

PUBLIC NOTICE
AGENDA
LOCKHART CITY COUNCIL
May 21, 2024
CLARK LIBRARY ANNEX-COUNCIL CHAMBERS
217 SOUTH MAIN STREET, 3RD FLOOR
LOCKHART, TEXAS

6:30 P.M. WORK SESSION (No Action)

Work session will be held to receive briefings and to initially discuss all items contained on the Agenda posted for 7:30 p.m. Generally, this work session is to simplify issues as it relates to the agenda items. No vote will be taken on any issues discussed or reviewed during the work session except to the extent specifically authorized under the Texas Open Meetings Act.

DISCUSSION ONLY

- | | | |
|----|---|---------------|
| A. | Presentation by Rise Broadband regarding future residential and non-residential high-speed internet and digital voice services. | 4-17 |
| B. | Discuss City Council minutes of the August 1, 2023, August 15, 2023, and August 21, 2023 meetings. | 18-35 |
| C. | Discuss Resolution 2024-13 to select a Public Improvement District (PID) Administration service provider for the management and administration of Public Improvement Districts and related Tax Increment Reinvestment Zone (TIRZ) districts regarding master-planned developments within the City of Lockhart. | 36-55 |
| D. | Discuss Ordinance 2024-13 clarifying the Police Department lateral entry pay criteria. | 56-65 |
| E. | Discuss a Development Agreement between the City and RODG DT SeawillowPropCo LLC to authorize development of the Seawillow Project, consisting of approximately 586.778 acres of land out of the John A. Neill Survey A020 for residential and commercial purposes, which property is located east of FM 1322 and south and west of Seawillow Road, approximately 2,000 feet southeast of Lay Road. | 66-199 |

7:30 P.M. REGULAR MEETING

- 1. CALL TO ORDER**
Mayor Lew White
- 2. INVOCATION, PLEDGE OF ALLEGIANCE**
Invocation. Pledge of Allegiance to the United States and Texas flags.

3. PUBLIC COMMENT

The purpose of this item is to allow the public an opportunity to address the City Council on issues that are or are not on the agenda. No discussion can be carried out on the citizen/visitor comment about items not on the agenda. Comments are limited to three minutes per speaker.

4. PUBLIC HEARING/COUNCIL ACTION

- A. Hold a PUBLIC HEARING and discussion and/or action on an Appeal to the Planning and Zoning Commission's denial of SUP-24-02, a request by Jesse Hernandez for a Specific Use Permit to allow Commercial Outdoor Recreation, entertainment and Amusement 0.33 acres for O.T. Lockhart, Block 33, part of Lot 6, Zoned Commercial Heavy Business District and located at 203 East Pecan Street.

200-223

5. DISCUSSION/ACTION ITEMS

- A. Discussion and/or action regarding City Council minutes of the August 1, 2023, August 15, 2023, and August 21, 2023 meetings.
- B. Discussion and/or action regarding Resolution 2024-13 to select a Public Improvement District (PID) Administration service provider for the management and administration of Public Improvement Districts and related Tax Increment Reinvestment Zone (TIRZ) districts regarding master-planned developments within the City of Lockhart.
- C. Discussion and/or action to consider Ordinance 2024-13 clarifying the Police Department lateral entry pay criteria.
- D. Discuss and consider action regarding a Development Agreement between the City and RODG DT SeawillowPropCo LLC to authorize development of the Seawillow Project, consisting of approximately 586.778 acres of land out of the John A. Neill Survey A020 for residential and commercial purposes, which property is located east of FM 1322 and south and west of Seawillow Road, approximately 2,000 feet southeast of Lay Road.

224-241

242-261

262-271

272-405

6. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- Summer Fan Program begins May 22nd.
- City Park swimming pool opens for the season on Saturday, May 25th.
- Grand opening event for the new Soccer Mini-Pitch Court at LaFleure Soccer Complex will be held May 25th at 10:00 a.m.
- Downtown Revitalization Project - sealed bids update.
- Update regarding Lockhart Farms Subdivision Phase 2.

- Update regarding an application from Masonwood Development for a new single family residential development of approximately 539 detached single-family lots proposed to be located west of SH 130, between Borchert Loop and Maple Street.

7. **COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST**

8. **EXECUTIVE SESSION**

- A. In accordance with Texas Govt Code Section 551.071 Private Consultation with its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act; Texas Govt Code Section 551.072 to discuss the sale, purchase, or lease of real property; Texas Govt Code Section 551.087 deliberation of economic development negotiations, including discussion of commercial or financial information received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations and to deliberate the offer of financial or other incentives to said business prospect. The City Council will discuss **the proposed development of the Seawillow Project and associated facilities, infrastructure, amenities and public improvements.**

9. **RECONVENE INTO OPEN SESSION - In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Open Session to consider action, if any, on matters discussed in Executive Session.**

10. **ADJOURNMENT**

City Council shall have the right at anytime to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

Posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 17th day of May, 2024 at 3:45 p.m.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Presentation by Rise Broadband regarding future residential and non-residential high-speed internet and digital voice services.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Rise Broadband (Rise) is a certified SPCOA (Service Provider Certificate of Operating Authority) with the Texas Public Utility Commission. Over the past few months, Rise has been working with staff to review the feasibility of installing fiber internet service within the city limits. They have already begun similar projects with other central Texas communities to expand their delivery of high-speed fiber internet services. Staff contacted several of these communities to review best practice strategies for managing a city-wide installation of fiber internet services. Projects of this proposed scale require constant communication with community stakeholders and accurate underground water and sewer utility locates to minimize the disruption to city utilities and other services (natural gas, underground cables, telephone lines). Staff have expressed concerns brought forth in other communities related to the challenges of implementing fiber internet to Rise, along with solutions that have been implemented to minimize impacts to customers. Rise has been receptive to staff's comments and expressed their willingness to operate based on the locating capabilities of city staff and phase in this project.

Any utility/company that intends to provide local exchange telephone service, basic local telecommunications service, or switched access service to customers besides itself must obtain certification from the Texas Public Utilities Commission. There are two categories of certification: COA (Certificate of Operating Authority) and SPCOA (Service Provider Certificate of Operating Authority). These certifications must be renewed once every ten years. Rise operates under an SPCOA that is set to expire this year. They have already submitted their renewal materials to the PUC.

The PUC may grant SPCOA's to applicants that meet certain technical, financial, and service requirements. Applicants must also demonstrate that they have no history of violations of rules or misconduct such that the granting would be inconsistent with public interest. A full list of requirements can be found in Texas Administrative Code Section 26.111. Among other items, requirements include demonstrating shareholders' equity of not less than \$1,000,000, showing that the applicant has principals, consultants, or permanent employees in managerial positions whose combined experience in the telecommunications industry equals or exceeds five years, and providing history of complaints, disciplinary records, bankruptcy and insolvency proceedings, and the like.

Rise customers can file formal and informal complaints regarding telecommunications

City of Lockhart, Texas

Council Agenda Item Cover Sheet

providers with the PUC. The process is the same if a City wishes to file a complaint against a telecommunications provider. However, the first step in the complaints process is typically to contact the provider.

Rise and other fiber internet providers are not subject to standard franchising fees, which is most common for utility providers operating in municipalities. Their use of right-of-way is governed by Chapter 283 of the Local Government Code, which authorizes certified telecommunications providers in public right-of-way to operate without obtaining a license or franchise. However, cities are compensated by categorized City-Preferred Rates per customer on a per month charge based on the quantity of customers served and category of customer.

Municipality	2023 City-Preferred Rates		
	Category 1 (Residential)	Category 2 (Commercial)	Category 3 (Point-to-Point)
City of Lockhart	\$ 0.80	\$ 1.70	\$ 2.56

The initial speeds for the high speed internet offered by Rise will be 1-gigabyte (GB) service with future capacity to offer up to 10-GB service. Upon completion of the installation, approximately 5,000 customers will have access to fiber internet if they choose.

Staff will be finalizing installation protocols with Rise Broadband to effectively delegate responsibilities during the fiber installation process. Once the terms of operations have been mutually acknowledged and agreed upon, Rise will be permitted to start installation.

PROJECT SCHEDULE (if applicable): Start installation: May-June 2024
Completion: 6–12 months depending on the pace the installation crews are authorized to work.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: None.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Rise Presentation



Empowering Rural Texas: A Partnership for the Future

**Presented by Rise Broadband - Connecting Communities, Enabling
Growth**

Introduction to Rise Broadband



Rural Internet Provider 3 years running



Rise Broadband is a certified
SPCOA (Service Provider Certificate of
Operating Authority) with Texas

<https://www.puc.texas.gov/industry/communications/row/linerates.aspx>

**VISION**

To be America's
Best Internet Service
Provider

**MISSION**

To Provide Services
that Connect
Communities to
the World

VALUES 

- ▶ We are a team
- ▶ We are committed
- ▶ We wow our customers
- ▶ We celebrate our successes

STRATEGIC GOALS 

- 1 Transform Rise into an ISP powerhouse
- 2 Be the best place to work and grow
- 3 Create a superior customer experience
- 4 Connect with our communities
- 5 Create a high growth company

**STRATEGIC PRINCIPLES**

600 + Employees

8 offices in Texas

Alvarado

Adkins

Taylor

Waller

Lubbock

Weatherford

Sherman

Coming soon - McGregor

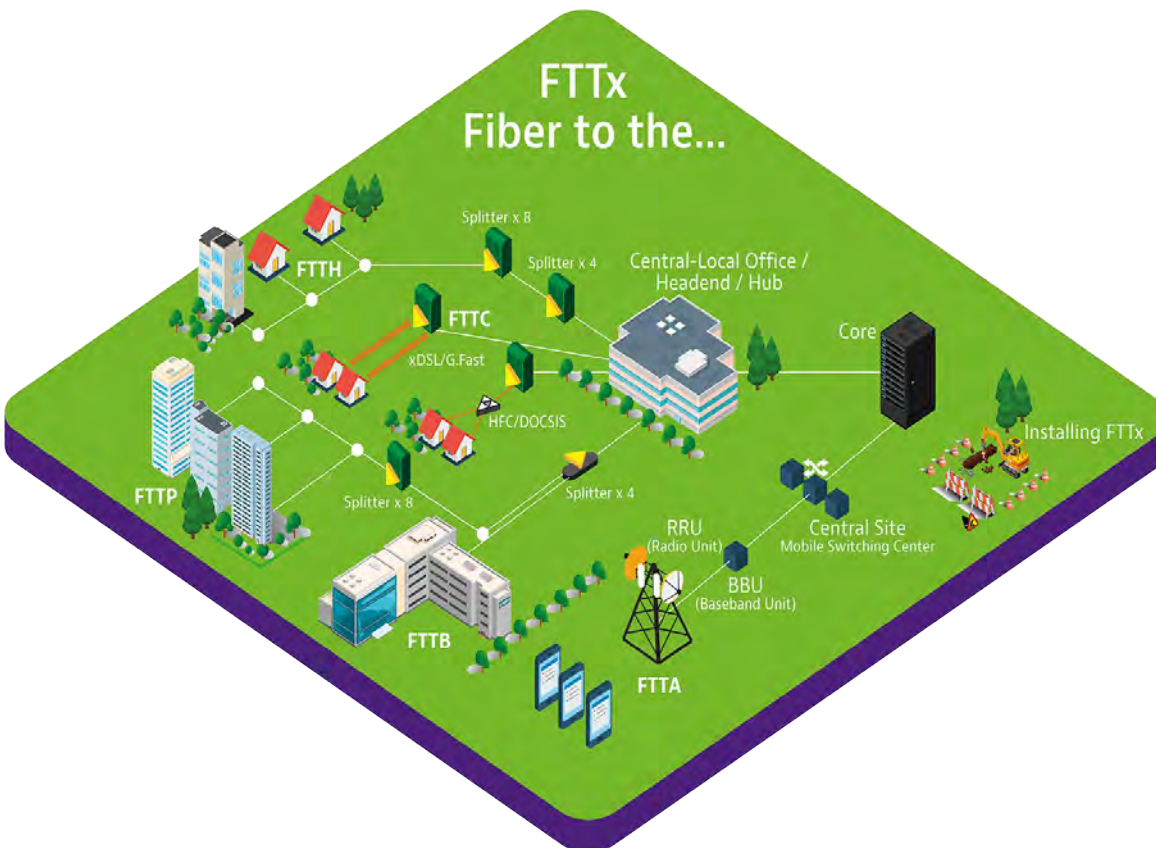
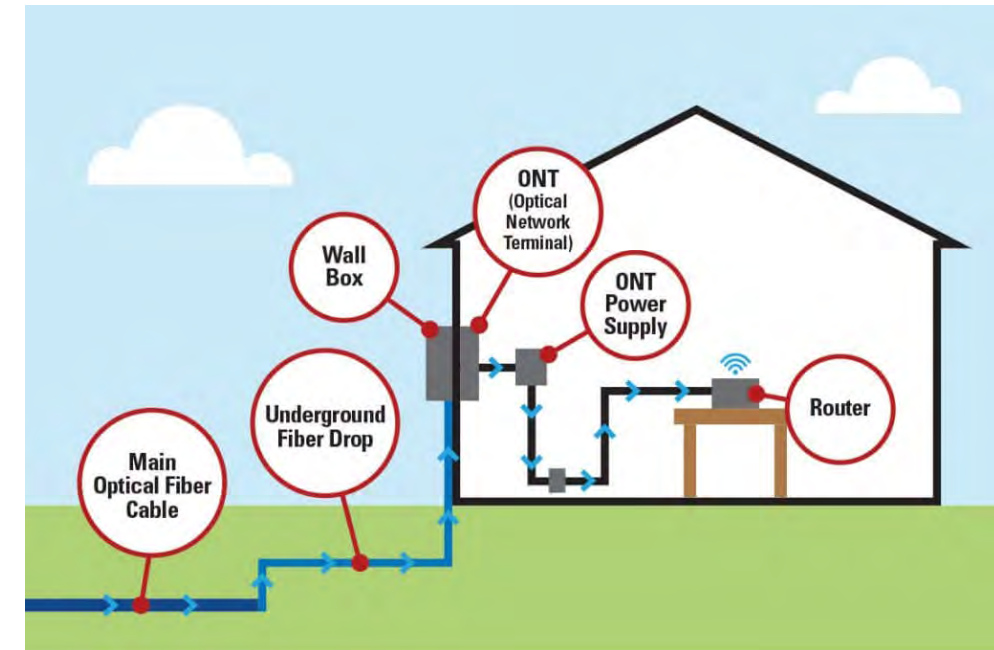


* Quarterly compensation is based on number of active customers

The Future Is Connected

**We Are Building a
Future Proof
Fiber System
Capable of up to
10 gig service!**

Our Footprint
South San Antonio
Houston / San Antonio
Hillsboro
Eagle Lake
More on the way...



Lockhart, Texas

Our planned goal is to have 4,934 initial homes/businesses with access to fiber connectivity

Boost Quality of Life

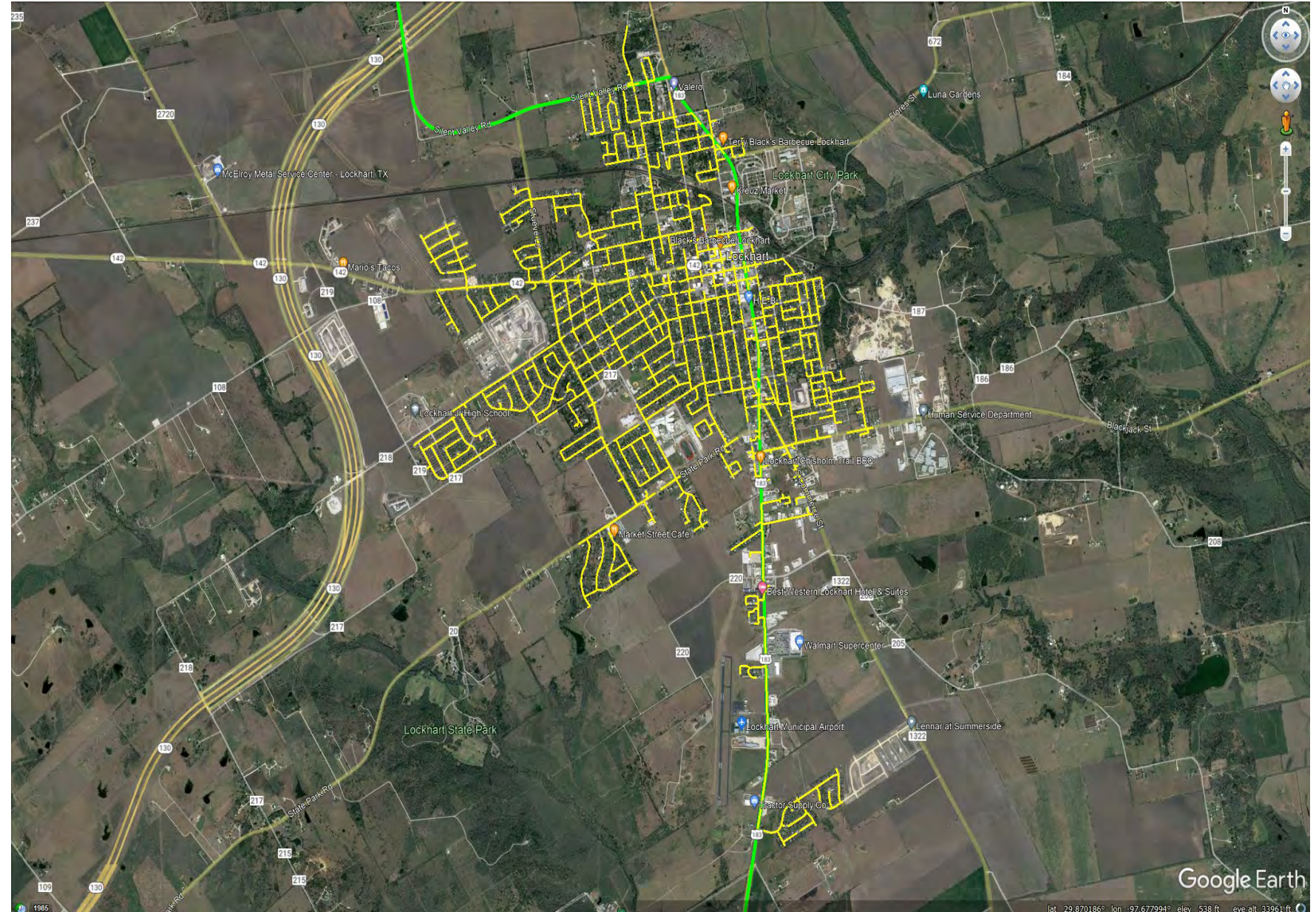
Today, people spend twice as much time with digital media compared to just ten years ago. Not only for fun but for remote working, healthcare, and educational purposes. So, for cities, ultra-fast internet speeds for constituents has become a quality-of-life imperative.

