16
725648	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($86.82)	$1,990.25
725649	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($86.30)	$1,990.77
725650	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($119.40)	$1,957.67
725651	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($119.60)	$1,957.47
725652	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.89)	$1,993.19
725653	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.52)	$1,409.55
725654	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($921.56)	$1,155.51
725655	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($850.56)	$1,226.51
725656	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($929.16)	$1,147.91
725657	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($674.97)	$1,402.10
725658	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($849.30)	$1,227.77
725659	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($760.47)	$1,316.60
725660	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($675.66)	$1,401.41
725661	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($845.14)	$1,231.94
725662	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($929.11)	$1,147.96
725663	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($842.88)	$1,234.19
725664	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($925.61)	$1,151.46
725665	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($796.31)	$1,280.76
725666	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($166.99)	$1,910.08
725667	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($140.26)	$1,936.81
725668	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($96.84)	$1,980.23
725669	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($119.67)	$1,957.40
725670	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($789.26)	$1,287.81
725671	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.18)	$1,992.89
725672	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.18)	$1,992.89
725673	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($924.53)	$1,152.54
725674	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($838.12)	$1,238.96
725675	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($905.56)	$1,171.51
725676	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($662.73)	$1,414.34
725677	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($843.65)	$1,233.42

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
725678	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($675.00)	$1,402.07
725679	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($919.24)	$1,157.83
725680	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($675.69)	$1,401.38
725681	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($921.25)	$1,155.82
725682	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($663.51)	$1,413.56
725683	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($824.86)	$1,252.21
725684	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($662.73)	$1,414.34
725685	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($760.55)	$1,316.52
725686	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($917.76)	$1,159.32
725687	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($749.07)	$1,328.00
725688	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($926.21)	$1,150.86
725689	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($928.99)	$1,148.08
725690	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($764.11)	$1,312.96
725691	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($890.61)	$1,186.46
725692	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.24)	$1,409.83
725693	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($786.29)	$1,290.78
725694	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($936.74)	$1,140.33
725695	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.50)	$1,409.57
725696	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($800.35)	$1,276.72
725697	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.24)	$1,409.83
725698	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($848.49)	$1,228.58
725699	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($710.75)	$1,366.32
725701	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($941.42)	$1,135.65
725702	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($628.89)	$1,448.18
725703	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($849.86)	$1,227.21
725704	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($675.38)	$1,401.69
725705	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.97)	$1,993.10
725706	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.97)	$1,993.10
725707	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.13)	$1,992.94
725708	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($645.73)	$1,431.34
725709	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($850.11)	$1,226.96
725710	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($674.93)	$1,402.14
725711	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.12)	$1,992.96
725712	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($84.12)	$1,992.96
725713	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.52)	$1,409.55
725714	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.89)	$1,993.19
725715	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.89)	$1,993.19
725716	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.89)	$1,993.19
725717	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.89)	$1,993.19
725718	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($663.03)	$1,414.04
725719	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($139.81)	$1,937.26
725720	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($83.89)	$1,993.19
725721	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($667.76)	$1,409.31
725722	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($750.20)	$1,326.88
725723	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($953.77)	$1,123.30
725724	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($958.13)	$1,118.94
725725	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($681.74)	$1,395.33
725726	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($849.83)	$1,227.24
725727	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($670.42)	$1,406.65
725728	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($88.32)	$1,988.75
725729	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($88.32)	$1,988.75
725730	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($669.63)	$1,407.44
725731	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($88.32)	$1,988.75
725732	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($149.03)	$2,279.54
725733	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($131.90)	$2,296.68
725734	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($962.34)	$1,466.23
725735	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($760.12)	$1,668.46
725736	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($1,093.94)	$1,334.64
725737	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($955.95)	$1,472.62
725738	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($709.12)	$1,719.45
725739	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
725740	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($1,040.04)	$1,388.53
725741	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($780.92)	$1,647.65
725742	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($1,018.90)	$1,409.67
725743	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
725744	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
725745	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($162.95)	$2,265.62
725746	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($125.73)	$2,302.85
725747	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($125.81)	$2,302.76
725748	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($196.33)	$2,232.25
725749	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
717579	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($684.84)	$1,392.23
717580	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($647.00)	$1,430.07
717581	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($618.56)	$1,458.51
717582	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($137.48)	$1,939.60
717583	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($866.70)	$1,210.37
717584	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($603.76)	$1,473.31
717585	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($810.48)	$1,266.59

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
717586	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($781.87)	$1,295.20
717587	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($625.64)	$1,451.43
717588	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($612.84)	$1,464.23
717589	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($869.69)	$1,207.38
717590	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($625.64)	$1,451.43
717591	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($781.87)	$1,295.20
717592	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($795.95)	$1,281.12
717593	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($625.64)	$1,451.43
717594	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	$0.00	$2,077.07
717595	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($882.24)	$1,194.83
717596	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($625.64)	$1,451.43
717597	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($717.82)	$1,359.25
717598	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($610.84)	$1,466.23
717599	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($783.73)	$1,293.35
717600	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($816.50)	$1,260.57
717601	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($625.64)	$1,451.43
717602	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($687.38)	$1,389.69
717603	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($878.66)	$1,198.42
717604	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
717605	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($582.03)	$1,495.04
717606	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($627.57)	$1,449.50
717607	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($345.42)	$1,731.65
717608	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($612.17)	$1,464.90
717609	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($815.41)	$1,261.66
717610	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($622.14)	$1,454.93
717611	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($778.36)	$1,298.71
717612	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($611.36)	$1,465.71
717613	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($933.41)	$1,143.66
717614	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($882.86)	$1,194.22
717615	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($615.15)	$1,461.92
717616	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($628.77)	$1,448.30
717617	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($717.27)	$1,359.80
717618	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($795.41)	$1,281.66
717619	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($784.99)	$1,292.08
717620	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($613.97)	$1,463.10
717621	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($784.99)	$1,292.08
717622	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($632.65)	$1,444.42
717623	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($633.39)	$1,443.68
717624	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($736.49)	$1,340.58
717625	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($800.57)	$1,276.51
717626	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($703.59)	$1,373.48
717627	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($872.81)	$1,204.26
717628	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($873.62)	$1,203.45
717629	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($634.20)	$1,442.87
717630	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($938.82)	$1,138.25
717631	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($827.51)	$1,249.56
717632	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($619.37)	$1,457.70
717633	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($784.33)	$1,292.74
717634	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($791.27)	$1,285.80
717635	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($938.84)	$1,138.23
717636	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	$0.00	$2,077.07
717637	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($634.20)	$1,442.87
717638	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	$0.00	$2,077.07
717639	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($792.25)	$1,284.82
717640	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($611.95)	$1,465.12
717641	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($851.76)	$1,225.31
717642	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($774.06)	$1,303.01
717643	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	$0.00	$2,077.07
717644	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($612.33)	$1,464.74
717645	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($652.93)	$1,424.14
717646	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($621.24)	$1,455.83
717647	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($925.87)	$1,151.21
717648	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($606.44)	$1,470.63
717649	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($777.47)	$1,299.60
717650	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($621.24)	$1,455.83
717651	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($608.44)	$1,468.63
717652	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($776.09)	$1,300.98
717653	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($588.67)	$1,488.40
717654	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($603.76)	$1,473.31
717655	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($923.18)	$1,153.89
717656	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($788.51)	$1,288.56
717657	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($680.01)	$1,397.06
717658	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
717659	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($782.97)	$1,294.10
717660	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($613.94)	$1,463.13
717661	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($793.38)	$1,283.69
717662	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($626.74)	$1,450.33
717663	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($824.38)	$1,252.69

Parcel	Estimated No. of units	Lot Type	Equivalent Unit Factor	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Excess Interest for Reserves	Adminstrative Expense	TIRZ Credit	Annual Installment
717664	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($789.40)	$1,287.67
717665	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($516.84)	$1,560.23
717666	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($768.32)	$1,308.75
717667	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($787.24)	$1,289.83
717668	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
717669	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($629.44)	$1,447.63
717670	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($797.76)	$1,279.31
717671	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($809.16)	$1,267.91
717672	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($652.93)	$1,424.14
717673	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($866.51)	$1,210.56
717674	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($775.01)	$1,302.06
717675	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($607.24)	$1,469.83
717676	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($825.17)	$1,251.90
717677	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($798.50)	$1,278.57
717678	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($631.86)	$1,445.21
717679	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($936.49)	$1,140.58
717680	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($885.95)	$1,191.12
717681	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($788.09)	$1,288.98
717682	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($617.06)	$1,460.01
717683	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($909.88)	$1,167.19
717684	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($974.74)	$1,102.33
717685	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($630.14)	$1,446.93
717686	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($615.17)	$1,461.90
717687	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($796.61)	$1,280.46
717688	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($820.83)	$1,256.24
717689	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($787.23)	$1,289.84
717690	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($724.63)	$1,352.44
717691	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($632.48)	$1,444.59
717692	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($583.88)	$1,493.19
717693	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($937.12)	$1,139.95
717694	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($799.13)	$1,277.94
717695	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($678.62)	$1,398.45
717696	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($808.78)	$1,268.29
717697	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($958.27)	$1,118.80
717698	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($643.94)	$1,433.13
717699	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($625.24)	$1,451.83
717700	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($828.59)	$1,248.48
717701	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	$0.00	$2,077.07
717702	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($606.89)	$1,470.18
717703	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($782.43)	$1,294.64
717704	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($879.06)	$1,198.01
717705	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($621.03)	$1,456.04
717706	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($711.87)	$1,365.20
717707	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($814.32)	$1,262.76
717708	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($777.26)	$1,299.81
717709	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($787.68)	$1,289.39
717710	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($606.23)	$1,470.84
717711	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($584.90)	$1,492.17
717712	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($680.82)	$1,396.25
717713	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($811.90)	$1,265.17
717714	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($872.82)	$1,204.25
717715	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($842.81)	$1,234.26
717716	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($650.21)	$1,426.86
717717	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($813.53)	$1,263.54
717718	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($820.27)	$1,256.80
717719	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID	PREPAID
717720	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($615.18)	$1,461.89
717721	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($871.44)	$1,205.63
717722	1	5	0.65	0.65	$24,924.86	$292.76	$1,562.51	$124.62	$97.18	($810.98)	$1,266.09
717723	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($783.02)	$1,645.55
717724	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($643.08)	$1,785.50
717725	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($837.78)	$1,590.80
717726	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($802.13)	$1,626.45
717727	0	N/A	0.00	0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
717728	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($837.86)	$1,590.72
717729	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($197.63)	$2,230.95
717730	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($803.06)	$1,625.52
717731	1	4	0.76	0.76	$29,142.91	$342.30	$1,826.93	$145.71	$113.63	($860.72)	$1,567.85
Total	**443**		**314.36**	**314.36**	**$12,054,427.59**	**$141,585.60**	**$755,677.60**	**$60,272.14**	**$47,000.00**	**($322,624.02)**	**$681,911.32**

1 - Parcel's Equivalent Unit, Outstanding Assesssment, and Annual Installment due are split based upon ownership records per the Denton County Appraisal District as of August 4, 2021 and as a result, do not represent a new Lot Type.

APPENDIX I
IMPROVEMENT AREA #3 ASSESSMENT ROLL

Appendix I-1

Proposed Improvement Area #3 Assessment Roll (Combined Phase #3B and Phase #2B-1)

Parcel	**All Parcels**
Equivalent Units	**164.75**
Assessment	**$5,405,000**

Year[1]	Principal[2]	Interest[2]	Principal[3]	Interest[3]	Administrative Expenses[4]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment[5]
9/30/19	$0	$229,408	$0	$0	$20,000	$0	$0	$249,408
9/30/20	$19,289	$229,408	$0	$0	$20,400	$0	$0	$269,097
9/30/21	$21,558	$227,670	$0	$0	$20,808	$0	$0	$270,037
9/30/22	$55,622	$79,857	$64,378	$92,428	$50,000	$27,025	($92,428)	$276,881
9/30/23	$58,403	$104,112	$67,597	$120,501	$51,000	$26,425	$0	$428,073
9/30/24	$60,721	$101,629	$70,279	$117,628	$52,020	$25,795	$0	$427,890
9/30/25	$63,038	$99,049	$72,962	$114,641	$53,060	$25,140	$0	$428,492
9/30/26	$65,819	$96,370	$76,181	$111,540	$54,122	$24,460	$0	$427,829
9/30/27	$68,137	$93,572	$78,863	$108,303	$55,204	$23,750	$0	$427,951
9/30/28	$70,918	$90,677	$82,082	$104,951	$56,308	$23,015	$0	$428,809
9/30/29	$74,163	$87,663	$85,837	$101,462	$57,434	$22,250	$0	$428,358
9/30/30	$76,944	$84,511	$89,056	$97,814	$58,583	$21,450	$0	$428,645
9/30/31	$80,188	$81,241	$92,812	$94,030	$59,755	$20,620	$0	$428,622
9/30/32	$83,433	$77,833	$96,567	$90,085	$60,950	$19,755	$0	$428,291
9/30/33	$86,678	$74,287	$100,322	$85,981	$62,169	$18,855	$0	$428,652
9/30/34	$90,386	$70,603	$104,614	$81,717	$63,412	$17,920	$0	$427,658
9/30/35	$93,630	$66,761	$108,370	$77,271	$64,680	$16,945	$0	$428,356
9/30/36	$97,802	$62,782	$113,198	$72,665	$65,974	$15,935	$0	$427,653
9/30/37	$101,510	$58,626	$117,490	$67,854	$67,293	$14,880	$0	$427,597
9/30/38	$105,682	$54,311	$122,318	$62,861	$68,639	$13,785	$0	$428,140
9/30/39	$110,317	$49,820	$127,683	$57,663	$70,012	$12,645	$0	$427,235
9/30/40	$114,489	$45,131	$132,511	$52,236	$71,412	$11,455	$0	$427,931
9/30/41	$119,587	$40,266	$138,413	$46,604	$72,841	$10,220	$0	$427,132
9/30/42	$124,222	$35,183	$143,778	$40,722	$74,297	$8,930	$0	$426,888
9/30/43	$129,321	$29,904	$149,679	$34,611	$75,783	$7,590	$0	$427,151
9/30/44	$134,883	$24,408	$156,117	$28,250	$77,299	$6,195	$0	$426,875
9/30/45	$140,445	$18,675	$162,555	$21,615	$78,845	$4,740	$0	$426,059
9/30/46	$146,008	$12,706	$168,992	$14,706	$80,422	$3,225	$0	$427,706
9/30/47	$152,960	$6,501	$177,040	$7,524	$82,030	$1,650	$0	$428,038
Total	**$2,546,153**	**$2,332,964**	**$2,899,694**	**$1,905,663**	**$1,744,752**	**$424,655**	**($92,428)**	**$11,761,454**

1 – The 9/30/XX dates represent the fiscal year end for the Bonds

2 – The interest is calculated using an estimated 4.25% interest rate on the Improvement Area # Bonds (relating to Phase #3B) and will be updated at the time of bond issuance. Amounts shown for years 2021 and prior were paid under the Improvement Area #2 Reimbursement Agreement (relating to Phase #3B).

3 – The interest is calculated using an estimated 4.25% interest rate on the Improvement Area # Bonds (relating to Phase #2B-1) and will be updated at the time of bond issuance.

4- Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

5- Annual Installment does not include any TIRZ Credit.

Appendix I-2
Proposed Improvement Area #3 Assessment Roll (Phase #3B Only)

Parcel	**All Parcels**
Equivalent Units	**92.66**
Assessment	**$2,546,153**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment[5]
9/30/19	$0	$229,408	$20,000	$0	$0	$249,408
9/30/20	$19,289	$229,408	$20,400	$0	$0	$269,097
9/30/21	$21,558	$227,670	$20,808	$0	$0	$270,037
9/30/22	$55,622	$79,857	$23,176	$12,527	$0	$171,181
9/30/23	$58,403	$104,112	$23,639	$12,248	$0	$198,402
9/30/24	$60,721	$101,629	$24,112	$11,956	$0	$198,419
9/30/25	$63,038	$99,049	$24,594	$11,653	$0	$198,334
9/30/26	$65,819	$96,370	$25,086	$11,338	$0	$198,613
9/30/27	$68,137	$93,572	$25,588	$11,009	$0	$198,306
9/30/28	$70,918	$90,677	$26,100	$10,668	$0	$198,362
9/30/29	$74,163	$87,663	$26,622	$10,313	$0	$198,760
9/30/30	$76,944	$84,511	$27,154	$9,942	$0	$198,551
9/30/31	$80,188	$81,241	$27,697	$9,558	$0	$198,684
9/30/32	$83,433	$77,833	$28,251	$9,157	$0	$198,673
9/30/33	$86,678	$74,287	$28,816	$8,740	$0	$198,520
9/30/34	$90,386	$70,603	$29,393	$8,306	$0	$198,687
9/30/35	$93,630	$66,761	$29,980	$7,854	$0	$198,226
9/30/36	$97,802	$62,782	$30,580	$7,386	$0	$198,550
9/30/37	$101,510	$58,626	$31,192	$6,897	$0	$198,224
9/30/38	$105,682	$54,311	$31,815	$6,390	$0	$198,198
9/30/39	$110,317	$49,820	$32,452	$5,861	$0	$198,450
9/30/40	$114,489	$45,131	$33,101	$5,310	$0	$198,030
9/30/41	$119,587	$40,266	$33,763	$4,737	$0	$198,353
9/30/42	$124,222	$35,183	$34,438	$4,139	$0	$197,983
9/30/43	$129,321	$29,904	$35,127	$3,518	$0	$197,870
9/30/44	$134,883	$24,408	$35,829	$2,871	$0	$197,992
9/30/45	$140,445	$18,675	$36,546	$2,197	$0	$197,864
9/30/46	$146,008	$12,706	$37,277	$1,495	$0	$197,485
9/30/47	$152,960	$6,501	$38,022	$765	$0	$198,248
Total	**$2,546,153**	**$2,332,964**	**$841,558**	**$196,835**	**$0**	**$5,917,507**

1 – The 9/30/XX dates represent the fiscal year end.
2 – The interest is calculated using an estimated 4.25% interest rate and will be updated at the time of bond issuance. Amounts shown for years 2021 and prior were paid under the Improvement Area #2 Reimbursement Agreement (relating to Phase #3B).
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Credit.

Appendix I-2-A
Assessment Roll Summary - Phase #3B
2021-22

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Adminstrative Expense	TIRZ Credit	Annual Installment
757670	0	0	0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
757669	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757668	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757667	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757666	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757665	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757664	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757663	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757662	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757661	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757660	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757659	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757658	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757657	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757656	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757655	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757654	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757653	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757652	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757651	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757650	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757649	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757648	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757647	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757646	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757645	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757644	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757643	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757642	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757641	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757640	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757639	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757638	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757637	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757636	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757635	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757634	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757633	1	50	0.76	$20,548.59	$204.74	$1,851.43	$172.24	$0.00	$2,228.41
757632	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757631	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757630	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757629	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757628	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757627	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757626	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757625	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757624	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757623	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757622	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757621	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757620	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757619	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757618	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757617	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757616	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757615	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757614	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Adminstrative Expense	TIRZ Credit	Annual Installment
757613	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757612	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757611	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757610	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757609	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757608	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757607	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757606	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757605	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757604	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757603	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757602	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757601	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757600	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757599	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757598	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757597	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757596	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757595	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757594	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757593	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757592	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757591	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757590	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757589	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757588	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757587	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757586	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757585	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757584	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757583	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757582	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757581	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757580	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757579	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757578	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757577	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757576	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757575	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757574	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757573	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757572	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757571	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757570	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757569	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757568	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757567	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757566	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757565	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757564	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757563	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757562	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757561	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757560	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757559	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757558	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757557	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757556	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757555	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757554	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757553	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88

Parcel	Estimated No. of units	Lot Type	Total Equivalent Units	Total Outstanding Assessment	Principal	Interest	Adminstrative Expense	TIRZ Credit	Annual Installment
757552	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757551	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757550	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757549	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757548	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757547	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757546	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757545	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757544	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757543	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757542	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757541	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757540	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757539	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757538	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757537	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757536	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757535	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757534	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757533	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757532	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
757531	1	40	0.65	$17,574.45	$175.11	$1,583.46	$147.31	$0.00	$1,905.88
Total	**139**		**92.66**	**$2,505,305.64**	**$24,962.28**	**$225,728.04**	**$21,000.00**	**$0.00**	**$271,690.32**

Appendix I-3
Proposed Improvement Area #3 Assessment Roll (Phase #2B-1 Only)

Parcel	**All Parcels**
Equivalent Units	**72.09**
Assessment	**$2,899,694**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Additional Interest Reserve	Capitalized Interest	Total Annual Installment[5]
9/30/22	$64,378	$92,428	$26,824	$14,498	($92,428)	$105,701
9/30/23	$67,597	$120,501	$27,361	$14,177	$0	$229,635
9/30/24	$70,279	$117,628	$27,908	$13,839	$0	$229,654
9/30/25	$72,962	$114,641	$28,466	$13,487	$0	$229,556
9/30/26	$76,181	$111,540	$29,035	$13,122	$0	$229,879
9/30/27	$78,863	$108,303	$29,616	$12,741	$0	$229,523
9/30/28	$82,082	$104,951	$30,208	$12,347	$0	$229,589
9/30/29	$85,837	$101,462	$30,813	$11,937	$0	$230,049
9/30/30	$89,056	$97,814	$31,429	$11,508	$0	$229,807
9/30/31	$92,812	$94,030	$32,057	$11,062	$0	$229,961
9/30/32	$96,567	$90,085	$32,699	$10,598	$0	$229,949
9/30/33	$100,322	$85,981	$33,353	$10,115	$0	$229,771
9/30/34	$104,614	$81,717	$34,020	$9,614	$0	$229,965
9/30/35	$108,370	$77,271	$34,700	$9,091	$0	$229,431
9/30/36	$113,198	$72,665	$35,394	$8,549	$0	$229,806
9/30/37	$117,490	$67,854	$36,102	$7,983	$0	$229,429
9/30/38	$122,318	$62,861	$36,824	$7,395	$0	$229,399
9/30/39	$127,683	$57,663	$37,560	$6,784	$0	$229,690
9/30/40	$132,511	$52,236	$38,312	$6,145	$0	$229,205
9/30/41	$138,413	$46,604	$39,078	$5,483	$0	$229,578
9/30/42	$143,778	$40,722	$39,859	$4,791	$0	$229,150
9/30/43	$149,679	$34,611	$40,657	$4,072	$0	$229,019
9/30/44	$156,117	$28,250	$41,470	$3,324	$0	$229,160
9/30/45	$162,555	$21,615	$42,299	$2,543	$0	$229,011
9/30/46	$168,992	$14,706	$43,145	$1,730	$0	$228,574
9/30/47	$177,040	$7,524	$44,008	$885	$0	$229,457
Total	**$2,899,694**	**$1,905,663**	**$903,197**	**$227,820**	**($92,428)**	**$5,843,948**

1 – The 9/30/XX dates represent the fiscal year end.
2 – The interest is calculated using an estimated 4.25% interest rate on the Improvement Area # Bonds (relating to Phase #2B-1) and will be updated at the time of bond issuance.
3 – Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.
4 – Annual Installment does not include any TIRZ Credit.

EXHIBIT B
TOWN OF LITTLE ELM, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the Town Council of Little Elm, Texas on *December 7, 2021 at or after 6:00 p.m.at Little Elm Town Hall, 100 W. Eldorado Parkway, Little Elm, Texas 75068*. The public hearing will be held to consider proposed assessments to be levied against the assessable property within Phase #2B-1 of the Valencia Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Phase #2B-1 Local Improvements") may include: landscaping, entryway features, water, wastewater, sidewalks, streets, roadways, off-street parking, drainage system improvements, trails, parks and open space; similar off-site projects that provide a benefit to the property within the District; special supplemental services for the improvement and promotion of the District; payment of costs associated with operating and maintaining the public improvements listed above; payment of costs associated with developing and financing the public improvements; and payment of expenses incurred in the establishment, administration, and operation of the District and the issuance of bonds related to the Phase #2B-1 Local Improvements. These Phase #2B-1 Local Improvements shall promote the interests of the Town and confer a special benefit upon the Phase #2B-1 property.

The estimated total costs of the Phase #2B-1 Local Improvements, including the costs related to the administration of the District and issuing the bonds, is approximately $3,451,479.

The boundaries of the District include approximately *447.942* acres of land generally located south of Doe Creek Road, west of Gee Road, and on the shore of Lake Lewisville, and as more particularly described by a metes and bounds description available at Little Elm Town Hall and available for public inspection.

All written or oral objections on the proposed assessment within the District will be considered at the public hearing.

A copy of the Phase #2B-1 Assessment Roll relating to the Phase #2B-1 Local Improvements (the "Phase #2B-1 Assessment Roll"), which Phase #2B-1 Assessment Roll includes the assessments to be levied against each parcel of land located within Phase #2B-1 of the District that benefits from the Phase #2B-1 Local Improvements, is available for public inspection at the office of the Town Secretary, 100 W. Eldorado Pkwy, Little Elm, Texas 75068.

Date:	11/16/2021
Agenda Item #:	8. C.
Department:	Economic Development Corporation
Strategic Goal:	Promote and expand Little Elm's identity
Staff Contact:	Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Present, Discuss, and Consider Action on **Resolution No 1116202103 Authorizing and Creating the Spiritas East Public Improvement District in Accordance with Chapter 372 of the Texas Local Government Code; Providing for Related Matters; and Providing an Effective Date.**

DESCRIPTION:

On August 26, 2021, Robert G. Penley and Robert G. Penley, Sr and Faith Penley submitted and filed with the Town Secretary of Little Elm, a petition requesting the establishment of the Public Improvement District for property within the town limits of Little Elm, to request the creation of Spiritas East Public Improvement District. Pursuant to the requirements of the Act, including, without limitations, the Town Council, after considering the Petition, Evidence and Testimony, presented at the Public Hearing on November 16, 2021 hereby find and declare advisability of proposed improvements, general nature of authorized improvements, estimated costs of authorized improvements and apportionment of costs, boundaries of the district, proposed method of assessment, and management of the district to establish the Spiritas East Public Improvement District.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends that Council approves the Resolution as presented.

Attachments

Resolution No 1116202103 Creating Spiritas East PID

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 1116202103

A RESOLUTION OF THE TOWN OF LITTLE ELM, TEXAS AUTHORIZING AND CREATING THE SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Little Elm, Texas (the "Town") Little Elm), is authorized under Chapter 372 of the Texas Local Government Code (the "Act"), to create a public improvement district within its Town limits or its extraterritorial jurisdiction; and

WHEREAS, on August 26th, 2021, ***Robert G. Penley, and Robert G. Sr. & Faith Penley***, owners of the real property (collectively, the "Petitioner") of a tract of land located within the Town Limits ("TL") of the Town Little Elm, submitted and filed with the Town Secretary of Little Elm (the "Town Secretary") a petition (the "Petition") requesting the establishment of a public improvement district for property within the TL of the Town; and

WHEREAS, the Petition requested the creation of the Spiritas East Public Improvement District (the "District"). The District is located within the town limits of the Town and was particularly depicted in and described by metes and bounds attached and incorporated to the petition for all purposes; and

WHEREAS, the Town Council of Little Elm (the "Town Council") has investigated and determined that the facts contained in the Petition are true and correct; and

WHEREAS, after publishing notice in a newspaper of general circulation in the Town and mailing notice of the hearing, all as required by and in conformity with the Act, the Town Council opened a public hearing on the advisability of the improvements and services on *October 19th, 2021*; and

WHEREAS, the public hearing was continued until *November 2nd, 2021* and the Town Council reconvened the public hearing on the advisability of the improvements and services; and

WHEREAS, the public hearing was continued again until *November 16th, 2021* and the Town Council reconvened the public hearing on the advisability of the improvements and services; and

WHEREAS, after all interested parties were given the opportunity to speak, the Town Council closed the public hearing on the advisability of the improvements and services on *November 16th, 2021*.

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct.

Section 2. The Petition submitted to Little Elm by the Petitioner was filed with the Town Administrator and complies with Section 372.005 of the Act.

Section 3. Pursuant to the requirements of the Act, including, without limitation, Sections 372.006, 372.009(a), 372.009(b), the Town Council, after considering the Petition and the evidence and testimony presented at the public hearing on *November 16th, 2021*, hereby finds and declares:

(a) **Advisability of the Proposed Improvements**. It is advisable to create the District to provide the Authorized Improvements (as described below). The Authorized Improvements are feasible and desirable and will promote the interests of Little Elm and will confer a special benefit on the Property (as defined below).

(b) **General Nature of the Authorized Improvements.** The general nature of the proposed public improvements (collectively, the "Authorized Improvements") are: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein;

(iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) special supplemental services for the improvement and promotion of the District; (vi) projects similar to those listed in subsections (i) - (v) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (v) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (v) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the Town and confer a special benefit upon the Property (as defined below).

(c) **Estimated Costs of the Authorized Improvements and Apportionment of Costs.** The estimated total costs of the Authorized Improvements is $5,000,000.00, which costs shall be paid by assessment of the property owners within the proposed District. The developer of the Property (the "Developer") will be obligated for the costs of certain specified Authorized Improvements within the District. The Town and the Developer may be reimbursed for the costs of certain specified Authorized Improvements from assessments levied within the District. No municipal property in the District shall be assessed and the Town will not be obligated to provide any funds to finance the Authorized Improvements, other than from assessments levied on the Property. The Developer may also pay certain costs of the Authorized Improvements from other funds available to the Developer.

(d) **Boundaries of the District.** The District shall include approximately *38.468* acres of land generally located south of US 380 and west of Lake Lewisville, within the town limits of the Town, as more particularly depicted in **Exhibit A** attached hereto, and as more properly described by metes and bounds in **Exhibit B** attached hereto (the "Property").

(e) **Proposed Method of Assessment.** The Town shall levy an assessment on each parcel of the Property within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. All assessments, including interest, may be paid in full at any time, and certain assessments may be paid in annual installments, with interest. If an assessment is allowed to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those Authorized Improvements financed by the assessments, and must continue for a period necessary to retire the indebtedness for those Authorized Improvements (including interest).

(f) **Management of the District.** The District shall be managed by the Town, with the assistance of a consultant, who shall, from time to time, advise the Town regarding certain operations of the District.

(g) **Advisory Board.** The District shall be managed without the creation of an advisory body.

Section 4. The Spiritas East Public Improvement District is hereby authorized and created as a public improvement district under the Act in accordance with the findings of the Town Council as to the advisability of the Authorized Improvements contained in this Resolution, the nature and the estimated costs of the Authorized Improvements, the boundaries of the District, the method of assessment, and the apportionment of costs as described herein; and the conclusion that the District is needed to fund such Authorized Improvements.

Section 5. The Town Secretary or the Acting Town Secretary is hereby authorized and directed, not later than the seventh day after the date of the approval of this Resolution, and in accordance with the Act, to file a copy of this Resolution authorizing the District with the county clerk of each county in which all or a part of the District will be located. Effective upon the date of the passage of this Resolution, the District shall be established.

Section 6. This Resolution shall take effect immediately from and after its passage and publication as required by law.

PASSED, APPROVED AND ADOPTED on the *16th day of November, 2021*.

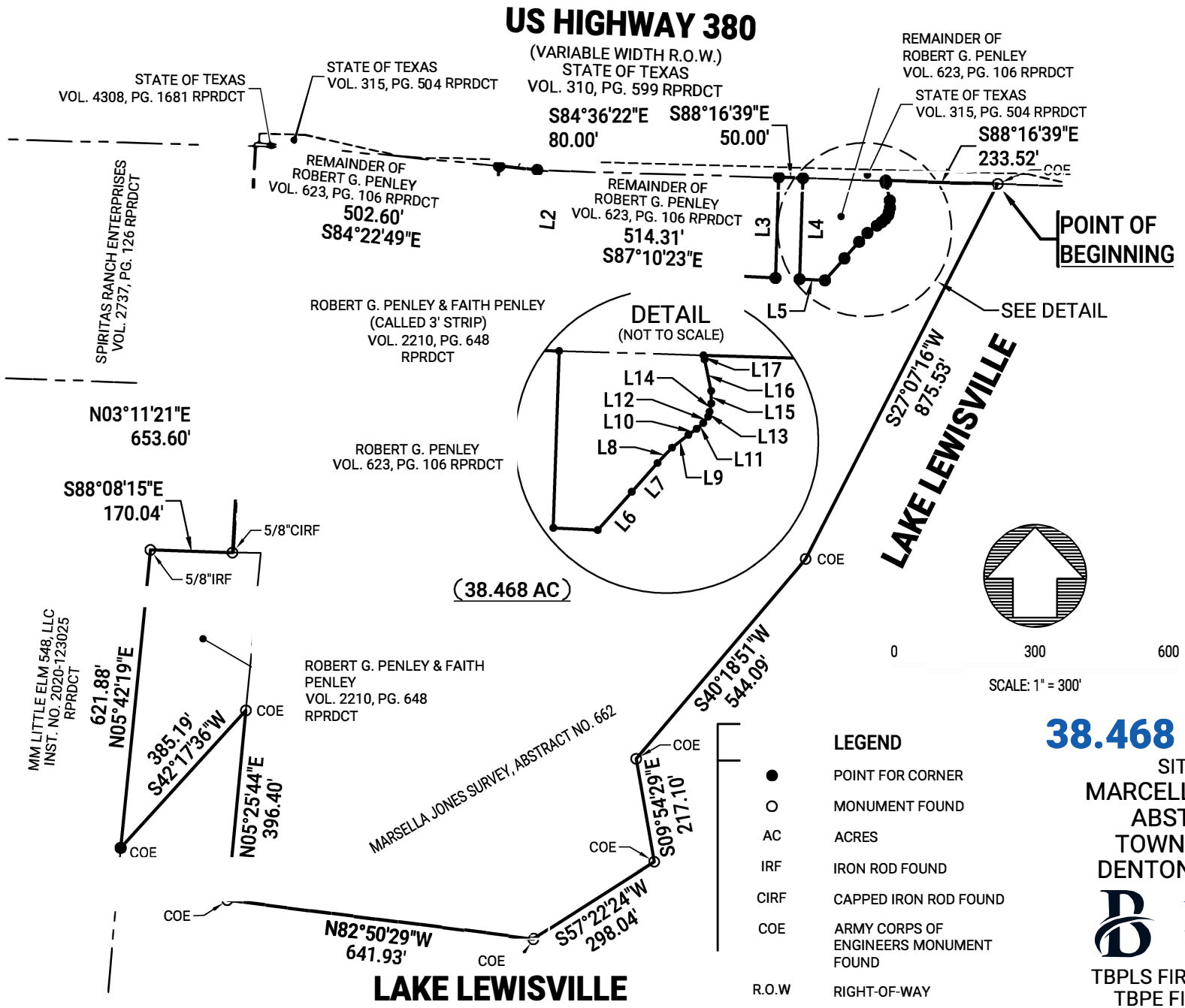
ATTEST: Cornelious Curtis, Mayor

Kate Graham,

Acting Town Secretary

SEAL

EXHIBIT A
PROPERTY DEPICTION



LINE TABLE

LINE #	BEARING	DISTANCE
L1	N05°15'54"E	200.74'
L2	S05°15'54"W	201.00'
L3	N01°53'44"E	209.31'
L4	S01°53'44"W	210.27'
L5	S87°10'23"E	52.86'
L6	N41°38'43"E	60.89'
L7	N41°48'16"E	45.80'
L8	N43°25'46"E	25.15'
L9	N51°51'09"E	24.67'
L10	N54°02'19"E	12.14'
L11	N48°36'19"E	10.43'
L12	N37°47'16"E	9.58'
L13	N15°43'13"E	5.97'
L14	N12°02'26"E	10.27'
L15	N00°46'57"W	14.90'
L16	N11°51'34"W	38.07'
L17	N14°47'27"W	5.08'

LEGEND

●	POINT FOR CORNER
○	MONUMENT FOUND
AC	ACRES
IRF	IRON ROD FOUND
CIRF	CAPPED IRON ROD FOUND
COE	ARMY CORPS OF ENGINEERS MONUMENT FOUND
R.O.W	RIGHT-OF-WAY
VOL., PG.	VOLUME, PAGE
INST. NO.	INSTRUMENT NUMBER
RPRDCT	REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS

38.468 ACRE TRACT

SITUATED IN THE
MARCELLA JONES SURVEY,
ABSTRACT NO. 662
TOWN OF LITTLE ELM,
DENTON COUNTY, TEXAS

BARRAZA
CONSULTING GROUP, LLC
TBPLS FIRM REG. NO. 10194538
TBPE FIRM REG. NO. 20683
801 East Campbell Road, Ste. 650
Richardson, Texas 75081
TELEPHONE - (214)-484-7055
PROJECT NO. 2019017-E
DATE October 2021

This document was prepared under 22 TAC Â§663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

S:\201 \2 901 E S iritas Ranch East\SURVEY\Exhibit_017-E-EXH-38.468AC PID Tract_017-E-EXH-38.468AC PID Tract.dw 0/ 021 09 AM TECH=CJG SCALE 1"=300'

EXHIBIT B
PROPERTY METES AND BOUNDS DESCRIPTION
DESCRIPTION
38.468 ACRE TRACT

BEING that certain tract of land situated in the Marsella Jones Survey, Abstract No. 662, in the Town of Little Elm, Denton County, Texas, and being part of that certain tract of land described in deed to Robert G. Penley recorded in Volume 623, Page 106, of the Real Property Records of Denton County, Texas (RPRDCT), and part of that certain tract of land described in deed to Robert G. Penley and Faith Penley recorded in Volume 2210, Page 648, RPRDCT, and being more particularly described by metes and bounds as follows:

BEGINNING at a Army Corps of Engineers monument found at the northeast corner of said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, said monument being located on the south right-of-way line of US Highway 380 (a variable-width right-of-way), and also being located on the west "take line" of Lake Lewisville;

THENCE with said west "take line", the following courses to Army Corps of Engineers monuments found:

South 27°07'16" West, a distance of 875.52 feet;

South 40°18'51" West, a distance of 544.09 feet;

South 09°54'29" East, a distance of 217.10 feet;

South 57°22'24" West, a distance of 298.04 feet;

North 82°50'29" West, a distance of 641.93 feet;

North 05°25'44" East, a distance of 396.40 feet;

And South 42°17'36" West, a distance of 385.19 feet, said monument being located on the east line of that certain tract of land described in deed to MM Little Elm 548, LLC recorded in Instrument No. 2020-123025, RPRDCT;

THENCE with said east line, the following courses:

North 05°42'19" East, a distance of 621.88 feet to a 5/8" iron rod found;

And South 88°08'15" East, a distance of 170.04 feet to a 5/8" capped iron rod found;

THENCE North 03°11'21" East, continuing with said east line of the MM Little Elm 548, LLC tract, and the east line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 2737, Page 126, RPRDCT, a distance of 653.60 feet;

THENCE departing said east line of the Spiritas Ranch Enterprises tract, and over and across said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, the following courses:

South 84°22'49" East, a distance of 502.60 feet;

And North 05°15'54" East, a distance of 200.74 feet to a point located in said south right-of-way line of US Highway 380;

THENCE South 84°36'22" East, with said south right-of-way line of US Highway 380, a distance of 80.00 feet;

THENCE departing said south right-of-way line of US Highway 380, the following courses:

South 05°15'54" West, a distance of 201.00 feet;

South 87°10'23" East, a distance of 514.31 feet;

And North 01°53'44" East, a distance of 209.31 feet to a point located on said south right-of-way line of US Highway 380;

THENCE South 88°16'39" East with said south right-of-way line of US Highway 380, a distance of 50.00 feet;

THENCE departing said south right-of-way line of US Highway 380, and over and across said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, the following courses:

South 01°53'44" West, a distance of 210.27 feet;

South 87°10'23" East, a distance of 52.86 feet;

North 41°38'43" East, a distance of 60.89 feet;

North 41°48'16" East, a distance of 45.80 feet;

North 43°25'46" East, a distance of 25.15 feet;

North 51°51'09" East, a distance of 24.67 feet;

North 54°02'19" East, a distance of 12.14 feet;

North 48°36'19" East, a distance of 10.43 feet;

North 37°47'16" East, a distance of 9.58 feet;

North 15°43'13" East, a distance of 5.97 feet;

North 12°02'26" East, a distance of 10.27 feet;

North 00°46'57" West, a distance of 14.90 feet;

North 11°51'34" West, a distance of 38.07 feet;

And North 14°47'27" West, a distance of 5.08 feet to a point located in said south right-of-way line of US Highway 380;

THENCE South 88°16'39" East with said south right-of-way line of US Highway 380, a distance of 233.52 feet to the POINT OF BEGINNING, containing an area of 38.468 acres of land.

NOTES:

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

This document was prepared under 22 TAC Â§663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Town Council Meeting

Date:	11/16/2021
Agenda Item #:	8. D.
Department:	Economic Development Corporation
Strategic Goal:	Maintain operational integrity and viability
Staff Contact:	Jennette Espinosa, EDC Executive Director

AGENDA ITEM:

Present, Discuss, and Consider Action on **Resolution No 1116202104 Determining the Cost of Certain Authorized Improvements Financed by the Spiritas East Public Improvement District; Approving a Preliminary Service Plan and Assessment Plan, Including a Proposed Assessment Role; Calling a Regular Meeting and Noticing a Public Hearing, for December 21, 2021, to Consider an Ordinance Levying Assessments for the Property Located Within the Spiritas East Public Improvement District; Directing the Filing of the Proposed Assessment Role, with the Town Secretary to Make Available for Public Inspection; Directing Own Staff to Publish and Mail Notice, of Said Public Hearing; and Resolving Other Matters Incident and Related Thereto.**

DESCRIPTION:

Be it resolved by the Town Council of the Town of Little Elm, as follows, accept the Preliminary SAP, for the District, including the Proposed Assessment Roll, determining the total costs of Authorized Improvements, the final determination and approval of the costs of the Authorized Improvements shall be subject to and contingent upon approval of a Final Service and Assessment Plan, a Proposed Assessment Roll that states the assessment proposed to be levied against each parcel of land in the District, filing of the Proposed Assessment Roll with the Town Secretary, calling a Public Hearing to be held on December 21, 2021, at or after 6 pm at Town Hall, 100 West Eldorado Parkway, Little Elm Texas, 75068, authorizes and directs the Town's Secretary to publish notice of the Assessment Hearing in a newspaper of general circulation on or before December 9, 2021, authorizes and directs the Town Secretary to mail to owners of properties liable for Assessment Notice of the Assessment Hearing to be held on December 21, 2021, and authorize and direct town staff to take such actions as are required to place the Public Hearing on the Agenda for December 21, 2021.

BUDGET IMPACT:

The preliminary SAP outlines the districts costs associated with infrastructure brought into the Town by the Developer to service this area. These costs are then passed to the homeowners in a form of an annual property levy assessment that is detailed out in the preliminary SAP. The costs the Town incurs for administering the PID and will be reimbursed through administrative fees captured in the levy assessment.

RECOMMENDED ACTION:

Staff recommends Council approve the Resolution as presented.

Attachments

Resolution No 1116202104 Determining Costs of Spiritas East

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 1116202104

A RESOLUTION OF THE TOWN OF LITTLE ELM, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED BY THE SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING A PROPOSED ASSESSMENT ROLL; CALLING A REGULAR MEETING AND NOTICING A PUBLIC HEARING FOR *DECEMBER 21, 2021* TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLL WITH THE TOWN SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; DIRECTING TOWN STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

RECITALS

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "Act") authorizes the governing body (the "Town Council") of the Town of Little Elm, Texas (the "Town") to create a public improvement district within the Town and within the extraterritorial jurisdiction of the Town (the "ETJ"); and

WHEREAS, on October 19, 2021, November 2, 2021, and November 16, 2021 the Town Council conducted a public hearing to consider a petition received by the Town on August 26, 2021 titled "Petition for the Creation of a Public Improvement District Within the Town of Little Elm, Texas, for the Spiritas East Public Improvement District" requesting the creation of a public improvement district; and

WHEREAS, on November 16, 2021, the Town Council approved Resolution No. 1116202101 (the "Authorization Resolution"), authorizing, establishing, and creating the Spiritas East Public Improvement District (the "District"); and

WHEREAS, the Town authorized the creation of the District and the issuance of up to $5,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

WHEREAS, the Town Council and the Town staff have been presented a "Spiritas East Public Improvement District Preliminary Service and Assessment Plan", including the proposed assessment

roll attached thereto (the "Proposed Assessment Roll"), dated as of November 16, 2021 (collectively, the "Preliminary SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District and the Proposed Assessment Roll states the assessments proposed to be levied against each parcel of land in the District as determined by the method of assessment chosen by the Town; and

WHEREAS, the Act requires that the Proposed Assessment Roll be filed with the Town Secretary of the Town (the "Town Secretary") and be subject to public inspection; and

WHEREAS, the Act requires that a public hearing (the "Assessment Hearing") be called to consider proposed assessments and requires the Town Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the Town and in the part of the Town's ETJ in which the District is located or in which the Authorized Improvements are to be undertaken before the tenth (10th) day before the date of the Assessment Hearing.

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

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

SECTION 2. THAT the Town Council does hereby accept the Preliminary SAP for the District, including the Proposed Assessment Roll, a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. THAT the Town Council hereby determines that the total costs of the Authorized Improvements to be financed by the District are as set forth in Table III-A of the Preliminary SAP ,

which costs do include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

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

SECTION 5. THAT the Proposed Assessment Roll states the assessment proposed to be levied against each parcel of land in the District as determined by the method of assessment chosen by the Town in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 6. THAT the Town Council hereby authorizes and directs the filing of the Proposed Assessment Roll with the Town Secretary and the same shall be available for public inspection.

SECTION 7. THAT the Town Council hereby authorizes, and calls, a meeting and a public hearing (the Assessment Hearing as defined above) to be held on *December 21, 2021 at or after 6:00 p.m. at Little Elm Town Hall, 100 W. Eldorado Pkwy, Little Elm, Texas 75068*, at which the Town Council shall, among other actions, hear and pass on any objections to the proposed assessments; and, upon the adjournment of the Assessment Hearing, the Town Council will consider an ordinance levying the assessments as special assessments on property within the District that benefit from the Authorized Improvements (which ordinance shall specify the method of payment of the assessments).

SECTION 8. THAT the Town Council hereby authorizes and directs the Town Secretary to publish notice of the Assessment Hearing to be held on *December 21, 2021*, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the Town and in the part of the Town's ETJ in which the District is located or in which the Authorized Improvements are to be undertaken, on or before December 9, 2021, which is before the tenth (10th) day before the date of the Assessment Hearing, as required by Section 372.016(b) of the Act.

SECTION 9. THAT when the Proposed Assessment Roll is filed with the Town Secretary, the Town Council hereby authorizes and directs the Town Secretary to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on *December 21, 2021*, on or before December 9, 2021, as required by Section 372.016(c) of the Act.

SECTION 10. THAT Town staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the *December 21, 2021* meeting of the Town Council.

SECTION 11. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[*Remainder of page intentionally left blank; signatures follow*]

PASSED AND APPROVED on this the 16th day of November, 2021.

ATTEST:

_____
Curtis J. Cornelious, Mayor

_____ _____
Kate Graham, Acting Town Secretary Matt Mueller, Town Manager

APPROVED AS TO FORM:

_____,
Robert Brown, Town Attorney

EXHIBIT A

PRELIMINARY SERVICE AND ASSESSMENT PLAN

SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT

TOWN OF LITTLE ELM, TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

November 16, 2021

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

SPIRITAS EAST
PUBLIC IMPROVEMENT DISTRICT

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On November 16, 2021 (the "Creation Date") the Town Council (the "Town Council") of the Town of Little Elm, Texas (the "Town") passed and approved Resolution No. 1116202103 approving and authorizing the creation of the Spiritas East Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property in such public improvement district (the "Authorized Improvements"), all of which is located within the Town.

The property in the PID is proposed to be developed as one phase, and the PID will finance public improvements as the property is developed. Assessments will be imposed on the property that receives a special benefit from the Authorized Improvement's for the public improvements to be constructed.

Chapter 372 of the Texas Local Government Code, the "Public Improvement District Assessment Act" (as amended, the "PID Act"), governs the creation and operation of public improvement districts within the State of Texas. The Spiritas East Public Improvement District Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must (i) cover a period of at least five years; (ii) define the annual indebtedness and the projected costs for improvements; and (iii) include a copy of the notice form required by Section 5.014, Property Code." The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix E.

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

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

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

B. DEFINITIONS

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

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

Actual Costs include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the Town or construction management fees in an amount up to five percent of the eligible Actual Costs described in a payment request in a form that has been reviewed and approved by the Town. 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.

"Additional Interest" means the 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 372.018 of the PID Act.

"Additional Interest Component" means the amount collected by application of the Additional Interest.

"Additional Interest Reserve" has the meaning set forth in Section V.F of this Service and Assessment Plan.

"Administrative Expenses" mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of

installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds or any other cost of issuance associated with the bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

"Administrator" means the employee or designee of the Town, identified in any indenture of trust relating to a series of Bonds or identified in any other agreement approved by the Town Council, who shall have the responsibilities provided for herein.

"Annual Installment" means, with respect to each Parcel, each annual payment of: (i) the Assessments including any applicable interest, as shown on the Assessment Roll attached hereto as 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 Administrative Expenses, and (iii) the Additional Interest described in Section V.F. of this Service and Assessment Plan.

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

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

"Assessment" means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years and amounts collected to pay Administrative Expenses and interest on all Assessments.

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

"Assessment Revenues" mean the revenues received by or on behalf of the Town from the collection of Assessments.

"Assessment Roll" or **"Assessment Rolls"** means collectively or separately, as applicable, the Assessment Roll included in this Service and Assessment Plan as Appendix G or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an

Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this Service and Assessment Plan and in the PID Act.

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

"Authorized Improvement Costs" mean the Actual Costs or the Budgeted Costs, as applicable, of all or any portion of the Authorized Improvements, as shown in Appendix B.

"Bonds" mean any bonds, including the Series 2022 PID Bonds, issued in one or more series for financing the Authorized Improvements and secured in whole or in part by the Assessment Revenues.

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

"Certification for Payment" means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements, which may be in segments or sections.

"County" means Denton County, Texas.

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

"Developer" means MM Little Elm 43, LLC, a Texas limited liability company and its successors and assigns.

"**Development Agreement"** means that certain Spiritas East Development Agreement relating to the PID executed by and between the Developer and the Town effective November 16, 2021, 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 F attached hereto.

"Homeowner Association" means a homeowners' association or property owners' association established for the benefit of property owners within the PID.

"Homeowner Association Property" means property within the PID owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a Homeowners'

Association established for the benefit of a group of homeowners or property owners within the PID.

"Lot" means a tract of land described as a "lot" in a subdivision plat recorded in the official public records of the County.

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

"Maximum Assessment Per Unit" means an Assessment per unit for each applicable Lot Type as follows:

Lot Type 1 (50 Ft Lot) - $52,860.13
Lot Type 2 (40 Ft Lot) - $26,641.51

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

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

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

"PID Act" means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

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

"Public Property" means property, right of way and easements within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of

Texas, Denton County, the Town, a school district or any other public agency or political subdivision, whether in fee simple or through an exclusive use easement.

"Series 2022 PID Bonds" mean those certain Town of Little Elm Texas, Special Assessment Revenue Bonds, Series 2022 (Spiritas East Public Improvement District) that are secured primarily by the Assessment Revenues.

"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.

"Town" means the Town of Little Elm, Texas.

"Town Council" means the duly elected governing body of the Town.

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

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

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II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the Town and contains approximately 38.468 acres of land. A map of the property within the PID is shown on Appendix A and described in Appendix C to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 146 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based upon the proposed development plan.

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

Table II-A
Proposed Development within the PID

Proposed Development	Quantity	Measurement
Single-Family - 50 Ft	29	Units
Single-Family - 40 Ft	117	Units
Total	146	**Units**

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

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III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

372.003. Authorized Improvements

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

(b) A public improvement may include:

(i) landscaping;

(ii) erection of fountains, distinctive lighting, and signs;

(iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;

(iv) construction or improvement of pedestrian malls;

(v) acquisition and installation of pieces of art;

(vi) acquisition, construction, or improvement of libraries;

(vii) acquisition, construction, or improvement of off-street parking facilities;

(viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;

(ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;

(x) the establishment or improvement of parks;

(xi) projects similar to those listed in Subdivisions (i)-(x);

(xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;

(xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;

(xiv) payment of expenses incurred in the establishment, administration and operation of the district; and

(xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the Town has determined at this time to undertake only Authorized Improvements listed in Section III.B. on the following page and shown in the opinion of probable costs included as Appendix B and on the

diagrams included as Appendix D for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the Town and an update to this Service and Assessment Plan.

B. DESCRIPTIONS OF THE AUTHORIZED IMPROVEMENTS

The descriptions of the Authorized Improvements are presented below. The Budgeted Costs are shown in Table III-A and may be revised in an Annual Service Plan Update as needed.

A description of the Authorized Improvements are as follows:

Roadway Improvements

The roadway improvements within the PID consist of the construction of road improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices, which benefit the Assessed Property. All roadway improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and maintained by the Town.

Water Improvements

The water improvements within the PID consist of construction and installation of a looped water main network, waterlines, mains, pipes, valves, and appurtenances, necessary for the portion of the water distribution system that will service the Assessed Property. The water improvements will be designed and constructed according to Mustang Special Utility District ("MSUD") and Town standards and will be owned and operated by the MSUD.

Sanitary Sewer Improvements

The wastewater improvements within the PID consist of construction and installation of various sized gravity sewer lines, pipes, service lines, manholes, encasements, and appurtenances necessary to provide sanitary sewer service to Assessed Property. The sanitary sewer improvements will be designed and constructed according to MSUD and Town standards and specifications and will be owned and operated by the MSUD.

Storm Drainage Improvements

The storm drainage improvements within the PID consist of reinforced concrete pipes, reinforced concrete boxes, and multi-reinforced box culverts, which benefit the Assessed Property. The storm drainage collection system improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and maintained by the Town.

Soft and Miscellaneous Costs

The soft and miscellaneous costs include costs related to designing, constructing, and installing the Authorized Improvements including land planning and design, town fees, engineering, soil

testing, survey, construction management, contingency, district formation costs, legal fees, consultant fees, and other similar costs.

The Budgeted Costs of the Authorized Improvements shown in Table III-A may be revised in Annual Service Plan Updates. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID). Additional details of the Authorized Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V.C.

Table III-A
Estimated Authorized Improvement Costs

Description	Total
Roadway improvements	$1,777,602
Water improvements	$422,136
Sanitary sewer improvements	$644,200
Storm drainage improvements	$681,241
Other soft and miscellaneous costs	$760,499
Total Authorized Improvements	**$4,285,678**

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IV. SERVICE PLAN

A. SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately 18 months to construct the Authorized Improvements.

The Budgeted Costs for the Authorized Improvements plus costs related to the issuance of the Series 2022 PID Bonds and payment of expenses incurred in the establishment, administration and operation of the PID are $5,417,100 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll. Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Table IV-A on the following page shows the estimated sources and uses of funds for the Authorized Improvements.

The Series 2022 PID Bonds shown in Table IV-A are anticipated to be issued in 2022 and will be used to finance the Authorized Improvement Costs.

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Table IV-A
Estimated Sources and Uses

Sources of Funds	**Total**
Par amount	$4,650,000
Other funding sources[(1)]	$767,100
Total Sources	**$5,417,100**
Uses of Funds	
Authorized Improvement[(2)]:	
Roadway improvements	$1,777,602
Water improvements	$422,136
Sanitary sewer improvements	$644,200
Storm drainage improvements	$681,241
Other soft and miscellaneous costs	$760,499
Subtotal	*$4,285,678*
Estimated Bond Issuance Costs:	
Cost of issuance	$302,247
Capitalized interest	$348,750
Reserve fund	$300,925
Administrative Expense	$40,000
Underwriter's discount	$139,500
Subtotal	*1,131,422*
Total Uses	**$5,417,100**

[1]Funds to be deposited by the developer at the time of the closing of the Series 2022 Bonds to complete the Authorized Improvements and which will not be reimbursed to the developer.
[2]See Table III-A for details.