Drive Economic Development

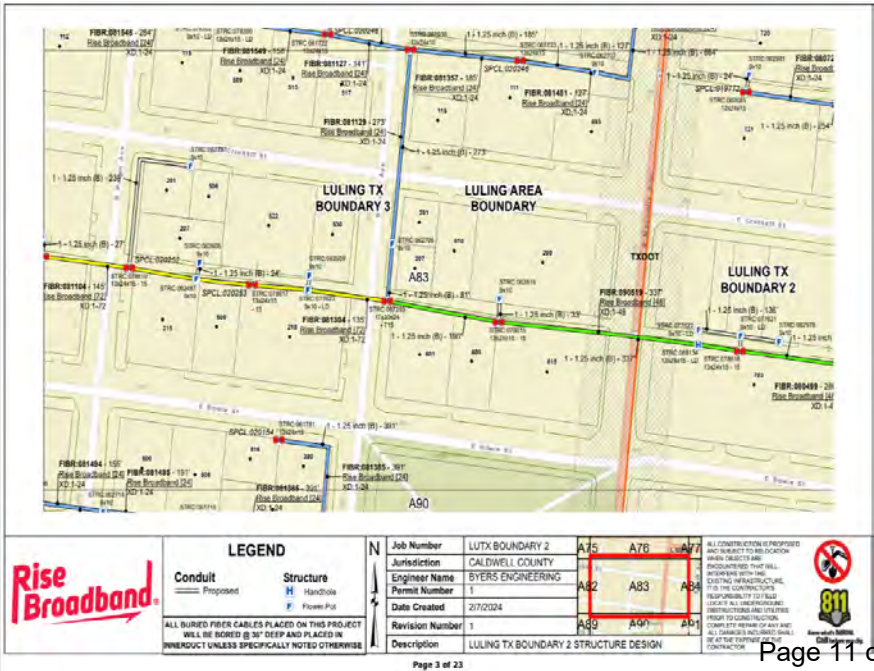
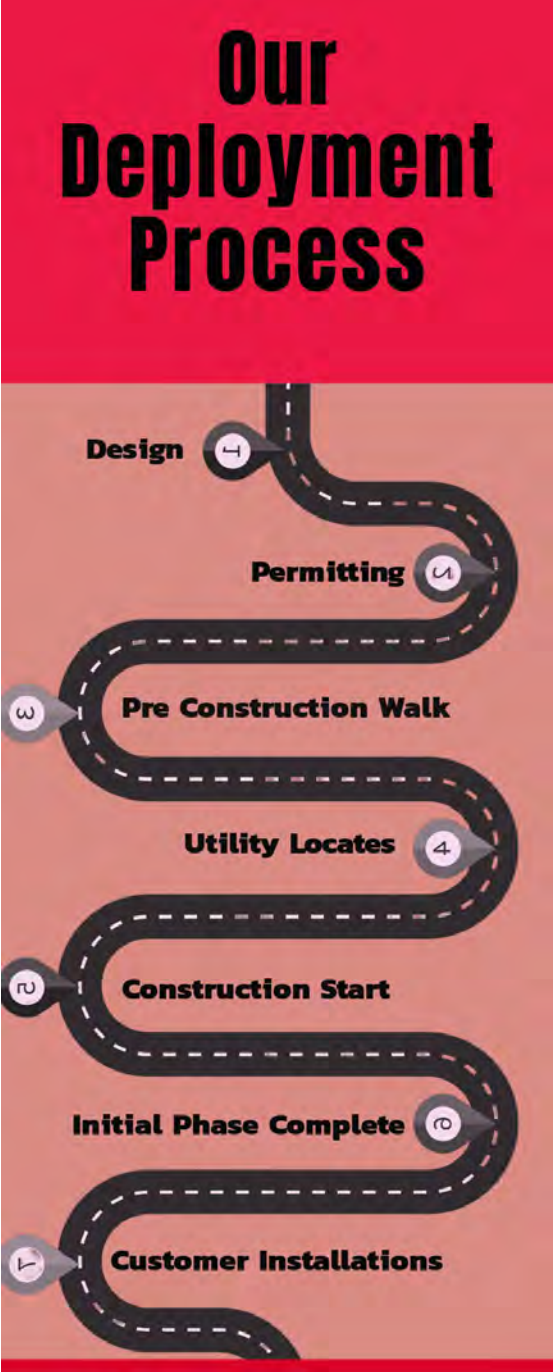
Studies show that cities with gigabit internet speeds drive higher economic output. This will intern attract and retain businesses, as well as stimulate local economies and increase property values

Jumpstart Competition

Disappointment can quickly turn to outrage when citizens face slow internet connections, ever-rising cable bills and indifferent providers. Rise is built to compete with cable providers, with its gigabit speeds and caring customer service.



From Plan to Reality



Working Together: Engagement & Support



We are dedicated to work with the community and city, not only during our deployment but post-deployment and customer service commitment

Rise Broadband®

Construction Notice

We are thrilled to bring Fiber internet to your community! Please review the following information to help to make this construction process as seamless as possible.

NOTIFICATIONS

Before our teams begin construction, we will provide you with a notification that includes:

- What to expect during construction
- When we will need to access the utility easement on your property
- How to protect your property and pets
- Contact information for your local contractor

MARK UTILITIES

State law requires the marking of lines before digging can occur in public utility easements. Please don't remove any markings and/or flags that pop up in your community. Doing so will delay the construction process and pose safety risks.

SEE BACKSIDE FOR MORE DETAILS **Rise Fiber**



FIBER INSTALL

Our local teams have the utmost respect for the communities we serve. We use state-of-the-art equipment to install fiber lines with the least amount of disruption. We respond to your feedback, so let us know if you have any questions!

RESTORATION

We are committed to making sure construction areas are restored. Construction can be messy, but our teams work to keep the disruption to a minimum.

TO HELP THE PROGRESS

-  Please keep pets indoors while equipment is operating. If backyard access is required, make sure your pets are safe and secure during the time period provided by Rise Broadband.
-  All construction workers and people placing door hanger messages will be wearing a badge & safety vest identifying themselves as a Rise Broadband employee or an authorized contractor of Rise Broadband.

QUESTIONS OR CONCERNS?

833-839-3821

Our Construction Process



- Rise is responsible for all construction of the fiber network
- Fully insured veteran contractors
- All construction is bored for minimal construction areas
- If damage does occur to properly located utilities, then we are responsible for any associated costs to both public and private property.
- We are responsible for working with assigned points of contact on any damage to utilities, public, or city property
- Rise is responsible for coordinating with utility owners to perform locates of utilities prior to any construction
- Rise will pothole and use GPR for all street crossings for accurate location of existing utilities
- Rise will provide as built records to the city showing the location of all fiber network components
- Rise will have weekly update calls/emails with the city to provide up to date progress and issues



What We Offer



Plans Starting At:
\$45/mo
Includes UNLIMITED DATA
No Contract Required!

Up to

1000

Mbps

Fiber Internet

\$80.00/mo

Fiber Internet up to 1000 Mbps with Unlimited data usage

Perfect For:

Max speed and bandwidth
Worry-free streaming with Unlimited Data
Work from home - Attend class virtually
Ultra-low lag for online gaming
Stream 4k on up to 8+ devices

GET STARTED

Broadband Consumer Label

Up to

500

Mbps

Fiber Internet

\$55.00/mo

Fiber Internet up to 500 Mbps with Unlimited data usage

Perfect For:

Worry-free streaming with Unlimited Data
Work from home - Attend class virtually
HD streaming on multiple devices
Online gaming with no lag

GET STARTED

Broadband Consumer Label

Up to

250

Mbps

Fiber Internet

\$45.00/mo

Fiber Internet up to 250 Mbps with Unlimited data usage

Perfect For:

Worry-free streaming with Unlimited Data
Work from home - Attend class virtually
HD streaming on multiple devices
Online gaming with no lag

GET STARTED

Broadband Consumer Label

Joining Forces for a Connected Future



We see this as a partnership with the city! We believe this will have mutual benefits and have a lasting impact on the community!



Joining Forces for a Connected Future



Residents of Lockhart, TX

Fast Fiber Internet

is coming soon!

Sign-up for updates
877-910-6206
or visit **RiseFiber.com**



Thank You!!!



Your Rise Broadband Team

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**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 1, 2023

6:30 P.M.

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember Kara McGregor
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
Julie Bowermon, Civil Service/HR Director
Gary Williamson, Police Chief
Mike Kamerlander, Interim Economic Development Director
Library staff and Library Board members
David Fowler, Planning Director

Monte Akers, City Attorney
Sean Kelley, Public Works Director
Bertha Martinez, Library Director
Randy Jenkins, Fire Chief
Victoria Burns, Public Information Officer

Citizens/Visitors Addressing the Council: Louis Harrison; and, Will Wachel of TRC Engineering.

Work Session 6:30 p.m.

Mayor White opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

DISCUSSION ONLY

A. RECOGNITION OF A \$100,000 MONETARY DONATION TO DR. EUGENE CLARK LIBRARY IN MEMORY OF RONALD A. SEELIGER.

Louis Harrison, Independent Executor for the Estate of Ronald Alton Seeliger presented the Dr. Eugene Clark Library with a monetary donation in the amount of \$100,000. Mr. Seeliger passed away in November 2022 and placed the following request in his Last Will and Testament: "I bequeath to the Dr. Eugene Clark Library a check for the sum of \$100,000. To be used exclusively for the acquisition of books, periodicals, and recordings in either printed, analog or digital formats." Mr. Seeliger grew up in Lockhart, and spent his professional career in the General Libraries at the University of Texas. The Seeliger family has a history of philanthropy towards the city of Lockhart. When Mr. Seeliger's mother passed away in 2008, she left a monetary gift to the City in appreciation for helping make the family business, Seeliger's Clothing Store on the square, a success. The monetary gift was used to purchase a fully equipped EMS ambulance for the City of Lockhart.

B. DISCUSS SH142 CORRIDOR STUDY AND PRELIMINARY SERVICE AGREEMENT WITH TRC ENGINEERING FOR CONSIDERATION OF FUTURE IMPROVEMENTS ALONG WEST SAN ANTONIO STREET FROM SH 130 TO US 183.

Mr. Kelley stated that the City of Lockhart has seen significant residential and multifamily development along the SH 142 Corridor (West San Antonio Street) over the past few years. During the joint Growth Planning Meetings between the City Council and the Planning and Zoning Committee, staff presented growth projections and the need for the SH 142 Corridor to be expanded was discussed.

Mr. Kelley and Will Wachel of TRC Engineering provided information and there was discussion regarding the following:

At the December 13, 2022 meeting, TxDOT outlined the following short/long term project with respect to SH 142:

Short Term:

- SH 142 from US 183 to Borchert Loop - Pavement repair and overlay scheduled for December 2024.

Long Term:

- Feasibility Study for SH 142 - Not scheduled at this time.

Discussion of Project Responsibilities:

- R.O.W.- For a new roadway - typically a 10% match from the City.
- Utilities - Relocation of existing utilities in the R.O.W. - non-reimbursable.

TxDOT Long Range Planning:

- The adopted CAMPO 2045 Transportation Plan notes that SH 142 from US 183 to SH 130 is on the unconstrained list, meaning that there is no funding at this time for TxDOT to work on this project.
- However, TxDOT can partner with cities to make short-term improvements to alleviate "bottlenecks" on identified state roads.

Since the joint meetings, TxDOT has been approached about the need to conduct a corridor study since there was not a TxDOT planned corridor study. They advised that the City conducting study could result in expediting the needed improvements along SH 142. Typically, TxDOT will conduct these studies, but they have a 5-year backlog of similar projects in our district. The attached scope of service from TRC details a work plan.

The purpose of the corridor study is to assess existing facilities and forecasted conditions along the SH 142 Corridor and develop a prioritized implementation plan based on the need and when the improvements should occur by addressing short-(0-4 yrs), middle-(5-10 yrs) and long-range (10+ yrs) projects. Conducting the corridor study would also provide:

- Defined schematic projects for the short/mid/long ranges with costs that could be implemented over time.
- The City would be able to discuss financing options with TxDOT at least 5 years earlier, including discussing potential financial participation from TxDOT.
- The City would be proactive in addressing problems on this corridor and it will save time.
- The study results could be used to discuss with CAMPO for additional funding (either the remaining end of a FY budget or a new call for projects).

However, there is no guarantee that after the study is completed, that any or all identified potential projects will be funded, implemented or implemented by the timeframes recommended in the corridor study. Further, the cost of the corridor study will not be reimbursed to the City.

C. PRESENTATION OF THE CITY OF LOCKHART'S FY 2023-2024 PROPOSED BUDGET AND CONSIDER THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION'S BUDGET FOR FISCAL YEAR 2023-2024, AND SET TWO PUBLIC HEARINGS ON THE FISCAL YEAR 2023-2024 CITY OF LOCKHART PROPOSED BUDGET.

Mr. Resendez stated that according to the City of Lockhart Charter, Article 9, Section 9.07, Public Hearing on Budget, the City Council shall hold a public hearing on the budget submitted and all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein contained. According to the Lockhart Economic Development Corporation's bylaws, Article 5, Section 3 Annual Corporate Budget, the President shall submit the budget to the City Council for approval prior to submittal to the Board for final adoption.

The City of Lockhart is required by Charter to hold one public hearing on the budget. Staff recommends conducting two public hearings to allow the citizens of Lockhart the opportunity to discuss any item or amount presented in the proposed FY 2023-2024 Budget. The following dates are presented to the Council for public hearings:

- August 15, 2023 at 7:30 p.m.
- September 5, 2023 at 7:30 p.m.

Both public hearings will be held in the Council Chambers located at the Clark Library Annex - 217 South Main Street, 3rd floor, Lockhart, Texas.

The City of Lockhart and the Lockhart Economic Development budget for Fiscal Year 2023-24 can be located on the City's website and hard copies are located in City Hall and the City Library.

D. DISCUSS ORDINANCE 2023-12 AMENDING CODE OF ORDINANCES, CH. 10 ANIMALS AND BEEKEEPING, TO INCLUDE A NEW SECTION 10-19 COMMERCE IN LIVE ANIMALS PROHIBITED IN CERTAIN PLACES.

Chief Williamson stated that raising animals for parking lot or flea market sales can raise significant ethical concerns, as these animals are often subject to poor living conditions and inadequate care. The conditions in which these animals are raised can vary widely depending on the individual sellers, but there are some common issues to be aware of: 1. Overcrowded and unhygienic environments, 2. Lack of veterinary care, 3. Minimal socialization and stimulation, 4. Questionable breeding practices, 5. Lack of legal oversight, and 6. Impulse buying and care issues. To address these issues, it's essential for local authorities to enforce existing animal welfare laws and regulations. Additionally, consumers should be educated about the importance of adopting pets from reputable sources, such as animal shelters or licensed breeders who prioritize the well-being of the animals. Adopting pets responsibly ensures that they come from a safe and caring environment, reducing the demand for animals raised under questionable conditions. This ordinance would prohibit the non-retail sale of animals in public spaces, yet allow for the sale or purchase of animals at a private residence. It would make it unlawful to sell, trade, barter, lease, rent, give away or display for commerce a live animal on a roadside, public right-of-way, sidewalk, street, parkway or any other public property or any property dedicated to public use, on a commercial parking lot, or at an outdoor special sale, swap meet, flea market, parking lot sale or similar event. It does not prohibit the sale, purchase or give away of animals from a person's private residence. Occurrences of roadside and parking lot animal sales have occurred in Lockhart. There was discussion.

E. DISCUSS ORDINANCE 2023-13 ORDERING A GENERAL ELECTION ON NOVEMBER 7, 2023 FOR THE PURPOSE OF ELECTING ONE MAYOR; ONE COUNCILMEMBER DISTRICT 3; AND, ONE COUNCILMEMBER DISTRICT 4; PROVIDING FOR JOINT ELECTION WITH CALDWELL COUNTY; ESTABLISHING EARLY VOTING LOCATIONS AND HOURS; DESIGNATING CITY ELECTION POLLING PLACES; AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW; AND MAKING PROVISION FOR THE CONDUCT OF THE ELECTION.

Ms. Bowermon stated that the City Council positions up for election on November 7, 2023 are Mayor, District 3, and District 4. The Caldwell County Elections Administrator (County EA) will be conducting the November 7, 2023 election for several entities which includes the City of Lockhart. The Ordinance provides details about the election and indicates that the City will contract with the County EA to conduct the election. The City Secretary's office will receive applications for a place on the ballot, post and publish notices, prepare ballot language, and be available to direct voters to the correct polling locations. The filing period for a place on the ballot is July 22 – August 21. Early voting will be conducted October 23 – November 3 at the Scott Annex Building at 1403 Blackjack Street, Suite A in Lockhart. The County EA has supplied Election Day polling locations and he has reported that he anticipates presenting the locations to the Caldwell County Commissioners' Court during their next meeting on August 8, 2023. Ordinance 2023-13 includes the polling locations provided by the County EA. However, if the County EA does make amendments to the locations prior to the election, City Staff will return to the Council to update the polling locations. The costs associated with the election will depend on the number of entities involved in Caldwell County's November 7, 2023 General Election as well as the specific needs of each entity in the joint election. Several entities that will be on the November 7 ballot include Caldwell County, City of Lockhart, City of Mustang Ridge, and Oatman Hill Municipal Utility District, to name a few. For the 2022 election held jointly with the County, the City's cost was approximately \$13,000. However, it is anticipated that the 2023 election will have fewer partnering entities sharing the election expenses, thus resulting in a higher cost. A contract for "Joint Election Services Between Caldwell County and Participating Entities" will be presented to the City Council during the next City Council meeting. The County EA has provided a draft of the contract which has been included in this agenda packet for review.

RECESS: Mayor White announced that the Council would recess for a break at 7:30 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:45 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Mayor Pro-Tem Sanchez gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council. There were none.

ITEM 4-A. PRESENTATION OF THE CITY OF LOCKHART'S FY 2023-2024 PROPOSED BUDGET AND CONSIDER APPROVAL OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION'S BUDGET FOR FISCAL YEAR 2023-2024, AND SET TWO PUBLIC HEARINGS ON THE FISCAL YEAR 2023-2024 CITY OF LOCKHART PROPOSED BUDGET.

Councilmember Michelson made a motion to approve the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2023-2024 proposed budgets, as presented and to schedule two public hearings on August 15, 2023 at 7:30 p.m. and September 5, 2023 at 7:30 p.m. at the Clark Library, Council Chambers, 217 South Main Street, 3rd Floor. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2023-12 AMENDING CODE OF ORDINANCES, CH. 10 ANIMALS AND BEEKEEPING, TO INCLUDE A NEW SECTION 10-19 COMMERCE IN LIVE ANIMALS PROHIBITED IN CERTAIN PLACES.