B. FIVE -YEAR SERVICE PLAN

The annual projected costs and annual projected indebtedness are shown in Table IV-B. The annual projected costs and indebtedness are subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-B
Annual Projected Costs and Annual Projected Indebtedness

Year	Annual Projected Cost	Annual Projected Indebtedness	Sources other than PID Bonds[(1)]	Projected Annual Installments
2022	$5,417,100	$4,650,000	$767,100	$168,675
2023	$0	$0	$0	$259,491
2024	$0	$0	$0	$365,448
2025	$0	$0	$0	$366,547
2026	$0	$0	$0	$362,413
2027	$0	$0	$0	$363,296
Total	**$5,417,100**	**$4,650,000**	**$767,100**	**$1,885,871**

[1]Funds to be deposited by the developer at the time of the closing of the Series 2022 Bonds to complete the Authorized Improvements and which will not be reimbursed to the developer.

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Authorized Improvements shown in Table III-A, the costs associated with creating the PID and costs of issuing the Series 2022 PID Bonds, including reserves shown in Table IV-A. The difference between the annual projected cost and the annual projected indebtedness, if any, represents an amount funded by the Developer.

C. HOMEBUYER DISCLOSURE

The PID Act requires that this Service and Assessment Plan, and each Annual Service Plan Update, include a copy of the Notice form (required by Section 5.014 of the Texas Property Code). The homebuyer disclosure is attached hereto as Appendix E and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the Town Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

For purposes of this Service and Assessment Plan, the Town Council has determined that the Budgeted Costs of the Authorized Improvements shall be allocated as described below:

1. The Authorized Improvement Costs shall be allocated on the basis of Equivalent Units once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The Town Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the Town Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home prices provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.

3. The Assessed Property is classified into different Lot Types as described in Appendix F based on the type and size of proposed development on each Parcel.

4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.

This section of this Service and Assessment Plan (i) describes the special benefit received by each Parcel within the Assessed Property as a result of the Authorized Improvements, (ii) provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property, and (iii) establishes the methodologies by which the Town Council allocates and reallocates the special benefit of the Authorized Improvements to the Assessed Property in a manner that results in equal shares of the Actual Costs

of such improvements being apportioned to the Assessed Property 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 of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of the close proximity of these improvements to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as "the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value." (*Dictionary of Real Estate Appraisal, Third Edition*.) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

The special assessments will repay financing that is on advantageous terms, as the Bonds issued to finance the Authorized Improvements will pay interest that is exempt from federal income tax.

As a result, all other terms being equal (e.g., maturity, fixed vs. variable rate, credit quality), the tax- exempt bonds will have a lower interest rate than debt that is not tax-exempt. The Bonds also have a longer term than other available financings and may either be repaid or assumed by a buyer at the buyer's option. As a result of these advantageous terms, the financing provided by the PID is the most beneficial means of financing the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the 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 and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the Town Council to be the most beneficial means of doing so. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the Town Council.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;

2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;

3. The 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);

4. Financing of the costs of the Authorized Improvements through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,

5. As a result, the special benefit to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ASSESSMENT METHODOLOGY

The costs of the Authorized Improvements 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 Assessments. The costs of the Authorized Improvements may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

1. Assessment Methodology for the Authorized Improvements

For purpose of this Service and Assessment Plan, the Town Council has determined that the Budgeted Costs of the Authorized Improvements to be financed with the Bonds shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units anticipated to be developed on each Parcel within the PID.

Based on the Budgeted Costs of the Authorized Improvements, as set forth in Table III-A, the Town Council has determined that the benefit to the Assessed Property of the Authorized Improvements is at least equal to the Assessments levied on the Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as calculated and shown in Appendix F using the types, number and average home value of Lots anticipated to be developed on each Parcel.

The Assessment and Annual Installments for each Parcel or Lot located within the PID is shown on the Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

D. ASSESSMENTS

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

E. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

See Appendix F for Assessment per unit, leverage, and estimated tax rate equivalent calculation details.

F. 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 is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, 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 Town may allocate the Additional Interest Component of the Annual Installments as provided in the applicable Trust Indenture.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN THE PID

The Assessment and Annual Installments for each Assessed Property located within the PID is shown on the Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected from the Assessed Property in an amount sufficient to pay (i) principal and interest on the Series 2022 PID Bonds, (ii) to fund the Additional Interest Reserve described in Section V, and (iii) to pay Administrative Expenses related to the PID. The Annual Installment for each Parcel in the PID shall be calculated by taking into consideration any available capitalized interest applicable to the Parcel.

B. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel
B = the Assessment for the Parcel prior to subdivision
C = the estimated total Equivalent Units to be built on each new subdivided Parcel
D = the sum of the estimated total Equivalent units to be built on all of the new subdivided Parcels

The calculation of the estimated 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 Equivalent 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.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the Town Council.

C. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the 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.

2. If at any time the Assessment per unit on a Parcel exceeds the applicable Maximum Assessment per Unit shown in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the Town prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per unit for the Parcel exceeds the applicable Maximum Assessment per Unit calculated in this Service and Assessment Plan.

3. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the PID Act.

D. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs of the Authorized Improvements used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, then the Assessment securing such series of Bonds for each Parcel of Assessed Property shall be reduced by the Town Council pro rata 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 related outstanding series of Bonds. 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 all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, and such excess Bond proceeds shall be applied to redeem Bonds as provided in the Indenture, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the Town Council to reflect only the amounts required to repay the Bonds, including interest on the Bonds and Administrative Expenses. The Town Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on number of units, if determined by the Town Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the Bonds and Administrative Expenses. The principal portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced principal portion of the Bonds is equal to the outstanding principal amount of the Bonds.

E. PAYMENT OF ASSESSMENTS

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of the Assessment and all Prepayment Costs, the Town shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the Town to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each

year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Additional Interest Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the issuance of the Bonds.

Each Assessment levied against the Assessed Property shall be paid with interest of no more than the actual interest rate paid on the Series 2022 PID Bonds and Additional Interest; the Assessment Roll sets forth for each year the Annual Installment for each parcel based on an estimated interest rate of 4.5% on the Series 2022 PID Bonds and Additional Interest at the rate of 0.5% for the Additional Interest Reserve. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Roll. The Assessment Roll is shown as Appendix G.

The Annual Installments shall be reduced to equal the Actual Costs of repaying the Series 2022 PID Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The Town reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

F. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the Town Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, including capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and including any existing deposits to a prepayment reserve. Annual Installments shall be collected by the 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 Assessed Property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof

fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. Collection of the initial Annual Installments relating to the Authorized Improvements that benefit the Assessed Property will be due when billed, and will be delinquent if not paid prior to the first February 1 following the earlier of (i) the recording of a final subdivision plat in the official public records of the County for the Assessed Property, (ii) upon issuance of the Series 2022 PID Bonds, or (iii) the second anniversary of the date of levy of the Assessment.

(remainder of this page is intentionally left blank)

VII. THE ASSESSMENT ROLL

A. ASSESSMENT ROLL

The Town Council has evaluated each Parcel in the PID based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of Authorized Improvements, and other development factors deemed relevant by the Town Council) to determine the amount of Assessed Property within the PID.

The Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Authorized Improvements. Table VII-A summarizes the $5,417,100 in special benefit received by the Assessed Property from the Authorized Improvements, including costs of PID formation and the Series 2022 PID Bonds issuance costs. The par amount of the Series 2022 PID Bonds is $4,650,000 which is less than the benefit received by the Assessed Property. Accordingly, the total Assessment to be applied to all the Assessed Property is $4,650,000, plus the Additional Interest Component and annual Administrative Expenses. The Assessment for each Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Assessment Roll is attached hereto as Appendix G.

Table VII-A
Special Benefit Summary

Special Benefit	**Total Cost**
Total Authorized Improvements[(1)]	$4,285,678
Estimated Bond Issuance Costs:	
Cost of issuance	$302,247
Capitalized interest	$348,750
Reserve fund	$300,925
Administrative Expense	$40,000
Underwriter's discount	$139,500
Subtotal Estimated Bond Issuance Costs	$1,131,422
Total Special Benefit	**$5,417,100**
Special Benefit:	
Total Special Benefit	$5,417,100
Projected Special Assessment	$4,650,000
Excess Benefit	**$767,100**

[(1)]See Table III-A for details.

B. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the Town Council for approval, annual updates to the 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 PID Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan and 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.E. of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

(remainder of this page is intentionally left blank)

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 PID Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the 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 Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the Town Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the Town Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the Town Council, the decision of the Town Council shall be conclusive as long as there is a reasonable basis for such determination. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the 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 PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

> (i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan, and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

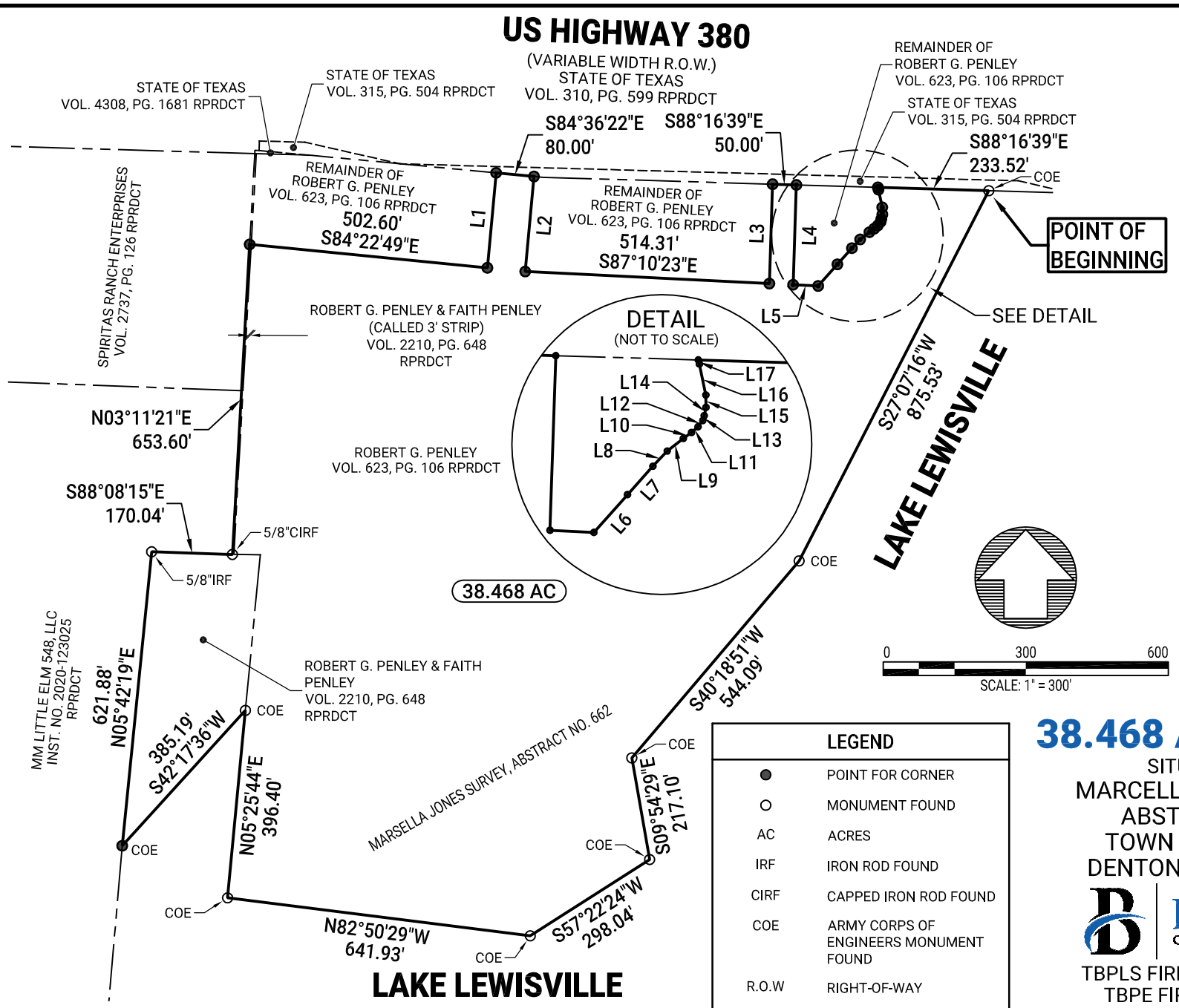
The Town Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the 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.

APPENDIX A
PID MAP



LINE TABLE		
LINE #	BEARING	DISTANCE
L1	N05°15'54"E	200.74'
L2	S05°15'54"W	201.00'
L3	N01°53'44"E	209.31'
L4	S01°53'44"W	210.27'
L5	S87°10'23"E	52.86'
L6	N41°38'43"E	60.89'
L7	N41°48'16"E	45.80'
L8	N43°25'46"E	25.15'
L9	N51°51'09"E	24.67'
L10	N54°02'19"E	12.14'
L11	N48°36'19"E	10.43'
L12	N37°47'16"E	9.58'
L13	N15°43'13"E	5.97'
L14	N12°02'26"E	10.27'
L15	N00°46'57"W	14.90'
L16	N11°51'34"W	38.07'
L17	N14°47'27"W	5.08'

LEGEND	
●	POINT FOR CORNER
○	MONUMENT FOUND
AC	ACRES
IRF	IRON ROD FOUND
CIRF	CAPPED IRON ROD FOUND
COE	ARMY CORPS OF ENGINEERS MONUMENT FOUND
R.O.W	RIGHT-OF-WAY
VOL., PG.	VOLUME, PAGE
INST. NO.	INSTRUMENT NUMBER
RPRDCT	REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS

38.468 ACRE TRACT

SITUATED IN THE
MARCELLA JONES SURVEY,
ABSTRACT NO. 662
TOWN OF LITTLE ELM,
DENTON COUNTY, TEXAS

BARRAZA
CONSULTING GROUP, LLC
TBPLS FIRM REG. NO. 10194538
TBPE FIRM REG. NO. 20683
801 East Campbell Road, Ste. 650
Richardson, Texas 75081
TELEPHONE - (214)-484-7055
PROJECT NO. 2019017-E
DATE October 2021

NOTES:
This document was prepared under 22 TAC Â§663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

TECH=CJG
SCALE 1"=300'

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Spiritas East Ranch Concept Plan 2

DATA TABLE

Gross Site Area:	43+/-
Residential Product Type:	Total
40'x 130' Lot (Courtyard Lots)	28
40'x 115' Lot	89
50'x 370'(avg) Lot	29
Total Lots	146

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING

SPIRITAS RANCH EAST DEVELOPMENT
TOWN OF LITTLE ELM , DENTON COUNTY, TEXAS

SCALE: 1"=500'
DATE: Aug. 2021

CENTURION AMERICAN

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APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

COMMUNITY NAME: Spiritas Ranch
PHASES: East
CITY OR TOWN: Town of Little Elm, Denton County

BARRAZA CONSULTING GROUP, LLC
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GROSS ACREAGE:	43.9
NET ACREAGE:	28.9
TOTAL LOTS:	**146**
TOTAL DENSITY:	5.05
LANDPLAN:	2
CREATED BY:	CH
REVIEWED BY:	AB
CREATED:	05/21/21
REVISED:	**09/22/21**

Direct Phase Costs			**EAST PHASE**
	Lot Count		**146**
1 Engineering		$	266,209
2 Grading Site Preparation		$	-
3 Water		$	261,136
4 Sanitary Sewer		$	494,200
5 Storm Drain		$	561,241
6 Street Improvements		$	1,087,602
7 Screening/Landscape Walls			
8 Ret Walls			
9 Dry Utilities			
10 Contingency 0%		$	-
11 N/A			
	Total	$	2,670,387
	Cost per Lot	$	18,290

Major Improvements Costs			**EAST PHASE**
	Lot Count		**146**
1 Engineering		$	219,290
2 Grading Site Preparation		$	-
3 Water		$	161,000
4 Sanitary Sewer		$	150,000
5 Storm Drain		$	120,000
6 Street Improvements - Turn Lanes		$	690,000
7 Screening/Landscape Walls			
8 Dry Utilities			
9 Common Area Amenities & Trails		$	168,939
10 Contingency 0%		$	-
11 District Formation Costs		$	275,000
	Total	$	1,784,230
	Cost per Lot	$	12,221
	PID TOTALS	***$***	***4,454,618***
	PID per lot	***$***	***30,511***

Private Costs			**EAST PHASE**
	Lot Count		**146**
1 Engineering		$	214,324
2 Grading Site Preparation		$	885,229
3 Water			
4 Sanitary Sewer			
5 Storm Drain			
6 Street Improvements			
7 Screening/Landscape Walls		$	280,000
8 Ret Walls		$	405,250
9 Dry Utilities		$	146,000
10 Contingency 10%		$	193,080
11 N/A			
	Total	$	2,123,883
	Cost per Lot	$	14,547
	GRAND TOTALS	***$***	***6,578,500***
	GRAND TOTAL per lot	***$***	***45,058***

40' Cottage Lots	28
40' Lots	89
50' Lots	29
Total Lots	***146***

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT

NOTES

[1] Development cost does not include: City/District/County Fees, Bonds, & Permits

[2] Development cost does not include: Rock Excavation

[3] Professional Fees do not include: SWPPP Administration

[4] Unit costs in this OPC were provided to Barraza Consulting Group, LLC by RES

APPENDIX C
LEGAL DESCRIPTION

DESCRIPTION
38.468 ACRE TRACT

BEING that certain tract of land situated in the Marsella Jones Survey, Abstract No. 662, in the Town of Little Elm, Denton County, Texas, and being part of that certain tract of land described in deed to Robert G. Penley recorded in Volume 623, Page 106, of the Real Property Records of Denton County, Texas (RPRDCT), and part of that certain tract of land described in deed to Robert G. Penley and Faith Penley recorded in Volume 2210, Page 648, RPRDCT, and being more particularly described by metes and bounds as follows:

BEGINNING at a Army Corps of Engineers monument found at the northeast corner of said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, said monument being located on the south right-of-way line of US Highway 380 (a variable-width right-of-way), and also being located on the west "take line" of Lake Lewisville;

THENCE with said west "take line", the following courses to Army Corps of Engineers monuments found:

South 27°07'16" West, a distance of 875.52 feet;

South 40°18'51" West, a distance of 544.09 feet;

South 09°54'29" East, a distance of 217.10 feet;

South 57°22'24" West, a distance of 298.04 feet;

North 82°50'29" West, a distance of 641.93 feet;

North 05°25'44" East, a distance of 396.40 feet;

And South 42°17'36" West, a distance of 385.19 feet, said monument being located on the east line of that certain tract of land described in deed to MM Little Elm 548, LLC recorded in Instrument No. 2020-123025, RPRDCT;

THENCE with said east line, the following courses:

North 05°42'19" East, a distance of 621.88 feet to a 5/8" iron rod found;

And South 88°08'15" East, a distance of 170.04 feet to a 5/8" capped iron rod found;

THENCE North 03°11'21" East, continuing with said east line of the MM Little Elm 548, LLC tract, and the east line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 2737, Page 126, RPRDCT, a distance of 653.60 feet;

THENCE departing said east line of the Spiritas Ranch Enterprises tract, and over and across said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, the following courses:

South 84°22'49" East, a distance of 502.60 feet;

And North 05°15'54" East, a distance of 200.74 feet to a point located in said south right-of-way line of US Highway 380;

THENCE South 84°36'22" East, with said south right-of-way line of US Highway 380, a distance of 80.00 feet;

THENCE departing said south right-of-way line of US Highway 380, the following courses:

South 05°15'54" West, a distance of 201.00 feet;

South 87°10'23" East, a distance of 514.31 feet;

And North 01°53'44" East, a distance of 209.31 feet to a point located on said south right-of-way line of US Highway 380;

THENCE South 88°16'39" East with said south right-of-way line of US Highway 380, a distance of 50.00 feet;

THENCE departing said south right-of-way line of US Highway 380, and over and across said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, the following courses:

South 01°53'44" West, a distance of 210.27 feet;

South 87°10'23" East, a distance of 52.86 feet;

North 41°38'43" East, a distance of 60.89 feet;

North 41°48'16" East, a distance of 45.80 feet;

North 43°25'46" East, a distance of 25.15 feet;

North 51°51'09" East, a distance of 24.67 feet;

North 54°02'19" East, a distance of 12.14 feet;

North 48°36'19" East, a distance of 10.43 feet;

North 37°47'16" East, a distance of 9.58 feet;

North 15°43'13" East, a distance of 5.97 feet;

North 12°02'26" East, a distance of 10.27 feet;

North 00°46'57" West, a distance of 14.90 feet;

North 11°51'34" West, a distance of 38.07 feet;

And North 14°47'27" West, a distance of 5.08 feet to a point located in said south right-of-way line of US Highway 380;

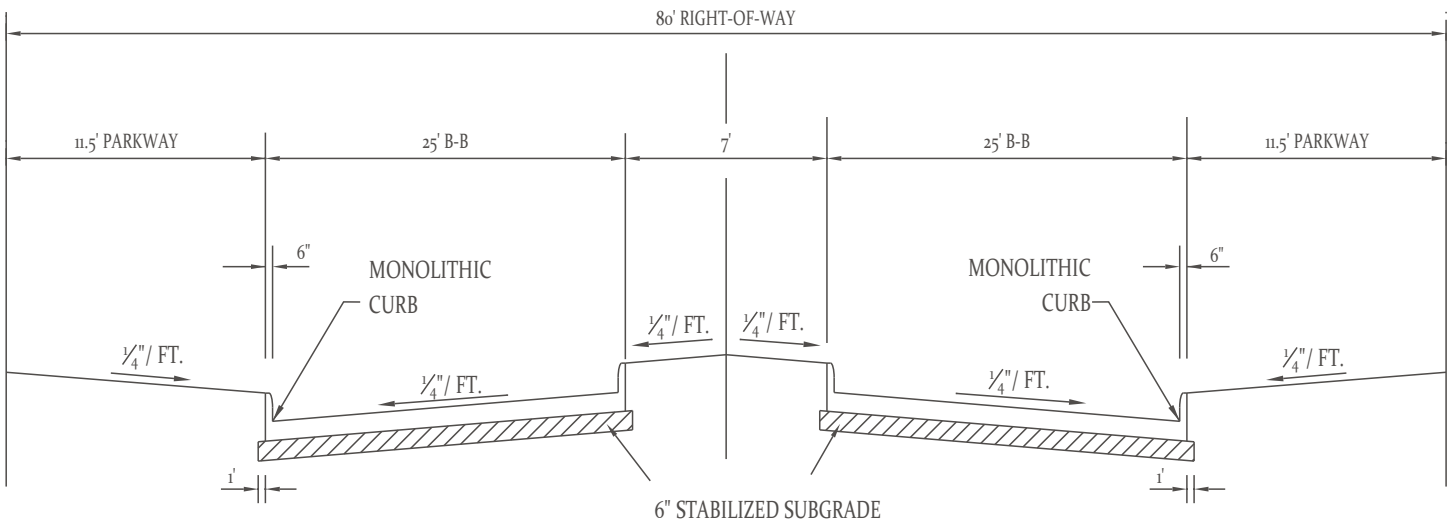
THENCE South 88°16'39" East with said south right-of-way line of US Highway 380, a distance of 233.52 feet to the POINT OF BEGINNING, containing an area of 38.468 acres of land.

NOTES:

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

This document was prepared under 22 TAC Â§663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

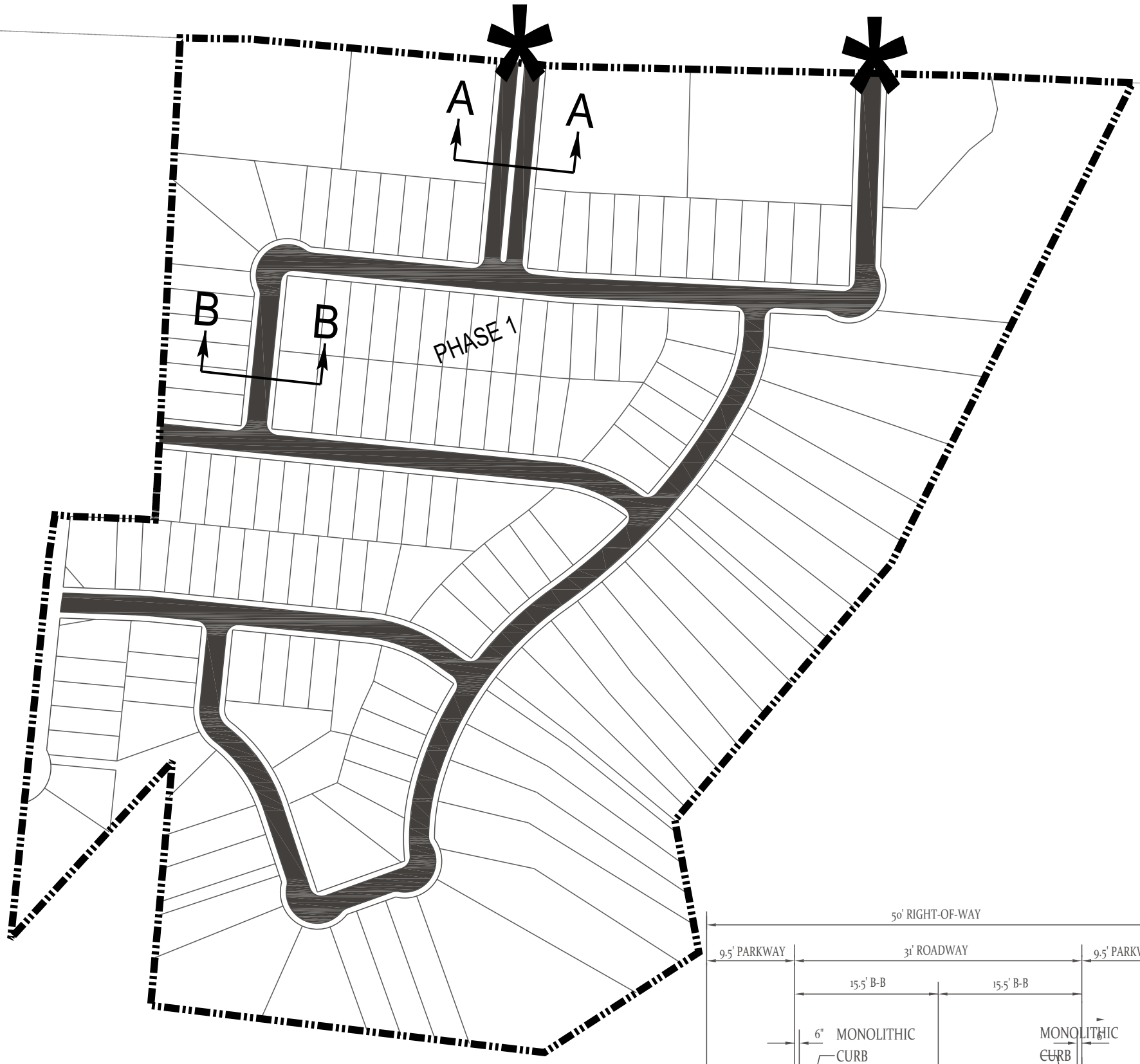
APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

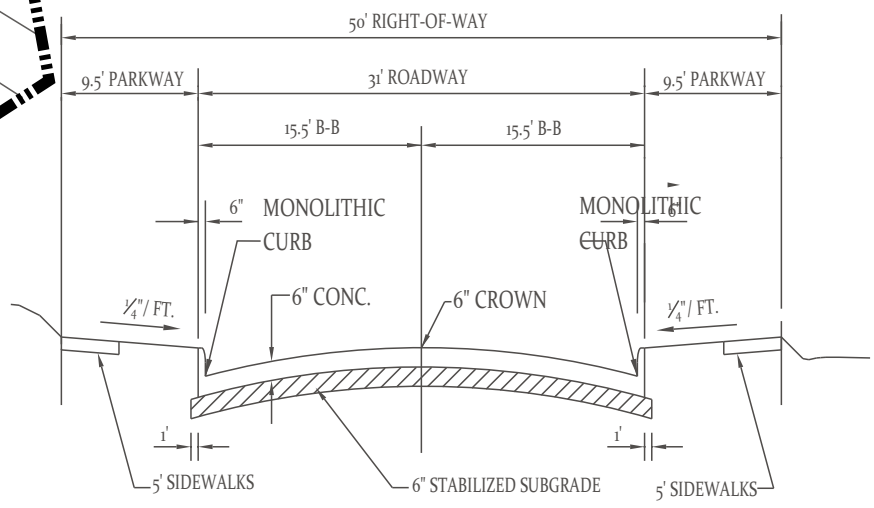


A-A ROADWAY PAVING SECTION

SCALE: NTS

US HIGHWAY 380





* PROPOSED TURN-LANE LOCATIONS

TYPICAL 31' B-B ROADWAY PAVING SECTION

SCALE: NTS

ROADWAY IMPROVEMENTS
SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

BARRAZA CONSULTING GROUP, LLC
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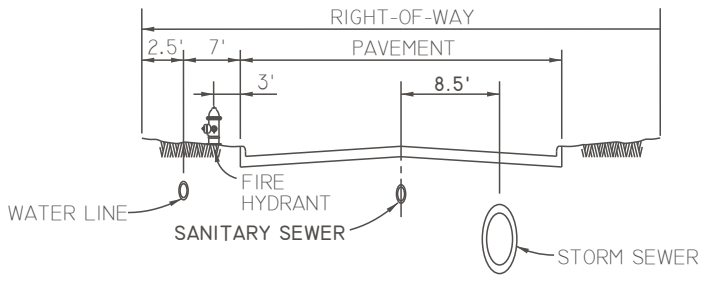
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DATE: OCT. 2021

CENTURION AMERICAN

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US HIGHWAY 380

PHASE 1



TYPICAL WATER LOCATION
N.T.S.

8" WATER LINE

NOTE:
MAJOR WATER IMPROVEMENTS CONSIST OF 12" WATER TO SPIRITAS RANCH.

WATER IMPROVEMENTS
SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

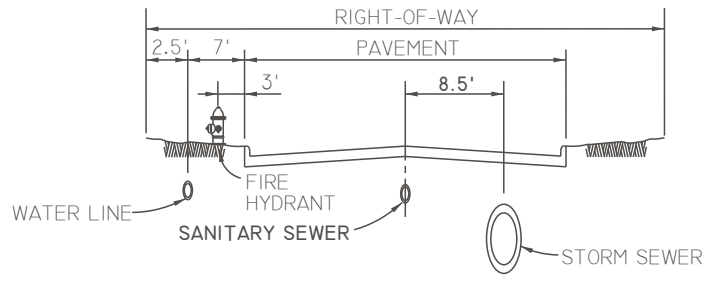
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CENTURION AMERICAN

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US HIGHWAY 380

PHASE 1



TYPICAL SEWER LOCATION
N.T.S.

SEWER LINE

NOTE:
MAJOR SEWER IMPROVEMENTS CONSIST OF UPGRADING SPIRITAS RANCH LIFT STATION.

SEWER IMPROVEMENTS
SPIRITAS EAST PUBLIC IMPROVEMENT DISTRICT
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

SCALE: 1"=250'
DATE: OCT. 2021

CENTURION AMERICAN

S:\2019\2019017-E Spiritas Ranch East\CAD\EXHIBITS\20190170OLP32SpiritasEast PID Ph1 Sewer11052021.dwg Nov 05,2021 - 3:10 pm chancock

APPENDIX E
HOMEBUYER DISCLOSURE

AFTER RECORDING RETURN TO:

_____
_____
_____
_____
_____][1]

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
TOWN OF LITTLE ELM, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: $_____

As the purchaser of the real property described above, you are obligated to pay assessments to the Town of Little Elm, Texas (the "Town"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Spiritas East Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the Town. The exact amount of each annual installment will be approved each year by the Town Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the Town.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by_____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

_____ _____

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF DENTON §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Denton County.

APPENDIX F
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE EQUIVALENTS

Appendix F

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types.

"Lot Type 1" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 50 feet.

"Lot Type 2" means lots identified as such on the Assessment Roll, being lots typically with a Lot width of approximately 40 feet.

A) Proposed Development

Table F-1 shows the proposed residential units to be developed within the PID.

Table F-1
Proposed Development within the PID

Description	Proposed Development	
Lot Type 1 (50 Ft)	29	Units
Lot Type 2 (40 Ft)	117	Units
Total	**146**	**Units**

B) Calculation of Equivalent Units

As explained under Section IV, for purpose of this Service and Assessment Plan, the Town Council has determined that the Budgeted Costs of the Authorized Improvements to be financed with the Bonds shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Plan, the Town Council has determined that the Assessments shall be allocated to the 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 Town Council has taken into consideration (i) the type of lots (i.e.,50 Ft lots, 40 Ft lots, 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 Town 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 (50 Ft Lots) representing the highest value to Lot Type 2 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table F-2 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units

are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (50 Ft Lots) to 1.0.

Table F-2
Equivalent Unit Factors

Lot Type	Estimated Average Value	Equivalent Unit Factor	
Lot Type 1 (50 Ft)	$500,000	1.00	per dwelling unit
Lot Type 2 (40 Ft)	$252,000	0.50	per dwelling unit

The total Equivalent Units for the PID are shown in Table F-3 below as calculated based on the Equivalent Unit factors shown above in Table F-2, estimated Lot Types and number of units estimated to be built within the PID.

Table F-3
Equivalent Units- PID

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (50 Ft)	29	1.00	29.00
Lot Type 2 (40 Ft)	117	0.80	58.97
Total	**146**		**87.97**

C) Allocation of Assessments to Lots within the PID

The total amount of the Series 2022 PID Bonds, which represents the total Assessment to be allocated on all Parcels within the PID, is $4,650,000. As shown in Table F-3, there are a total of 87.97 Equivalent Units resulting in an Assessment per Unit of $52,860.13 (i.e., $4,650,000 ÷ 87.97 = $52,860.13).

Table F-4 on the below sets forth the Assessment per dwelling unit within the PID.

Table F-4
Assessment Per Unit – PID

Description	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
Lot Type 1 (50 Ft)	29	$52,860.13	1.00	$52,860.13	per dwelling unit	$1,532,944
Lot Type 2 (40 Ft)	117	$52,860.13	0.50	$26,641.51	per dwelling unit	$3,117,056
Total	**146**					**$4,650,000**

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

Table F-5
Projected Leverage – PID

Description	Planned No. of Units/1,000 GSF	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (50 Ft)	29	$130,000	$500,000	$52,860.13	2.46	9.46
Lot Type 2 (40 Ft)	117	$80,000	$252,000	$26,641.51	3.00	9.46

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

Table F-6
Estimated Tax Rate Equivalent per unit – PID

Description	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (50 Ft)	29	$130,000	$500,000	$4,135	$3.18	$0.8270
Lot Type 2 (40 Ft)	117	$80,000	$252,000	$2,084	$2.61	$0.8270

The Assessment and Annual Installments for each Parcel or Lot located within the PID is shown on the Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

APPENDIX G
PROPOSED ASSESSMENT ROLL

Appendix G-1
Proposed Assessment Roll

Parcel	**All Parcels**
Equivalent Units	**87.97**
Assessment	**$4,650,000**

Year	Principal	Interest[1]	Administrative Expenses[2]	Additional Interest Reserve	Debt Service Reserve Fund	Capitalized Interest	Total Annual Installment
9/30/22	$0	$139,500	$40,000	$0	$0	($139,500)	$40,000
9/30/23	$0	$209,250	$40,800	$23,250	$0	($104,625)	$168,675
9/30/24	$90,000	$209,250	$41,616	$23,250	$0	($104,625)	$259,491
9/30/25	$95,000	$205,200	$42,448	$22,800	$0	$0	$365,448
9/30/26	$100,000	$200,925	$43,297	$22,325	$0	$0	$366,547
9/30/27	$100,000	$196,425	$44,163	$21,825	$0	$0	$362,413
9/30/28	$105,000	$191,925	$45,046	$21,325	$0	$0	$363,296
9/30/29	$110,000	$187,200	$45,947	$20,800	$0	$0	$363,947
9/30/30	$115,000	$182,250	$46,866	$20,250	$0	$0	$364,366
9/30/31	$120,000	$177,075	$47,804	$19,675	$0	$0	$364,554
9/30/32	$125,000	$171,675	$48,760	$19,075	$0	$0	$364,510
9/30/33	$130,000	$166,050	$49,735	$18,450	$0	$0	$364,235
9/30/34	$135,000	$160,200	$50,730	$17,800	$0	$0	$363,730
9/30/35	$140,000	$154,125	$51,744	$17,125	$0	$0	$362,994
9/30/36	$145,000	$147,825	$52,779	$16,425	$0	$0	$362,029
9/30/37	$150,000	$141,300	$53,835	$15,700	$0	$0	$360,835
9/30/38	$160,000	$134,550	$54,911	$14,950	$0	$0	$364,411
9/30/39	$165,000	$127,350	$56,010	$14,150	$0	$0	$362,510
9/30/40	$175,000	$119,925	$57,130	$13,325	$0	$0	$365,380
9/30/41	$180,000	$112,050	$58,272	$12,450	$0	$0	$362,772
9/30/42	$190,000	$103,950	$59,438	$11,550	$0	$0	$364,938
9/30/43	$195,000	$95,400	$60,627	$10,600	$0	$0	$361,627
9/30/44	$205,000	$86,625	$61,839	$9,625	$0	$0	$363,089
9/30/45	$215,000	$77,400	$63,076	$8,600	$0	$0	$364,076
9/30/46	$225,000	$67,725	$64,337	$7,525	$0	$0	$364,587
9/30/47	$235,000	$57,600	$65,624	$6,400	$0	$0	$364,624
9/30/48	$245,000	$47,025	$66,937	$5,225	$0	$0	$364,187
9/30/49	$255,000	$36,000	$68,275	$4,000	$0	$0	$363,275
9/30/50	$270,000	$24,525	$69,641	$2,725	$0	$0	$366,891
9/30/51	$275,000	$12,375	$71,034	$1,375	($300,925)	$0	$58,859
Total	**$4,650,000**	**$3,942,675**	**$1,622,723**	**$422,575**	**($300,925)**	**($348,750)**	**$9,988,298**

[1]Annual Installments are calculated assuming an estimated 4.5% interest rate on the Series 2022 PID Bonds and will be updated at the time of bond issuance.

[2]Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Appendix G-2
Proposed Assessment Roll by Lot Type

Parcel	**Lot Type 1 (50 Ft)**
Equivalent Units	**$52,860.13**
Assessment	**1.00**

Year	Principal	Interest[1]	Administrative Expenses[2]	Additional Interest Reserve	Debt Service Reserve Fund	Capitalized Interest	Total Annual Installment
9/30/22	$0	$1,586	$455	$0	$0	($1,586)	$455
9/30/23	$0	$2,379	$464	$264	$0	($1,189)	$1,917
9/30/24	$1,023	$2,379	$473	$264	$0	($1,189)	$2,950
9/30/25	$1,080	$2,333	$483	$259	$0	$0	$4,154
9/30/26	$1,137	$2,284	$492	$254	$0	$0	$4,167
9/30/27	$1,137	$2,233	$502	$248	$0	$0	$4,120
9/30/28	$1,194	$2,182	$512	$242	$0	$0	$4,130
9/30/29	$1,250	$2,128	$522	$236	$0	$0	$4,137
9/30/30	$1,307	$2,072	$533	$230	$0	$0	$4,142
9/30/31	$1,364	$2,013	$543	$224	$0	$0	$4,144
9/30/32	$1,421	$1,952	$554	$217	$0	$0	$4,144
9/30/33	$1,478	$1,888	$565	$210	$0	$0	$4,141
9/30/34	$1,535	$1,821	$577	$202	$0	$0	$4,135
9/30/35	$1,591	$1,752	$588	$195	$0	$0	$4,126
9/30/36	$1,648	$1,680	$600	$187	$0	$0	$4,115
9/30/37	$1,705	$1,606	$612	$178	$0	$0	$4,102
9/30/38	$1,819	$1,530	$624	$170	$0	$0	$4,143
9/30/39	$1,876	$1,448	$637	$161	$0	$0	$4,121
9/30/40	$1,989	$1,363	$649	$151	$0	$0	$4,154
9/30/41	$2,046	$1,274	$662	$142	$0	$0	$4,124
9/30/42	$2,160	$1,182	$676	$131	$0	$0	$4,149
9/30/43	$2,217	$1,084	$689	$120	$0	$0	$4,111
9/30/44	$2,330	$985	$703	$109	$0	$0	$4,128
9/30/45	$2,444	$880	$717	$98	$0	$0	$4,139
9/30/46	$2,558	$770	$731	$86	$0	$0	$4,145
9/30/47	$2,671	$655	$746	$73	$0	$0	$4,145
9/30/48	$2,785	$535	$761	$59	$0	$0	$4,140
9/30/49	$2,899	$409	$776	$45	$0	$0	$4,130
9/30/50	$3,069	$279	$792	$31	$0	$0	$4,171
9/30/51	$3,126	$141	$807	$16	($3,421)	$0	$669
Total	**$52,860**	**$44,819**	**$18,447**	**$4,804**	**($3,421)**	**($3,965)**	**$113,545**

[1]Annual Installments are calculated assuming an estimated 4.5% interest rate on the Series 2022 PID Bonds and will be updated at the time of bond issuance.

[2]Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

Appendix G-3
Proposed Assessment Roll by Lot Type

Parcel	**Lot Type 2 (40 Ft)**
Equivalent Units	**$26,641.51**
Assessment	**0.80**

Year	Principal	Interest[1]	Administrative Expenses[2]	Additional Interest Reserve	Debt Service Reserve Fund	Capitalized Interest	Total Annual Installment
9/30/22	$0	$799	$229	$0	$0	($799)	$229
9/30/23	$0	$1,199	$234	$133	$0	($599)	$966
9/30/24	$516	$1,199	$238	$133	$0	($599)	$1,487
9/30/25	$544	$1,176	$243	$131	$0	$0	$2,094
9/30/26	$573	$1,151	$248	$128	$0	$0	$2,100
9/30/27	$573	$1,125	$253	$125	$0	$0	$2,076
9/30/28	$602	$1,100	$258	$122	$0	$0	$2,081
9/30/29	$630	$1,073	$263	$119	$0	$0	$2,085
9/30/30	$659	$1,044	$269	$116	$0	$0	$2,088
9/30/31	$688	$1,015	$274	$113	$0	$0	$2,089
9/30/32	$716	$984	$279	$109	$0	$0	$2,088
9/30/33	$745	$951	$285	$106	$0	$0	$2,087
9/30/34	$773	$918	$291	$102	$0	$0	$2,084
9/30/35	$802	$883	$296	$98	$0	$0	$2,080
9/30/36	$831	$847	$302	$94	$0	$0	$2,074
9/30/37	$859	$810	$308	$90	$0	$0	$2,067
9/30/38	$917	$771	$315	$86	$0	$0	$2,088
9/30/39	$945	$730	$321	$81	$0	$0	$2,077
9/30/40	$1,003	$687	$327	$76	$0	$0	$2,093
9/30/41	$1,031	$642	$334	$71	$0	$0	$2,078
9/30/42	$1,089	$596	$341	$66	$0	$0	$2,091
9/30/43	$1,117	$547	$347	$61	$0	$0	$2,072
9/30/44	$1,175	$496	$354	$55	$0	$0	$2,080
9/30/45	$1,232	$443	$361	$49	$0	$0	$2,086
9/30/46	$1,289	$388	$369	$43	$0	$0	$2,089
9/30/47	$1,346	$330	$376	$37	$0	$0	$2,089
9/30/48	$1,404	$269	$384	$30	$0	$0	$2,087
9/30/49	$1,461	$206	$391	$23	$0	$0	$2,081
9/30/50	$1,547	$141	$399	$16	$0	$0	$2,102
9/30/51	$1,576	$71	$407	$8	($1,724)	$0	$337
Total	**$26,642**	**$22,589**	**$9,297**	**$2,421**	**($1,724)**	**($1,998)**	**$57,227**

[1]Annual Installments are calculated assuming an estimated 4.5% interest rate on the Series 2022 PID Bonds and will be updated at the time of bond issuance.

[2]Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates. Assumes a 2% increase per year.

EXHIBIT B
TOWN OF LITTLE ELM, TEXAS
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the Town Council of Little Elm, Texas on *December 21, 2021 at or after 6:00 p.m.at Little Elm Town Hall, 100 W. Eldorado Parkway, Little Elm, Texas 75068*. The public hearing will be held to consider proposed assessments to be levied against the assessable property within the Spiritas East Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) special supplemental services for improvement and promotion of the district (vi) projects similar to those listed in subsections (i) - (v) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; ; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (v) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (v) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the Town and confer a special benefit upon the Property.

The total costs of the Authorized Improvements that benefit the entire District including the costs of creating the District and issuing the bonds, is approximately $5,000,000.

The District includes approximately *38.468* acres of land generally located *south of U.S. HWY 380 and west of Lewisville Lake*, located within the Town and as more particularly described by a metes and bounds description available at Little Elm Town Hall and available for public inspection.

All written or oral objections on the proposed assessment within the District will be considered at the public hearing.

A copy of the Assessment Roll relating to the Authorized Improvements, which Assessment Roll includes the assessments to be levied against each parcel in the District, is available for public inspection at the office of the Town Secretary, 100 W. Eldorado Pkwy, Little Elm, Texas 75068.

Date:	11/16/2021
Agenda Item #:	8. E.
Department:	Development Services
Strategic Goal:	Provide a safe and welcoming environment for Little Elm residents and visitors
Staff Contact:	Fred Gibbs, Director of Development Services

AGENDA ITEM:

Present, Discuss, and Consider Action on a **Developers Agreement between the Town of Little Elm and Centurion American Acquisitions, LLC (Continuation of Spiritas Ranch West Development Agreement).**

DESCRIPTION:

On February 2, 2021, Town Council approved the Spiritas Ranch Developers Agreement that included approximately 545 acres (estimated to be 2,135 single family lots) that is located on the southeast corner of FM 720 and US Hwy 380. In addition, the Town Council has also approved the supporting Planned Development on October 19, 2021. Since then, the developer has expanded the limits of the development to include approximately 38 acres that will include an additional 146 single family homes. This new development area will be a continuation of the current development that was approved by Town Council and the Planning and Zoning Commission. However, the developer will be introducing a new single family product on approximately 28 lots that back up to commercial. It's called the Courtyard series and its target buyers are empty nesters, single women and families with young children. This new living concept is designed to live towards the front of the home that provides larger functional outdoor area of the home site. The additional 118 lots will be developed like the other lots in the first agreement and include the triggers for the construction of the future Fire Station/EMS Center and FM 2931 extension. The area will also include a park, open space and a trail system along the shores of the lake. This development will happen prior to the adjacent phase, so direct access to the other amenities will be delayed, however we have asked the applicant to provide a homeowner disclosure at closing notifying the homebuyer which is included as exhibit F-1. The development will be followed up with a Planned Development early next year.

BUDGET IMPACT:

None

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Exhibit A Legal Description
Exhibit B Depiction of Land
Exhibit C Overall Probable Cost
Exhibit D 146 Lot Concept
Exhibit D-1 Parks and Open Space
Exhibit D-2 Trail Plan
Exhibit D-3 Overall Concept Plan
Exhibit D-4 Park Equipment
Exhibit E Development Standards
New Home Concept Courtyard
Spiritas East Aerial
Spiritas East FLUP
Spiritas East Zoning
Exhibit F-1 Homeowners Notice
Spiritas East Developers Agreement

DESCRIPTION
38.468 ACRE TRACT

BEING that certain tract of land situated in the Marsella Jones Survey, Abstract No. 662, in the Town of Little Elm, Denton County, Texas, and being part of that certain tract of land described in deed to Robert G. Penley recorded in Volume 623, Page 106, of the Real Property Records of Denton County, Texas (RPRDCT), and part of that certain tract of land described in deed to Robert G. Penley and Faith Penley recorded in Volume 2210, Page 648, RPRDCT, and being more particularly described by metes and bounds as follows:

BEGINNING at a Army Corps of Engineers monument found at the northeast corner of said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, said monument being located on the south right-of-way line of US Highway 380 (a variable-width right-of-way), and also being located on the west "take line" of Lake Lewisville;

THENCE with said west "take line", the following courses to Army Corps of Engineers monuments found:

South 27°07'16" West, a distance of 875.52 feet;

South 40°18'51" West, a distance of 544.09 feet;

South 09°54'29" East, a distance of 217.10 feet;

South 57°22'24" West, a distance of 298.04 feet;

North 82°50'29" West, a distance of 641.93 feet;

North 05°25'44" East, a distance of 396.40 feet;

And South 42°17'36" West, a distance of 385.19 feet, said monument being located on the east line of that certain tract of land described in deed to MM Little Elm 548, LLC recorded in Instrument No. 2020-123025, RPRDCT;

THENCE with said east line, the following courses:

North 05°42'19" East, a distance of 621.88 feet to a 5/8" iron rod found;

And South 88°08'15" East, a distance of 170.04 feet to a 5/8" capped iron rod found;

THENCE North 03°11'21" East, continuing with said east line of the MM Little Elm 548, LLC tract, and the east line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 2737, Page 126, RPRDCT, a distance of 653.60 feet;

THENCE departing said east line of the Spiritas Ranch Enterprises tract, and over and across said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, the following courses:

South 84°22'49" East, a distance of 502.60 feet;

And North 05°15'54" East, a distance of 200.74 feet to a point located in said south right-of-way line of US Highway 380;

THENCE South 84°36'22" East, with said south right-of-way line of US Highway 380, a distance of 80.00 feet;

THENCE departing said south right-of-way line of US Highway 380, the following courses:

South 05°15'54" West, a distance of 201.00 feet;

South 87°10'23" East, a distance of 514.31 feet;

And North 01°53'44" East, a distance of 209.31 feet to a point located on said south right-of-way line of US Highway 380;

THENCE South 88°16'39" East with said south right-of-way line of US Highway 380, a distance of 50.00 feet;

THENCE departing said south right-of-way line of US Highway 380, and over and across said Robert G. Penley tract recorded in Volume 623, Page 106, RPRDCT, the following courses:

South 01°53'44" West, a distance of 210.27 feet;

South 87°10'23" East, a distance of 52.86 feet;

North 41°38'43" East, a distance of 60.89 feet;

North 41°48'16" East, a distance of 45.80 feet;

North 43°25'46" East, a distance of 25.15 feet;

North 51°51'09" East, a distance of 24.67 feet;

North 54°02'19" East, a distance of 12.14 feet;

North 48°36'19" East, a distance of 10.43 feet;

North 37°47'16" East, a distance of 9.58 feet;

North 15°43'13" East, a distance of 5.97 feet;

North 12°02'26" East, a distance of 10.27 feet;

North 00°46'57" West, a distance of 14.90 feet;

North 11°51'34" West, a distance of 38.07 feet;

And North 14°47'27" West, a distance of 5.08 feet to a point located in said south right-of-way line of US Highway 380;

THENCE South 88°16'39" East with said south right-of-way line of US Highway 380, a distance of 233.52 feet to the POINT OF BEGINNING, containing an area of 38.468 acres of land.

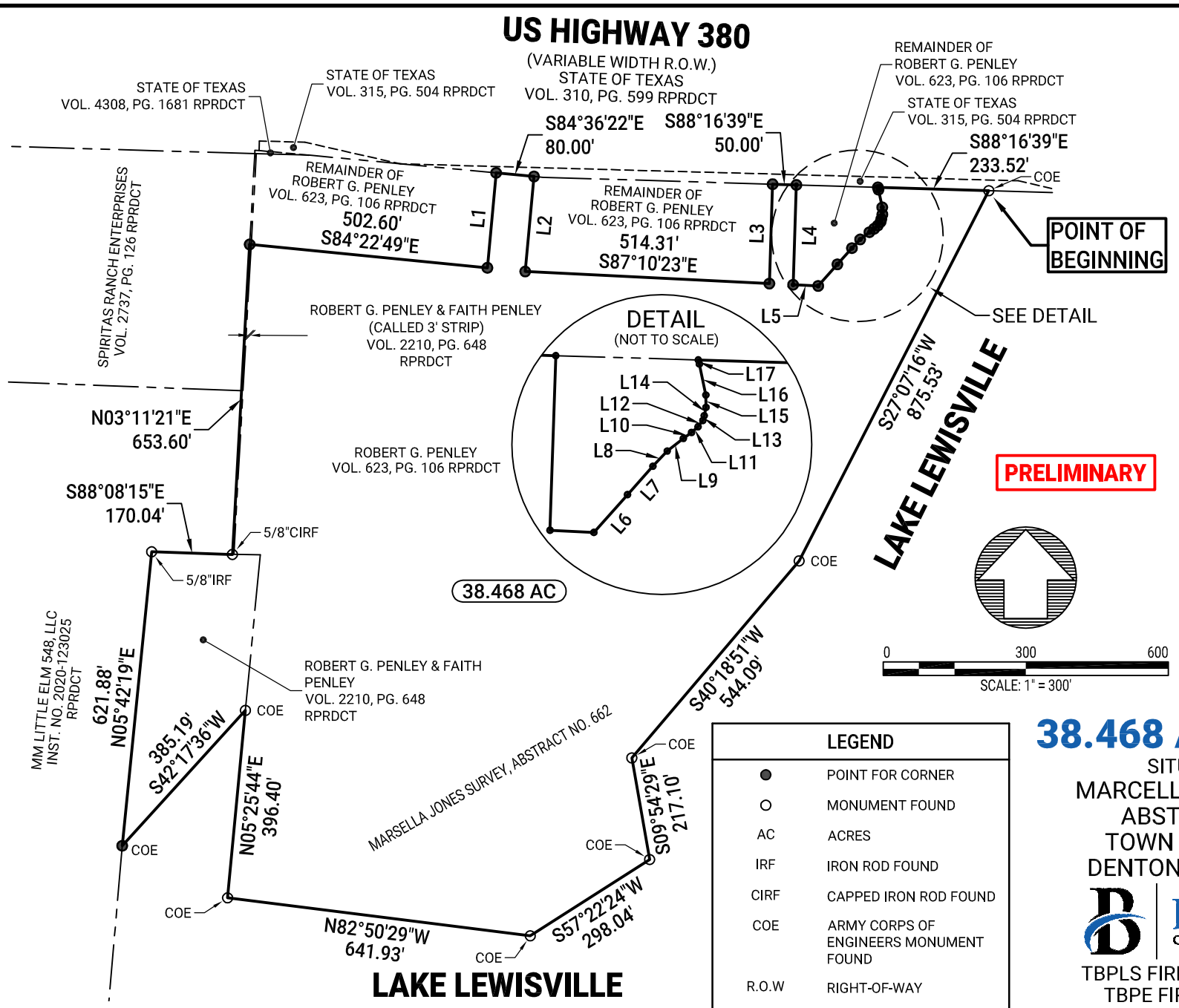
NOTES:

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

This document was prepared under 22 TAC Â§663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

PRELIMINARY

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.