Councilmember Westmoreland made a motion to approve Ordinance 2023-12, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 4-C. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2023-13 ORDERING A GENERAL ELECTION ON NOVEMBER 7, 2023 FOR THE PURPOSE OF ELECTING ONE MAYOR; ONE COUNCILMEMBER DISTRICT 3; AND, ONE COUNCILMEMBER DISTRICT 4; PROVIDING FOR JOINT ELECTION WITH CALDWELL COUNTY; ESTABLISHING EARLY VOTING LOCATIONS AND HOURS; DESIGNATING CITY ELECTION POLLING PLACES; AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW; AND MAKING PROVISION FOR THE CONDUCT OF THE ELECTION.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2023-13, as presented. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- Coffee with a Cop event scheduled for August 14, 7:00 a.m. - 9:00 a.m. at Summer Moon Coffee.
- TRC Engineers have delivered the 100% Construction Plans / Bid Package for final City Review.
- The City's newly formed Aquatics Subcommittee meets on August 4, 4:00 p.m.
- Update from GBRA concerning the Carrizo Groundwater Supply Project.
- Update relative to new shade structures at the Maple Street Splash Pad.
- Public Works Department activities in preparation for the 2023-2024 school year.

ITEM 6. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

Councilmember Westmoreland expressed condolences to the family of Butch Velasquez for their loss.

Councilmember Mendoza expressed condolences to families that have lost a loved one. He gave information about a seminar that he attended that was hosted by the Law Firm of Denton & Navarro.

Mayor Pro-Tem Sanchez thanked Sean Kelley for helping with city issues during the annual St. Mary's Catholic Church Jamaica. She thanked all that attended the event. She expressed condolences to families that have lost a loved one.

Councilmember McGregor congratulated the Courthouse Nights for a successful event. She reminded all that the Texas No Sales Tax weekend is August 11-13.

Councilmember Castillo expressed condolences to families that have lost a loved one. He thanked staff for their work. He inquired about the vacant positions with the City of Lockhart.

Councilmember Michelson wished all teachers a great school year.

Mayor White expressed condolences to families that have lost a loved one. He wished teachers and students a good school year. He encouraged qualified citizens to come get a box fan.

Mayor White announced that the Council would enter Executive Session at 8:00 p.m. to discuss items 7 and 8, as listed below.

ITEM 7. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.087 TO DELIBERATE OR FOR DISCUSSION REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE GOVERNMENTAL BODY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE GOVERNMENTAL BODY SEEKS TO HAVE LOCATE, STAY, OR EXPAND IN OR NEAR THE TERRITORY OF THE GOVERNMENTAL BODY AND WITH WHICH THE GOVERNMENTAL BODY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR TO DELIBERATE THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT. Discussion regarding economic development negotiations with Project Apple Pie.

ITEM 8. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.074, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE. Discussion regarding the provision of City Attorney services to the City by the Messer Fort and McDonald law firm.

ITEM 9. OPEN SESSION.

Mayor White announced that the Council will enter Open Session at 8:55 p.m.

Discussion and/or action regarding economic development negotiations with Project Apple Pie.

Mayor Pro-Tem Sanchez made a motion to authorize staff to continue negotiations with Project Apple Pie as discussed in closed session. Councilmember Castillo seconded. The motion passed by a vote of 7-0.

Discussion and/or action regarding the provision of City Attorney services to the City by the Messer Fort and McDonald law firm.

There was no action.

ITEM 10. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:56 p.m.

PASSED and APPROVED this the 21st day of May, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 15, 2023

6:30 P.M.

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember Kara McGregor
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
Randy Jenkins, Fire Chief
Gary Williamson, Police Chief
David Fowler, Planning Director

Monte Akers, City Attorney
Julie Bowermon, Civil Service/HR Director
Sean Kelley, Public Works Director
Victoria Burns, Public Information Officer

Citizens/Visitors Addressing the Council: Dave Marsh of CARTS; Citizens: Gillian Robb, Mary Johnson, Rebecca Buckner, Donna Daniels, and Carrie Wells.

Work Session 6:30 p.m.

Mayor White opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

DISCUSSION ONLY

A. DISCUSS AN INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

Mr. Resendez stated that on April 21st, CARTS General Manager, Dave Marsh, contacted the City Manager to request funding for FY 2023-24 be allocated via an interlocal agreement (ILA). Historically, CARTS has received funding from the City Council through the Non-Profit and Human Services Organizational line item in the General Fund. During the July 18th City Council meeting, Mr. Marsh and Ms. Dana Platt, CARTS Community Services Director, gave a presentation to City Council with additional information associated with their increased funding allocation request. Staff was directed to perform additional review and return to City Council for consideration. CARTS and Mr. Marsh provided their current agency budget (09/01/2022 - 08/31/2023) and a financial statement of current revenues and expenditures from 9/01/2022 - 6/30/2023. The statement includes projected year-end expenditures of approximately \$380,000. In 2022, CARTS introduced their CARTS Now service. The added costs for this service require off setting additional funding. CARTS is requesting \$40,000 be approved by the City for the upcoming Fiscal Year 2023-2024 city budget to fund an approximately 10% share of both CARTS Now and Interurban services expenses. At this time, other CARTS communities are evaluating similar requests.

There was discussion with Dave Marsh of CARTS about funding received from other cities and how the additional funds requested from Lockhart would be utilized to continue providing bus transportation services in Lockhart.

B. DISCUSSION REGARDING SETTING THE 2023 COMBINED MAINTENANCE AND OPERATIONS AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE OF THE CITY OF LOCKHART.

Mr. Resendez stated that the action taken by the City Council is required by the State of Texas in adherence with the Truth-In-Taxation laws. If the proposed tax rate exceeds either the no new revenue rate or voter approval rate, a record vote must be taken to place a proposal to adopt the rate on the agenda for a future Council meeting. If the motion passes, the Council must schedule and announce the date, time, and location of one (1) public hearing regarding the proposed tax rate set by the Council. As directed by Council, the aforementioned public hearing is scheduled on September 5, 2023, at 7:30 p.m. in the Council Chambers located in the Clark Library Annex - Council Chambers, 217 South Main Street, 3rd floor, Lockhart, Texas. Senate Bill 2 has limited the percentage increase from No New Revenue to Voter Approval Rate by 3.5% but has added a new unused incremental rate adjustment. The 2023 voter-approved tax rate, as prepared by the Caldwell Appraisal District, is 0.5348/\$100 assessed valuation. This rate includes the unused increment rate. There was discussion.

C. DISCUSS THE 3RD QUARTER FISCAL YEAR 2023 INVESTMENT REPORT.

Mr. Resendez stated that the Texas Public Funds Investment Act requires local governments to review and accept the quarterly investment reports for each quarterly reporting period of the fiscal year. He provided details about the 3rd Quarter Investment Report of Fiscal Year 2023, ending June 30, 2023.

D. DISCUSS ADOPTING ORDINANCE 2023-15 DESIGNATING LOCKHART INDUSTRIAL DISTRICT NO. 1 IN THE CITY'S EXTRATERRITORIAL JURISDICTION.

Mr. Akers stated that Section 42.044, Local Government Code, authorizes the governing body of a city to designate any part of its ETJ as an industrial district and to treat the designated area in a manner considered by the governing body to be in the best interests of the municipality. The designation authorizes the making of contracts with owners in the district that the parties agree to be reasonable, appropriate, and not unduly restrictive of business activities. The designation does not restrict use of the land to industrial, and all present uses may continue. It also does not change any property rights of people who own land in the area, and has no relation to zoning, which does not apply in the ETJ. Additionally, and significantly, SB 2038, the new legislation which creates a procedure for the release of areas from the ETJ of a city and which becomes effective Sept. 1, 2023, provides that the ETJ release procedure does not apply to areas of the ETJ designated as an industrial district under Section 42.044. Ordinance No. 2023-15 designates an area as Lockhart Industrial District No. 1. There was discussion.

E. DISCUSS RESOLUTION 2023-13 REGARDING A CONTRACT FOR MEDICAL DIRECTOR SERVICES FOR LOCKHART EMS BETWEEN TRAVIS COUNTY EMERGENCY PHYSICIANS, P.A. DBA US ACUTE CARE SOLUTIONS (USAC) EFFECTIVE OCTOBER 1, 2023.

Chief Jenkins stated that Lockhart EMS is currently managed by Ascension Seton through a "Lockhart EMS Staffing and Management Services Agreement" between the City of Lockhart and Ascension Seton effective August 1, 2015 with amendments on October 1, 2018 and February 1, 2023. As part of this agreement, medical direction was provided by Ascension Seton. Dr. Hala Ashraf, through US Acute Care Solutions (USAC), is an emergency medicine physician and is the current Medical Director provided by Ascension Seton for Lockhart EMS and also serves as Associate Medical Director for San Marcos - Hays County EMS. Beginning October 1, 2023, the City of Lockhart will be responsible for providing medical direction for Lockhart EMS. The Texas Department of State Health Services (DSHS) requires an ambulance transport service to employ the services of a medical director. Medical control / direction is a planned approach to the provision of advanced life support services in an out-of-hospital setting. Under

this approach, paramedic staff are viewed as surrogates of a designated hospital and a designated medical director in that hospital. The medical director seeks to assure that patients treated by paramedics and transported receive appropriate care in all cases. The medical director also reviews the training program, skills maintenance, continuing education programs and retraining program. Dr. Ashraf will serve as the primary Medical Director for Lockhart EMS as provided in the attached agreement. When Dr. Ashraf is not available, the emergency department physicians at the receiving hospitals will provide the medical direction, with the vast majority being USAC physicians. Dr. Ashraf currently provides monthly training to Lockhart EMS staff regarding EMS protocols which outlines the approved treatment procedures. The continuation of her medical direction services will ensure a seamless transition. There was discussion.

F. DISCUSS CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S GENERAL ELECTION ON NOVEMBER 7, 2023.

Ms. Bowermon stated that the Caldwell County Elections Administrator (County EA) is conducting Elections on November 7, 2023. The City of Lockhart will hold a General election for the positions of Mayor, Councilmember District 3, and Councilmember District 4. Since 2010, in the interest of a public purpose, the City of Lockhart has contracted with the County EA to conduct City Elections to enable all propositions and public official positions to be on one ballot for voters within Caldwell County. The City of Lockhart shall pay an administrative fee of 10% of the total cost of the election and any runoff election or \$75, whichever is greater. In the event the services are provided for a joint election, the cost shall be equally prorated between the participating entities. A runoff Election shall be treated as a separate election. The City of Lockhart ordered the November 7, 2023 General Election during the previous Council meeting held on August 1, 2023. The candidate filing period is July 22, 2023 through August 21, 2023. City staff currently has candidate packets available for distribution to potential candidates, which are also available on the City website. There was discussion.

RECESS: Mayor White announced that the Council would recess for a break at 7:15 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Councilmember Mendoza gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council.

Gillian Robb, 417 S. Guadalupe, thanked the police department for responding to the neighbor's concern about the speedy traffic in their neighborhood. She expressed concern about the city's tree trimming protocol on trees during the fruiting season, such as Pecan trees. She suggested that the tree trimming along power lines be conducted during the dormant season.

Mary Johnson, 736 S. Guadalupe, expressed concern about the city's tree trimming protocol. She suggested that the tree trimming along power lines be conducted during the dormant season and requested that the city consult with an arborist about when or how to trim trees along the power lines.

Rebecca Buckner, 760 S. Guadalupe, expressed concern about the city's tree trimming process. She stated that she hired an arborist that confirmed that the city's tree trimming should be conducted during the dormant season to avoid killing trees. She stated that large trees are dying because of the city trimming trees during the fruiting season.

Donna Daniels, 420 W. Prairie Lea Street, stated that she agrees with the neighborhood about the city's tree trimming protocols. She stated that she hires an arborist annually to trim the live oak trees on her property to assure that they stay healthy. She suggested that the city also consult with an arborist prior to trimming trees.

Carrie Wells, 915-A Crocket Street, expressed concern about the lack of support of the Lockhart Animal Shelter. She suggested that the city consider allocating additional funds to increase staff and a volunteer coordinator.

ITEM 4-A. HOLD A PUBLIC HEARING REGARDING WHETHER THE CITY COUNCIL OF THE CITY OF LOCKHART SHOULD ENACT AN ORDINANCE REGULATING THE INSTALLATION AND USE OF ON-SITE SEWAGE FACILITIES IN THE CITY OF LOCKHART AND DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2023-14 ADOPTING RULES AND REQUIREMENTS FOR ON-SITE SEWAGE FACILITIES.

Mayor White opened the public hearing at 7:50 p.m. He requested the staff background report.

Mr. Akers stated that the purpose of this ordinance is to provide a method for property owners to construct On-Site Sewage Facilities within the City when/where appropriate and to ensure the health and safety of residents of the City and its waterways. The City attempted to enter into an interlocal agreement with Caldwell County in the fall of 2020 to have the County provide On-Site Sewage Facility (OSSF) services to residents in the City of Lockhart. The City Council adopted the agreement but when it went to the Commissioners Court for approval an issue was discovered that would require the City of Lockhart to first become an OSSF "Authorized Agent" prior to entering into any agreements with the County. The Texas Commission on Environmental Quality (TCEQ) has strict requirements for governing bodies who wish to become authorized agents. The proposed ordinance went through a rigorous review process by TCEQ and was finally approved in July of this year. There was discussion.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 7:58 p.m.

Councilmember McGregor made a motion to approve Ordinance 2023-14, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 4-B. HOLD A PUBLIC HEARING FOR THE PROPOSED CITY OF LOCKHART FISCAL YEAR 2023-2024 BUDGET.

Mayor White opened the public hearing at 8:00 p.m. and requested the staff background report.

Mr. Resendez stated that the City Charter requires that the City Council hold one public hearing for the City of Lockhart Budget to allow for public comments. It was the staff's recommendation to hold two

hearings to allow residents two opportunities to comment on the proposed budget. This is the first public hearing. The second public hearing will be held at 7:30 p.m. on September 5, 2023. There was discussion.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 8:03 p.m.

ITEM 5-A. DISCUSSION AND CONSIDERATION REGARDING AN INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

Mayor White made a motion to approve the Interlocal Agreement with CARTS, with funding \$20,000 in the current fiscal year. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5-B. DISCUSSION AND/OR ACTION REGARDING SETTING THE 2023 COMBINED MAINTENANCE AND OPERATIONS AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE OF THE CITY OF LOCKHART.

Councilmember McGregor made a motion to set the City of Lockhart's current ad valorem tax rate at 0.5348 which includes a debt rate of 0.1212 and an M&O rate of 0.4136 and authorize staff to place on the agenda for adoption by ordinance on September 5, 2023. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

The record vote is as follows:

Councilmember Brad Westmoreland – Aye

Councilmember Juan Mendoza – Aye

Mayor Pro-Tem Angie Gonzales-Sanchez – Aye

Mayor Lew White – Aye

Councilmember John Castillo – Aye

Councilmember Jeffry Michelson - Aye

ITEM 5-C. DISCUSSION AND/OR ACTION TO RECEIVE THE 3RD QUARTER FISCAL YEAR 2023 INVESTMENT REPORT.

Councilmember Michelson made a motion to approve the 3rd Quarter Fiscal Year 2023 Investment report, as presented. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5-D. DISCUSSION AND/OR ACTION TO CONSIDER ADOPTING ORDINANCE 2023-15 DESIGNATING LOCKHART INDUSTRIAL DISTRICT NO. 1 IN THE CITY'S EXTRATERRITORIAL JURISDICTION.

Councilmember McGregor made a motion to approve Ordinance 2023-15, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 5-E. DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2023-13 REGARDING A CONTRACT FOR MEDICAL DIRECTOR SERVICES FOR LOCKHART EMS BETWEEN TRAVIS COUNTY EMERGENCY PHYSICIANS, P.A. DBA US ACUTE CARE SOLUTIONS (USAC) EFFECTIVE OCTOBER 1, 2023.

Councilmember Michelson made a motion to approve Resolution 2023-13, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0-1, with Councilmember McGregor abstaining.

ITEM 5-F. DISCUSSION AND/OR ACTION TO CONSIDER CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S GENERAL ELECTION ON NOVEMBER 7, 2023.

Councilmember Westmoreland made a motion to approve the contract for Election Services with the Caldwell Council Elections Administrator, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- Update about water conservation.
- Update on TxDOT's plans for future improvements to FM 2720.
- Update on the Aquatics subcommittee visioning process and future City Council workshop.
- Maple Street Splash Pad shade canopy installations update.
- School starts August 16th: City Park Swimming Pool will remain open with modified hours of operation while lifeguards are available.
- Community input sought for City's new Comprehensive Plan.

ITEM 7. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

Councilmember Westmoreland encouraged everyone to be safe on the first day of school.

Councilmember Mendoza wished students and teachers a good school year.

Mayor Pro-Tem Sanchez wished students and teachers a good and safe school year. She thanked public safety personnel for their efforts with the recent fires.

Councilmember McGregor encouraged everyone to be kind. She invited everyone to the last Courthouse Nights event.

Councilmember Castillo wished students and teachers a safe and good school year. He encouraged everyone to be safe. He thanked the Fire Department for fighting fires and he encouraged citizens to be mindful of fire safety protocols. He expressed concern about the lack of employees in the public safety departments.

Councilmember Michleson wished students and teachers a safe and good school year. He thanked public safety personnel for their dedication to keeping the community safe.

Mayor White wished students and teachers a safe and good school year. He thanked staff for their work.

ITEM 8. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:30 p.m.

PASSED and APPROVED this the 21st day of May, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**SPECIAL JOINT MEETING
LOCKHART CITY COUNCIL
PARKS AND RECREATION ADVISORY BOARD
AQUATICS FACILITY PLANNING COMMITTEE**

AUGUST 21, 2023

7:00 P.M.

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS

Council present:

Councilmember Brad Westmoreland
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Juan Mendoza
Mayor Pro-Tem Angie Gonzales-Sanchez

Council absent:

Councilmember Kara McGregor
Councilmember John Castillo

Parks and Recreation Advisory Board present:

Warren Burnett
Rob Ortiz
Dennis Placke
Karla Tate
Russell Wheeler

Aquatics Facility Planning Committee present:

B.J. Westmoreland
Todd Moebes
Stephanie Camerrillo
Karla Tate

Staff present:

Steve Lewis, City Manager
Travis Hughes, Parks Director
Julie Bowermon, Civil Service/HR Director

Joseph Resendez, Assistant City Manager

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:00 p.m.

ITEM 2. PRESENTATION AND DISCUSSION FROM HALFF ASSOCIATES, INC. AND WATER TECHNOLOGY (WTI) REGARDING THE AQUATIC NEEDS ASSESSMENT FOR THE CITY OF LOCKHART.

Robbie Hazelbaker of Water Technology, Inc. provided information and there was discussion about the following:

Phased Approach to Concept Development

Phase I

- Participate in a virtual listening discussion with the Aquatics Committee to identify goals, objectives, activities and uses of a proposed new Lockhart Pool.

- Presentation in person on trends, like size projects, possible partnerships, and associated construction cost opinions for future City Council Consideration.
- Seek City Council approval to move forward with Phase II.