LINE TABLE		
LINE #	BEARING	DISTANCE
L1	N05°15'54"E	200.74'
L2	S05°15'54"W	201.00'
L3	N01°53'44"E	209.31'
L4	S01°53'44"W	210.27'
L5	S87°10'23"E	52.86'
L6	N41°38'43"E	60.89'
L7	N41°48'16"E	45.80'
L8	N43°25'46"E	25.15'
L9	N51°51'09"E	24.67'
L10	N54°02'19"E	12.14'
L11	N48°36'19"E	10.43'
L12	N37°47'16"E	9.58'
L13	N15°43'13"E	5.97'
L14	N12°02'26"E	10.27'
L15	N00°46'57"W	14.90'
L16	N11°51'34"W	38.07'
L17	N14°47'27"W	5.08'

LEGEND	
●	POINT FOR CORNER
○	MONUMENT FOUND
AC	ACRES
IRF	IRON ROD FOUND
CIRF	CAPPED IRON ROD FOUND
COE	ARMY CORPS OF ENGINEERS MONUMENT FOUND
R.O.W	RIGHT-OF-WAY
VOL., PG.	VOLUME, PAGE
INST. NO.	INSTRUMENT NUMBER
RPRDCT	REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS

38.468 ACRE TRACT

SITUATED IN THE
MARCELLA JONES SURVEY,
ABSTRACT NO. 662
TOWN OF LITTLE ELM,
DENTON COUNTY, TEXAS

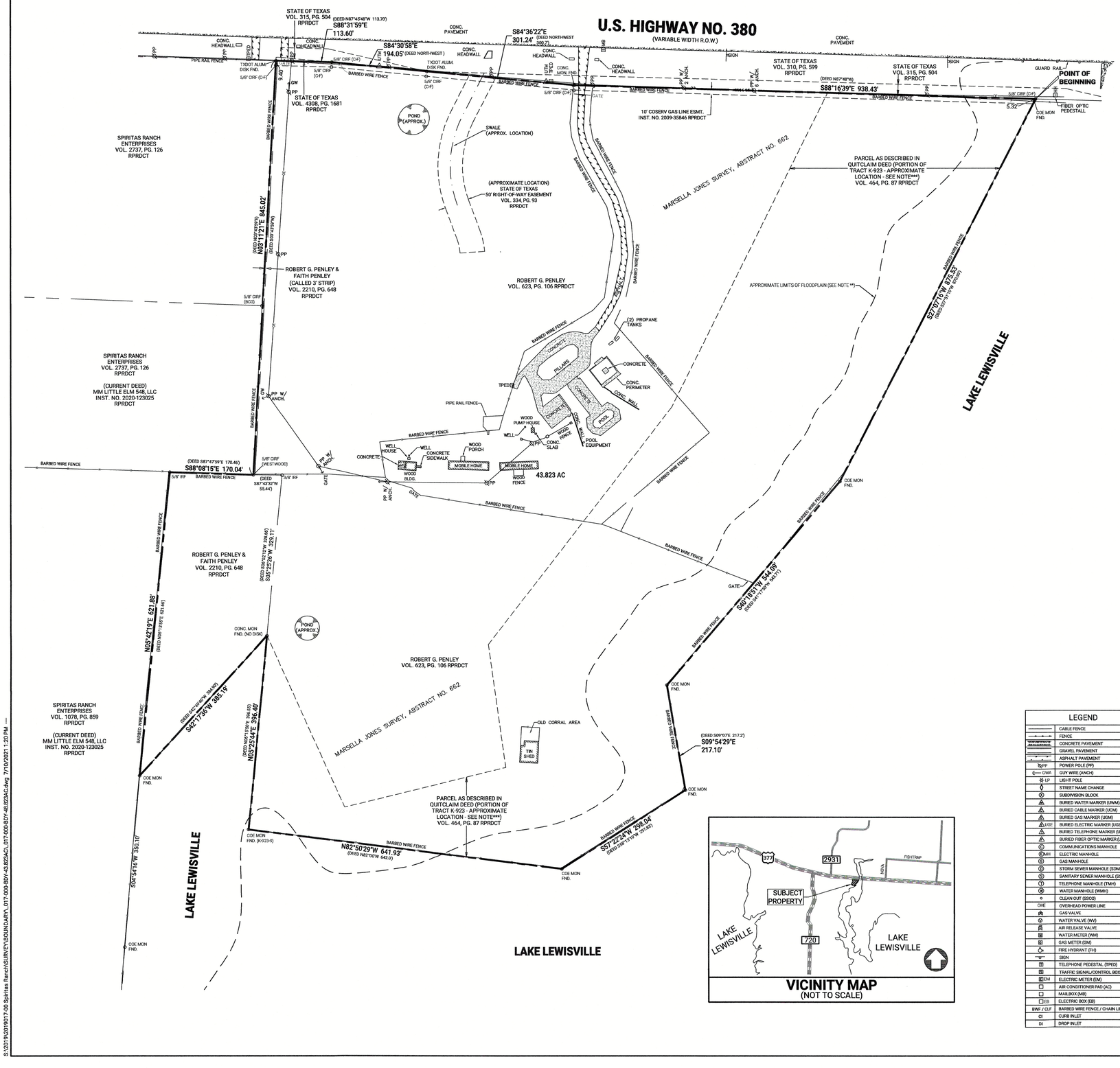
BARRAZA
CONSULTING GROUP, LLC
TBPLS FIRM REG. NO. 10194538
TBPE FIRM REG. NO. 20683
801 East Campbell Road, Ste. 650
Richardson, Texas 75081
TELEPHONE - (214)-484-7055
PROJECT NO. 2019017-E
DATE October 2021

NOTES:
This document was prepared under 22 TAC Â§663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

TECH=CJG
SCALE 1"=300'

S:\2019\2019017-E Spiritas Ranch East\SURVEY\Exhibit_017-E-EXH-38.468AC PID Tract_017-E-EXH-38.468AC PID Tract.dwg 10/15/2021 9:09 AM



VICINITY MAP
(NOT TO SCALE)

LEGEND	
	CABLE FENCE
	FENCE
	CONCRETE PAVEMENT
	GRAVEL PAVEMENT
	ASPHALT PAVEMENT
PP	POWER POLE (PP)
GWA	GUY WIRE (ANCH)
LP	LIGHT POLE
	STREET NAME CHANGE
	SUBDIVISION BLOCK
	BURIED WATER MARKER (UWM)
	BURIED CABLE MARKER (UCM)
	BURIED GAS MARKER (UGM)
UGE	BURIED ELECTRIC MARKER (UGE)
	BURIED TELEPHONE MARKER (UTM)
	BURIED FIBER OPTIC MARKER (UFM)
C	COMMUNICATIONS MANHOLE
EM	ELECTRIC MANHOLE
	GAS MANHOLE
D	STORM SEWER MANHOLE (SDMH)
S	SANITARY SEWER MANHOLE (SSMH)
T	TELEPHONE MANHOLE (TMH)
W	WATER MANHOLE (WMH)
o	CLEAN OUT (SSCO)
OHE	OVERHEAD POWER LINE
	GAS VALVE
	WATER VALVE (WV)
	AIR RELEASE VALVE
	WATER METER (WM)
	GAS METER (GM)
	FIRE HYDRANT (FH)
	SIGN
	TELEPHONE PEDESTAL (TPED)
	TRAFFIC SIGNAL/CONTROL BOX
EM	ELECTRIC METER (EM)
	AIR CONDITIONER PAD (AC)
	MAILBOX (MB)
EB	ELECTRIC BOX (EB)
BWF / CLF	BARBED WIRE FENCE / CHAIN LINK FENCE
CI	CURB INLET
DI	DROP INLET

LEGEND	
R.O.W.	RIGHT-OF-WAY
ESM'T	EASEMENT
CIRF	CAPPED IRON ROD FOUND
IRF	IRON ROD FOUND
RPRDCT	REAL PROPERTY RECORDS OF DENTON COUNTY, TEXAS
PRDCT	PLAT RECORDS OF DENTON COUNTY, TEXAS
CIRS	5/8-INCH IRON ROD WITH PLASTIC CAP STAMPED "BCG 10194538" SET
P.L.	PROPERTY LINE
C-F	COBB-FENDLEY
COE MON	CORPS OF ENGINEERS MONUMENT
TXDOT	TEXAS DEPARTMENT OF TRANSPORTATION

LEGAL DESCRIPTION

BEING that certain tract of land situated in the Marsella Jones Survey, Abstract No. 662, in the Town of Little Elm, Denton County, Texas, and being part of that certain tract of land described in deed to Robert G. Penley recorded in Volume 623, Page 106, of the Real Property Records of Denton County, Texas (RPRDCT), and part of that certain tract of land described in deed to Robert G. Penley and Faith Penley recorded in Volume 2210, Page 648, RPRDCT, and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "COBB-FENDLEY" found at the northeast corner of said Penley tract recorded in Volume 623, Page 106, RPRDCT, and being located on the southerly right-of-way line of US Highway No. 380 (variable width right-of-way), said southerly line according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, and also being located in the westerly "Take Line" of Lake Lewisville;

THENCE with said westerly "Take Line" of Lake Lewisville, the following courses:

South 27°07'16" West, passing at a distance of 5.32 feet a U.S. Army Corps of Engineers (USACOE) monument found, continuing with said "Take Line" in all, a total distance of 875.53 feet to a USACOE monument found for corner;

South 40°18'51" West, a distance of 544.09 feet to a USACOE monument found for corner;

South 09°54'29" East, a distance of 217.10 feet to a USACOE monument found for corner;

South 57°22'24" West, a distance of 298.04 feet to a USACOE monument found for corner;

North 82°50'29" West, a distance of 641.93 feet to a USACOE monument (K-923-9) found for corner;

North 05°25'44" East, a distance of 396.40 feet to concrete monument (no disk) found for corner;

And South 42°17'36" West, a distance of 385.19 feet to a USACOE monument found for corner, said monument being located on the westerly line of said Penley tract recorded in Volume 2210, Page 648, RPRDCT, and the easterly line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 1078, Page 859, RPRDCT;

THENCE North 05°42'19" East, with said westerly line of the Penley tract, and said easterly line of the Spiritas Ranch Enterprises tract, a distance of 621.88 feet to a 5/8-inch iron rod found for corner at a northwest corner of said Penley tract recorded in Volume 2210, Page 648, RPRDCT, and the northeast corner of said Spiritas Ranch Enterprises tract recorded in Volume 1078, Page 859, RPRDCT;

THENCE South 88°08'15" East, with a north line of said Penley tract recorded in Volume 2210, Page 648, RPRDCT, and the south line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 2737, Page 126, RPRDCT, a distance of 170.04 feet to a 5/8-inch iron rod with cap stamped "WESTWOOD" found for corner;

THENCE North 03°11'21" East, with the west line of a called 3-foot strip of land described in said Penley tract recorded in Volume 2210, Page 648, RPRDCT, a distance of 845.02 feet to an aluminum TXDOT disk found for corner on said southerly right-of-way line of US Highway No. 380, said disk being the southwest corner of that certain tract of land described in deed to the State of Texas recorded in Volume 4308, Page 1681, RPRDCT;

THENCE South 88°31'59" East, with said southerly right-of-way line of US Highway No. 380 according to said deed to the State of Texas, a distance of 113.60 feet to a 5/8-inch iron rod with cap stamped "COBB-FENDLEY" found for corner at the east corner of said deed to the State of Texas;

THENCE South 84°30'58" East, continuing with said southerly right-of-way line of US Highway No. 380, said line according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, a distance of 194.05 feet to an aluminum TXDOT disk found for corner;

THENCE South 84°36'22" East, continuing with said southerly right-of-way line of US Highway No. 380 according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, a distance of 301.24 feet to a concrete monument found for corner;

THENCE South 88°16'39" East, continuing with said southerly right-of-way line of US Highway No. 380 according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, a distance of 938.43 feet to the POINT OF BEGINNING, containing an area of 43.823 acres of land.

NOTES:

Title Commitment referenced for this survey provided by First American Title Insurance Company - GF No. 2102561-VCJA, Effective Date June 7, 2021, Issue Date June 14, 2021 (no additional easement research was performed). Instruments referenced in Schedule B of this Commitment as they relate to this Survey are addressed as follows:

*** Schedule B, Item 1. and Item 10f. ~ Subject property is part of referenced property set forth in Quitclaim Deed (portion of Tract K-923 - approximate location as shown plotted hereon) recorded in Volume 464, Page 87, of the Real Property Records of Denton County, Texas (RPRDCT). This tract is subject to a flowage easement described as "lands below an elevation of 537 feet, mean sea level, there being 5.59 acres, more or less, lying below said elevation". While the location of this easement is located approximately along the floodplain limits as shown, a more detailed location of this easement is subject to an an the ground topographic survey.

Schedule B, Item 10e. ~ Subject property is part of referenced property (blanket description) set forth in Denton County Electric Cooperative, Inc. Easement recorded in Volume 404, Page 230, RPRDCT.

Schedule B, Item 10g. ~ 10' Coserv Gas Easement recorded in Instrument No. 2009-35846, RPRDCT, is located on subject property, and is shown plotted hereon.

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

The bearings shown and recited hereon are referenced to the Texas Coordinate System of 1983 ~ North Central Zone No. 4202 - NAD 83. (All distances are surface distances with a surface to grid scale factor of 0.999849393).

** Subject property lies within "Zone AE", defined as "Base Flood Elevations Determined"; "Zone X (Shaded)", defined as "Areas of 0.2% annual chance flood; areas of 1% annual chance flood with averages depts of less than one foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood"; and "Zone X (unshaded)", defined as "Base flood elevations determined; Areas determined to be outside the 0.2% annual chance floodplain"; according to Federal Emergency Management Agency Flood Insurance Rate Map for Denton County, Texas and incorporated areas, Map Number 48121C0405G, Revision Date April 18, 2011. Limits of "Zone AE" is shown graphically plotted hereon according to this map.

Plat and deed calls shown recited hereon are referenced to previously filed recorded plats and deeds for subject and adjoining properties.

SURVEYOR'S CERTIFICATE

I, Jimmie D. Nichols, Registered Professional Land Surveyor, do hereby certify that I have made a careful and accurate survey of the above described property and that the plat shown hereon is a substantially true, correct and accurate representation of the property determined by survey. This survey substantially conforms to the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition II Survey.

FOR BARRAZA GROUP LLC:
July 10, 2021

Jimmie D. Nichols, RPLS No. 5184

STATE OF TEXAS
REGISTERED
JIMMIE D. NICHOLS
5184
PROFESSIONAL
LAND SURVEYOR

BOUNDARY SURVEY
43.823 ACRES

SITUATED IN THE

MARSELLA JONES SURVEY, ABSTRACT NO. 662

TOWN OF LITTLE ELM
DENTON COUNTY, TEXAS

BARRAZA
CONSULTING GROUP, LLC
TBPLS FIRM REG. NO. 10194538
TBPE FIRM REG. NO. 20683
801 EAST CAMPBELL ROAD, STE. 650
RICHARDSON, TEXAS 75081
TELEPHONE - (214)-484-7055
PROJECT NO. 2019017-05
DATE July 2021

SURVEYED ON THE GROUND DURING JUNE & JULY 2021

SCALE 1"=100'

S:\2019\2019017-00 Spiritas Ranch\SURVEY\BOUNDARY_017-000-BDY-43.823AC_017-000-BDY-43.823AC.dwg 7/10/2021 1:20 PM —

COMMUNITY NAME: Spiritas Ranch
PHASES: East
CITY OR TOWN: Town of Little Elm, Denton County

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING • SURVEYING

GROSS ACREAGE:	43.9
NET ACREAGE:	28.9
TOTAL LOTS:	**146**
TOTAL DENSITY:	5.05
LANDPLAN:	2
CREATED BY:	CH
REVIEWED BY:	AB
CREATED:	05/21/21
REVISED:	**09/22/21**

Direct Phase Costs		**EAST PHASE**
	Lot Count	**146**
1 Engineering		$ 266,209
2 Grading Site Preparation		$ -
3 Water		$ 261,136
4 Sanitary Sewer		$ 494,200
5 Storm Drain		$ 561,241
6 Street Improvements		$ 1,087,602
7 Screening/Landscape Walls		
8 Ret Walls		
9 Dry Utilities		
10 Contingency 0%		$ -
11 N/A		
	Total	$ 2,670,387
	Cost per Lot	$ 18,290

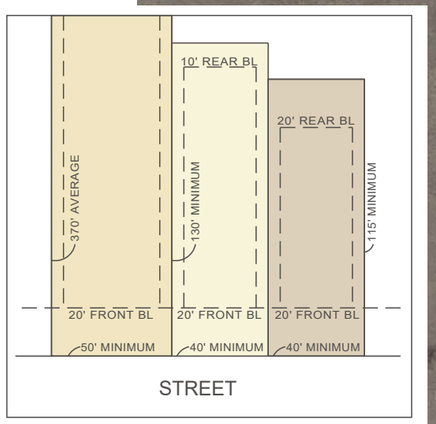
Major Improvements Costs		**EAST PHASE**
	Lot Count	**146**
1 Engineering		$ 219,290
2 Grading Site Preparation		$ -
3 Water		$ 161,000
4 Sanitary Sewer		$ 150,000
5 Storm Drain		$ 120,000
6 Street Improvements - Turn Lanes		$ 690,000
7 Screening/Landscape Walls		
8 Dry Utilities		
9 Common Area Amenities & Trails		$ 168,939
10 Contingency 0%		$ -
11 District Formation Costs		
	Total	$ 1,509,230
	Cost per Lot	$ 10,337
	PID TOTALS	***$ 4,179,618***
	PID per lot	***$ 28,628***

Private Costs		**EAST PHASE**
	Lot Count	**146**
1 Engineering		$ 214,324
2 Grading Site Preparation		$ 885,229
3 Water		
4 Sanitary Sewer		
5 Storm Drain		
6 Street Improvements		
7 Screening/Landscape Walls		$ 280,000
8 Ret Walls		$ 405,250
9 Dry Utilities		$ 146,000
10 Contingency 10%		$ 193,080
11 N/A		
	Total	$ 2,123,883
	Cost per Lot	$ 14,547
	GRAND TOTALS	***$ 6,303,500***
	GRAND TOTAL per lot	***$ 43,175***
	40' Cottage Lots	28
	40' Lots	89
	50' Lots	29
	Total Lots	***146***

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT

NOTES

[1] Development cost does not include: City/District/County Fees, Bonds, & Permits
[2] Development cost does not include: Rock Excavation
[3] Professional Fees do not include: SWPPP Administration
[4] Unit costs in this OPC were provided to Barraza Consulting Group, LLC by RES



TYPICAL PAD DIMENSIONS

(TYP.) N.T.S.



Lot	Area (SF)
1	27,872
2	29,393
3	25,604
4	18,770
5	19,116
6	18,915
7	18,750
8	18,876
9	19,225
10	19,796
11	18,707
12	18,052
13	16,642
14	16,343
15	18,368
16	19,563
17	22,114
18	30,353
19	32,290
20	50,003
21	12,347
22	11,320
23	9,663
24	17,230
25	27,722
26	11,879
27	9,312
28	8,230
29	10,680

Spiritas East Ranch Concept Plan 2

DATA TABLE

Gross Site Area:	43+/-
Residential Product Type:	Total
40'x 130' Lot	28
40'x 115' Lot	89
50'x 370'(avg) Lot	29
Total Lots	146

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING

SPIRITAS RANCH EAST DEVELOPMENT
TOWN OF LITTLE ELM , DENTON COUNTY, TEXAS

SCALE: 1"=500'
DATE: JULY 2021

CENTURION AMERICAN

S:\2019\20190017.00 Spiritas Ranch\CAD\EXHIBITS\20190170OLP32eSpiritasEastPID07202020.dwg Aug 07,2021 - 10:39 am chancock

US HWY 380

RETAIL
1 AC

RETAIL
1 AC

RETAIL
1 AC

RETAIL
1 AC

RETAIL
0.7 AC

PARK
1.1 ac.

FLOODPLAIN
1.0 ac.

ELEVATION 537.00

FLOODPLAIN

LEWISVILLE LAKE

OPEN
SPACE
0.3 AC.

PARKS & OPEN SPACE

Spiritas East Ranch Concept Plan 2

DATA TABLE

Active Parks (Suitable for open play)	
Parks	1.1 AC.
Passive Parks	
Open Space	0.8 AC.
Floodplain	1.0 AC.

BARRAZA
CONSULTING GROUP, LLC
PLANNING • ENGINEERING

SPIRITAS RANCH EAST DEVELOPMENT
TOWN OF LITTLE ELM , DENTON COUNTY, TEXAS

SCALE: 1"=500'
DATE: JULY 2021

CENTURION AMERICAN

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Spiritas East Ranch Concept Plan 2

DATA TABLE

Gross Site Area:	43+/-
Residential Product Type:	Total
40'x 130' Lot	28
40'x 115' Lot	89
50'x 370'(avg) Lot	29
Total Lots	146
8' Trail	

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING

SPIRITAS RANCH EAST DEVELOPMENT
TOWN OF LITTLE ELM , DENTON COUNTY, TEXAS

SCALE: 1"=250'
DATE: JULY 2021

CENTURION AMERICAN

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FM 720
LG 720 & 380 LLC
US HWY 380
FM 2931
PROVIDENCE BLVD.
CHURCH
OAK GROVE CEMETERY
HEB GROCERY COMPANY LP
LAURA KECK
FUTURE COMMERCIAL (BY OTHERS)
FUTURE COMMERCIAL (BY OTHERS)
FUTURE COMMERCIAL (BY OTHERS)
FUTURE BOUNDARY
EXISTING BOUNDARY
SPIRITAS EAST
PHASE 1G
141 - 40s
102 - 50s
243 - Total Lots
47 Acres
PHASE 4G
192 - 40s
30 Acres
PHASE 2G
213 - 40s
135 - 50s
93 - 60s
441 - Total Lots
118 Acres
AMENITY CENTER
2 AC.
PHASE 2M
71 - 40s
74 - 50s
145 - Total Lots
31 Acres
PHASE 1M
80 - 40s
78 - 50s
158 - Total Lots
31 Acres
70' BRAZOS ELEC. ESMT
FUTURE SCHOOL SITE
13 AC.
PHASE 3G
180 - 50s
147 - 60s
327 - Total Lots
113 Acres
PHASE 1L
109 - 50s
24 Acres
RYAN SPIRITAS PKWY
AMENITY CENTER
4 AC.
POND
3 AC.
RETAIL
FS
3 AC.
PHASE 1
183 - 40s
299 - 50s
65 - 60s
547 - Total Lots
148 Acres
LEWISVILLE LAKE

Spiritas East Concept Plan 2

DATA TABLE

Gross Site Area:	43+/-
Residential Product Type:	Total
40'x 130' Lot (Courtyard Lots)	28
40'x 115' Lot	89
50'x 370'(avg) Lot	29
Total Lots	146

Spiritas Ranch Concept Plan 33

DATA TABLE

Gross Site Area:		545+/-
	Acres	Gross %
Residential Lots	431	80%
Green Space	51	9%
School Site	13	2%
Floodplain	16	3%
Ponds	5	1%
Right-of-Way	17	3%
Amenity Center	7	1%
Retail	2	0.5%
Fire Station	3	0.5%

Residential Product Type:	Phase 1	Future	Total
40'x 115' Lot	404	476	880
50'x 115' Lot	588	389	977
60'x 120' Lot	65	240	305
Total Lots	1,057	1,105	2,162
Total Acres	251	294	545

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING

SPIRITAS RANCH DEVELOPMENT
TOWN OF LITTLE ELM , DENTON COUNTY, TEXAS

SCALE: 1"=600'
DATE: AUG. 2021

CENTURION AMERICAN

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ACTIVE PARK

INCLUDING
1 - PLAYGROUND SYSTEM
2 - BENCHES
1 - TRASH CAN

US HWY 380

ELEVATION 537.00

FLOODPLAIN

LEWISVILLE LAKE

Spiritas East Ranch Concept Plan 2	
DATA TABLE	
Gross Site Area:	43+/-
Residential Product Type:	Total
40'x 130' Lot (Courtyard Lots)	28
40'x 115' Lot	89
50'x 370'(avg) Lot	29
Total Lots	146

BARRAZA CONSULTING GROUP, LLC
PLANNING • ENGINEERING

SPIRITAS RANCH EAST DEVELOPMENT
TOWN OF LITTLE ELM , DENTON COUNTY, TEXAS

SCALE: 1"=500'
DATE: Aug. 2021

CENTURION AMERICAN

S:\2019\2019017-E Spiritas Ranch East\CAD\EXHIBITS\20190170OLP32SpiritasEastPlaygroundExhibit11042021.dwg Nov 04,2021 - 12:15 pm chancock

Exhibit E
DEVELOPMENT STANDARDS

I. LOT TYPE REGULATIONS

Spiritas East Development will include a variety of lot types in order to achieve the goals established for the district. The lot types and requirements for each shall be as follows:

A. Lot Type SF-4A:

1. Permitted Uses: Land use shall comply with uses permitted for SF-4 Single-Family District in Section 106-05-01 of the Town of Little Elm Zoning Ordinance. The following additional uses are permitted by right or requires administrative approval only as provided below:
   a. Model homes (inclusive of early permits) - permitted by right
   b. Temporary sales offices - permitted by right
   c. Temporary construction offices - permitted by right
   d. Temporary asphalt batch plants - requires administrative approval only
   e. Temporary concrete batch plants – requires administrative approval only
   f. Temporary construction yards - permitted by right
   g. Concrete Washouts - permitted by right

2. Height Regulations: No building shall exceed thirty-five feet (35') or two and one-half (2-1/2) stories in height.

3. Area Regulations: The following minimum standards shall be required as measured from property lines:

Lot Size:	4,500+/- square feet (minimum)
Lot coverage:	The combined area covered by all main buildings and accessory structures shall not exceed fifty-five percent (55%) of the total lot area. Driveways, flatwork, swimming pools and spas shall not be included in determining maximum building coverage.
Minimum Floor Area:	The minimum square footage of a dwelling unit, exclusive of garages, breezeways, and porches, shall be 1,800 square feet, with the exception that no more than 10% of homes or dwellings being allowed to be 1,500 square feet minimum.
Front Yard:	20 feet minimum
Rear Yard:	20 feet minimum (excludes outdoor areas such as patios, outdoor kitchens, etc.)
Side Yard:	5 feet minimum
Side Yard Adj. to Street:	15 feet minimum
Lot Width:	40 feet minimum (measured at front building line)
Garage:	May face front or side street.

B. Lot Type SF-4B:

1. Permitted Uses: Land use shall comply with uses permitted for SF-4 Single-Family District in Section 106-05-01 of the Town of Little Elm Zoning Ordinance. The following additional uses are permitted by right or requires administrative approval only as provided below:
   a. Model homes (inclusive of early permits) – permitted by right
   b. Temporary sales offices - permitted by right
   c. Temporary construction offices – permitted by right
   d. Temporary asphalt batch plants – requires administrative approval only
   e. Temporary concrete batch plants – requires administrative approval only
   f. Temporary construction yards – permitted by right
   g. Concrete Washouts – permitted by right

2. Height Regulations: No building shall exceed thirty-five feet (35') or two and one-half (2-1/2) stories in height.

3. Area Regulations: The following minimum standards shall be required as measured from property lines:

Lot Size:	5,650+/- square feet (minimum)
Lot coverage:	The combined area covered by all main buildings and accessory structures shall not exceed fifty-nine percent (59%) of the total lot area. Driveways, flatwork, swimming pools and spas shall not be included in determining maximum building coverage.
Minimum Floor Area:	The minimum square footage of a dwelling unit, exclusive of garages, breezeways, and porches, shall be 2,000 square feet, with the exception that no more than 10% of homes or dwellings being allowed to be 1,800 square feet minimum.
Front Yard:	20 feet minimum
Rear Yard:	20 feet minimum (excludes outdoor areas such as patios, outdoor kitchens, etc.)
Side Yard:	5 feet minimum
Side Yard Adj. to Street:	15 feet minimum
Lot Width:	50 feet minimum (measured at front building line)
Garage:	May face front or side street.

C. Lot Type SF-4C (Courtyard Lots):

1. Permitted Uses: Land use shall comply with uses permitted for SF-4 Single-Family District in Section 106-05-01 of the Town of Little Elm Zoning Ordinance. The following additional uses are permitted by right or requires administrative approval only as provided below:
   a. Model homes (inclusive of early permits) - permitted by right
   b. Temporary sales offices - permitted by right
   c. Temporary construction offices - permitted by right
   d. Temporary asphalt batch plants - requires administrative approval only
   e. Temporary concrete batch plants – requires administrative approval only
   f. Temporary construction yards - permitted by right
   g. Concrete Washouts - permitted by right

2. Height Regulations: No building shall exceed thirty-five feet (35') or two and one-half (2-1/2) stories in height.

3. Area Regulations: SF-4C area regulations shall comply with **Exhibit E.1** below and the following minimum standards shall be required as measured from property lines:

Lot Size:	5,000+/- square feet (minimum)
Lot coverage:	The combined area covered by all main buildings and accessory structures shall not exceed fifty-five percent (55%) of the total lot area. Driveways, flatwork, swimming pools and spas shall not be included in determining maximum building coverage.
Minimum Floor Area:	The minimum square footage of a dwelling unit, exclusive of garages, breezeways, and porches, shall be 1,800 square feet, with the exception that no more than 10% of homes or dwellings being allowed to be 1,500 square feet minimum.
Front Yard:	20 feet minimum
Rear Yard:	10 feet minimum (excludes outdoor areas such as patios, outdoor kitchens, etc.)
Side Yard:	5 feet minimum
Side Yard Adj. to Street:	15 feet minimum
Lot Width:	40 feet minimum (measured at front building line)
Garage:	May face front or side street.

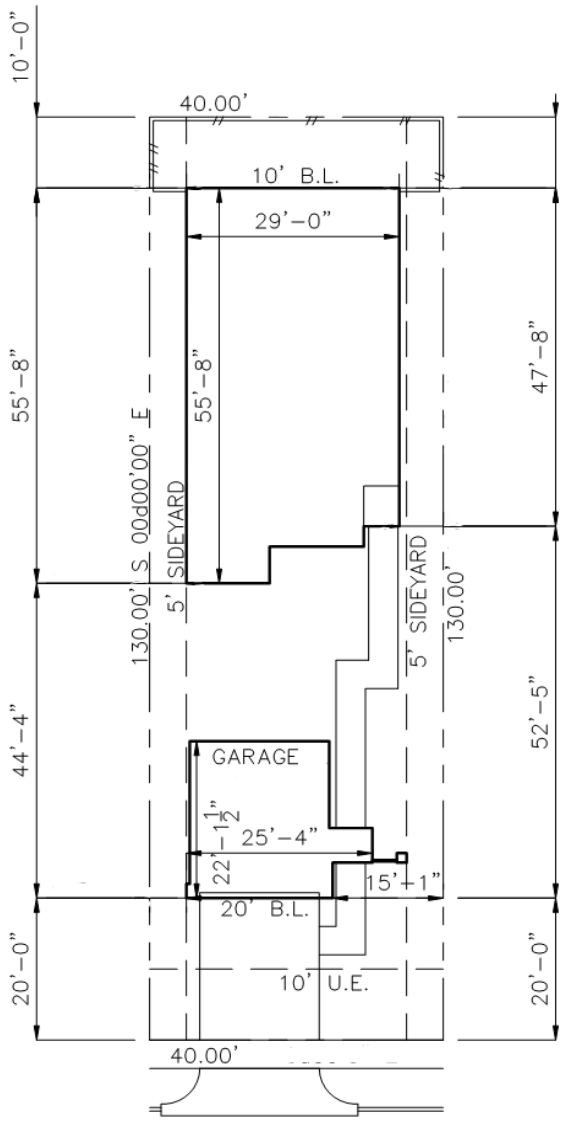


Exhibit E.1 – Courtyard Lots

C. Commercial Development Regulations:

1. Permitted Uses: Land use and structures shall comply with the requirements for the "LC" Light Commercial District in Section 106-05-01 of the Town of Little Elm Zoning Ordinance. Architectural and site design shall comply with the Town's current standards. In addition, the following uses are permitted by right or requires administrative approval only as provided below:

a. Private club/Amenity Center – permitted by right
b. Model homes – permitted by right
c. Indoor/Outdoor Live Music – permitted by right
d. Temporary sales offices – permitted by right
e. Temporary construction offices - permitted by right
f. Temporary asphalt batch plants – requires administrative approval only
g. Temporary construction yards – permitted by right
h. Temporary concrete batch plants – requires administrative approval only

II. DEVELOPMENT AND DESIGN STANDARDS

A. Street: The following street types shall establish the criteria for streets allowed within Spiritas East Development.

1. Entry Road (80' Right-of-Way)

Public Right of Way Width:	80'
Pavement Width:	Two (2) – 25' B/B
Pavement Section:	8", 3,600 psi concrete
Curb Radii:	20'
Minimum Centerline Radius for Curves:	100'
Minimum Tangent between Reverse Curves:	0'
Minimum Sidewalk Width:	5'
Parkway Width:	11.5'

4. Urban Mix Residential (R – Residential Street, 50' Right-of-Way)

Classification: Designed to provide access to residential areas.

Public Right of Way Width:	50'
Pavement Width:	31' B/B
Pavement Section:	6", 3,600 psi concrete
Curb Radii:	20'
Minimum Centerline Radius for Curves:	100'
Minimum Tangent between Reverse Curves:	0'
Minimum Sidewalk Width:	5'
Parkway Width:	9.5'
Parking:	Allowed on both sides

B. **Residential Architectural Design Standards:** All development within Spiritas East Development shall comply with Section 106-06 of the Town of Little Elm Zoning Ordinance with the following modification:

1. Minimum masonry requirement. The front facing exterior facades of the main building or structure shall be constructed of 100 percent masonry finishing material that is comprised of brick, stone, cast stone, or a combination thereof. The overall minimum masonry content of all facades shall be 85 percent. Stucco or other cementitious materials such as hardie board may be used as a secondary design feature with no more than 15 percent of any facade other than those facing a right-of-way being made up of this material. Other materials of equal or similar characteristics may be allowed at the discretion of the director.

2. Alternate stucco architecture. If a home is designed with a specific architectural style that warrants the use of stucco as the primary exterior material, including but not limited to Mediterranean, Spanish, southwest or modern, then the use of stucco as a primary material will be allowed. All elements of the architectural style must be consistently incorporated, including but not limited to composition roof and clay roof tiles, typical of the style. Residences with primarily stucco finishes may be accented with heavy wood beams, stonework or other features to enhance the style. Elevations with no discernable style that simply disregard the required masonry requirement will not be considered.

3. Cementitious fiberboard and engineered wood. Cementitious fiberboard or engineered wood may constitute up to 50 percent of the exterior facades of stories other than the first floor if the 85 percent masonry finishing materials is maintained overall. Cementitious fiberboard or engineered wood may also be used for architectural features, including window box-outs, bay windows, roof dormers, columns, chimneys not part of an exterior wall, or other architectural features approved by the director.

4. Elevation repetition. Each unique house elevation shall not be repeated on the lot most directly across the street, nor shall it be repeated on four ~~two~~ lots in either direction on the same side of the street. A wide variety of elevations is desired as it augments the character of the subdivision and reduces monotony of design. Houses that have a primarily stucco exterior shall be limited to three per block face.

5. Elevation masonry mix and pattern. Front elevations may use more than one type of masonry construction in a variety of patterns to vary the architectural appeal of the streetscape.

6. Doors. Garage doors and front entry doors visible from the right-of-way shall consist of stained cedar, redwood, spruce, fir or other hardwood, or

other products, including products that are not wood but have a wood appearance, including fiberglass, aluminum/ metal or hardie and approved by the director. Garage doors shall not be required to have reveals or textures or be recessed from garage face.

7. Some front porches shall be bricked.

8. Front Door enhancement. Homes shall be designed in a manner that enhances the front door rather than the garage door and shall include one of the following or other gifts to streets:
   - Front Porch
   - Columns/ Gateways/ Articulation
   - Or Other Gifts to the Streets

9. Gifts to the Street: All buildings constructed shall include decorative driveway paving (e.g. salt finish, exposed aggregate, or other treatments approved by the town's building official) and at least three (3) of the following below listed design features to provide visual relief along the front of the residence:

Garage door(s) with hardware;
Carriage style garage door(s) with hardware;
Architectural pillars or posts;
Bay window(s);
Brick chimney on exterior wall;
Cast stone accents;
Covered front porches (minimum of 30 square feet covered by main roof or an architectural extension);
Cupulas or turrets;
Dormers or gables;
Garage door not facing the street (J-swing garage style);
Roof accent upgrades (e.g. metal, tile, slate, solar tiles);
Recessed entries a minimum of three feet deeper than main front facade;
Greater than 6:12 primary roof pitch, or variable roof pitches;
Transom windows;
Shutters;
8' Front door
Colored mortar
Brick smaller than "King Size"
Masonry arches;
Mixed masonry patterns (over and above what is required by section 106.06.02(b)(5));
Hanging or Coach lights at entrances;

Decorative attic or gable feature, minimum two square feet in size (e.g. vent, window, brick detail);
Divided Light Windows on the front;
Colored Windows – tan or black;
Decorative Hardware on front door or sconces next to front door;
Exposed rafter tails.

C. <u>Landscape Standards:</u>

1. Trees planted within the median, common areas and landscape buffers shall be a minimum 3" caliper and shall be planted at a ratio of one (1) tree per each fifty (50) linear feet of street frontage. Trees planted within these common spaces may be planted in groupings, clusters or masses.

2. Amenity retention (wet) ponds shall be designed in a manner to be an amenity to the development by providing a gentle six-to-one (6:1) slope (a partial decorative stone retaining wall may be allowed), a large canopy tree for each seventy-five (75) linear feet of the perimeter (which may be clustered), fountains, and trash receptacles. Such ponds shall include aeration to ensure water quality. The area shall be accessible by patrons and be maintained by the property owner or established property owners association.

3. Amenity detention (dry) ponds shall be designed in a manner to be an amenity to the development by providing a gentle six-to-one (6:1) slope (a partial decorative stone retaining wall may be allowed), a large canopy tree for each fifty (50) linear feet of the perimeter (which may be clustered), benches and trash receptacles.

4. At least one (1) small ornamental tree, per lot, shall be planted in the side yard of lots adjacent to a street. Trees shall be a minimum 3.0" caliper.

5. Tree Requirements:
   Each lot shall have a minimum of two (2) total trees with a combined minimum caliper of 6-inches.
6. No tree mitigation will be required for this project.

7. All front yard landscape beddings are not required to be edged with masonry.

D. <u>Residential fences</u>: All residential fences shall be 6-foot cedar board on board fencing with a top cap on all sides of the lots.

III. GENERAL SUBDIVISION POLICIES

1. No alleys are required within the Spiritas Development.

2. Trails: All trails shall be 8' wide with a minimum 15' wide level ground surface.

3. (j) (7) a. Parallel Streets – Remove section 107.08.02 (j)(7) a. This section requires 60% of the frontage of creeks to be by ROW

4. (j) (7) b. Cul-de-sac streets – Remove section 107.08.02 (j)(7) b. This section limits the placement of cul-de-sacs, disallows multiple cul-de-sacs in a row, and adds a requirement for a feature at the end of the cul-de-sac. Also puts restrictions on how many cul-de-sacs can be closed off to the floodplain

5. (j)(8) Setbacks. Adjust side yard setbacks adjacent to creeks/shorelines to be 15' minimum.

Section 107.08.03 – Streets and alleys

6. (b)(5) Maximum street length. "No street shall be more than 1,000 feet in length". Change to "1,200"

7. (6) Curvilinear requirement. Remove this paragraph. "When a residential street length exceeds 500 feet but is less than 1,000 feet in length, the design of the street shall include a curve of between 100 to 200 feet radius for a length equal to the curve radius."

8. (7) Street calming methods. Remove this paragraph.

Section 107.08.06 – Other subdivision regulations

9. (e)(3)a. Remove paragraph. Section is requirement for live-screening of franchise utility ground-mounted equipment - 3' spacing of five-gallon shrubs

Section 107.09.01 – Applicability and general requirements

10. (b)(5) Non-residential uses adjacent to parks. Revise section to remove requirement that use cannot back up to park/open space

11. (b)(6) Street abutting a park. Remove 2nd sentence that may require streets abutting open space to be increased width from 31' to 37'.

IV ENGINEERING DESIGN STANDARDS

Section 3.0 – Drainage design requirements

1. E. – Remove requirement for concrete lining of channels based on CA values. Concrete should remain as an option, but not a requirement. Alternative stabilization techniques shall be approved by the Town Engineer if lining of channel is not concrete.



Courtyard Home Design

Pacesetter HOMES
A QUALICO® Company

Buyer Profile

The majority of buyers that purchase the Courtyard Series homes are:

- Empty nesters – Looking to downsize, want less maintenance, outdoor garden space, outdoor entertaining space and an architectural style that is different from what is traditionally associated with this homesite size.
- Single women – Sense of privacy and safety due to screened in courtyard area, less views into space from neighbors and gate at portal entry, entire home is enclosed within fenced area.
- Families with young children – Seeking independence of a new home from apartment or rental living, low maintenance, larger outdoor area for entertainment, area for smaller children to safely play.

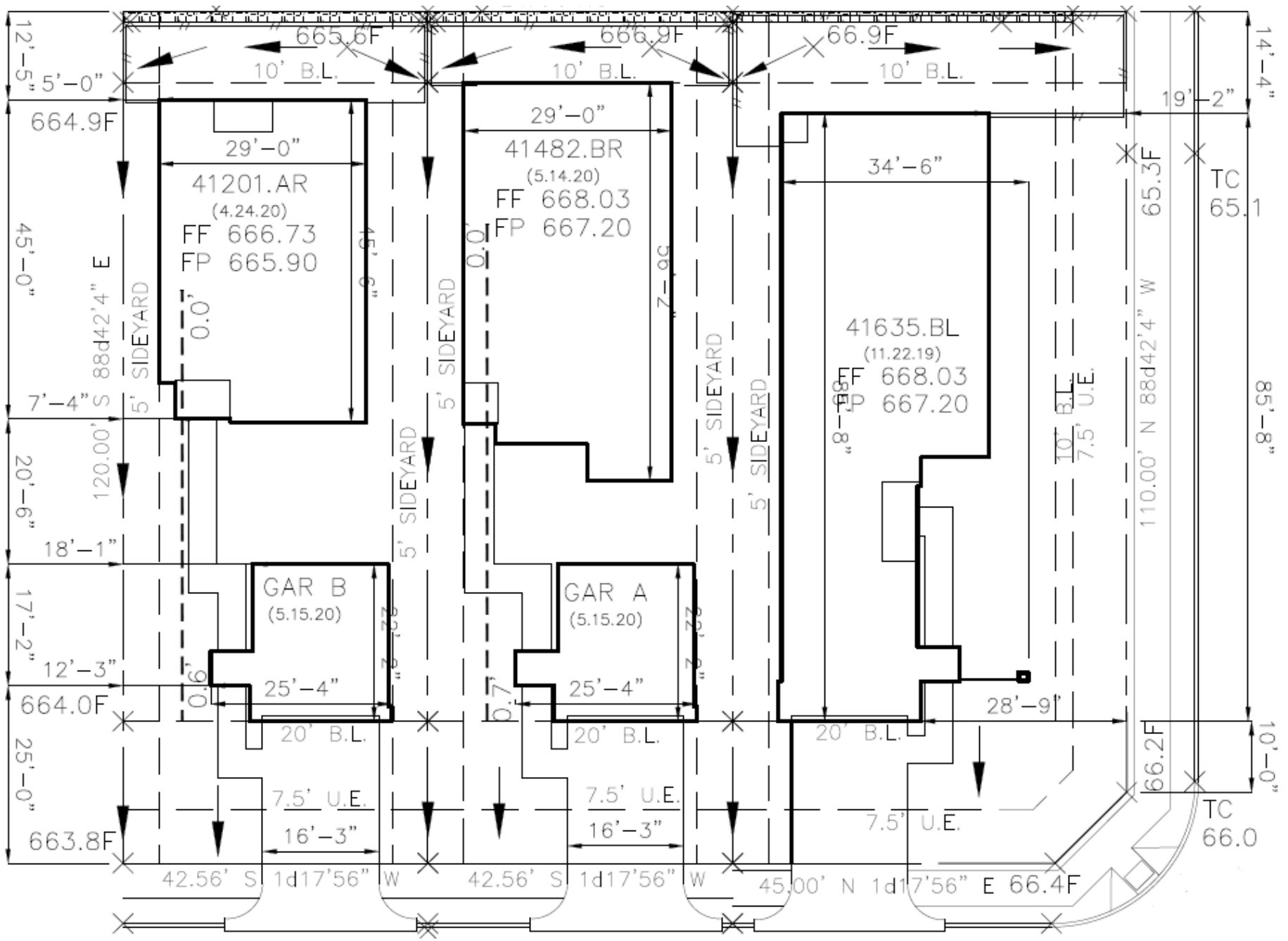
Benefits of Courtyard Series

The Courtyard Series is designed to live toward the front of the home. Several benefits of this design type:

- Makes residence more desirable when adjacent to retail property
- Entry wall provides additional privacy
- Portal entry gate provides additional safety
- Typically provides larger functional outdoor area of homesite
- Allows flexible use of garage with optional garage door on the backside that can be opened to provide "riding" area for small children within confines of the garage and courtyard area
- Provides larger and more functional area for entertaining than a traditional back yard for this type of homesite

Layout on Homesite

This is an example of how the Courtyard Series plans would be positioned on a homesite depending on the plan design.



Streetscape View



Courtyard View



Pacesetter Homes appreciates the consideration to offer a unique and desirable type of home style.

Pacesetter HOMES
A QUALICO Company

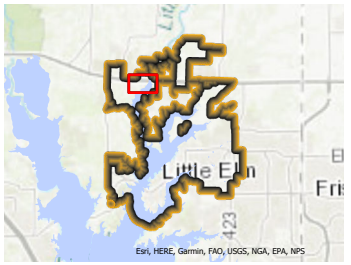


Spiritas East Location Map

N

Town of Little Elm
Denton County, Tx
Date: 11/8/2021

0 0.13 0.25 0.5 Miles



This product is to be used for graphical representation only. The accuracy is not to be taken/used as data produced for engineering purposes or by a Registered Professional Land Surveyor for the State of Texas. For this level of detail, supervision and certification of the produced data by a Registered Professional Land Surveyor for the State of Texas would have to be performed. Town of Little Elm and its members assume no responsibility for the accuracy of said data.

LITTLE ELM



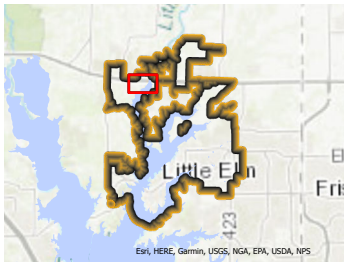
Spiritas East Existing FLUP

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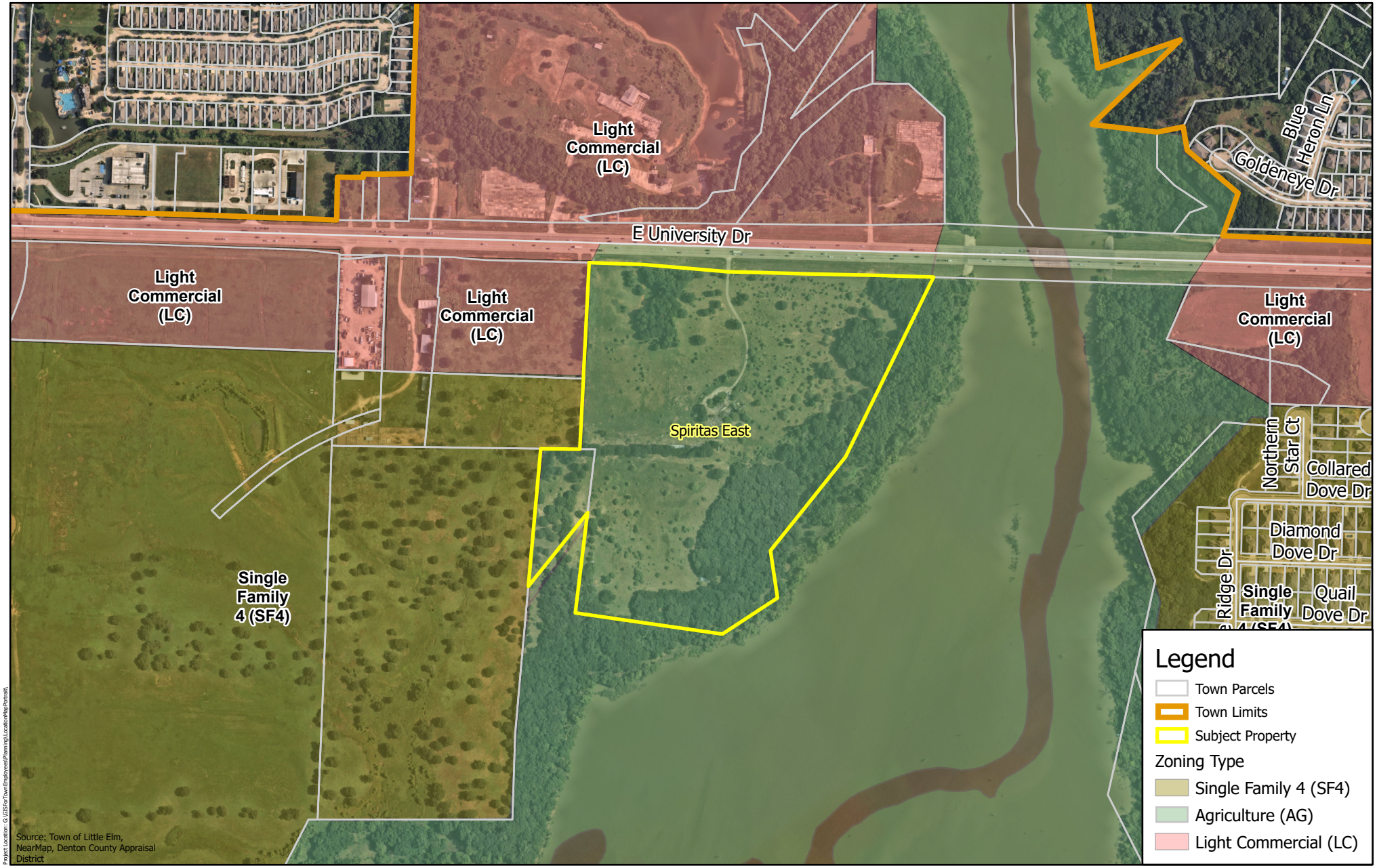
Town of Little Elm
Denton County, Tx
Date: 11/8/2021

0 0.13 0.25 0.5 Miles

LITTLE ELM



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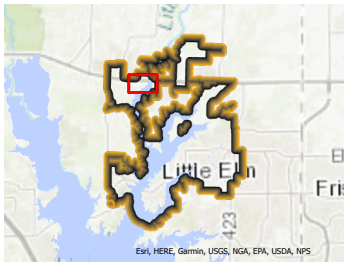
Spiritas East Existing Zoning

N

Town of Little Elm
Denton County, Tx
Date: 11/8/2021

0 0.13 0.25 0.5 Miles

LITTLE ELM



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Project Location: G:\GIS\For Town Employees\Planning\LocationMap.mxd\

Homebuyer Notice

I, _____ by the signing of this notice, am notified that access to the amenities in Spiritas Ranch will likely be temporarily utilizing US 380, until the relevant road infrastructure is in place and dedicated to the Town of Little Elm, to connect the Spiritas East Development to the amenities in Spiritas Ranch. The exact date in which a roadway or roadways will connect Spiritas East to a more direct route to the amenities in Spiritas Ranch is unable to be determined at this time, as the roadway construction timing is contingent upon the timing of home sales in Spiritas Ranch.

_____

Homebuyer's signature

_____

Homebuyer's Address

_____

Date

SPIRITAS EAST DEVELOPMENT AGREEMENT

This Spiritas East Development Agreement (this "Agreement") is entered into between the **TOWN OF LITTLE ELM, TEXAS**, (the "Town"), and **CENTURION AMERICAN ACQUISITONS, LLC**, a Texas limited liability company, (the "Developer") to be effective on the Effective Date.

SECTION 1
RECITALS

WHEREAS, certain terms used in these recitals are defined in Section 2; and

WHEREAS, the Developer and the Town are sometimes collectively referenced in this Agreement as (the "Parties,") or, each individually, as (the "Party"); and

WHEREAS, the Town is a home rule municipality of the State of Texas located within Denton County (the "County"); and

WHEREAS, the Developer owns and intends to develop approximately 43.823 acres of real property, which property is described by metes and bounds in **Exhibit A** and depicted on **Exhibit B** ("Property") and located in the County; and

WHEREAS, the Property is located partially within the corporate limits of the Town; and

WHEREAS, the Property will consist of approximately 146 single-family homes; and

WHEREAS, the Developer plans to develop the Property consisting of residential uses with some commercial and retail uses upon the execution of this Agreement and purchase of the Property, and subsequent issuance of PID Bonds for the payment of certain costs for the construction and acquisition of certain public improvements and certain other associated costs to benefit the Property, and for the repayment to Developer for any costs advanced for the construction and acquisition of certain public improvements to benefit the Property as set forth in this Agreement; and

WHEREAS, the Developer desires and intends to design, construct and install and/or make financial contributions to certain on-site and/or off-site public improvements to serve the development of the Property ("Authorized Improvements"), which Authorized Improvements are generally identified in **Exhibit C** and will be the same as those described in the Service and Assessment Plan; and

WHEREAS, the Developer intends for the design, construction and installation of the Authorized Improvements to occur in a phased manner and to dedicate or cause the dedication of such Authorized Improvements to the Town, for use and maintenance, subject to approval of the plans and inspection of the Authorized Improvements in accordance with this Agreement and the Town Regulations, as hereinafter defined, and contingent upon the partial or total financing of such Authorized Improvements; and

WHEREAS, the Developer and the Town estimate that the cost of the Authorized Improvements that the Developer shall be reimbursed for will be $5,000,000.00 and is the maximum amount that will be financed and reimbursed to the Developer; and

WHEREAS, to accomplish the high-quality development of the Property envisioned by the Parties and to provide financing for the Authorized Improvements, the Town has determined it is necessary for the Town to create a public improvement district ("PID") over the residential portion of the Property, pursuant to Chapter 372, Texas Local Government Code, as amended ("PID Act"); and

WHEREAS, in consideration of the Developer's agreements contained herein, the Town shall exercise its powers under the PID Act, to provide alternative financing arrangements that will enable the Developer to do the following in accordance with the procedures and requirements of the PID Act and this Agreement: (a) fund or be reimbursed for a specified portion of the costs of the Authorized Improvements using the proceeds of PID Bonds or obtain reimbursement for the specified portion of the costs of the Authorized Improvements but not to exceed $5,000,000.00, the source of which reimbursement will be installment payments from Assessments within the Property or the issuance of PID Bonds; and

WHEREAS, the Town, subject to the consent and approval of the Town Council, and in accordance with the terms of this Agreement and all legal requirements, intends to: (i) adopt a Service and Assessment Plan; (ii) adopt an Assessment Ordinance (to pay for a specified portion of the estimated cost of the Authorized Improvements shown on **Exhibit C** and the costs associated with the administration of the PID and issuance of the PID Bonds; and (iii) issue PID Bonds for the purpose of financing a specified portion of the costs of the Authorized Improvements and related costs (including Administrative Expenses) and paying issuance costs and the cost of funding all reserves, accounts, and funds required by the applicable Bond Ordinance (including a capitalized interest account, a debt service reserve fund, and the project fund); and

WHEREAS, the Town, in its sole legislative discretion, may issue PID Bonds periodically up to a maximum of $5,000,000.00, in multiple series, to finance a specified portion of the costs of the Authorized Improvements and related costs (including Administrative Expenses) and paying issuance costs and the cost of funding all reserves, accounts, and funds required by the applicable Bond Ordinance (including a capitalized interest account, a debt service reserve fund, and the project fund); and

WHEREAS, prior to the sale of the first PID Bond issue: (a) the Town Council shall have approved and adopted the PID Resolution, a Service and Assessment Plan and an Assessment Ordinance (collectively, the "PID Documents"); (b) the Town shall have reviewed and approved the Home Buyer Disclosure Program; (c) owners of the Property constituting all of the acreage in the PID shall have executed a Landowner Agreement (as defined in Section 2, herein); and (d) the Developer shall have delivered a fully executed copy of the Landowner Agreement(s) to the Town; and

WHEREAS, the Developer understands and acknowledges that the obligations undertaken under this Agreement are primarily for the benefit of the Property; and

WHEREAS, the Developer understands and acknowledges that acceptance of this Agreement is not an exaction or a concession demanded by the Town, but rather is an undertaking of the Developer's voluntary design to ensure consistency, quality, and adequate infrastructure that will benefit the Developer's development of the Property and the Property itself; and

WHEREAS, it is the intent of the Parties that the Property will be developed pursuant to an agreed upon concept plan ("Concept Plan"), which Concept Plan is attached hereto as **Exhibit D**, and the development standards set forth in certain proposed planned development zoning standards ("Development Standards"), which Development Standards are attached hereto as **Exhibit E**; and

WHEREAS, the Parties agree that the standard review period (the "Standard Review Period") for inspections shall be two (2) business days and the Standard Review Period for plan review shall be ten (10) days; and

WHEREAS, the Parties intend that this Agreement is a development agreement as provided for by state law in Section 212.171 *et seq* of the Texas Local Government Code; and

WHEREAS, this Agreement shall constitute a "permit" under Chapter 245 of the Texas Local Government Code and as allowed pursuant to Section 212.172(g) of the Texas Local Government Code; and

WHEREAS, the Town recognizes the positive impact that the construction and installation of the Authorized Improvements for the PID will bring to the Town and will promote state and local economic development; to stimulate business and commercial activity in the municipality; for the development and diversification of the economy of the state; development and expansion of commerce in the state; and elimination of employment or underemployment in the state; and

WHEREAS, the Town recognizes that financing of the Authorized Improvements confers a special benefit to the Property within the PID.