Phase II

- Confirm Aquatic goals, objectives, activities and uses.
- Develop Aquatic program and capacities.
- Discuss number of pools, pool zones, and Depths.
- Identify preliminary water activities and features.
- Develop (2) 2D Aquatic Concept Plans.
- Develop Concept Cost Opinion for each plan.
- Consider site evaluation criteria (size, access, utility availability, adjacencies).
- Using the Expertise of Ballard *King consultants, conduct demographic research and analysis specifically for Lockhart Aquatics.
- Conduct Facility and Market Research.
- Provide Revenue and Expense forecasting using the approved concepts.
- Conduct Operational Evaluation and Analysis.

Lockhart Municipal Pool

Current Conditions

- Pool is no longer level as indicated by water level change at the skimmers.
- Pool continues to lose water beyond the evaporation rate.
- Decks have moved and are in poor condition.
- Lack of shade, lack of current amenities
- Maintenance History.
 - Saw cut and remove deck to locate underground leak/replace 4 skimmers at a cost of \$45,000 this summer.
 - Replaced two sand filters at a cost of \$50,000 in 2021.

Lockhart Municipal Pool

Average Summer Attendance

2022

- 855 per week (13 Weeks)
- 46 private party rentals

2023

- 615 per week (5 Weeks)
- Lifeguard shortage delayed opening 2 weeks
- Closed three weeks for leak repairs and skimmer replacement
- 15 private party rentals

Aquatic Committee Input

Observations

- Current City Pool is over 50 years old and has exceeded its serviceable life.
- New families moving into the area are expecting a modern-day aquatic facility in a safe and convenient location.
- Our local kids would always appreciate new things to do.
- K-2nd graders would benefit greatly from a learn to swim program.

- o Superintendent of schools feels strongly about this program to prevent drownings. The district has suffered loss due to drowning.
- o A Natatorium is preferred, but realistically, affordability is a concern.

Goals

- Offer a Multi-generational/Multi-use aquatics facility.
- Promote a collaborative effort between the City of Lockhart and the Lockhart ISD.
 - o High Priority from the start.
- Promote an atmosphere where the city, working with the ISD, can groom lifeguards for the foreseeable future.
- Create a practice facility outdoors that can help build a UIL swim team tradition.
- Offer a pool where everyone feels like this is the place to spend times with friends and family.
- Build on the popularity of party rentals and other sources of revenue.
- Offer a May 2024 Bond election to provide the funding for a new pool to be constructed before the 2025 swim season.
- Identify a 3- 5-acre site to host a new aquatic facility with adequate parking.
- Use the recent city-wide survey to understand citizens interest level to prioritize the Aquatics and Recreational needs its citizens.
- Today's Pool Patrons are tomorrow's Lifeguards.
- Get the plans for a new facility in place now.

Objectives

- To move forward with an exploratory effort to design a new facility that meets the needs of the City of Lockhart and the Lockhart ISD, serving all people with an emphasis on the youth of the community.
- To seek funding opportunities through Bonds, Parks and Recreation Grants, personal donations, endowments and possible naming opportunities for interested parties who have a vested interest in the City of Lockhart.
- Offer the amenities that will attract the sophisticated aquatic user moving to Lockhart with a family.

TRENDS

- Zero Depth Entries
- Shallow Water
- Interactive Play Features
- Separate Bodies of Water
- Shade Structures, First Come First Serve
- Rental Cabanas and Pavilions
- Underwater Benches for Learn to Swim classes
- Water Volleyball/Water Basketball

There was discussion regarding outdoor pools with desired amenities and associated construction costs of several other cities.

NEXT STEPS: MARKET RESEARCH & CONCEPT DEVELOPMENT

Pending City Council Approval

Phase II Consideration

- Confirm Aquatic goals, objectives, activities and uses
- Develop Aquatic program and capacities
- Discuss number of pools, pool zones, and depths
- Identify preliminary water activities and features
- Develop (2) 2D Aquatic Concept Plans
- Develop Concept Cost Opinion for each plan
- Consider site evaluation criteria (size, access, utility availability, adjacencies)
- Using the Expertise of Ballard *King consultants, conduct demographic research and analysis specifically for Lockhart Aquatics
 - 0 Conduct Facility and Market Research
 - 0 Provide Revenue and Expense forecasting using the approved concepts
 - 0 Conduct Operational Evaluation and Analysis

CONSENSUS: After discussion, the consensus of the Council was to authorize commencement of Phase II as indicated above with a cost comparison of 6 and 8 lanes of the pool.

ITEM 3. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 5-0. The meeting was adjourned at 8:11 p.m.

PASSED and APPROVED this the 21st day of May, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Discuss Resolution 2024-13 to select a Public Improvement District (PID) Administration service provider for the management and administration of Public Improvement Districts and related Tax Increment Reinvestment Zone (TIRZ) districts regarding master-planned developments within the City of Lockhart.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Joseph Resendez

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: City staff issued a Request for Proposals (RFP) for professional Public Improvement District (PID) Administration services on April 22, 2024 with an application deadline of May 10, 2024. These proposals were solicited to procure a professional services firm to assist the City with the following PID management requirements and other related services, according to the Council-adopted PID Policy:

- Prepare and submit a Budget and Five-Year Service Plan to the City Council for consideration and adoption. The budget shall provide for sufficient funding to pay for all costs above and beyond the City's ordinary costs, including additional administrative and/or operational costs as well as additional maintenance costs resulting from the PID.
- Provide for the calculation of the assessment and allocation to the respective parcels in the PID and shall provide for the billing of the assessments to the property owners or provide information to the County Tax Assessor if the City has contracted with that entity to collect the assessments.
- Prepare annual updates and reports for the Service and Assessment Plan as required by Chapter 372 of the Texas Local Government Code and submit an annual Service and Assessment Plan in a form appropriate for consideration and adoption by the City Council each year and assist the City Council and staff in adopting the annual Service and Assessment Plan updates.
- Prepare annual reports reflecting the expenditure of Bond Proceeds or the reimbursement of Developer expenditures as appropriate.
- Prepare annual reports reflecting the imposition and collection of the assessments and the balances in the various accounts related to the PID to be provided to City Council on a monthly or other periodic basis as may be required by the City.
- Prepare and provide any other reports or information required of the City or the Project under Chapter 372 of the Texas Local Government Code.

Additional details regarding the proposed services for PID Administration were issued with the RFP and are attached for reference. Specifically, firms were requested to provide their experience in the creation and administration of Tax Increment Reinvestment Zones (TIRZ) as

City of Lockhart, Texas

Council Agenda Item Cover Sheet

they may relate to the development and administration of PIDs.

Staff received two responses from the following service providers (alphabetical): DTA and P3Works. Each proposal was reviewed and scored by a three-person committee. Based on these results, staff is recommending a contract with P3Works.

With offices located in the Dallas-Fort Worth metroplex, Houston, and Austin, P3Works has implemented numerous districts, both statewide and nationally, ranging in size from \$2 million to \$102 million in a wide range of cities and counties. Specifically, P3Works indicated projects in Travis, Hays, and Comal counties and at least six projects that were a combined PID/TIRZ district.

If approved by Council and an agreement is executed, staff will begin working with P3Works on two current proposed development projects that involve PID and PID/TIRZ considerations.

As Council may recall, a PID, per the Texas Local Government Code Chapter 372, provides the City of Lockhart with an economic development tool that permits the financing of qualified public improvement costs which confer a special benefit on a definable part of the City. Proceeds from bonds issued by a PID can finance capital costs and fund supplemental services to meet the community needs which could not otherwise be constructed or provided. The bonds issued by the City to fund the costs of eligible capital improvements and/or supplemental services are paid entirely by property owners within the PID who receive special benefits from the capital improvements or services. A PID may only be used to pay for public improvements including road construction, water distribution systems, wastewater collection, landscaping, parks and recreational improvements, and more. Unlike Municipal Utility Districts (MUDs), which focus on water, sewer, and drainage infrastructure, PIDs can be used for a variety of community enhancements beyond utilities.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): Provision for the costs associated with the PID administrative services, whether the services are provided by third parties or the City, shall be included in any budget proposed by the Developer and paid by the Developer.

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of the proposed Resolution 2024-13 as presented.

LIST OF SUPPORTING DOCUMENTS: Resolution 2024-13 - Award PID and TIRZ Admin Services, DRAFT - Agreement for PID and TIRZ Creation and Admin Services, PID Admin RFP - Scope of Work

RESOLUTION 2024-13

A RESOLUTION OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING THE AWARD OF A PUBLIC IMPROVEMENT DISTRICT (PID) AND TAX INCREMENT REINVESTMENT ZONE (TIRZ) CREATION AND ADMINISTRATION SERVICES CONTRACT FOR THE MANAGEMENT AND ADMINISTRATION OF PUBLIC IMPROVEMENT DISTRICTS AND TAX INCREMENT REINVESTMENT ZONES RELATED TO MASTER-PLANNED DEVELOPMENT(S) WITHIN THE CITY OF LOCKHART, TEXAS AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH P3WORKS.

WHEREAS, the establishment and management of Public Improvement Districts (PID) and Tax Increment Reinvestment Zones (TIRZ) serve to promote economic growth by providing funding mechanisms to construct necessary infrastructure or desired amenities that support new developments and encourage redevelopment within designated areas of the City;

WHEREAS, the City acknowledges the importance of selecting a competent and qualified firm to administer the affairs of Public Improvement Districts and Tax Increment Reinvestment Zones, ensuring efficient utilization of resources and adherence to established regulations;

WHEREAS, in order to identify qualified and responsive providers for these services a Request for Proposals (RFP) process for professional administration services has been completed in accordance with Local and State requirements;

WHEREAS, the proposals received by the due date have been reviewed to determine the most qualified and responsive providers for these professional services and scored accordingly;

WHEREAS, a proposed Agreement for Public Improvement District (PID) and Tax Increment Reinvestment Zones (TIRZ) Creation and Administration Services is hereby approved; and

WHEREAS, the City Council desires to authorize the City Manager to execute the Contract on behalf of the City and take all steps necessary to carry out the terms thereof.

NOW, THEREFORE, BE IT RESOLVED:

- Section 1. That **P3Works** be awarded a contract to provide Public Improvement District (PID) and Tax Increment Reinvestment Zones (TIRZ) Creation and Administration Services.
- Section 2. That any and all contracts or commitments made with the above-named services providers are dependent on the successful negotiation of a contract with the service provider;
- Section 3. That the City Manager is authorized to execute a contract with selected provider.

PASSED AND APPROVED on the 21st day of May, 2024.

CITY OF LOCKHART:

Mayor

ATTEST:

City Secretary

**AGREEMENT FOR PUBLIC IMPROVEMENT DISTRICT (PID) AND TAX INCREMENT
REINVESTMENT ZONE (TIRZ) CREATION AND
ADMINISTRATION SERVICES**

This Agreement for Public Improvement District (“PID”) and Tax increment Reinvestment Zone (“TIRZ”) Creation and Administration Services (“Agreement”) is entered into this _____ day of _____, 2024, by and between P3Works, LLC (“P3Works”), and the City of Lockhart, Texas (“City”).

RECITALS

WHEREAS, the City Council may contemplate, approve, and authorize the creation of a Public Improvement District (“PID” or “District”) to finance the costs of certain public improvements for the benefit of property within the District; and

WHEREAS, the City may consider issuing bonds to fund certain improvements in the PID as authorized by the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended; and

WHEREAS, the City may consider creating a Tax Increment Reinvestment Zone (“TIRZ” or “Zone”), in which the boundary will be commensurate with the boundary of the PID, to fund certain improvements as authorized by the Tax Increment Financing Act, of the Texas Tax Code, Chapter 311, as amended; and

WHEREAS, the City requires specialized services related to the creation, revision and updating of the Service and Assessment Plan (“Service and Assessment Plan”), bond issuance, and the administration of the PID; the creation, revision and updating of the Final Project and Finance Plan (“Final Plan”) and the Annual Reporting of the PID/TIRZ as more fully set forth in this Agreement; and

WHEREAS, P3Works has the expertise to properly establish and administer the District/Zone and ensure compliance with Texas Local Government Code Chapter 372, and Texas Tax Code 311; and

WHEREAS, the City desires to retain P3Works to provide District and Zone creation and administration services;

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

ARTICLE I

TERM OF AGREEMENT

- 1.0 The Agreement shall be effective as of its approval by all parties and shall be for a period of three (3) years and shall automatically continue on a year-to-year basis until terminated pursuant to Article IV of this Agreement.

ARTICLE II

SERVICES TO BE PROVIDED BY P3WORKS

2.0 The scope and timing of services to be performed by P3Works are set forth in Exhibits A and B, which are attached hereto and incorporated into this Agreement by this reference.

2.1 P3Works agrees that its services pursuant to this Agreement shall at all times be subject to the control and supervision of the City and that nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law. P3Works shall not represent to any property owner or any other person that it or any of its employees are acting as the City or employees of the City.

2.2 No substantial changes in the scope of services shall be made without the prior written approval of P3Works and the City.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in Exhibits A and B.

ARTICLE III

PAYMENT TERMS AND CONDITIONS

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in Exhibit A and B. Once assessments have been levied the Monthly Collection Fees will begin, and then the February 1 following the levy of assessments, and each February 1 thereafter, the fees shall increase by 2%.

3.1 Monthly invoices shall be submitted to the City for work completed under the rates provided in Exhibits A and B. City agrees to pay the amount due to P3Works upon receipt of each invoice.

3.2 Copies of all invoices to P3Works for expenses, materials, or services provided to P3Works will accompany the invoice to the City. P3Works will pass any third-party cost through to the City without markup and will not incur any expense in excess of \$200 without written consent of the City.

3.3 The only source of payment for P3Works' fees and services shall be the District/Zone or funds advanced by the developer. The City general fund shall never be used to pay for any expenses relating to P3Works' administration of the District/Zone. The City has entered into a Professional Services Reimbursement Agreement with the developer or landowner to fund an escrow, from which the City will pay for services until District/Zone funds shall be used. In the event there is insufficient District/Zone funds in a given year to pay P3Works' fees and expenses, P3Works agrees to defer the fees and expenses until such time as there are sufficient District/Zone funds or funds advanced by the developer. However, if the developer or landowner does not fund or replenish the funds under the Professional Services Reimbursement Agreement, then at P3Works discretion and in accordance with such Agreement, work will cease until such time as the escrow is funded and past due invoices are paid.

ARTICLE IV

TERMINATION OF THIS AGREEMENT

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay P3Works, within 30 days of such termination, all of P3Works' fees and expenses actually accrued or incurred to and including the date of termination, including any amount incurred or accrued in connection with work in progress.

ARTICLE V

GENERAL PROVISIONS

5.0 This Agreement supersedes any and all agreements, including any Original PID/TIRZ Administration Agreement, either oral or written, between the parties hereto with respect to rendering of services by P3Works for the City and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

5.1 This Agreement shall be administered and interpreted under the laws of the State of Texas. This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

5.2 Neither this Agreement nor any duties or obligations under this Agreement may be assigned by P3Works without the prior written consent of the City.

5.3 P3Works is a PID/TIRZ Administration firm, does not provide financial advice, and is not an Independent Registered Municipal Advisor under the SEC and MSRB Rules. Therefore, P3Works will request an IRMA Exemption Letter if not already provided on the City's website, and then will provide to the City an IRMA Exemption Acceptance Letter in the general form attached as Exhibit C upon execution of the Agreement.

5.4 The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof.

5.5 Upon acceptance or approval by City, all deliverables prepared or assembled by P3Works under this Agreement, and any other related documents or items shall be delivered to City, in hard copy and digital format for City use only. All digital data which contains algorithms, formulas, methodologies and related content provided to the City by P3Works shall remain the property of P3Works, and is provided as backup documentation to the deliverables, but shall not be released in digital format to any third-parties due to the proprietary nature of the intellectual data.

5.6 The City acknowledges P3Works' ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. This Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information. All records, reports, and other documents prepared by P3Works for the purposes of providing the services described in this Agreement shall be the property of the City. All such documents shall be made available to the City during the course of performance of this Agreement. Any reports, studies, photographs, negatives, or other documents or drawings prepared by P3Works in the performance of its obligations under this Agreement shall be the exclusive property of the City and all such materials shall be remitted to the City by P3Works upon completion, termination, or cancellation of this Agreement.

5.7 No deliverables or other information (including information given by City to P3Works to assist P3Works' performance under this Agreement) developed by, given to, prepared by or assembled under this Agreement shall be disclosed or made available to any third-party individual or organization that is not engaged to work on this project on behalf of the City by P3Works without the express prior written approval of the City.

5.8 The headings and article titles of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

5.9 Should either party commence any legal action or proceeding against the other based upon this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs.

5.10 All notices, requests, demands, and other communications which are required to be given under this agreement shall be in writing and shall be deemed to have been duly given upon the delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:

Mary V. Petty
Managing Partner
P3Works, LLC
9284 Huntington Square, Ste. 100
North Richland Hills, Texas 76182

To City:

City Manager
City of Lockhart
308 W San Antonio St
P.O. Box 239
Lockhart, TX 78644

5.11 The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

[Continue to Signature Page]

Executed on this _____ day of _____, 2024:

P3Works, LLC

BY: _____
Mary V. Petty
Managing Partner

City of Lockhart, TX

BY: _____
Name: _____
Title: City Manager

DRAFT

EXHIBIT A
PUBLIC IMPROVEMENT DISTRICT SERVICES TO BE PROVIDED

PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. P3Works shall give notice of such adjustment at least (60) days in advance of the effective date of adjustment. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of PID Plan of Finance

1. P3Works will review project information and in conjunction with the City's Financial Advisor review a plan of finance for the proposed transaction, including:
2. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives,
3. Identify areas of risk and with the City's Financial Advisor and solutions to mitigate the risks,
4. Bond sizing and bond phasing by improvement area,
5. Sources and uses of funds by improvement area,
6. Debt service schedules, and,
7. Assessment allocation and associated estimated annual installment by lot type for each improvement area.

Preparation of Service and Assessment Plan

1. P3Works will prepare a complete and final Service and Assessment Plan to be adopted by City Council and included in the Official Statement for the Bonds based on the Plan of Finance.
2. P3Works will present the Service and Assessment Plan to City Council and request approval of Assessment Roll.

Bond Issuance Support

1. P3Works will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.

BASIC DISTRICT ADMINISTRATION SERVICES

MONTHLY COLLECTION FEES WILL BEGIN ONCE ASSESSMENTS ARE LEVIED

If no bonds are sold:

Monthly Fee = \$1,500 beginning the first of the month following levy of assessments for the District for the first improvement area; and \$1,000 per month for each improvement area thereafter. (Proration will occur for any partial month if not begun on the 1st day of the month.)

If bonds are sold:

Monthly Fee amounts will be \$2,500 for the first improvement area beginning the first month following the issuance of bonds; and \$1,250 per month for each improvement area thereafter.

For PIDs that P3Works did not create: Monthly Collection Fees will not begin until the first Annual SAP Update is drafted by P3Works and approved by Council, therefore all work completed to that point will be billed hourly.

See Section below related to “Consulting Services Relating to Future Improvement Areas and related Bond Issuance” for hourly fees if bonds are contemplated.

Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

Administration of Bond Funds (if bonds are sold)

1. Review and summarize the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

Provide Public Information Request Support

1. If requested, P3Works will respond to any calls and or emails relating to the District. P3Works will only provide technical answers relating to the annual assessments or the District generally. P3Works will not provide any commentary on City policy relating to PIDs.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, P3Works will review and provide a written response to the City. If a calculation error occurred, P3Works will take corrective action as required to correct the error.

Delinquency Management

1. After the end of the annual assessment installment collection period, P3Works will prepare a delinquent special assessment report, which details which parcels are delinquent and the amount of delinquency.
2. P3Works will notify the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

Website Setup

1. Prepare website database searchable by property tax ID for use by property owners, title companies, mortgage companies, or other interested parties. The search results will provide assessment information, including outstanding principal, annual installment amount, payment information, and a breakdown of the assessment installment by use (principal, interest, reserve fund accounts, administrations, etc.)
2. Prepare "District Information" page for website. Information will include a background of the District formation and bond issuance process, District boundary map, and description of improvements. In addition, P3Works will provide a link to District documents.

DISTRICT ADMINISTRATION SETUP SERVICES (Required for any existing PID not created by P3Works.)

\$7,500 One Time Lump Sum Fee

1. P3Works will review the full bond transcript and identify all requirements of the City relating to District administration and/or disclosure requirements.
2. Prepare written summary of all City administration and disclosure requirements.
3. Prepare calendar of all relevant dates and deadlines for District administration and disclosure requirements.
4. Meet with County Assessor's office to establish procedure for obtaining parcel information for assessment roll.
5. Meet with County Tax Office to establish procedure to include District assessment roll on property tax bill.
6. Meet with City representatives to finalize policies and procedures relating to District Administration.

ADDITIONAL DISTRICT ADMINISTRATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. P3Works shall give notice of such adjustment at least (60) days in advance of the effective date of adjustment. Travel will be billed at the hourly rates.*

Continuing Disclosure Services

1. P3Works will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. P3Works will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement, including Seller's Disclosures.
3. Upon notification by any responsible party or if P3Works independently becomes aware of such knowledge, P3Works will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. P3Works will coordinate with the Trustee or the City's dissemination agent to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

Developer Payment Request Administration

1. P3Works will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. P3Works will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. P3Works will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. P3Works will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area.
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Development Agreement Review Specific to the PID/TIRZ Boundary

1. Participate in meetings or calls at City Manager's, or his/her designee's, direction.
2. Review and comment on Development Agreement drafts.
3. Prepare Ad hoc analysis as requested.

DRAFT

EXHIBIT B
TAX INCREMENT REINVESTMENT ZONE SERVICES TO BE PROVIDED
TIRZ FORMATION, PRELIMINARY AND FINAL PROJECT AND FINANCE PLAN
PREPARATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. P3Works shall give notice of such adjustment at least (60) days in advance of the effective date of adjustment. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of TIRZ Project and Finance Plan

1. P3Works will review project information and prepare a Preliminary Plan for the proposed creation, including:
 - a) Assessed value schedules and overall structuring to achieve City goals and objectives.
 - b) Drafting the TIRZ Agreement.
 - c) At the direction of Staff, facilitate presentations to the Council and the TIRZ Board.
2. Evaluate annual TIRZ Credit by lot type for each improvement area.

Preparation of Preliminary and Final Project Plan

1. P3Works will prepare a Preliminary Project and Finance Plan ("PPFP") and a Final Project and Finance Plan ("FPFP") to be adopted by the TIRZ Board and the City Council and included in the Official Statement for the PID Bonds based on the Plan of Finance.
2. P3Works will prepare a draft TIRZ Agreement to be adopted by the TIRZ Board
3. P3Works will present the PPFP to the Council at the creation of the TIRZ and request approval of TIRZ Creation Ordinance.
4. P3Works will present the FPFP to the Council after conducting all necessary steps for public hearings and notifications and request approval of TIRZ FPFP.
5. P3Works will file the necessary creation forms with the Secretary of the State of Texas after the creation of the TIRZ.

Bond Issuance Support

1. P3Works will ensure bond documents, including the bond indenture and official statement are all consistent with the TIRZ Final Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.
2. If requested by the City, P3Works will respond to any calls and or emails relating to the TIRZ.
3. P3Works will only provide technical answers relating to the annual TIRZ Credit or the TIRZ generally.
4. P3Works will not provide any commentary on City policy relating to TIRZs.

BASIC DISTRICT/ZONE ADMINISTRATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

Preparation of the Annual Report to be filed with the Secretary of State and then presented to the PID/TIRZ Board and City Council for approval.

See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if future PID/TIRZ changes are contemplated.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
2. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Prepare Annual Report

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for PID/TIRZ improvements.
2. Update Annual Report as necessary to account for any changes in development plan or land uses.
3. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to anticipated estimate of Tax Increment to be generated.
4. Calculate annual PID/TIRZ Credit for each parcel.
5. Present preliminary Annual Report to PID/TIRZ Board. Upon approval by PID/TIRZ Board, submit final Annual Report to the Texas Secretary of State.

EXHIBIT C
IRMA EXEMPTION LETTER



P3Works, LLC.
9284 Huntington Sq.
Suite 100
North Richland Hills,
Texas 76182

Mary V. Petty
Managing Partner
+1.817.393-0353 Phone
Admin@P3-Works.com

Date

City Manager
Address

RE: IRMA Exemption/Acceptance Letter

To Whom It May Concern:

We have received your written representation, dated _____, 20__, that the City of _____ (the "City") has engaged and is represented by _____, an independent registered Municipal Advisor ("IRMA"). In accordance with Section 15Ba1-1(d)(3)(vi) of the Securities Exchange Act of 1934 ("Securities Exchange Act"), we understand and intend for the City to rely on IRMA's advice in evaluating recommendations brought forward by P3Works, LLC that constitute "advice" as defined in the Securities Exchange Act ("IRMA Exemption").

Furthermore, P3Works, LLC has conducted reasonable due diligence and is confirming that to the best of our knowledge, the IRMA is independent from P3Works, LLC, that P3Works, LLC is not a municipal advisor and is not subject to the fiduciary duty to municipal entities that the Security and Exchange Act imposes on municipal advisors, and that P3Works, LLC has a reasonable basis for relying on the IRMA Exemption. We will advise you, in writing, if we become aware of any changes.

P3Works, LLC provides PID Administration as consult services to Cities and Counties.

As required by the relevant sections of the Securities Exchange Act regarding Municipal Advisors, we are informing your identified IRMA of these facts.

Mary V. Petty
Managing Partner
P3Works, LLC

Jon Snyder
Managing Partner
P3Works, LLC

Scope of Work

The PID Administrator shall provide services to the City for PIDs in accordance with the scope of services provided herein.

Each proposal must include the following components: Organizational Profile, Proposed Services for PID Administration, Proposed Fees for Services and References. Each component shall include the information requested below.

Organizational Profile

1. Company name, address and contact information
2. Federal Identification Number
3. Overview of firm
4. Individuals assigned to manage and execute the engagement (location and resources)
5. Experience with PIDs in Texas (and nationwide, as applicable)
6. Experience with first time PID debt issuers such as the City (education, assistance with setting up processes, procedures, etc.)
7. Experience with Texas counties and other tax collectors as it relates to collection of PID assessments
8. Examples of policies, procedures, processes and reports for City PIDs (capital and maintenance PIDs)
9. Examples of policies, procedures, processes and reports for SEC reporting
10. Any other useful information

If company is a partnership, state the name and address of all general and limited partners associated with the office responding to the RFP.

Proposed Services for PID Administration

PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES/TIRZ SUPPORT SERVICES

District Due Diligence and Preparation of PID Plan of Finance

1. Consultant will review project information and prepare a plan of finance for the proposed transaction, including:
 - a. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives of its PID Policy and Project requirements.
 - b. Identify areas of risk with the City's Financial Advisor, and solutions to mitigate the risks.
 - c. Bond sizing and bond phasing by improvement area,
 - d. Sources and uses of funds by improvement area,
 - e. Debt service schedules, and;
 - f. Assessment allocation and associated estimated annual installment by lot/property type for each improvement area.

Bond Issuance Support

1. Consultant will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. Consultant will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. Consultant will prepare and present information as requested to the City Council or any other public forum.

BASIC DISTRICT ADMINISTRATION SERVICES

Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owner's associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

Administration of Bond Funds (if bonds are sold)

1. Review and reconcile the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

Provide Public Information Request Support

1. If requested, Consultant will respond to any calls and or emails relating to the District. Consultant will only provide technical answers relating to the annual assessments or the District generally.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, Consultant will review and provide a written response to the City. If a calculation error occurred, Consultant will take corrective action as required to correct the error.

Delinquency Management

1. After the end of the annual assessment installment collection period, Consultant will prepare a delinquent special assessment report, which details the delinquent parcels and the amount of delinquency.
2. Consultant will notify the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

ADDITIONAL DISTRICT ADMINISTRATION SERVICES

Continuing Disclosure Services

1. Consultant will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. Consultant will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement.
3. Upon notification by any responsible party or if Consultant independently becomes aware of such knowledge, Consultant will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. Consultant will coordinate with the Trustee to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

Developer Payment Request Administration

1. Consultant will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. Consultant will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. Consultant will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. Consultant will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. Consultant will update the Service and Assessment Plan to comply with Bond documents.
2. Consultant will prepare an updated Assessment Roll including the future Improvement Area
3. Consultant will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. Consultant will prepare any additional reports or analyses as needed to successfully issue the Bonds.

CONSULTANT SERVICES RELATED TO TIRZ SERVICES

The Consultant shall have the following duties with respect to the City's Tax Increment Reinvestment Zone ("TIRZ"):

1. Advise and assist the corporate authorities in the coordination of economic development programs, policies and activities;
2. Serve as the primary liaison between the City Council and the TIRZ Board;
3. Provide staff assistance to the TIRZ Board;
4. Provide assistance to parties using the TIRZ to buy down the assessment costs of the PID;
5. Assist in the negotiation of TIRZ Finance Plan on behalf of the City;
6. Monitor the implementation of TIRZ projects and agreements;
7. Prepare the annual budget of the TIRZ;
8. Prepare the annual report of the TIRZ as required by statute;
9. Provide advice as needed to the corporate authorities on related financial matters, including but not limited to property tax levies, bonded indebtedness, utility rates, investment of funds, and budgeting.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Discuss Ordinance 2024-13 clarifying the Police Department lateral entry pay criteria.

ORIGINATING DEPARTMENT AND CONTACT: Police - Gary Williamson

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: On June 6, 2023, Council passed Ordinance 2023-10, permitting special seniority pay (also called lateral entry pay) for experienced police officer recruits. Questions arose about the ordinance's vagueness regarding prior agency service requirements. The City's Labor Attorney has revised the ordinance to specify the necessary years of service at each prior agency for eligibility, improving clarity and outlining the ordinance's intent.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: Original ordinance approved by Council on June 6, 2023.

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Marked-up version of Ordinance 2024-13, Final version of Ordinance 2024-13, Ordinance 2023-10

ORDINANCE NO. ~~2023-10~~ 2024-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS CLARIFYING O – 2023-10, THE ~~ESTABLISHING~~ A SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to clarify O-2023-10 in explaining and supplementing the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have at least two whole years ~~the required years~~ of **continuous** service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond

to calls for service, carry a firearm, and use discretion as part of their assigned duties. “Continuous service” or “continuous employment as a law enforcement officer” means uninterrupted service. In order to be eligible for “Lateral Entry,” an A lateral entry applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department. Lateral pay will only be paid when the applicant or officer provides proof of the prior service as a law enforcement officer.

c. Starting Pay:

~~i.i.~~ i.i. To be considered for a “Lateral Entry Officer Position,” an officer must possess at least two (2) whole years of paid, continuous full time service as a peace officer ~~in at each~~ law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county. Any partial years of service will not be added together to form a “year” of service. Service with a law enforcement agency of less than at least two whole years at any agency means the officer does not qualify for the Lateral Entry placement.

~~ii.i.~~ ii.i. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.

~~iii.ii.~~ iii.ii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.

~~iv.iii.~~ iv.iii. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer’s prior whole years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.

d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.

e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart’s Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief’s

decision shall be final and non-appealable to the Civil Service Commission or to any court.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE ~~16th DAY OF MAY, 2023~~ 21st DAY OF MAY, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

~~Brad Bullock~~ Monte Akers, City Attorney

ORDINANCE NO. 2024-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS CLARIFYING ORDINANCE 2023-10, THE SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to clarify Ordinance 2023-10 in explaining and supplementing the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have at least two whole years of **continuous** service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. “Continuous service” or “continuous employment as a law enforcement officer” means uninterrupted service.

In order to be eligible for “Lateral Entry,” an applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department. Lateral pay will only be paid when the applicant or officer provides proof of the prior service as a law enforcement officer.

c. Starting Pay:

- i. To be considered for a “Lateral Entry Officer Position,” an officer must possess at least two (2) whole years of paid, continuous full time service as a peace officer at each law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county. Any partial years of service will not be added together to form a “year” of service. Service with a law enforcement agency of less than at least two whole years at any agency means the officer does not qualify for the Lateral Entry placement.
 - ii. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.
 - iii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.
 - iv. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer’s prior whole years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.
- d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.
- e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart’s Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief’s decision shall be final and non-appealable to the Civil Service Commission or to any court.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 21st DAY OF MAY, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, City Secretary

Brad Bullock, City Attorney

ORDINANCE NO. 2023-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING A SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

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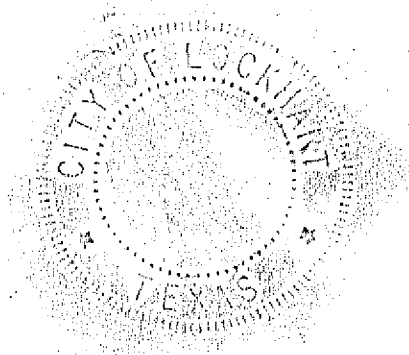
c. Starting Pay:

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 - ii. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.
 - iii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.
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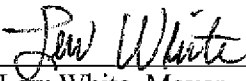
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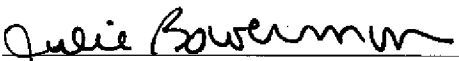
PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 6th DAY OF JUNE, 2023 .



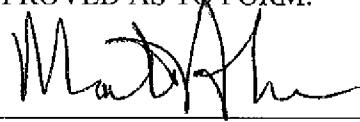
CITY OF LOCKHART


Lew White, Mayor

ATTEST:


Julie Bowermon, Deputy City Secretary

APPROVED AS TO FORM:


Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Discuss a Development Agreement between the City and RODG DT SeawillowPropCo LLC to authorize development of the Seawillow Project, consisting of approximately 586.778 acres of land out of the John A. Neill Survey A020 for residential and commercial purposes, which property is located east of FM 1322 and south and west of Seawillow Road, approximately 2,000 feet southeast of Lay Road.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: I. The proposed Seawillow project consists of approximately 498.78 acres with 88 acres located inside the city limits and the balance of the property located primarily in the City's ETJ. Development of the 88 acres is subject to compliance with the City's Code of Ordinances and has already been zoned for residential purposes while the ETJ portion of the property will be developed under The Seawillow Ranch Planned Development District Design Statement, which will be Exhibit E of the Development Agreement (DA) and specific performance standards contained therein. The Concept plan, Exhibit B, attached to the DA depicts the land uses proposed for the portion of the out of city property. The DA provides for annexation of the property not currently in the city limits. The DA also contemplates creation of a Public Improvement District (PID) and a Tax Increment Reinvestment Zone (TIRZ) which are financing mechanisms for the utilities, roads and other public improvements associated with the project. The project term is 30 years and the project will be developed in phases, beginning with phase one and ending with phase eight. The term of the TIRZ is 40 years to accommodate the length of PID bonds issued in subsequent phases of the project.

The land uses associated with the ETJ property are summarized below:

- a. Single family detached residential homes: maximum of 2,132 Living Unit Equivalents (LUEs) located on 35', 40', 45' and 50' foot lots and approximately 131 acres;
- b. Single family attached residential: maximum of 67 LUEs located on 25 foot x110 foot lots and approximately 8 acres;
- c. Multifamily residential units: maximum 180 LUEs (360 units total) and approximately 15 acres;
- d. School uses: maximum 107 LUEs and approximately 41 acres;
- e. Commercial/Retail uses: maximum of 190 LUEs and approximately 39 acres;
- f. Parks, open space and amenity areas of approximately 91 acres;

The balance of the remaining acreage is in the roads and public infrastructure that serves the project.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

II. Public Improvements and Developer Contributions: The DA requires the Developer to pay the cost of the on-site utilities and roads that are necessary to serve the Project and to fund all or a portion of certain off-site utilities and road improvements. In some cases, the Developer is required to construct the improvements and in other cases the Developer will fund the improvement and the City will undertake the construction.

The following public improvements, property interests and funding will be provided by the Developer:

- a. **One acre site** to be conveyed to City for placement of Elevated Water Storage Tank and Developer funded **one million gallon capacity elevated storage tank**. Anything larger would be considered oversizing and the City would cover the oversizing cost if it requests a larger tank. (Phase 2)
- b. Construct new 12 inch water line connector to existing 12 inch water line at FM 1322. (Phase 2)
- c. Construct an extension of the existing 12-inch water line on FM 1322 from the current line to the project site. (Phase 1)
- d. Pay the City a community contribution of **5 million dollars** to provide funds for the wastewater plant expansion. Developer is entitled to a credit against future impact fees for this payment.
- e. Upgrade and increase the capacity of a lift station.
- f. Replace and enlarge the off-site sewer line.
- g. Dedication of between 127-133 acres of park land and open space to the City, which includes multiple 0.25-acre pocket parks (one pocket park for every 200 single-family residential lots).
- h. Provide **1.5** million dollars towards park equipment and improvements.
- i. Construction of 2,500 linear feet of 8-foot concrete hike and bike trails.
- j. Developer will fund road improvements based on TIA as described in Exhibit M per TxDOT requirements.
- k. Convey 41 acres to the School District, or to the City if the School District does not agree to accept the property for school purposes.
- l. Authorizes City to conduct study on feasibility of developing groundwater wells and to develop, own and operate groundwater wells if the city determines it's feasible.
- m. Commitment to provide discounts for teacher housing.
- n. Development of commercial land uses that should increase city sales tax.

III. Impacts to City.

- 1. TIRZ - The purpose of the TIRZ is to create a fund which will allow the developers to buy down lot owner PID assessment costs to maintain competitive sales prices with other developments in the area. The funds that go into the TIRZ are created by the improvements constructed by the Developer. The TIRZ fund will consist of 55% of the "added value" the Developer improvements have in increasing ad valorem property taxes. If the property remains in the ETJ the City does not collect ad valorem property

City of Lockhart, Texas

Council Agenda Item Cover Sheet

taxes. The remaining 45% of ad valorem property taxes created by the improvements to the property will be payable to the City together with the base rate (pre-improvement value) of ad valorem property taxes. The TIRZ will be in effect for 40 years, or retirement of the PID bonds, whichever occurs first.