WHEREAS, The Spiritas Ranch Development Agreement (the "Spiritas Ranch Agreement", for land adjacent to this Property, was approved by the Town on February 2, 2021 and made effective on February 2, 2021; and

WHEREAS, the Spiritas Ranch Agreement provided that when the 1250th residential building permit was processed by the Town for a residence in that Property, that a three acre site would be conveyed to the Town for the development of a Fire Station EMS Center, and the developer for the Spiritas Ranch Agreement would construct or cause the construction of the Fire Station EMS Center; and

WHEREAS, the parties agree that the residential lots in this Agreement shall count and be a part of the 1250 number added together that triggers the conveyance of the three acre site and construction of the Fire Station EMS Center; and

WHEREAS, the parties to this Agreement are the same parties as the parties in the Spiritas Ranch Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

SECTION 2
DEFINITIONS

Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

Administrative Expenses shall include, without limitation, expenses incurred by the Town in the establishment, administration, and operation of the PID.

Agreement means this Spiritas Ranch East Development Agreement.

Assessment means a special assessment levied by the Town within the PID pursuant to Chapter 372, Texas Local Government Code, pursuant to an Assessment Ordinance, to pay for a specific portion of the Budgeted Cost, which shall be Authorized Improvement Costs**.**

Assessment Ordinance means an ordinance adopted by the Town Council which levies assessments on the Property in accordance with the PID Act to pay for a specified portion of the costs of certain Authorized Improvements and interest thereon set forth in the Service and Assessment Plan as well as the costs associated with the issuance of the PID Bonds that provide a special benefit to the Property.

Assessment Roll(s) means an Assessment Roll(s) attached to the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an annual update to the Service and Assessment Plan, showing the total amount of the Assessment against each parcel assessed under the Service and Assessment Plan related to the Authorized Improvements.

Authorized Improvements means water, sewer, drainage, and roadway infrastructure and facilities needed to serve and fully develop the Property and to be constructed by the Developer or by or on behalf of the Town, including but not limited to the improvements listed in **Exhibit C**.

Authorized Improvement Costs means the design, engineering, construction, and inspection costs of the Authorized Improvements.

Bond Ordinance means and refers to an ordinance adopted by the Town Council that authorizes and approves the issuance and sale of the PID Bonds by the Town.

Budgeted Cost with respect to any given Authorized Improvement means the estimated cost of such improvement as set forth in **Exhibit C**.

Certification for Payment Form means a certificate which shall be submitted to the Town no more frequently than monthly, with all paid invoices, bills, and receipts for work completed on any of the Authorized Improvements, in the form of **Exhibit H** attached hereto.

Cost Underruns means actual Authorized Improvement Costs that are less than the Budgeted Costs set forth in the SAP.

Developer means the entity, Centurion American Acquisitions, LLC, a Texas limited liability company and its successors and assigns, responsible for developing the Property in accordance with this Agreement.

Development means the new development on the Property that is the subject of this Agreement.

Effective Date means the effective date of this Agreement, which shall be the date upon which all parties have fully executed this Agreement.

Eminent Domain Fees shall have the meaning assigned in Section 12.7 hereof.

End Buyer means any Developer, developer homebuilder, tenant, user, or owner of a Fully Developed and Improved Lot.

Fully Developed and Improved Lot means any lot in the Property, regardless of proposed use, intended to be served by the Authorized Improvements and for which a final plat has been approved by the Town and recorded in the Real Property Records of Denton County, Texas.

HOA means a homeowner's association governing the Property.

Home Buyer Disclosure Program means the disclosure program, administered by the PID Administrator as set forth in a document in the form of **Exhibit F** that establishes a mechanism to disclose to each End Buyer the terms and conditions under which their lot is burdened by the PID.

Improvement Account of the Project Fund means the construction fund account created under the Indenture used to pay for portions of the Authorized Improvements as provided for in the Service and Assessment Plan.

Indenture means a trust indenture by and between the Town and a trustee bank under which PID Bonds are secured and funds disbursed.

Landowner(s) means the Developer and additional owners of the Property.

Landowner Agreement means the agreement, as set forth in a document in the form of **Exhibit G**, of an owner of the Property consenting to the form and terms of the PID Documents.

Mayor means the Mayor of the Town of Little Elm, Texas.

Mustang SUD means the Mustang Special Utility District.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

PID means a public improvement district created by the Town for the benefit of the Property pursuant to Chapter 372, Texas Local Government Code, to be known as the Spiritas Ranch East Public Improvement District.

PID Act means Chapter 372, Texas Local Government Code, as amended.

PID Administrator means a company, entity, employee, or designee of the Town, who is experienced in public improvement districts and assessment administration and who shall have the responsibilities provided in the Service and Assessment Plan, or any other agreement or document approved by the Town, related to the duties and responsibilities for the administration of the PID.

PID Bonds means assessment revenue bonds issued by the Town and secured by Assessments on property within the PID.

PID Resolution means the resolution and improvement order adopted by the Council creating the PID pursuant to Section 372.010 of the PID Act and approving the advisability of the Authorized Improvements.

Project means a commercial development and residential community including open space, and other public and private amenities that will benefit and serve the present and future citizens of the Town as contemplated by this Agreement.

Property means the real property described by metes and bounds in **Exhibit A** and depicted on **Exhibit B**.

Public Infrastructure means all water, sewer, drainage and roadway infrastructure necessary to serve the full development of the Property.

Real Property Records of Denton County means the official land recordings of the Denton County Clerk's Office.

Segregated Account means the account created as a result of the Spiritas Ranch Agreement whereby the Capitol Recovery Fee is placed into the Segregated Account to help pay for the Cost of the Fire Station EMS Center.

Service and Assessment Plan or SAP means the PID Service and Assessment Plan adopted by the Town Council, and amended annually, if needed, by the Town Council pursuant to the PID Act for the purpose of assessing allocated costs against property located within the boundaries of the PID having terms, provisions and findings approved by the Town, as required by this Agreement.

Town means the Town of Little Elm, a general law municipality located in Denton County, Texas.

Town Manager means the current or acting Town Manager or a person designated to act on behalf of that individual if the designation is in writing and signed by the current or acting Town Manager.

Town Code means the Code of Ordinances, Town of Little Elm, Texas.

Town Council means the Town Council of the Town.

Town Regulations mean collectively, (i) the Town Code provisions, ordinances, design standards, and other policies duly adopted by the Town and in effect on the Effective Date of this Agreement and as may be amended, and (ii) the Town's uniform and international building and construction codes in effect on the Effective Date of this Agreement and as may be amended.

SECTION 3
PUBLIC IMPROVEMENT DISTRICT

3.1 Creation and Levy of Assessments. The Town shall use its best efforts to initiate and approve all necessary documents and ordinances required to effectuate this Agreement, to create the PID, to levy the Assessments, and to prepare and approve the Service and Assessment Plan providing for the levy of the Assessments on the Property within the PID. Promptly following preparation and approval of a preliminary Service and Assessment Plan acceptable to the Developer and the Town and subject to the Town Council making findings that the Authorized Improvements confer a special benefit on the Property, the Town Council shall consider an Assessment Ordinance. The Developer shall develop the Property consistent with the terms of this Agreement. Nothing contained in this Agreement, however, shall be construed as creating a contractual obligation that controls, waives, or supplants the Town Council's legislative discretion or functions.

3.2 Assessment. The tax equivalent assessment rate for each assessment levy shall not be less than $0.71 per $100 taxable assessed valuation, without prior, written consent of the Developer. This aggregate levy of Assessments for all phases of Development shall provide a minimum of $5,000,000.00 of net funds for paying and/or reimbursing the Developer for costs of the Authorized Improvements.

3.3 Acceptance of Assessments and Recordation of Covenants Running with the Land. Concurrently with the levy of the Assessments, the Developer shall approve and accept in writing the levy of the Assessment(s) on all land owned by the Developer and shall approve and accept in writing the Home Buyer Disclosure Program and shall cause to be recorded against the Property covenants running with the land that will bind any and all current and successor developers and owners of the Property to: (i) pay the Assessments, with applicable interest and penalties thereon, as and when due and payable hereunder and that the purchasers of such land take their title subject to and expressly assume the terms and provisions of such assessments and the liens created thereby; and (ii) comply with the Home Buyer Disclosure Program.

SECTION 4
AUTHORIZED IMPROVEMENTS

4.1 Authorized Improvements. The Budgeted Costs, including the Authorized Improvements, are subject to change and shall be updated by the Town consistent with the Service and Assessment Plan, as may be updated and amended, and the PID Act, and shall be included on each approved final plat(s) for the Property as each final plat for each phase of the Property is approved by the Town Council. The Developer shall include an updated **Exhibit C** with each final plat application which shall be submitted to the Town Council for consideration and approval concurrently with the submission of each final plat. Upon approval by the Town Council of an

updated **Exhibit C**, this Agreement shall be deemed amended to include such approved updated **Exhibit C**. The Authorized Improvement Costs and the timetable for installation of the Authorized Improvements will be reviewed annually by the Parties in an annual update of the Service and Assessment Plan adopted and approved by the Town.

4.2 Construction, Ownership, and Transfer of Authorized Improvements.

(a) Construction Plans. The Developer shall prepare, or cause to be prepared, plans and specifications for each of the Authorized Improvements and have them submitted to the Town (and Mustang SUD in the case of water and wastewater improvements) for approval in accordance with the Town Regulations.

(b) Contract Award. The contracts for construction of Authorized Improvements shall be let in the name of the Developer. The Developer's engineers shall prepare, or cause the preparation of, and provide contract specifications and necessary related documents for the Authorized Improvements. The Developer shall administer all contracts. The Budgeted Costs, which are estimated on **Exhibit C**, shall be paid by the Developer or caused to be paid by the Developer, or the Developer's assignee, and reimbursed from the proceeds of the PID Bonds in accordance with the Indenture, or reimbursed by the collected Assessments levied pursuant to the terms of any reimbursement agreement. Until such Budgeted Costs are paid in full by the Town pursuant to the terms of this Agreement, the Indenture, or any reimbursement agreement, unpaid monies owed by the Town under any reimbursement agreement, or the Indenture shall bear interest as described therein.

(c) Construction Standards and Inspection. The Authorized Improvements and all other Public Infrastructure required for the development of the Property shall be constructed and inspected in accordance with applicable state law, Town Regulations and other development requirements, including those imposed by the Town and any other governing body or entity with jurisdiction over the Authorized Improvements (specifically Mustang SUD in the case of water and wastewater improvements). All applicable fees, including permit fees and inspection fees, shall be paid by Developer.

(d) Competitive Bidding. This Agreement and construction of the Authorized Improvements are anticipated to be exempt from competitive bidding pursuant to Texas Local Government Code Section 252.022(a)(9) and 252.022(a)(11) based upon current cost estimates. In the event that the actual costs for the Authorized Improvements do not meet the parameters for exemption from the competitive bid requirement, then either competitive bidding or alternative delivery methods may be utilized by the Town as allowed by law.

(e) Ownership. All of the Authorized Improvements shall be owned by the Town or Mustang SUD, where applicable, upon acceptance of them by the Town or Mustang SUD. The Developer agrees to take any action reasonably required by the Town to transfer or otherwise dedicate or ensure the dedication of easements and facilities for the Authorized Improvements to the Town and the public, and where applicable Mustang SUD.

6.3 Operation and Maintenance.

(a) Upon inspection, approval, and acceptance of the Authorized Improvements or any portion thereof, the Town or Mustang SUD, as applicable, shall maintain and operate the Authorized Improvements.

(b) The HOA shall maintain and operate the open spaces, common areas, right-of-way irrigation systems, right-of-way landscaping, screening walls, retaining walls, ponds, entry features, and any other common improvements or appurtenances not maintained and operated by the Town, provided that all Authorized Improvements maintained by the HOA shall be public improvements.

4.3 Administration of Construction of Public Infrastructure. The Parties agree that the Developer will be responsible to construct the on-site and off-site storm, roadway, water and sewer infrastructure for the Property necessary to serve the Development and as listed in **Exhibit C**.

4.4 Water and Wastewater Service. Mustang SUD holds the certificates of convenience and necessity to provide retail water and sewer service to the Property. The Property will be served by Mustang SUD.

SECTION 5
PAYMENT OF AUTHORIZED IMPROVEMENTS

5.1 Improvement Account of the Project Fund. On the date of issuance of any PID Bonds by the Town, the Town shall establish the Improvement Account of the Project Fund in accordance with the applicable Indenture. Any Improvement Account of the Project Fund shall be maintained as provided in the Indenture and shall not be commingled with any other funds of the Town. Any Improvement Account of the Project Fund shall be administered and controlled (including signatory authority) by the Town, or the trustee bank for the PID Bonds, and funds in the Improvement Account of the Project Fund shall be deposited and disbursed in accordance with the terms of the Indenture. In the event of any conflict between the terms of this Agreement and the terms of the Indenture relative to deposit and/or disbursement, the terms of the Indenture shall control.

5.2 Cost Overrun. If the total cost of an Authorized Improvement exceeds the total amount of the Budgeted Cost for that Authorized Improvement (the "Cost Overrun"), the Developer shall be solely responsible for the remainder of the costs of that Authorized Improvement, except as provided in Section 7.3 below.

5.3 Cost Underrun. If, upon the completion of construction of an Authorized Improvement (or segment or section thereof) and payment or reimbursement for such Authorized Improvement, there are Cost Underruns, any remaining Budgeted Cost(s) may be available to pay Cost Overruns on any other Authorized Improvement with the approval of the Town Manager and provided that all Authorized Improvements as set forth in the Service and Assessment Plan are undertaken at least in part. Prior to completion of all of the Authorized Improvements within an improvement category, as listed in the applicable SAP and the applicable PID phase, ten percent (10%) of funds available from an improvement category may be used as Cost Underruns and applied to another improvement category. If, upon completion of the Authorized Improvements in any improvement category, there are funds remaining in any improvement categories, those funds

can then be used to reimburse the Developer for any qualifying costs of the Authorized Improvements that have not been previously paid.

5.4 Remainder of Funds in Improvement Account of the Project Fund. If funds remain in the Improvement Account of the Project Fund after the completion of all Authorized Improvements and the payment of all Authorized Improvements Costs as provided for in the Indenture, then such funds shall thereafter be the exclusive property of the Town and shall be used by the Town as provided for in the Service and Assessment Plan and the Indenture, or any other use applicable to the Property as provided by law.

5.5 Payment Process for Authorized Improvements.

(a) The Town shall authorize reimbursement of the Authorized Improvement Costs. The Developer shall submit a Certification for Payment Form to the Town (no more frequently than monthly) for Authorized Improvement Costs including a completed segment, section or portion of an Authorized Improvement, as approved by the Town. The Certification for Payment Form is set forth in **Exhibit H**, which may be modified by the Indenture or a reimbursement agreement, if applicable. The Town shall review the sufficiency of each Certification for Payment Form (each, a "Payment Certificate") with respect to compliance with this Agreement, compliance with Town Regulations, and compliance with the SAP. The Town shall review each Payment Certificate within fifteen (15) business days of receipt thereof and upon approval, certify the Payment Certificate pursuant to the provisions of the Indenture or reimbursement agreement, if applicable, and payment shall be made to the Developer pursuant to the terms of the Indenture or reimbursement agreement, if applicable, provided that funds are available under the Indenture or reimbursement agreement. If a Payment Certificate is approved only in part, the Town shall specify the extent to which the Payment Certificate is approved and payment for such partially approved Payment Certificate shall be made to the Developer pursuant to the terms of the Indenture or reimbursement agreement, as applicable, provided that funds are available under the Indenture or reimbursement agreement.

(b) If the Town requires additional documentation, timely disapproves or questions the correctness or authenticity of the Payment Certificate, the Town shall deliver a detailed notice to the Developer within ten (10) business days of receipt thereof, then payment with respect to disputed portion(s) of the Payment Certificate shall not be made until the Developer and the Town have jointly settled such dispute or additional information has been provided to the Town's reasonable satisfaction.

SECTION 6
PID FINANCING

6.1 Town Bond Issuance. Subject to Section 6.2 below, the Town intends to issue PID Bonds solely for the purposes of financing the costs of the Authorized Improvements and related costs (including Administrative Expenses) and paying issuance costs and the cost of funding all reserves, accounts, and funds required by the applicable Bond Ordinance (including a capitalized interest account, a debt service reserve fund, and the project fund). The Town and the Developer have determined and hereby agree that the estimated maximum aggregate principal amount of PID Bonds will be $5,000,000, which shall be based on the amount requested by the Developer. The

Town staff will, from time to time, submit to the Town Council agenda items to approve the issuance of PID Bonds by the Town. The Town may not issue PID Bonds for a subsequent phase of development until the parks, open space, and trails are completed for the previous phase of development, provided such parks, open space, and trails are required for the previous phase of development.

6.2 Third-Party Financing. Upon the request of the Developer, the Town shall provide its consent to third-party financing based upon the Developer's assignment of its right to receive monies under the terms of any reimbursement agreement related to the Authorized Improvements. The Town further agrees to take such additional actions and provide such additional documentation as the Developer may reasonably request to facilitate any such third-party financing, including providing acknowledgements, certifications, continuing disclosure agreements and materials, and written descriptions and explanations of the composition of any payments provided by the Town pursuant to any reimbursement agreement related to the Authorized Improvements (e.g. detail on which portions of a payment are Assessments, foreclosure proceeds, prepayments, etc.).

6.3 Costs for Non-Bank Qualified Bonds. The Developer agrees to pay the Town any additional costs the Town may incur if the issuance of the PID Bonds requires the Town's obligations supporting public improvements to be deemed not to qualify for the designation of "qualified tax-exempt obligations" as a result of the issuance of the PID Bonds. The Town's Financial Advisor shall calculate such amount and the Town shall provide a written invoice to the Developer. The Developer shall pay such costs to the Town within thirty (30) days of the date of Town's invoice.

SECTION 7
ZONING AND DEVELOPMENT REGULATIONS

7.1 Zoning of Property. The Parties agree that the Concept Plan, the Development Standards, and the applicable provisions of this Agreement memorialize the plan for development of the Property. The Town shall consider zoning the Property as a planned development district consistent with the Development Standards, Concept Plan, and applicable provisions of this Agreement contemporaneously immediately upon execution of this Agreement. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Property consistent with and as contemplated by this Section. Nothing in this Section is intended to constitute a delegation or contracting away of the governmental authority of the Town to zone, or to determine appropriate zoning, and the Town reserves the right, at all times, to control the zoning process for all property that is to be zoned as a planned development district.

7.2 Compliance with Town Regulations.

(a) When not in conflict with the terms and conditions of this Agreement, including the Development Standards, development of the Property shall be subject to all applicable Town Regulations.

(b) When not in conflict with the Development Standards and the Concept Plan, all buildings and improvements constructed within the Property shall comply with all Town

Regulations, and applications for building permits and construction plans shall be submitted to the Town for review and approval prior to the commencement of construction of such structures. The Town shall be solely responsible for issuing building permits and certificates of occupancy for all structures.

7.3 Conflicts. In the event of any direct conflict between this Agreement and any other Town Regulation or Town enforced requirement, whether existing on the Effective Date or hereinafter adopted, this Agreement, including its exhibits, as applicable, shall control. In the event of a conflict between this Agreement and any other prior Agreement of the Parties (including any predecessor-in-interest of the Developer) relating to development of the Property, this Agreement shall control.

7.4 Vested Rights. This Agreement shall constitute a "permit" (as defined in Chapter 245 of the Texas Local Government Code) that is deemed filed with the Town on the Effective Date. The Developer agrees that it must comply with the following codes and standards, as may be amended from time to time, and does not have vested rights in any of the following: (i) uniform building, fire, electrical, plumbing or mechanical codes adopted by recognized national code organization; (ii) municipal zoning regulations that do not affect landscaping or tree preservation, open space or park dedication, property classification, lot size, lot dimensions, lot coverage, or building size or that do not change development permitted by a restrictive covenant required by the Town; (iii) fees imposed in conjunction with development permits; (iv) regulations for utility connections; (v) construction standards for public works located on public lands or easements; and (vi) any other regulations to which Chapter 245 of the Texas Local Government Code does not apply.

7.5 Expiration of Permits.

(a) Any permit (as defined in Chapter 245 of the Texas Local Government Code) secured pursuant to this Agreement shall expire two years from the date it is issued if no progress has been made toward completion of the Project. In the event the permit expires, neither the Developer nor any person authorized by the Developer shall perform any work for which the permit was originally issued without filing a new permit application and complying with the Town Regulations in effect on the date of application as permitted by law.

(b) The Project shall expire five years from the Effective Date if no progress has been made towards completion of the Project. In the event the Project expires, neither the Developer nor any person authorized by the Developer shall perform any work on the Project without filing a new permit application and complying with the Town Regulations in effect on the date of application as permitted by law.

7.6 Concept Plan. The Parties agree that the Concept Plan, attached as **Exhibit D**, was created by the Developer for illustrative purposes only. In the event of a conflict between the Concept Plan and the Development Standards attached as **Exhibit E**, the Development Standards shall control. Any amendment to the Concept Plan shall be considered an amendment to this Agreement and shall replace the attached Concept Plan and become part of this Agreement. The Town Manager may administratively approve any amendments to the Concept Plan that the Town

Manager deems in his or her reasonable discretion to be minor in nature. An overall Concept Plan for Spiritas and Spiritas East is attached as Exhibit D-3.

7.7 Retail Tracts. The retail tracts along US 380 are zoned LC, with a 380 overlay. Those tracts will not be rezoned to be included into a planned development district with the residential portion of the Property.

SECTION 8
ADDITONAL OBLIGATIONS

8.1 Fees. The Town shall waive and not collect any park fees and roadway impact fees. The Town shall impose a capital recovery fee (the "Capital Recovery Fee") of $2,750.00 per residential lot. The Capital Recovery Fee shall be collected from the applicant for a building permit and the collected Capital Recovery Fee shall be placed into a segregated account (the "Segregated Account").

8.2 Parks, Open Space, and Trails. The Developer shall provide parks and open space, as generally shown on **Exhibit D-1**, and trails, as generally shown on **Exhibit D-2**. Construction of the parks, open space, and trails for the development shall be completed within 180 days of the Town accepting the Authorized Improvements for the development, subject to force majeure. In the event that construction of the parks, open space, and trails for the development has not been completed within the 180 days, subject to force majeure, then the Developer, at the request of the Town, shall escrow with the Town, the funds required to complete construction of the parks, open space, and trails for such phase of development and a construction management fee. Benches and tables shall be provided in the neighborhood parks. A park site ("the "Park Site") shall be developed as shown in **Exhibit D-4**, including playground equipment identified on the exhibit. If the Developer requests a change from the development of the Park Site, the Town Manager may approve a change, in which case the Developer shall provide a new exhibit, which upon approval by the Town Manager will be incorporated into and become a part of this Agreement.

8.3 Mandatory Homeowners Association. The Developer will create an HOA that shall be required to levy and collect from home owners annual fees in an amount calculated to maintain the open spaces, common areas, hike and bike trails located in common areas, portions of which will be open to the public, right-of-way irrigation systems, raised medians and other right-of-way landscaping, retaining walls, entryways, signage, and screening walls within the PID and are public improvements. Common areas including but not limited to all landscaped entrances, entryways, and signage to the PID and right-of-way landscaping shall be maintained solely by the HOA. Maintenance of public rights-of-way by the HOA shall comply with Town Regulations and shall be subject to oversight by the Town. The Parties shall cooperate with each other to execute documents necessary to give the HOA permission to maintain and operate facilities on Town-owned property.

8.4 Fire Station/EMS Center and Ryan Spiritas Parkway. When a permit is applied for a single family residential structure on a lot in this Property, that number shall be included and count towards the total number of single family structures that trigger the dedication of a three acre site, the construction of a portion of Ryan Spiritas Parkway, and the construction of the Fire Station EMS Center required for the adjacent property subject to the Spiritas Ranch Agreement.

8.5 Telephone and Power Lines. Telephone lines and Powerlines shall be buried underground.

8.6 Retail Tracts. The contiguous retail tracts along US 380 shall allow cross access. Driveway access points shall be determined by TxDOT after submittal to TxDOT and the Town of a Traffic Impact Analysis.

8.7 Homebuyer Notice on Access to Spiritas Ranch Amenities. The entity selling a residential home to an end-buyer shall obtain the signature of the homebuyer on a notice to the Homebuyer on Access to the Spiritas Ranch Amenities as provided in the form attached as Exhibit F-1. This requirement terminates upon the provision of direct access (and not via US 380) by the Homebuyers in the Property to the Spiritas Ranch Amenities.

SECTION 9
EVENTS OF DEFAULT; REMEDIES

9.1 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than thirty (30) days (or any longer time period to the extent expressly stated in this Agreement as relates to a specific failure to perform) after written notice of the alleged failure has been given except as relates to a type of default for which a different time period is expressly set forth in this Agreement). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within twenty (20) business days after it is due.

9.2 Remedies. If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT OR LIMIT THE TERM OF THIS AGREEMENT.

SECTION 10
ASSIGNMENT; ENCUMBRANCE

10.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto. The obligations, requirements, or covenants to develop the Property in this Agreement shall be able to be assigned to (a) any person or entity that is or will become an owner of any portion of the Property (an "Owner"), (b) any affiliate or related entity of the Developer, or (c) any lien holder on the Property, without the prior written consent of the Town. The obligations, requirements or covenants to develop the Property shall not be

assigned by Developer to a non-affiliate or non-related entity of the Developer, or to a non-Owner without the prior written consent of the Town Manager, which consent shall not be unreasonably withheld if the assignee demonstrates financial ability to perform. Any receivables due under this Agreement, any reimbursement agreement, but upon written notice to the Town pursuant to Section 10.5 of this Agreement. An assignee shall be considered a "Party" for the purposes of this Agreement. Each assignment shall be in writing executed by Developer and the assignee and shall obligate the assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. No assignment by the Developer shall release the Developer from any liability that resulted from an act or omission by the Developer that occurred prior to the effective date of the assignment unless the Town approves the release in writing. The Developer shall maintain written records of all assignments made by the Developer to assignees, including a copy of each executed assignment and, upon written request from any Party or assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party's sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Property.

10.2 Encumbrance by the Developer and Assignees. The Developer and assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of (a) their respective lenders without the consent of, but with prompt written notice to, the Town, and (b) to any person or entity with the Town Manager's prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). If the Town Manager fails to provide the Developer or assignee with a reasonable written objection to a collateral assignment request with thirty (30) days of receiving such request, then the collateral assignment shall be automatically deemed approved by the Town. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the Town has been given a copy of the documents creating the lender's interest, including Notice information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the Town agrees to accept a cure, not to be unreasonably withheld, offered by the lender as if offered by the defaulting Party. A lender is not a party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

10.3 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with Section 10.5 of this Agreement shall be considered a "Party" for the purposes of this Agreement. With the exception of the End Buyer of a lot within the Property, any person or entity upon becoming an owner of land within the PID or upon obtaining an ownership interest in any part of the Property shall be

deemed to be a "Developer" and have all of the obligations of the Developer as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest.