2. Development Density - The smallest single-family detached lots allowed in residential zoning districts are 50-foot lots. The majority of single family lots will be narrower than 50 feet, thus making the proposed development density at this project greater than is allowed in single-family districts elsewhere in the City.

PROJECT SCHEDULE (if applicable): None

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): After the City has contracted with a professional services firm for the administration of the PID and TIRZ, the firm will assist Council and City staff with the financial analysis of the proposed PID and TIRZ agreements.

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: None. The proposed Planned Development District development plan has not yet been heard before a public hearing of the Planning and Zoning Commission. However, City staff is working with the applicant to schedule the required public hearing.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends convening into executive session to further discuss the details of the proposed development agreement and direct staff to pursue any revisions or additional terms of the agreement City Council may require prior to approval.

LIST OF SUPPORTING DOCUMENTS: Seawillow DA 5-21-24 clean, Exhibit A M&B for InCity and OutCity Tracts, Exhibit B Concept Plan, Exhibit B-1 Parks Summary, Exhibit C Authorized Improvements and Estimated Costs, Exhibit D Phasing Plan, Exhibit D-2 Absorption Plan, Exhibit E Design Standards, Exhibit J Water System Improvements, Exhibit K Wastewater Improvements, Exhibit L Roadway Improvements, Exhibit L2 Roadway Improvements

**SEAWILLOW RANCH
DEVELOPMENT AND PUBLIC IMPROVEMENT AGREEMENT**

BETWEEN

RODG DT SEAWILLOW PROPCO LLC,
a Texas limited liability company,

AND

THE CITY OF LOCKHART, TEXAS

Dated: May 21, 2024

SEAWILLOW RANCH DEVELOPMENT AGREEMENT

This Seawillow Ranch Development Agreement (this “Agreement”) is executed between **RODG DT Seawillow PropCo LLC**, a Texas limited liability company and the **City of Lockhart, Texas** (the “City”) to be effective on the Effective Date (as defined below).

RECITALS

WHEREAS, certain terms used in these recitals are defined in Article I; and

WHEREAS, Developer and the City are sometimes individually referred to as a “Party” and collectively as the “Parties”; and

WHEREAS, Developers are Texas limited liability companies; and

WHEREAS, the City is a home-rule municipality of the state of Texas located within Caldwell County (the “County”); and

WHEREAS, Developer is the owner of approximately 88 acres currently located within the City limits (the “In-City Property”) and described in **Exhibit A1** and depicted in **Exhibit A2** and Developer has contracted to purchase from David Acevedo, Eduardo Acevedo, Virginia K. Villareal, and Margarita Britt (collectively, “Owner”) approximately 498.778 acres of real property (the “Owner Property”) which property is described in **Exhibit A4** and depicted in **Exhibit A5**, attached hereto, and is contiguous to the city limits and is primarily located within the City’s extraterritorial jurisdiction, except for a portion of such property depicted in **Exhibit A3** consisting of approximately 32.3 acres, located outside of the ETJ (such portion, the “Outside Property”); and

WHEREAS, as authorized by state law, Developer intends to petition, or cause the Owner to petition, the City to include the Owner Property, within the City’s ETJ, so that all such Owner Property can be annexed into the city limits and will be eligible for inclusion in a subsequent PID and/or TIRZ; and

WHEREAS,

WHEREAS, the Developer intends to close on the acquisition of the Owner Property (and including the Outside Property) prior to the levy of PID Assessments as set forth in this Agreement; and

WHEREAS, it is the parties intention to include In-City Property within the boundaries of any subsequently created PID or TIRZ, but such In-City Property is referenced herein only for PID and TIRZ purposes and shall not be subject to any land use requirements set out herein and applicable to the Owner Property (including the Outside Property); and

WHEREAS, the Parties intend for this Agreement to take effect on the Effective Date; and

WHEREAS, the Developer plans to develop the Owner Property as a mixed-use development consisting of residential uses and commercial uses, as set out in **Exhibit B**, the “Concept Plan”, upon the execution of this Agreement and subsequent issuance of PID Bonds for the payment of certain costs for the construction and/or acquisition of certain public improvements and certain other associated costs to benefit the Property, and for the repayment to Developer for certain costs advanced for the construction and acquisition of certain public improvements to benefit the Property as set forth in this Agreement and as determined by future PID related agreements; and

WHEREAS, in consideration of the Developer’s agreements contained herein to accomplish the high-quality development of the Owner Property envisioned by the Parties and to provide financing for the Authorized Improvements, the City intends to consider creation of a PID in accordance with Chapter 372 of the Texas Local Government Code, as amended (the “PID Act”), and to consider creation of a TIRZ in accordance with Chapter 311 of the Texas Tax Code, as amended (the “TIRZ Act”), for the In-side City Property and the Owner Property proposed to be developed; and

WHEREAS, water, sewer, drainage, roadway, and other public infrastructure is not currently sufficient to serve the Parties’ intended full development of the Owner Property; and

WHEREAS, the Developer desires and intends to design, construct and install public improvements to serve the development of the Owner Property and the In-City Property (collectively the “Project”) which Project Boundaries are described in **Exhibit A6** and depicted in **Exhibit A7**. Public improvements that are constructed that are eligible for PID reimbursement are considered (“Authorized Improvements”), which Authorized Improvements are generally identified in **Exhibit C** and are intended by the Developer to 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 phases and to dedicate such Authorized Improvements to the City for use and maintenance (with a few exceptions set out herein), subject to approval of the plans and inspection of the Authorized Improvements in accordance with this Agreement and the City Regulations, as hereinafter defined, and contingent upon the partial or total financing of such Authorized Improvements; and

WHEREAS, the Developer estimates that the cost of the Authorized Improvements excluding any estimated PID Bond issuance or other costs will be One Hundred Fifty Million Dollars (\$150,000,000.00) and is the proposed maximum amount that Developer will seek to finance and will seek for reimbursement; and

WHEREAS, the City recognizes the positive impact that the Authorized Improvements and the Development will bring to the City, and that the Authorized Improvements will promote state and local economic development; stimulate business and commercial activity in the municipality; promote the development and diversification of the economy of the state; promote development and expansion of commerce in the state; and promote the elimination of unemployment or underemployment in the state; and

WHEREAS, in consideration of the Developer's agreements contained herein, the City shall consider adoption of a PID to provide financing arrangements that will enable the Developer to do the following in accordance with the procedures and requirements of the PID Act: (i) fund a specified portion of the costs of the Authorized Improvements using the proceeds of PID Bonds; and (ii) obtain reimbursement for a specified portion of the costs of the Authorized Improvements of other public improvements, the source of which reimbursement will be installment payments from Assessments within the Property, provided that such reimbursements shall be subordinate to the payment of PID Bonds and Administrative Expenses; and

WHEREAS, the City, subject to the consent and approval of the City Council, and in accordance with the PID Act, to: (i) consider and act upon the creation of a PID encompassing the Owner Property and the In-City Property, in accordance with the PID Act; (ii) consider adoption of a Service and Assessment Plan; (iii) consider adoption of an Assessment Ordinance (to pay for a specified portion of the Budgeted Cost of the Authorized Improvements which are estimated to encompass the costs described in Exhibit C and the costs associated with the administration of the PID and issuance of the PID Bonds; and (iv) consider issuance of PID Bonds up to One Hundred Fifty Million Dollars (\$150,000,000.00) in the principal amount of PID Bonds for the purpose of financing a specified portion of the costs of the Authorized Improvements and paying associated costs as authorized by the PID Act; and

WHEREAS, prior to, or in conjunction with Bond closing: (i) the City Council shall have approved and adopted the PID Resolution, a Service and Assessment Plan, and an Assessment Ordinance (collectively, the "PID Documents"); (ii) the City shall have reviewed and approved the Home Buyer Disclosure Program in substantially the same form as attached as Exhibit F hereto, which form may be updated from time to time to address legislative changes; (iii) owners of the Property constituting all of the acreage in the PID shall have executed a Landowner Agreement in substantially the same form as attached as Exhibit G hereto; and (iv) the Developer shall have delivered a fully executed copy of the Landowner Agreement(s) to the City; and

WHEREAS, prior to the authorization of the first PID Bond issue, the Parties intend that the City Council consider approval of a TIRZ Ordinance and to create a TIRZ to be coterminous with the boundaries of the PID; and

WHEREAS, the Developer proposes that the Authorized Improvements and certain other Public Improvements are also improvements that qualify as projects under the TIRZ Act; and

WHEREAS, prior to, or in connection with, the sale of the first PID Bond issue, and in consideration of the Developer's agreements contained herein, the Parties shall have agreed to the final form of the following documents, which will provide for a credit to PID assessments for a specified portion of TIRZ eligible costs: (i) the TIRZ Project Finance plan; (ii) an ordinance creating the TIRZ; and (iii) an ordinance approving the final TIRZ Project and Finance Plan required by the TIRZ Act; and

WHEREAS, in consideration of the Developer's agreements contained herein, the City intends to consider creation of a TIRZ and to adopt, approve, and execute the TIRZ Documents to dedicate fifty-five percent (55%) of the City's collected *ad valorem* tax increment based on the City's tax rate in effect on the date of the establishment of the TIRZ for a period of up to forty (40) years, or

until the last series of PID Bonds for which an Assessment has been levied has matured or is no longer outstanding, whichever comes first, to off-set or pay a portion of any Assessments levied on the Property securing PID Bonds for each phase of Development for the costs of Authorized Improvements and Public Improvements that qualify as projects under the TIRZ Act in accordance with the TIRZ Project and Finance Plan and Service and Assessment Plan (“SAP”); and

WHEREAS, all of the City’s Administrative Expenses associated with the PID will be funded by the annual levy of Assessments on the Property within the PID in accordance with the PID Act and the SAP, and the City will not be responsible for payment of such costs; and

WHEREAS, all of the City’s Administrative Expenses associated with the TIRZ will be paid in accordance with the TIRZ Act and the TIRZ Project and Finance Plan, and the City will not be responsible for payment of such costs; and

WHEREAS, the Parties intend that the Owner Property be developed as a mixed-use development, consisting of residential uses and commercial uses including open space, and other public and private amenities that will benefit and serve the present and future citizens of the City, including the creation of substantial future tax base for the City; and

WHEREAS, the Owner Property shall be developed pursuant to current ordinances of the City, except as same may be modified by or are in conflict with this Agreement, the concept plan (“Concept Plan”), which Concept Plan is attached hereto as **Exhibit B**, and the development standards set forth in certain planned development district zoning standards (“Development Standards”), which Development Standards are attached hereto as **Exhibit E**; and

WHEREAS, the Parties intend for the City Council and Planning and Zoning Commission to consider zoning the Owner Property as a new Planned Development District consistent with the Concept Plan, the Development Standards, and the other applicable provisions of this Agreement; and

WHEREAS, the Parties intend that the retail water and sewer service to the Property will be provided by the City; and

WHEREAS, the Parties agree that this Agreement constitutes a “permit” within the meaning of Chapter 245, Texas Local Government Code; and

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE I **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 City in the establishment, administration, and operation of the PID or the TIRZ, as applicable, including, but

not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the PID and TIRZ and preparing the Assessment Rolls, (iii) computing, levying, collecting and transmitting the Assessments or the installments thereof, (iv) maintaining the record of installments, payments and reallocations and/or cancellations of the Assessments, (v) investing or depositing the Assessments or other monies, (vi) complying with the PID Act, and (vii) administering the construction of the Authorized Improvements.

Agreement means this Seawillow Ranch Development Agreement.

Assessment means a special assessment levied by the City 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 Fund(s) means the interest-bearing assessment fund account(s) created by the City for a PID to which the Assessment revenues will be deposited once collected.

Assessment Ordinance means an ordinance adopted by the City Council which levies Assessments on the Property within the PID 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 the 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 the portion of on-site and off-site public improvements, constructed or funded by the Developer, as described in the SAPs (including any amendments or supplements), as estimated in **Exhibit C**, and as authorized by Section 372.003 of the PID Act.

Authorized Improvement Costs means the actual costs of design, engineering, construction, acquisition, and inspection costs of the Authorized Improvements, and all costs related in any manner to the Authorized Improvements.

Bond Indenture means a trust indenture by and between the issuer of PID Bonds and a trustee bank under which PID Bonds are issued and funds disbursed.

Bond Ordinance means an ordinance adopted by the City Council that authorizes and approves the issuance and sale of PID Bonds.

Budgeted Cost means, with respect to any given Authorized Improvement, 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 City no more frequently than monthly for work completed on any of the Authorized Improvements, in substantially the same form as **Exhibit H** attached hereto.

City means the City of Lockhart, Texas, a home-rule municipality located in Caldwell County, Texas.

City Code means the Code of Ordinances, City of Lockhart, Texas.

City Council means the City Council of the City.

City Manager means the current or acting City Manager of the City, or a person designated to act on behalf of that individual if the designation is in writing and signed by the current or acting City Manager.

City Regulations mean City Code provisions, ordinances, design standards, uniform and international building and construction codes, and regulations duly adopted by the City which may be amended from time to time, and including a planned development district zoning ordinance and the Development Standards attached hereto as **Exhibit E** and subject to the provisions of **Section 13.1 and 13.2**.

Community Contribution means the amounts paid by the Developer to City or contributed infrastructure constructed by the Developer pursuant to Section 7.1 of this Agreement.

Construction Cost means the costs actually paid for by Developer or caused to be paid by Developer for on-site and off-site Authorized Improvements and other Public Improvements related to engineering, design, permitting, construction, inspection, testing, and third-party property/easement acquisitions; however, the cost of third-party property/easement acquisitions shall be limited to the fair-market value of any property/easement acquired, plus any damages to the remainder, all as determined by an appraiser licensed by Texas Appraiser Licensing and Certification Board selected by the City, and Eminent Domain Fees, if any.

Cost Overruns shall have the meaning set forth in Section 9.2 hereof.

Cost Underruns means actual Authorized Improvement Costs that are less than the Budgeted Costs set forth in the SAP.

Development and Absorption Phasing Plan means the estimated phasing plan and LUE absorption schedule per phase for the Owner Property, as shown on **Exhibit D** attached hereto.

Developer means RODG DT Seawillow PropCo LLC, a Texas limited liability company and its successors, assigns, and affiliates responsible for developing the Project and causing the Owner Property to be developed in accordance with this Agreement.

Developer Cash Contribution means that portion of the Budgeted Cost that the Developer is contributing to initially fund the Authorized Improvements.

Developer Continuing Disclosure Agreement means any continuing disclosure agreement of the Developer executed contemporaneously with the issuance and sale of PID Bonds.

Developer Improvement Account means the construction fund account created under the Bond Indenture, funded by the Developer, and used to pay for portions of the acquisition, design, and construction of the Authorized Improvements.

Effective Date means the date upon which the last of all of the Parties has approved and duly executed this Agreement.

End Buyer means any Developer, developer, homebuilder, tenant, user, or owner of a Fully Developed and Improved Lot.

Existing City Facilities means the existing water and wastewater plants, water lines, wastewater lines, or roadways available to serve the Project on the Effective Date.

Force Majeure means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) epidemics or pandemics; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City Regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (a) changes in market condition; (b) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (c) the occurrence of any manpower, material or equipment shortages. The events listed in (a) through (c) that are beyond the reasonable control of the Developer shall be included as Force Majeure. If the Developer claims an economic hardship, the City will make a determination if such economic hardship is a Force Majeure event.

Fully Developed and Improved Lot means any lot in the Project, regardless of proposed use, intended to be served by the Authorized Improvements, and/or other public improvements, and for which a final plat has been approved by the City and recorded in the Real Property Records of Caldwell County, Texas.

Home Buyer Disclosure Program means the disclosure program, administered by the PID Administrator as set forth in **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; such form to be updated from time to time as required by state law.

Impact Fees mean all water, wastewater, and road impact fees approved by the City on the Effective Date of this Agreement, or which may be approved by City after the Effective Date of

this Agreement and in each case assessed, imposed and/or collected by the City in accordance with the PID Act and City Regulations adopted by the City or hereinafter adopted.

In-City Property means the real property owned by Developer, described **Exhibit A4** and depicted in **Exhibit A5** , attached hereto, and currently located within the city limits.

Landowner Agreement means an agreement by and between the City and a Landowner consenting to the form and terms of the PID Documents in a form substantially similar to **Exhibit G** attached hereto.

LUE means a living unit equivalent which has an average daily flow of 200 gallons per day for water, and 200 gallons per day for wastewater.

Major Improvements means the Authorized Improvements which will benefit the Owner Property and the In-City Property within the PID and are described in the Service and Assessment Plan.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

Off-site means those Authorized or Public Improvements that may be required to be constructed for the benefit of the Project and are constructed outside of the boundaries of the Owner or In-City Property.

On-site means those Authorized or Public Improvements constructed within the boundaries of the In-City or Owner Property.

Owner Property means the property located outside of the current city limits and described in **Exhibit A1** and depicted in **Exhibit A2**.

Outside Property means the portion of the Owner Property currently located outside of the City's ETJ and which is depicted in **Exhibit A3**.

Parcel means any parcel of land located within a PID or TIRZ identified by either a tax map identification number assigned by the Caldwell County 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 Caldwell County.

PID means a public improvement district to be consider for creation by the City for the benefit of the In-City Property and Owner Property pursuant to Chapter 372, Texas Local Government Code, to be known as the Seawillow Ranch 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 City, 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 City related to the duties and responsibilities for the administration of the PID.

PID Bonds means special assessment revenue bonds issued by the City through the PID.

PID Bond Proceeds means the funds generated from the sale of the PID Bonds.

PID Resolution means the resolution adopted by the Council creating a PID pursuant to Section 372.010 of the PID Act and approving the advisability of the Authorized Improvements.

Project Boundaries means the boundaries of the PID and TIRZ as described in **Exhibit A5** and depicted in **Exhibit A6** and including the Owner Property and the Inside City Property.

Project means construction of Authorized Improvements and public improvements, described in **Exhibit C** attached hereto, in accordance with an approved PID and any applicable TIRZ and the development of the Owner Property in accordance with the PID, TIRZ Finance Plan and this Agreement.

Project Fund(s) means the interest-bearing construction fund account(s) as set forth in the applicable Bond Indenture.

Public Improvements means public improvements as described in the City Regulations that Developer is required to construct for the Project, which are not eligible for reimbursement through the PID pursuant to the PID Act.

Real Property Records of Caldwell County means the official land recordings of the Caldwell County Clerk's Office.

Roadway Improvements means the right of way dedication, design and construction of street, road and alley improvements and facilities as described in **Exhibit M** to be constructed to and within the Project and is sufficient to provide adequate ingress/egress within the Owner Property as determined by a Traffic Impact Study ("TIA").

Service and Assessment Plan or SAP means a PID Service and Assessment Plan adopted by the City Council, as may be updated, supplemented, and amended annually, if needed, by the City 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 City, as required by this Agreement.