10.4 Third Party Beneficiaries. Subject to Section 10.1 of this Agreement, this Agreement only inures to the benefit of, and may only be enforced by, the Parties, except as expressly provided herein. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement. Notwithstanding the preceding, the Spiritas Family shall be a third-party beneficiary of Section 10.5, which Section 10.5 may not be terminated or amended without the written consent of the Spiritas Family.

10.5 Notice of Assignment. Subject to Section 10.1 of this Agreement, the following requirements shall apply in the event that the Developer sells, assigns, transfers, or otherwise conveys the Property or any part thereof and/or any of its rights or benefits under this Agreement:

(a) within 30 days after the effective date of any such sale, assignment, transfer, or other conveyance, the Developer must provide written notice of same to the Town;

(b) said notice must describe the extent to which any rights or benefits under this Agreement will be sold, assigned, transferred, or otherwise conveyed;

(c) said notice must state the name, mailing address, telephone contact information, and, if known, email address, of the person(s) that will acquire any rights or benefits as a result of any such sale, assignment, transfer or other conveyance; and

(d) the notice must be signed by a duly authorized person representing the Developer.

SECTION 11
RECORDATION AND ESTOPPEL CERTIFICATES

11.1 Binding Obligations. This Agreement and all amendments thereto and assignments hereof shall be recorded in the property records of Denton County, Texas. This Agreement binds and constitutes a covenant running with the Property and, upon the Effective Date, is binding upon the Developer and the Town, and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title, as to any End Buyer of a Fully Developed and Improved Lot, except for land use and development regulations, including the Town Regulations, that apply to such lots.

11.2 Estoppel Certificates. From time to time upon written request of the Developer or any future owner, and upon the payment to the Town of a $100.00 fee plus all reasonable costs incurred by the Town in providing the certificate described in this section, the Town Manager, or his/her designee will, in his official capacity, execute a written estoppel certificate identifying any obligations of an owner under this Agreement that are in default.

SECTION 12
GENERAL PROVISIONS

12.1 Term. The term of this Agreement shall be thirty (30) years after the Effective Date and shall automatically be extended by one fifteen (15) year term unless formal action is taken by either Party, in writing, not to extend the term.

12.2 Public Infrastructure, Generally. Except as otherwise expressly provided for in this Agreement, the Developer shall provide all Public Infrastructure as specified in this Agreement, including streets, utilities, drainage, and all other required improvements, at no cost to the Town except as provided herein, and in accordance with Town Regulations, and as approved by the Town's engineer or his or her agent. The Developer shall cause the installation of all Public Infrastructure as generally shown on the Concept Plan attached to this Agreement, and within all applicable time frames in accordance with the Town Regulations, unless otherwise approved herein. The Developer shall provide engineering studies, plan/profile sheets, and other construction documents at the time of platting as required by Town Regulations. Such plans shall be approved by the Town's engineer or his or her agent prior to approval of a Final Plat. Construction of any portion of the Public Infrastructure shall not be initiated until a pre-construction conference that includes a Town representative has been held regarding the proposed construction and Town has issued a written notice to proceed. No final plat may be recorded in the Real Property Records of Denton County, Texas until construction of all Public Infrastructure shown thereon shall have been constructed, and thereafter inspected, approved and accepted by the Town.

12.3 Maintenance and Performance Bonds. For each construction contract for any part of the Public Infrastructure, the Developer or the Developer's contractor must execute a performance bond and maintenance bond in accordance with applicable Town Regulations, which maintenance bond shall guarantee the costs of any repairs which may become necessary to any part of the construction work performed in connection with the Public Infrastructure, arising from defective workmanship or materials used therein, for a full period of two (2) years from the date of final acceptance of the Public Infrastructure constructed under such contract..

12.4 Inspections, Acceptance of Public Infrastructure, and the Developer's Remedy.

(a) Inspections, Generally. The Town shall have the right to inspect, at any time, the construction of all Public Infrastructure necessary to support the proposed Development, including water, sanitary sewer, drainage, streets, park facilities, electrical, and street-lights and signs.

(b) Town Approval. The Town's inspections shall not release the Developer from its responsibility to construct, or ensure the construction of, adequate Authorized Improvements and Public Infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to development of the Property. Notwithstanding any provision of this Agreement, it shall not be a breach or violation of this Agreement if the Town withholds building permits, certificates of occupancy, or Town utility services as to a phase of the Development until the Developer has met its obligations to provide for required Public Infrastructure necessary to such phase according to the approved engineering plans and Town Regulations, and until such Public Infrastructure has been dedicated to and accepted by the Town. However, the Town may

issue residential building permits for model homes prior to completion of such Public Infrastructure. Acceptance by the Town shall not be unreasonably withheld.

(c) Dedication of the Public Infrastructure. From and after the inspection and acceptance by the Town of the Public Infrastructure and any other dedications required under this Agreement, such improvements and dedications shall be owned by the Town or Mustang SUD, as applicable. As part of the dedications, the Developer shall provide an affidavit stating that there are no liens of the dedicated Public Infrastructure and that persons and entities that provided work on the dedicated Public Infrastructure have been fully paid for such work performed and materials provided. The Developer's sole remedy for nonperformance of this Agreement by the Town shall be to seek specific performance pursuant to the terms of this Agreement.

(d) Approval of Plats/Plans. Approval by the Town, the Town's Engineer or other Town employee or representative, of any plans, designs or specifications submitted by the Developer pursuant to this Agreement or pursuant to Town Regulations shall not constitute or be deemed to be a release of the responsibility and liability of the Developer, his engineer, employees, officers or agents for the accuracy and competency of their design and specifications. Further, any such approvals shall not be deemed to be an assumption of such responsibility and liability by the Town for any defect in the design and specifications prepared by the Developer or the Developer's engineer, or engineer's officers, agents, servants or employees, it being the intent of the parties that approval by the Town's engineer signifies the Town's approval on only the general design concept of the improvements to be constructed.

12.5 Insurance. The Developer or its contractor(s) shall acquire and maintain, during the period of time when any of the Public Infrastructure is under construction (and until the full and final completion of the Public Infrastructure and acceptance thereof by the Town): (a) workers compensation insurance in the amount required by law; and (b) commercial general liability insurance including personal injury liability, premises operations liability, and contractual liability, covering, but not limited to, the liability assumed under any indemnification provisions of this Agreement, with limits of liability for bodily injury, death and property damage of not less than $1,000,000.00. Such insurance shall also cover any and all claims which might arise out of the Public Infrastructure construction contracts, whether by the Developer, a contractor, subcontractor, material man, or otherwise. Coverage must be on a "per occurrence" basis. All such insurance shall: (i) be issued by a carrier which is rated "A-1" or better by A.M. Best's Key Rating Guide and licensed to do business in the State of Texas; and (ii) name the Town as an additional insured and contain a waiver of subrogation endorsement in favor of the Town. Upon the execution of Public Infrastructure construction contracts, the Developer shall provide to the Town certificates of insurance evidencing such insurance coverage together with the declaration of such policies, along with the endorsement naming the Town as an additional insured. Each such policy shall provide that, at least 30 days prior to the cancellation, non-renewal or modification of the same, the Town shall receive written notice of such cancellation, non-renewal or modification.

12.6 Indemnification and Hold Harmless. THE DEVELOPER (INCLUDING FOR PURPOSES HEREOF ANY SUCCESSOR THERETO OR ASSIGNEE THEREOF, INCLUDING, WITHOUT LIMITATION, A PURCHASER OF ANY PORTION OF THE PROPERTY), AGREES TO RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY THE TOWN FROM AND AGAINST ALL THIRD PARTY CLAIMS, SUITS, JUDGEMENTS,

DAMAGES, AND DEMANDS (TOGETHER, "CLAIMS") AGAINST THE TOWN, INCLUDING REASONABLE ATTORNEY'S FEES AND OTHER COSTS, ARISING OUT OF THE NEGLIGENCE OF THE DEVELOPER IN CONNECTION WITH THE DESIGN OR CONSTRUCTION OF ANY INFRASTRUCTURE, STRUCTURE, OR OTHER FACILITIES OR IMPROVEMENTS THAT ARE REQUIRED OR PERMITTED BY THE TOWN REGULATIONS OR ANY OTHER GOVERNING REGULATIONS AND THAT ARE DEDICATED OR OTHERWISE CONVEYED TO THE TOWN.

12.7 Eminent Domain. Unless otherwise stated in this Agreement, the Developer agrees to use commercially reasonable efforts to obtain all third-party right(s)-of-way, consents, or easements, if any, required for the Public Infrastructure. If, however, the Developer is unable to obtain such third-party right(s)-of-way, consents, or easements within ninety (90) days of commencing efforts to obtain the needed easements and right of way, the Town agrees to take reasonable steps to secure same through the use of the Town's power of eminent domain. Unless otherwise stated in this Agreement, the Developer shall be responsible for funding all reasonable and necessary legal proceeding/litigation costs, attorney's fees and related expenses, and appraiser and expert witness fees (collectively, "Eminent Domain Fees") paid or incurred by the Town in the exercise of its eminent domain powers that for any reason are not funded by Assessments. Provided that the escrow fund remains appropriately funded in accordance with this Agreement, the Town will use all reasonable efforts to expedite such condemnation procedures so that the Public Infrastructure can be constructed as soon as reasonably practicable. If the Town's Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, the Developer shall deposit additional funds as requested by the Town into the escrow account within ten (10) days after written notice from the Town. Any unused escrow funds will be refunded to the Developer with thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this subsection is intended to constitute a delegation of the police powers or governmental authority of the Town, and the Town reserves the right, at all times, to control its proceedings in eminent domain.

12.8 Developer Acknowledges and Agrees. The Developer acknowledges and agrees that the conveyances, dedications, easements and/or payment of money required by this agreement to be performed by the Developer, in whole or in part, does/do not constitute a (a) Taking under the Texas or United States Constitution; (b) Nuisance; and/or; (c) Claim for damages and/or reimbursement against Town for a violation of any federal and/or state constitution, statute and/or case law and/or federal, state, and/or local ordinance, rule and/or regulation.

SECTION 13
ADDITIONAL PROVISIONS

13.1 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

13.2 Notices. Any notice, submittal, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the Town:	Town of Little Elm, Texas Attn: Matt Mueller 100 W. Eldorado Parkway Little Elm, Texas 75068
With a copy to:	Brown & Hofmeister, LLP Attn: Robert Brown 740 E. Campbell Road, Suite 800 Richardson, Texas 75081
To the Developer:	Centurion American Acquisitions, LLC Attn: Mehrdad Moayedi 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
And a copy to:	Miklos Cinclair, PLLC Attn: Robert Miklos 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.

13.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

13.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is necessary and required.

13.5 Authority and Enforceability. The Town represents and warrants that this 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 Agreement on behalf of the Town has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that each individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is

enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

13.6 Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

13.7 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Denton County. Exclusive venue for any action related to, arising out of, or brought in connection with this Agreement shall be in the Denton County State District Court.

13.8 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

13.9 Form 1295 Certificate**.** The Developer agrees to comply with Texas Government Code, Section 2252.908 and in connection therewith, the Developer agrees to go online with the Texas Ethics Commission to complete a Form 1295 Certificate and further agrees to print the completed certificate and execute the completed certificate in such form as is required by Texas Government Code, Section 2252.908 and the rules of the Texas Ethics Commission and provide to the Town, at the time of delivery of an executed counterpart of this Agreement, a duly executed completed Form 1295 Certificate.

13.10 Undocumented Workers Provision. The Developer certifies that Developer does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Developer is convicted of a violation under 8 U.S.C. § 1324a(f), Developer shall repay the amount of any public subsidy provided under this Agreement to Developer plus six percent (6.0%), not later than the 120th day after the date the Town notifies Developer of the violation.

13.11 Non-Boycott of Israel Provision. In accordance with Chapter 2271 of the Texas Government Code, a Texas governmental entity may not enter into an agreement with a business entity for the provision of goods or services unless the agreement contains a written verification from the business entity that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the agreement. Chapter 2270 of the Texas Government Code does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time

employees; or (3) the contract has a value of less than One Hundred Thousand Dollars ($100,000.00). Unless Developer is not subject to Chapter 2270 of the Texas Government Code for the reasons stated herein, the signatory executing this Agreement on behalf of Developer verifies that Developer does not boycott Israel and will not boycott Israel during the Term of this Agreement.

13.12 Prohibition on Contracts with Certain Companies Provision. In accordance with Section 2252.152 of the Texas Government Code, the Parties covenant and agree that Developer is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 2252.153 of the Texas Government Code.

13.13 Verification Against Discrimination of Firearm or Ammunition Industries. Pursuant to Texas Government Code Chapter 2274, (as added by Texas Senate Bill 19, 87th Tex. Reg. Session (2021) (effective September 1, 2021)) unless otherwise exempt, if the Developer employs at least ten (10) fulltime employees and this Agreement has a value of at least $100,000 that is paid wholly or partly from public funds of the Town, the Developer represents that: (1) the Developer does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) the Developer will not discriminate during the Term of the Agreement against a firearm entity or firearm trade association.

13.14 Verification Against Discrimination Developer Does Not Boycott Energy Companies**.** Pursuant to Texas Government Code Chapter 2274, (as added by Texas Senate Bill 13, 87th Tex. Reg. Session (2021) (effective September 1, 2021)) unless otherwise exempt, if the Developer employs at least ten (10) fulltime employees and this Agreement has a value of at least $100,000 that is paid wholly or partly from public funds of the Town, the Developer represents that: (1) the Developer does not boycott energy companies; and (2) the Developer will not boycott energy companies during the Term of this Agreement.

13.15 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.

13.16 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Metes and Bounds Description of the Property
Exhibit B	Depiction of the Property
Exhibit C	Authorized Improvements with their Estimated Costs
Exhibit D	Concept Plan
Exhibit D-1	Parks and Open Space
Exhibit D-2	Trails
Exhibit D-3	Overall Concept Plan for Spiritas and Spiritas East
Exhibit D-4	Park Site Plan
Exhibit E	Development Standards
Exhibit F	Home Buyer Disclosure Program
Exhibit F-1	Homebuyer Notice on Access to Spiritas Ranch Amenities
Exhibit G	Landowner Agreement
Exhibit H	Certification For Payment Form

13.17 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within thirty (30) days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

13.18 Complete Agreement. This Agreement embodies the entire Agreement between the Parties and cannot be varied or terminated except as set forth in this Agreement, or by written agreement of the Town and the Developer expressly amending the terms of this Agreement.

13.19 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

[SIGNATURES PAGES FOLLOW, REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:

TOWN OF LITTLE ELM, TEXAS

By: _____
Name: Curtis J. Cornelius
Title: Mayor
Date: _____

ATTEST:

By: _____
Name: Kate Graham
Title: Acting Town Secretary
Date: _____

APPROVED AS TO FORM

_____
Name: Robert Brown
Title: Town Attorney

STATE OF TEXAS §
§
COUNTY OF DENTON §

This instrument was acknowledged before me on the __ day of _____, 20___ by _____, the Mayor of the Town of Little Elm, Texas on behalf of said Town.

_____
Notary Public, State of Texas

(SEAL)

_____
Name printed or typed

Commission Expires:_____

DEVELOPER:

CENTURION AMERICAN ACQUISITIONS, 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 Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of _____, 2021 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CENTURION AMERICAN ACQUISITIONS, LLC, a Texas limited liability company on behalf of said company.

_____
Notary Public, State of Texas

Exhibit A
METES AND BOUNDS DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION

BEING that certain tract of land situated in the Marsella Jones Survey, Abstract No. 662, in the Town of Little Elm, Denton County, Texas, and being part of that certain tract of land described in deed to Robert G. Penley recorded in Volume 623, Page 106, of the Real Property Records of Denton County, Texas (RPRDCT), and part of that certain tract of land described in deed to Robert G. Penley and Faith Penley recorded in Volume 2210, Page 648, RPRDCT, and being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod with cap stamped "COBB-FENDLEY" found at the northeast corner of said Penley tract recorded in Volume 623, Page 106, RPRDCT, and being located on the southerly right-of-way line of US Highway No. 380 (variable width right-of-way), said southerly line according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, and also being located in the westerly "Take Line" of Lake Lewisville;

THENCE with said westerly "Take Line" of Lake Lewisville, the following courses:

South 27°07'16" West, passing at a distance of 5.32 feet a U.S. Army Corps of Engineers (USACOE) monument found, continuing with said "Take Line" in all, a total distance of 875.53 feet to a USACOE monument found for corner;

South 40°18'51" West, a distance of 544.09 feet to a USACOE monument found for corner;

South 09°54'29" East, a distance of 217.10 feet to a USACOE monument found for corner;

South 57°22'24" West, a distance of 298.04 feet to a USACOE monument found for corner;

North 82°50'29" West, a distance of 641.93 feet to a USACOE monument (K-923-9) found for corner;

North 05°25'44" East, a distance of 396.40 feet to concrete monument (no disk) found for corner;

And South 42°17'36" West, a distance of 385.19 feet to a USACOE monument found for corner, said monument being located on the westerly line of said Penley tract recorded in Volume 2210, Page 648, RPRDCT, and the easterly line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 1078, Page 859, RPRDCT;

THENCE North 05°42'19" East, with said westerly line of the Penley tract, and said easterly line of the Spiritas Ranch Enterprises tract, a distance of 621.88 feet to a 5/8-inch iron rod found for corner at a northwest corner of said Penley tract recorded in Volume 2210, Page 648, RPRDCT, and the northeast corner of said Spiritas Ranch Enterprises tract recorded in Volume 1078, Page 859, RPRDCT;

THENCE South 88°08'15" East, with a north line of said Penley tract recorded in Volume 2210, Page 648, RPRDCT, and the south line of that certain tract of land described in deed to Spiritas Ranch Enterprises recorded in Volume 2737, Page 126, RPRDCT, a distance of 170.04 feet to a 5/8-inch iron rod with cap stamped "WESTWOOD" found for corner;

THENCE North 03°11'21" East, with the west line of a called 3-foot strip of land described in said Penley tract recorded in Volume 2210, Page 648, RPRDCT, a distance of 845.02 feet to an aluminum TXDOT disk found for corner on said southerly right-of-way line of US Highway No. 380, said disk being the southwest corner of that certain tract of land described in deed to the State of Texas recorded in Volume 4308, Page 1681, RPRDCT;

THENCE South 88°31'59" East, with said southerly right-of-way line of US Highway No. 380 according to said deed to the State of Texas, a distance of 113.60 feet to a 5/8-inch iron rod with cap stamped "COBB-FENDLEY" found for corner at the east corner of said deed to the State of Texas;

THENCE South 84°30'58" East, continuing with said southerly right-of-way line of US Highway No. 380, said line according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, a distance of 194.05 feet to an aluminum TXDOT disk found for corner;

THENCE South 84°36'22" East, continuing with said southerly right-of-way line of US Highway No. 380 according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, a distance of 301.24 feet to a concrete monument found for corner;
THENCE South 88°16'39" East, continuing with said southerly right-of-way line of US Highway No. 380 according to deed to the State of Texas recorded in Volume 315, Page 504, RPRDCT, a distance of 938.43 feet to the POINT OF BEGINNING, containing an area of 43.823 acres of land.

Exhibit B
DEPICTION OF THE PROPERTY

Exhibit C
AUTHORIZED IMPROVEMENTS AND ESTIMATED COSTS

Exhibit D
CONCEPT PLAN

Exhibit D-1
PARKS AND OPEN SPACE

Exhibit D-2
TRAILS

Exhibit D-3
SPIRITAS AND SPIRITAS EAST CONCEPT PLAN

Exhibit D-4
PARK SITE PLAN

Exhibit E
DEVELOPMENT STANDARDS

Exhibit F
HOME BUYER DISCLOSURE PROGRAM

The PID Administrator (as defined in the Service and Assessment Plan) for the Spiritas Ranch East Public Improvement District (the "PID") shall facilitate notice to prospective homebuyers in accordance the following notices. The PID Administrator shall monitor the enforcement of the following minimum requirements:

1. Record notice of the PID in the appropriate land records for the property.

2. Require builders to include notice of the PID in addendum to contract on brightly colored paper.

3. Collect a copy of the addendum signed by each buyer from builders and provide to the Town.

4. Require signage indicating that the property for sale is located in a special assessment district and require that such signage be located in conspicuous places in all model homes.

5. Prepare and provide to builders an overview of the PID for those builders to include in each sales packets.

6. Notify builders who estimate monthly ownership costs of the requirement that they must include special taxes in estimated property taxes.

7. Notify settlement companies through the builders that they are required to include special taxes on HUD 1 forms and include in total estimated taxes for the purpose of setting up tax escrows.

8. Include notice of the PID in the homeowner association documents in conspicuous bold font.

9. The Town will include announcements of the PID on the Town's web site.

10. The disclosure program shall be monitored by the Developer and Manager.

EXHIBIT F-1

HOMEBUYER NOTICE ON ACCESS TO SPIRITAS RANCH AMENITIES

Homebuyer Notice

I, _____ by the signing of this notice, am notified that access to the amenities in Spiritas Ranch will likely be temporarily utilizing US 380, until the relevant road infrastructure is in place and dedicated to the Town of Little Elm, to connect the Spiritas East Development to the amenities in Spiritas Ranch. The exact date in which a roadway or roadways will connect Spiritas East to a more direct route to the amenities in Spiritas Ranch is unable to be determined at this time, as the roadway construction timing is contingent upon the timing of home sales in Spiritas Ranch.

_____

Homebuyer's signature

_____

Homebuyer's Address

_____

Date

Exhibit G
LANDOWNER AGREEMENT

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the "Agreement"), is entered into as of _____, between the Town of Little Elm, Texas (the "Town"), a home rule municipality of the State of Texas (the "State"), and _____, a Texas _____ (the "Landowner").

RECITALS:

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

WHEREAS, the Town Council has adopted an assessment ordinance for the Authorized Improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan included as an **Exhibit A** to the Assessment Ordinance (the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Assessed Parcel in the District (as identified in the Service and Assessment Plan**)** that will be pledged for the payment of certain infrastructure improvements and to pay the costs of constructing the Authorized Improvements that will benefit the Assessed Property (as defined in the Service and Assessment Plan); and

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

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

DEFINITIONS; APPROVAL OF AGREEMENTS

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

Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the 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 located within the District, all as shown on **Exhibit I,** and the location and development of the Authorized Improvements on the Landowner Parcel and on the property within the District;

(ii) the determinations and findings as to the benefits by the Town Council in the Service and Assessment Plan and the Assessment Ordinance;

(iii) the 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 PID on the Landowner's Parcel within the District, as shown on the assessment roll attached as Appendix __ to the Service and Assessment Plan (the "Assessment Roll");

(ii) the Authorized Improvements specially benefit the District, and the Landowner's Parcel, in an amount in excess of the Assessment levied on the Landowner's Parcel within the District, as such Assessment is shown on the 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 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 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 a Landowner's Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and 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 Texas law, including the PID Act, prior to the Effective Date (defined herein).

C. Mandatory Prepayment of Assessments. Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the Town and as provided in the Service and Assessment Plan, as amended or updated.

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

(i) the Covenants, Conditions and Restrictions attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the 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 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 the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the 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 AUTHORIZED IMPROVEMENTS

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

B. Grant of Easement and License, Construction of Authorized 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 Authorized Improvements on the property within the District, to stage on the property within the District construction trailers, building materials and equipment to be used in connection with such construction of the Authorized Improvements and for passage and use over and across parts of the property within the District as shall be reasonably necessary during the construction of the Authorized Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Authorized 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 Authorized 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 Improvement 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 Improvement 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, or (iii) the construction of the Authorized Improvements on those portions of the property within the District which are to be owned by the Town, 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 Authorized Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the Town and its successors, assigns and agents, pertaining to the installation of the Authorized 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:
Town of Little Elm, Texas
Attn: Matt Mueller
100 W. Eldorado Parkway
Little Elm, Texas 75068

With a copy to:
Brown and Hofmeister, LLP
Attn: Robert Brown
740 E. Campbell Road, Suite 800
Richardson, Texas 75081

To the Landowner:
_____
Attn: _____
_____
_____

With a copy to:
_____
Attn: _____
_____
_____

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

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

D. Parties in Interest.

This Agreement is made solely for the benefit of the 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, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of or trustee for any bonds secured by PID Assessment revenues of the Town or any part thereof to finance the costs of the Authorized Improvements, 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 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, and whether any party is then in default hereunder.

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.

[Signature pages to follow]

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

Date: _____

TOWN OF LITTLE ELM, TEXAS

By: _____
Mayor Curtis J. Cornelius

[Signature Page Landowner Agreement]

[LANDOWNER SIGNATURE BLOCK]

By: _____
Name: _____
Its: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 20__, by _____, as _____ of _____, a _____, on behalf of said entity.

_____
Notary Public, State of _____

[Signature Page Landowner Agreement]

LANDOWNER AGREEMENT - EXHIBIT I

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

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 _____ by _____ a Texas _____ (the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Denton County, Texas, which is described in the attached **Exhibit I** (the "Landowner's Parcel").

B. The 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 Spiritas Ranch East Public Improvement District (the "District") by the then current owners of 100% of the appraised value of the taxable real property and 100% 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 "Assessment Ordinance") and the Service and Assessment Plan included as an exhibit to the 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 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 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 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 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 amount of the assessment and the due dates of that assessment may be obtained from the Town of Little Elm, 100 W. Eldorado Parkway, Little Elm, Texas 75068

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

Signature of Purchaser(s) _____ Date: _____

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

[Signature Page to Follow]

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

LANDOWNER

_____
a Texas _____,

By: _____
_____,
its manager

STATE OF TEXAS)
)
COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as _____ of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the _____ of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT - EXHIBIT III

HOMEBUYER EDUCATION PROGRAM

As used in this **Exhibit III**, the recorded Notice of the Authorization and Establishment of the _____ 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 Assessment Roll for such Assessed Parcel (or if the 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.

Exhibit H
CERTIFICATION FOR PAYMENT FORM

The undersigned is an agent for _____, LLC (the "Developer") and requests payment from the _____ of the Project Fund (as defined in the Indenture) from the Town of Little Elm, Texas (the "Town") or Trustee (as defined in the Indenture) in the amount of $_____ for costs incurred in the establishment, administration, and operation of the _____ Public Improvement District (the "District") and for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Authorized Improvements related to the District. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture.

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 payment request form on behalf of the Developer and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Authorized Improvement(s) has not been the subject of any prior payment request submitted for the same work to the Town or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Authorized Improvement(s) below is a true and accurate representation of the Actual Costs associated with the creation, acquisition, or construction of said Authorized Improvement(s); and such costs: (i) are in compliance with the Bond Indenture; and (ii) are consistent with the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Development Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Bond Indenture for the payment hereby requested have been satisfied.

6. The work with respect to the Authorized Improvement(s) referenced below (or their completed segment, section or portion thereof) has been completed and the Town may begin inspection of the Authorized 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.

Payments requested are as follows:

a. X amount to Person or Account Y for Z goods or services.
b. Etc.

As required by the Indenture, the Actual Costs for the Authorized Improvement(s) shall be paid as follows:

Authorized Improvement:	Amount to be paid from the Project Fund	Total Cost of Authorized Improvement

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

Pursuant to the _____ Development Agreement, after receiving this payment request, the Town is authorized to inspect the Authorized Improvement (or completed, section or portion thereof segment) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans.

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

_____, LLC,

_____

_____

APPROVAL OF REQUEST BY TOWN

The undersigned is in receipt of the attached Certification for Payment. After reviewing the Certification for Payment, the Certification for Payment is approved and the Trustee is directed to disburse the requested payments from the _____ Account of the Project Fund, in accordance with the Certification for Payment. The Town's approval of the Certification for Payment shall not have the effect of estopping or preventing the undersigned from asserting claims under the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in the Authorized Improvement.

TOWN OF LITTLE ELM, TEXAS

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

Exhibit K