TIRZ means a Tax Increment Reinvestment Zone created by the City encompassing the Owner and In-City Property, subject to the consent and approval of the City Council, pursuant to the TIRZ Act.

TIRZ Act means Chapter 311, Texas Tax Code, as amended.

TIRZ Board means the board of directors of the TIRZ that will be established in accordance with the TIRZ Act.

TIRZ Fund(s) means the fund(s) set up by the City in order to receive the TIRZ funds in accordance with this Agreement and the TIRZ Documents.

TIRZ Documents means the TIRZ Project and Finance Plan, and the TIRZ Ordinance, as may be amended.

TIRZ Ordinance means a City ordinance creating the TIRZ pursuant to the TIRZ Act, and any subsequent ordinances effectuating amendments thereto.

TIRZ Project and Finance Plan means the project and finance plan for the TIRZ approved in accordance with the TIRZ Act.

TIRZ Projects means those projects, including the Authorized Improvements, as estimated in **Exhibit C**, to be undertaken by the PID as well as the TIRZ.

Wastewater Service Improvements means the sanitary sewer line, lift station and other facilities described in **Exhibit L**, attached hereto, and necessary to be constructed to and within the Project and is sufficient to provide 2700 LUEs of wastewater service to the Project.

Water Service Improvements means the water transmission and distribution lines and facilities as described in **Exhibit K** to be constructed to and within the Project and is sufficient to provide 2700 LUEs of potable water service to the Project.

Water Storage Tank means the one million (1,000,000) gallon water storage tank to be constructed by the City at the Developer's cost on the Water Storage Tank Site in accordance with the specifications agreed to in writing by Developer and the City.

Water Storage Tank Site means an approximately 1.0 acre parcel to be transferred by Developer to the City and upon which the Water Storage Tank will be constructed.

ARTICLE II **SEAWILLOW RANCH DEVELOPMENT**

2.1 **Scope of Agreement.** This Agreement contemplates a plan for construction of Authorized Improvements within the In-City Property sufficient to provide a maximum 414 LUEs of water and wastewater service and roadway improvements to provide adequate and sufficient ingress and egress to and from the In-City Property (Phase 1), a plan for development of the Owner Property (Phase 2 through Phase 8) in accordance with the City Regulations, except as same may be modified by this Agreement, over time, which when fully developed, will require a maximum of 2286 LUEs for water service and a maximum of 2286 LUEs for wastewater service, a water storage tank and roadway improvement to provide adequate and sufficient ingress and egress to and from the Owner Property together with future actions by the parties, that if approved, will establish provisions for the apportionment, levying, and collection of Assessments on the Owner Property and the In-City Property within the PID, the construction of the Authorized Improvements, and other public improvements, reimbursement, acquisition, ownership and maintenance of the Authorized Improvements and other Public Improvements, the issuance of PID Bonds for the financing of the Authorized Improvements benefitting the In-City Property and the Owner Property within the PID, the creation of the TIRZ for the In-City and Owner Property and the use of TIRZ funds. Notwithstanding anything to the contrary, the In-City Property is not subject to the Concept Plan or Exhibit E and shall not be subject to the land use requirements or permitting

procedures contractually provided by this Agreement. Development of the In-City Property shall be subject to full compliance with the City Code, unless variances are obtained as provided by the City Code. Likewise, zoning, platting and other permitting activities on the In-City Property shall be in accordance with the City Code. The In-City Property is referenced herein solely for the purpose of including it within the PID and the TIRZ and to acknowledge that certain Authorized Improvements within the In-City Property will be funded by the PID/TIRZ.

2.2 Development Overview – Seawillow Ranch Development. The Developer will undertake or cause the undertaking of the design, development, construction, maintenance, management, use and operation of the Owner Property, including the Authorized Improvements and any other Public Improvements. The land use development within the Owner Property is expected to consist of seven (7) phases of development, beginning with Phase 2 and ending with Phase 8 and shall have the following elements, in substantial conformance with the Concept Plan, attached hereto as **Exhibit B**, and in accordance with the performance standards set out in **Exhibit E**, attached hereto.

- (a) single family detached residential homes: maximum of 2132 LUEs located on 35', 40', 45' and 50' foot lots and approximately 131 acres;
- (b) single family attached residential: maximum of 67 LUEs located on 25 foot x 110 foot lots and approximately 8 acres;
- (c) Multifamily residential units: maximum 180 LUEs (360 units total) and approximately 15 acres;
- (d) School uses: maximum 107 LUEs and approximately 41 acres;
- (e) Commercial/Retail uses: maximum of 190 LUEs and approximately 39 acres;
- (f) Parks, open space and amenity areas of approximately 91 acres;

2.3 Dedication of Authorized Improvements. Upon completion, inspection and acceptance by the City, the City shall own all of the Authorized Improvements; subject to certain maintenance responsibilities of a POA/HOA, for a portion of the Authorized Improvements related to storm water detention ponds and related facilities.

ARTICLE III **PUBLIC IMPROVEMENT DISTRICT**

3.1 Creation and Levy of Assessments. A petition to create the Seawillow Ranch Public Improvement District has been submitted, or will be submitted, to the City supported by such additional documentation as the City may require. The City shall initiate and consider for approval all necessary documents and ordinances required under the PID Act, to create the PID, to levy the Assessments on property within the PID, and to prepare and consider for approval 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 for the PID acceptable to the Developer and the City and subject to City Council making findings that the Authorized Improvements confer a special benefit on the property within the PID, the City

Council shall consider an Assessment Ordinance. The Developer shall develop the Property consistent with the terms of this Agreement and any approved PID.

3.2 Acceptance of Assessments and Recordation of Covenants Running with the Land. Concurrently with the levy of the Assessment, the Landowners shall approve and accept in writing the levy of the Assessment(s) on all land owned by the Landowners and shall approve and accept in writing the Home Buyer Disclosure Program in substantially the same form as attached as **Exhibit F** hereto and shall cause to be recorded against the Property covenants running with the land that will bind the Developer any and all 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. Land owned by the City within the PID shall not be subject to PID assessments.

ARTICLE IV

AUTHORIZED IMPROVEMENTS AND PUBLIC IMPROVEMENTS

4.1 Authorized Improvements and Public Improvements. The Budgeted Costs, including Authorized Improvements and Public Improvements, are subject to change and shall be updated consistent with the Service and Assessment Plan, the PID Act, the TIRZ Project and Finance Plan, and the TIRZ Act, the Authorized Improvements and Public Improvements shall be identified and included on each approved site plan and/or final plat(s) for the Project as each final plat/site plan for each phase of the Owner Property is approved by the City. The Developer may be required to provide an updated **Exhibit B** with each final plat application, or site plan application as applicable to the Owner Property, consistent with the PID requirements and this Agreement. Upon approval by the City Council of an updated **Exhibit B**, this Agreement shall be deemed amended to include such approved updated **Exhibit B**. The Budgeted Costs and/or Authorized Improvement Costs and the timetable for installation of the Authorized Improvements and Public Improvements will be reviewed in accordance with the PID/TIRZ requirements and in accordance with the City Regulations.

4.2 Construction, Ownership, and Transfer of Authorized Improvements and Public Improvements.

(a) Construction Plans. The Developer shall prepare, or cause to be prepared, plans and specifications for each of the Authorized Improvements and public improvements and have them submitted to the City for approval in accordance with the City Regulations.

(b) Contract Award. The contracts for construction of Authorized Improvements and Public Improvements shall be let in the name of the Developer for all on-site Authorized Improvements/Public Improvements, unless the Parties mutually agree otherwise, and the offsite Authorized Improvements/Public Improvements will be let by the City, and funded by the Developer according to the Developer's pro rata responsibility in the improvement or as otherwise required by this Agreement. The Developer's engineers shall prepare, or cause the preparation of, and provide all contract specifications and necessary related documents for on-site Authorized Improvements and Public Improvements and any off site Authorized Improvements or Public

Improvements which the Parties agree that the Developer shall be responsible for constructing. For all Authorized Improvements and Public Improvements that the Developer is responsible for constructing, the Developer shall reasonably attempt to provide all construction documents and shall acknowledge that the City has no obligations and liabilities thereunder and the Developer shall reasonably attempt to include a provision in the construction documents that the contractor will indemnify the City and its officers and employees against any costs or liabilities thereunder. However, such indemnity by the Contractor shall not relieve Developer of its obligations to indemnify and hold the City harmless against costs and liabilities and to name the City as an additional insured in accordance with the City Regulations. The Developer shall administer the contracts the Developer is responsible for. The Budgeted Costs, which are estimated on Exhibit C, shall be paid from the proceeds of PID Bonds, in accordance with the Bond Indenture, reimbursed by the collected Assessments pursuant to the terms of a Reimbursement Agreement through the Certification for Payment form process where the Developer or the Developer's assignee will submit invoices for payment.

(c) Construction Standards and Inspection. The Authorized Improvements will be installed within the public right-of-way or in easements granted without cost to the City. The Authorized Improvements and Public Improvements shall be constructed and inspected in accordance with applicable state law, City Regulations and all others applicable development requirements, including those imposed by the City and any other governing body or entity with jurisdiction over the Authorized Improvements and Public Improvements.

(d) Competitive Bidding. This Agreement and construction of the Authorized Improvements and the Public Improvements, including, without limitation, the TIRZ Projects, are anticipated to be exempt from competitive bidding pursuant to Sections 252.022(a)(9) and 252.022(a)(11) of the Texas Local Government Code based upon current cost estimates. However, in the event that the actual costs for the Authorized Improvements and Public Improvements do not meet the parameters for exemption from the competitive bid requirement, then alternative delivery methods may be used by the City as allowed by law.

(e) Ownership. All of the Authorized Improvements and Public Improvements, with the exception of non-public parks or open space and HOA/POA common property and facilities, shall be owned by the City upon acceptance of them by the City using procedures established by the City Regulations and this Agreement. Provided however, that certain facilities such as storm water management ponds and facilities may be owned by the City, if constructed with PID funds, but in such case will be maintained by the HOA/POA. Such facilities shall not be owned by the City if PID funds are not used. Developer shall cause the POA (as defined in Section 6.1(a)) and/or HOA (as defined in Section 6.1(b)) to have an on-going maintenance and operation responsibility toward such Authorized Improvements, such as trails, water quality and storm water detention ponds and related facilities and as shown on the Concept Plan, attached hereto as Exhibit B, through recorded covenants, conditions, restrictions and/or maintenance agreements as required by the City Regulations or this Agreement. The Developer agrees to take any action reasonably required by the City where applicable to transfer or otherwise dedicate or ensure the dedication of easements for the Authorized Improvements, as applicable, to the City and the public.

(f) Authorized Improvements and Public Improvements to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with

respect to the Authorized Improvements and Public Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for review and approval at least 30 calendar days prior to the transfer of title of an Authorized Improvement or Public Improvement to the City. The City Manager shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City Manager, could materially affect the City's use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City Manager does not approve the preliminary title report, the City shall not be obligated to accept title to the Authorized Improvement or Public Improvement until the Developer has cured such objections to title to the satisfaction of the City Manager. Any on-site Authorized Improvements or Public Improvements not accepted by the City shall be owned and maintained by the HOA/POA.

(g) Authorized Improvements and Public Improvements. If the Authorized Improvement or Public Improvement is on land owned by the City, the City hereby grants to the Developer a temporary easement to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Authorized Improvement or Public Improvement. If the Authorized Improvement or Public Improvement is on land owned by the Developer, the Developer shall dedicate easements by plat or shall execute and deliver to the City such access and maintenance easements as the City may reasonably require in recordable form, and the Developer hereby grants to the City a permanent access and maintenance easement to enter upon such land for purposes related to inspection and maintenance of the Authorized Improvement or other Public Improvement. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Authorized Improvement or Public Improvement as required by the City Regulations or this Agreement or in the City's reasonable judgment to be granted to provide for convenient access to and routine and emergency maintenance of such Authorized Improvement or Public Improvement. The provisions for inspection and acceptance of such Authorized Improvements, or other Public Improvement, shall be in accordance with the City Regulations except as modified by this Agreement.

4.3 Operation and Maintenance of Authorized Improvements and Public Improvements.

(a) Upon inspection, approval, and acceptance of the Authorized or Public Improvements, or any portion thereof, the City shall maintain and operate the accepted Authorized or Public Improvements, except as limited by section 4.2(e) and 4.3(b).

(b) Upon inspection, approval, and acceptance of the roadway and associated storm water collection lines, Authorized Improvements or any portion thereof, the City shall maintain and operate the accepted roadway and associated storm water collection lines constructed within City right of way.

(c) The Developer shall construct or cause to be constructed and the POA or HOA, as applicable, shall maintain and operate the Development entries and signage, open spaces, common areas, right-of-way irrigation systems, right-of-way landscaping, screening walls, and any other public improvements or appurtenances not maintained and operated by the City.

ARTICLE V

RECREATIONAL FACILITIES

5.1 Trails/Parks. The Developer shall construct or cause to be constructed trails, recreational facilities, and pocket parks as depicted in the Concept Plan attached as **Exhibit B1** and described below:

- (a) approximately 133 acres of land dedicated for open space/parks/community facilities;
- (b) approximately \$1.5 million in parkland improvements to be constructed in phases with each phase being constructed as such phase is developed;
- (c) One 0.25-acre pocket park for every 200 single-family residential lots;
- (d) With approval of each final plat for each Phase of development within the Owner Property, Developer shall include design, engineering, and construction plans as required by the City Regulations for construction of the trails, parks and recreational facilities included in the phase. Designs shall be by a Texas registered/licensed Architect and as applicable a Professional Engineer (P.E.); and
- (e) The design, engineering, and construction of any trails or associated recreational facilities or parks shall comply with all applicable City Regulations and state requirements and be submitted for review and permitting to the City. Provided however, that the City agrees that the construction of the pocket parks, trails and recreational facilities as described in the Concept Plan **Exhibit B1**, when constructed in accordance this Agreement, shall fulfill any obligation Developer may have under current City Regulations to construct parks or other recreational facilities on the Owner Property.

ARTICLE VI

ADDITIONAL DEVELOPER AND CITY OBLIGATIONS

6.1 Mandatory Property Owners' Association and Homeowners' Association.

(a) The Developer will create a mandatory property owners' association ("POA") over nonresidential portions of the Owner Property, which POA, in accordance with the City Regulations and through its covenants, conditions and restrictions filed in the Real Property Records of Caldwell County, and in its by-laws, shall be required to assure compliance with this Agreement, shall be required to remain solvent, and assess and collect from owners annual fees in an amount calculated to maintain and operate the open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping and streetscaping, water quality ponds, detention ponds, detention areas, drainage areas, screening walls, retaining walls, parks, trails, landscaping, and any other public improvements or appurtenances not required to be dedicated to the City or be maintained and operated by the City within the Property. Common areas, including but not limited to all landscaped entrances to the Property and right-of-way landscaping and all other public improvements not maintained by the City shall be maintained

solely by the POA. The POA shall be required to pay ad valorem taxes on any property owned by the POA.

(b) The Developer will create a mandatory homeowners' association ("HOA") over residential portions of the Owner Property, which HOA, in accordance with City Regulations and through its covenants, conditions and restrictions filed in the Real Property Records of Caldwell County or its by-laws, shall be required to assure compliance with this Agreement with regard to the portions of the Property and Authorized Improvements within its jurisdiction, and be required to remain solvent and assess and collect from owners annual fees in an amount calculated to operate and maintain the open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping and streetscaping, water quality ponds, detention ponds, detention areas, drainage areas, screening walls, retaining walls, parks, trails, landscaping, and any other public improvements or appurtenances not required to be dedicated or maintained and operated by the City. Common areas, including but not limited to all landscaped entrances to the Project and right-of-way landscaping, and all other Public Improvements not maintained by the City shall be maintained solely by the HOA. The HOA shall be required to pay ad valorem taxes on any property owned by the HOA.

6.2 Requirements Related to Conveyance or Dedication of Land to City.

(a) The Developer shall convey by separate instrument or dedicate by plat to City all public trails and recreational facilities upon construction, inspection and acceptance of same.

(b) The Developer shall dedicate the Authorized Improvements or other applicable public improvements to the City in a phased manner by final plat and upon City acceptance as set forth in Section 4.2.

(c) All conveyances of easement rights shall be by easement agreement in the form provided or approved by the City, and shall be subject only to the exceptions to title approved by the City. Developer shall provide the City with a subordination agreement, in recordable form, executed by the Lender(s) of any liens existing at the time of conveyance, in which it subordinates its lien rights to the City's rights under the easements. Prior to conveyance, Developer shall provide to the City a currently-issued title commitment showing Developer to be the owner of the property that will be subject to the easement(s). Developer shall be responsible for performing or paying for surveying for the easements.

6.3 Requirements Related to Conveyance or Dedication of Land to School District. The Developer shall convey or dedicate at the request of the school district and without cost to the school District and, upon terms mutually agreeable to the Developer and the school district, approximately 41 acres of the Owner Property (or such acreage agreed to by the Developer and the school district at the time of dedication), in a mutually agreeable location for use by the school district for school purposes (the "School Site"). If the school district does not request the dedication or conveyance of the School Site within three years of the Effective Date of this Agreement, the Developer shall convey the land constituting the School Site to the City for use as a community facility mutually agreeable to the City and the Developer. Such dedication of land shall qualify as a community facility per City of Lockhart Code of Ordinances Chapter 52, Article VI.

ARTICLE VII
WATER AND WASTEWATER FACILITY IMPROVEMENTS AND SHARED COSTS
OBLIGATIONS

7.1 Developer's Community Contribution toward City's Cost to Provide 2700 LUEs of Water and Wastewater Service to the Project.

(a) Developer acknowledges and agrees to pay City the amounts as described below to offset a portion of the financial impact to the City caused by Developer's need for a significant percentage of the available capacity in the City's Wastewater and Water Plants and associated facilities. The Developer shall provide a contribution to the City (I) in the total amount of \$4,500,000 to be utilized for the design, permitting and construction of the Water Storage Tank payable at such times as described below in subsection (b) (the "Water Community Contribution") and (II) in the total amount of \$5,000,000 to be utilized for the design and construction of upgrades to the City's Wastewater Treatment Plant (the "Treatment Plant") payable at such times as described below in subsection (c) (the Sewer Community Contribution").

(b) The Water Community Contribution shall be paid to City as follows:

(i) pay the amount of \$450,000 to the City prior to Phase 2 approval of construction plans for the Project; and

(ii) pay the amount of \$ 4,050,000 upon completion of the permitting phase for the Water Storage Tank, prior to the City mobilizing on construction of the Water Storage Tank;

(c) The Sewer Community Contribution shall be paid to City as follows:

(i) pay the amount of \$500,000 to the City when design starts for the Treatment Plant; and

(ii) pay the amount of \$4,500,000 upon completion of the permitting phase for the Treatment Plant.

The amounts paid by Developer for the Sewer Community Contribution shall be credited against sewer Impact Fees owed by the Developer or future builders under current and future impact fee ordinances. The City shall provide the Developer quarterly updates regarding the amount of sewer Impact Fee credits remaining. If Developer seeks to have sewer Impact Fee credits applied to Developer and not subsequent builders, or other third parties who would otherwise be entitled to such credit pursuant to state law, Developer must clearly delineate its authority to receive sewer Impact Fee credits in subsequent agreements with its builders or other third parties. If Developer intends to transfer sewer Impact Fee credits to a builder or third party the amount of the credit being transferred shall be clearly delineated in any agreement with its builders or other third parties. Developer shall provide City evidence of same prior to approval of each final plat. Once the credit toward impact fees is exhausted, Impact Fees shall be paid as provided in Section 14.5.

7.2 LUEs for Water and Sanitary Sewer Service for the Project.

(a) Water Service. Notwithstanding anything to the contrary in this Agreement, the City agrees to provide a maximum of 2700 LUEs to the Project in increments as described below which the Developer agrees is sufficient to provide adequate and continuous water service to the entire Project and each phase of the Project.

(b) Subject to the conditions described in this subsection, the City agrees to provide 2700 LUEs of water service at full build out of the Project and in each Phase to provide the number of LUEs described in the Development and Absorption Phasing Plan, as described in **Exhibit D**, attached hereto, for Phase 1 through Phase 8. The Parties acknowledge that the City's CCNs for water and wastewater services do not currently encompass the Project Boundaries and Aqua Texas currently holds the CCN for water service for the Project. The Parties intend for the City to be the retail water and wastewater service provider to the Project. The Developer and Owners hereby consent to inclusion of the Owner and In-City Property into the City's water and wastewater CCNs and support and agree that the Aqua Texas water CCN should be replaced with the City's water CCN. Developer agrees to support and cooperate with City's effort to contract with Aqua Texas and to seek regulatory approval of the City's CCN expansion to include the Project Boundaries. Developer agrees to pay Aqua Texas for any costs (estimated to be \$12,000.00 per acre) Aqua Texas may impose on the City for release of its CCN in favor of the City's CCN for water service. Extension of the City CCNs for water and sewer service is a condition precedent to the City's obligation to provide water and sewer services to the Project. If the City is unable to reach an agreement with Aqua Texas whereby Aqua Texas contractually agrees to release its CCN covering the Project Boundaries, prior to 5:00pm on December 31, 2024, this Agreement will terminate, unless prior to the expiration date the parties agree to extend the deadline. Likewise, in the event that the Aqua Texas agrees to accept payment over a period of years, Developer shall be responsible for making such payments and failure to make the payments shall be a material default of this Agreement.

(c) Sanitary Sewer Service. Notwithstanding anything to the contrary in this Agreement, the City agrees to provide a maximum of 2700 LUEs to the Project in increments as described below which the Developer agrees is sufficient to provide adequate and continuous sanitary sewer service to the entire Project. Subject to the conditions described below, the City agrees to provide 2700 LUEs of sanitary sewer service at full build out of the Property and in each Phase to provide the number of LUEs described in the Development and Absorption Phasing Plan, described in Exhibit D, attached hereto, for Phase I through Phase 8.

7.3 Water Storage Tank and Site. Developer shall provide City with a Water Storage Tank tract of land of sufficient size and composed of suitable acreage to accommodate location, construction and operation of the Water Storage Tank with a minimum capacity of one million (1,000,000) gallons. TCEQ requirements associated with set-back requirements and non-development restrictions shall be calculated, and if necessary, the Water Storage Tank Site shall be enlarged such that all set back or requirements can be accommodated within the Water Storage Tank Site without the need to impose easements or restrictions on adjoining property. The City shall be responsible for design and construction of the Water Storage Tank with specifications as agreed to by the Developer and the City. To the extent that the City elects to increase the capacity

of the Water Storage Tank beyond 1,000,000 gallons, the City shall pay the increased costs of the Water Storage Tank; provided that, in the event that the City elects to increase the size of the Water Storage Tank, the City may request an increase to the Water Community Contribution and any increase to the Water Community Contribution shall be set forth in an amendment to this Agreement and such increase in the Water Community Contribution shall be credited to water Impact Fees.

7.4 Groundwater Wells. The Parties acknowledge that the Project's need for water LUEs after development may require the City to acquire and construct new or expanded treated water facilities. As an alternative to developing surface water, the Parties agree that development of new groundwater sources is a less expensive alternative than surface water. The amount of property within the Project creates an opportunity to develop ground water wells within the Project to supplement the City water supply and will greatly enhance the City's ability to continue to provide low cost water service to the customers and future residents of the Project. In furtherance of this goal the Developer agrees to provide the City with access easements to mutually acceptable sites within the Development which can be explored for possible well production suitability and to authorize the City to construct test wells if hydrological studies determine that further study is warranted. If test wells demonstrate that there is sufficient flow to support a well, the Developer agrees to provide permanent easements to the City to construct a maximum of three (3) producing groundwater wells; provided that the location of any such wells and any required land dedications therefor shall be acceptable to the Developer and shall not be required in any manner that would alter the Concept Plan or reduce the number of square feet of commercial development or alter the lot mix without the express consent of the Developer. Developer acknowledges that the Plum Creek Groundwater Conservation District regulates ground water in the County and any well constructed would be permitted by the Groundwater District and operated in accordance with their regulations. The City shall be responsible for obtaining any necessary permits, obtaining the groundwater studies, and constructing any groundwater wells or facilities at its sole cost and expense. Because of the spacing requirements associated with development of groundwater wells, the Developer would not be able to develop their own groundwater wells on the Property so long as the City has operating wells located on the Property. Developer agrees to waive and convey any rights to produce groundwater on the Property solely in accordance with the limitations set forth in this section and in future mutual agreements relating to the same. The Parties agree to negotiate in good faith toward a future agreement which details the concepts set out in this Section.

7.5 Failure of Property to Develop as Projected.

Based upon the Developer's Absorption Schedule as described in **Exhibit D**, attached hereto, the City has agreed to guarantee 2700 LUEs of water service and 2700 LUEs of sanitary sewer service for use by Developer beginning with Phase 1 and thereafter through full build out at Phase 8 (or such phase that constitutes the last phase of development). Notwithstanding anything to the contrary in this Agreement, the deadline for the timing of the City's construction and service obligations for Phase I and all future Phases for water and wastewater service shall be extended in the event that (a) the City has been delayed in the performance of one or more obligations under this Agreement by the Developer or its successors, assigns, contractors, agents or representatives, or (b) in the event of a delay or default by Developer of any payment or conveyance required by this Agreement if such payment or conveyance is related to the City's service or construction obligations; or (c) in the event of a delay or default by Developer regarding construction of any Authorized Improvement required by this Agreement to the extent that this Agreement contains a

deadline for the construction of such Authorized Improvement by the Developer or (d) in the event that Developer or other applicable Developer fails to convey such easements, or rights of way as are required by this Agreement.

7.6 City Contributions for Over-sizing. Developer shall not be required to construct or fund any Public Improvements so that it is oversized to provide a benefit to land outside the Project (“Oversized Public Improvements”) unless, by the commencement of construction, the City has made arrangements to fund the City’s portion of the costs of construction attributable to the oversizing requested by the City from sources other than PID Assessments, PID Bonds, and the TIRZ Fund. In the event Developer constructs or causes the construction of any Oversized Public Improvements on behalf of the City, the City shall be solely responsible for all costs attributable to oversized portions of the Oversized Public Improvements and the PID and the TIRZ shall not be utilized for financing the portion of costs associated with the oversizing of the Authorized Improvement or the Public Improvements. .

7.7 Off-Site Authorized Improvements. Portions of the Authorized Improvements associated with water service, sewer service and roadway improvements as depicted and described in **Exhibit K**, Water System Improvements, **Exhibit L**, Wastewater System Improvements, and **Exhibit M**, Roadway Improvements, attached hereto, shall be constructed to connect the Project to existing City water and sewer infrastructure and existing public streets and roads

ARTICLE VIII **PID BONDS**

8.1 PID Bonds.

(a) The City shall consider issuing PID Bonds, in one or more series, solely for the purposes of financing the costs of the Authorized Improvements and related costs 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 Developer has determined and hereby agrees that the maximum aggregate principal amount of PID Bonds will be one hundred fifty million (\$150,000,000). The City staff will, from time to time, submit to the City Council agenda items to approve the issuance of PID Bonds by the City (in one issue or in a series of issues over the years as set out in any PID approved by the City) in an amount up to, but not to exceed, the maximum aggregate principal PID Bond amount of one hundred fifty million (\$150,000,000). Notwithstanding the foregoing, the City’s obligation to approve the issuance of PID Bonds is at the sole discretion of the City and is subject to the City’s review and confirmation that the Assessments are reasonable relative to the market as determined by the City Council.

(b) As provided in the City’s PID Policy, the issuance of PID Bonds is subject to the following conditions:

(i) a minimum value to lien ratio of at least 3:1 based on the anticipated final lots values as provided in a third-party appraisal for PID Bonds issued for the construction of Major Improvements and phased PID Bonds for phases beginning after Phase I;

(ii) a minimum value to lien ratio of at least 2:1 based on the anticipated final lots values as provided in a third-party appraisal for PID Bonds issued for the construction of Authorized Improvements benefitting only Phase I of the Development, which may include a pro-rata portion of the Major Improvements benefitting such phase; and

(iii) a maximum tax rate equivalent of the Assessments for parcels within the PID, after the TIRZ credit is applied, shall be no greater than 1.25 per \$100 assessed value (which maximum total tax rate equivalent shall be measured based on the estimated build out value of the applicable parcel) (the “Maximum Effective PID Tax Rate”).

8.2 Non-Bank Qualified Debt.

(a) In any calendar year in which PID Bonds are issued, the Developer agrees to pay the City additional costs occurring solely from the difference in interest cost (“Additional Costs”) the City may incur in the issuance of City obligations (the “City Obligations”) as described in this Section if the City Obligations are deemed not to qualify for the designation of “qualified tax-exempt obligations” (“QTEO”) as defined in section 265(b)(3) of the Internal Revenue Code of 1986, as amended, as a result of the issuance of PID Bonds by the City in any given year. The City agrees to deposit all funds for the payment of such Additional Costs received under this Section into a segregated account of the City, and such funds shall remain separate and apart from all other funds and accounts of the City until December 31 of the calendar year in which the PID Bonds are issued, at which time the City is authorized to utilize such funds for any purpose permitted by law. Additionally, the City will provide the Developer on an annual basis no later than December 15th each year the projected amount of City Obligations to be issued in the upcoming year based on its annual budget process.

(b) In the event the City issues PID Bonds prior to the issuance of City Obligations, the City, with assistance from its Financial Advisor, shall calculate the estimated Additional Costs based on the market conditions as they exist approximately forty-five (45) days prior using independent third party public pricing information to the date of the pricing of the PID Bonds (the “Estimated Additional Costs”), the City shall provide a written invoice to the Developer, and the Developer shall have 10 days to review and provide input on the calculation to the City. The Developer shall pay such Estimated Additional Costs to the City on or before the earlier of (i) ten (10) business days after the date of the City’s invoice or (ii) fifteen (15) business days prior to pricing the PID Bonds. The City shall not be required to price or sell any issue of PID Bonds until the Developer has paid to the City the Estimated Additional Costs related to the PID Bonds then being issued. The Estimated Additional Costs are an estimate of the increased cost to the City to issue its City Obligations as non-QTEO. Upon the City’s approval of the City Obligations, the City’s Financial Advisor shall calculate the actual Additional Costs to the City of issuing its City Obligations as non-QTEO (the “Actual Increased Costs”). The City will, within five (5) business days of the issuance of the City Obligations, notify the Developer of the Actual Increased Costs. In the event the Actual Increased Costs are less than the Estimated Additional Costs, the City will refund to the Developer the difference between the Actual Increased Costs and the Estimated Additional Costs within ten (10) business days of the date of the City’s notice to the Developer of the Actual Increased Costs. If the Actual Increased Costs are more than the Estimated Additional Costs, the Developer will pay to the City the difference between the Actual Increased Costs and the Estimated Additional Costs within ten (10) business days of the date of the City’s notice to the

Developer of the Actual Increased Costs. If the Developer does not pay the City the difference between the Actual Increased Costs and the Estimated Additional Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased Costs, the Developer shall not be paid any reimbursement amounts under any Reimbursement Agreement(s) related to the PID or the Development until such payment is made in full.

(c) In the event the City issues City Obligations prior to the issuance of PID Bonds, the City's Financial Advisor shall calculate the estimated Additional Costs based on the market conditions as they exist approximately forty-five (45) days prior to the date of the pricing using independent third party public pricing information of the City Obligations (the "Estimated Additional City Obligation Costs"), the City shall provide a written invoice to the Developer, and the Developer shall have 10 days to review and provide input on the calculation to the City. The Developer shall pay such Estimated Additional City Obligation Costs to the City at least fifteen (15) days prior to pricing the City Obligations. If the Developer has not paid the Estimated Additional City Obligation Costs to the City by the required time, the City, at its option, may elect to designate such City Obligations as QTEO, and the City shall not be required to issue any PID Bonds in such calendar year. The Estimated Additional City Obligation Costs are an estimate of the increased cost to the City to issue its City Obligations as non-QTEO. Upon the City's approval of the City Obligations, the City's Financial Advisor shall calculate the actual Additional Costs to the City of issuing its City Obligations as non-QTEO (the "Actual Increased City Obligation Costs"). The City will, within five (5) business days of the issuance of the City Obligations, notify the Developer of the Actual Increased City Obligation Costs. In the event the Actual Increased City Obligation Costs are less than the Estimated Additional City Obligation Costs, the City will refund to the Developer the difference between the Actual Increased City Obligation Costs and the Estimated Additional City Obligation Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased City Obligation Costs. If the Actual Increased City Obligation Costs are more than the Estimated Additional City Obligation Costs, the Developer will pay to the City the difference between the Actual Increased City Obligation Costs and the Estimated Additional City Obligation Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased City Obligation Costs. If the Developer does not pay the City the difference between the Actual Increased City Obligation Costs and the Estimated Additional City Obligation Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased City Obligation Costs, the Developer shall not be paid any reimbursement amounts under any Reimbursement Agreement(s) related to the PID or the Development until such payment is made in full.

(d) To the extent any developer(s) or the Developer(s) (including the Developer, as applicable) has (have) paid Additional Costs for any particular calendar year, any such Additional Costs paid subsequently by a developer or Developer(s) (including the Developer, as applicable) to the City applicable to the same calendar year shall be reimbursed by the City to the developer(s) or Developer(s) (including the Developer, as applicable) as necessary so as to put all developers and the Developer so paying for the same calendar year in the proportion set forth in subsection (e), below, said reimbursement to be made by the City within ten (10) business days after its receipt of such subsequent payments of such Additional Costs.

(e) The City shall charge Additional Costs attributable to any other developer or the Developer on whose behalf the City has issued debt in the same manner as described in this Section

4.05, and the Developer shall only be liable for its portion of the Additional Costs under this provision, and if any Additional Costs in excess of the Developer's portion had already been paid to the City under this provision, then such excess of Additional Costs shall be reimbursed to the Developer. The portion owed by the Developer shall be determined by dividing the total bond proceeds from any debt issued on behalf of the Developer in such calendar year by the total bond proceeds from any debt issued by the City on behalf of another Developer.

ARTICLE IX

PAYMENT OF AUTHORIZED IMPROVEMENTS

9.1 Improvement Account of the Project Fund. On the date of issuance of any PID Bonds, the City shall establish the Improvement Account of the Project Fund in accordance with the applicable Bond Indenture. Any Improvement Account of the Project Fund shall be maintained as provided in the Bond Indenture and shall not be commingled with any other funds of the City. Any Improvement Account of the Project Fund shall be administered and controlled (including signatory authority) by the City, 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 Bond Indenture. In the event of any conflict between the terms of this Agreement and the terms of the Bond Indenture relative to deposit and/or disbursement, the terms of the Bond Indenture shall control.

9.2 Cost Overrun. In advance of the Developer letting a contract for the Authorized Improvements, the City shall confirm that the cost for construction of such Authorized Improvements is generally consistent with the Budgeted Costs provided on **Exhibit C**, as amended from time to time pursuant to this Agreement. If the total cost of an Authorized Improvements (or segment or section thereof) exceeds the Budgeted Cost for such Authorized Improvement (or segment or section thereof) (a "Cost Overrun"), the Developer shall be solely responsible for the remainder of the Authorized Improvements Costs (or segment or section thereof), except as provided for in Section 8.3 below.

9.3 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 City Manager and provided that all Authorized Improvements as set forth in the Service and Assessment Plan are undertaken at least in part. The elimination of a category of Authorized Improvements in the Service and Assessment Plan will require an amendment to the SAP. 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.

9.4 Remainder of Funds in the Improvement Account of the Project Fund. If funds remain in the Improvement Account of the Project Fund created under the Bond Indenture after the completion of all Authorized Improvements and the payment of all Authorized Improvement

Costs as provided for in the Bond Indenture, then such funds thereafter shall be the exclusive property of the City and shall be used by the City as provided for in the Service and Assessment Plan, the Bond Indenture, or any other applicable use to the Property as provided by law.

9.5 Payment Process for Authorized Improvements.

(a) The City shall authorize reimbursement of the Authorized Improvement Costs from PID Bond proceeds. The Developer shall submit a Certification for Payment Form to the City (no more frequently than monthly) for Authorized Improvement Costs including a completed segment, section or portion of an Authorized Improvement, as approved by the City. The Certification for Payment Form is set forth in Exhibit H, as may be modified by the Indenture or a Reimbursement Agreement, if applicable. The City shall review the sufficiency of each Certification for Payment Form (each, a “Payment Certificate”) with respect to compliance with this Agreement, compliance with City Regulations, and compliance with the SAP. The City 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 or its designee 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 City 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 City requires additional documentation, timely disapproves or questions the correctness or authenticity of the Payment Certificate, the City 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 City have jointly settled such dispute or additional information has been provided to the City’s reasonable satisfaction.

(c) Except as modified with respect to Cost Underruns and Cost Overruns as provided in Section 9.2 and 9.3, the City shall reimburse the lesser of: (i) the Budgeted Costs as set forth in Exhibit C and the SAP and (ii) the Authorized Improvement Costs, from funds available pursuant to the Indenture.

(d) Reimbursement to the Developer and the City for Administrative Expenses relating to the creation of each PID, the levy of Assessments and issuance of PID Bonds may be distributed at closing of the PID Bonds pursuant to a Closing Disbursement Request, in the form attached as Exhibit I.

ARTICLE X TIRZ

10.1 Tax Increment Reinvestment Zone. Prior to the issuance of the first series of PID Bonds, the City, subject to the consent and approval of the City Council, will consider creation of a TIRZ coterminous with the boundary lines of the PID as described in this Section. Developer has requested that the TIRZ provide tax increment revenue generated from the TIRZ as follows:

(i) fifty-five percent (55%) of the ad valorem tax increment generated by the TIRZ for a period of up forty (40) years, or until the last series of PID Bonds for which an Assessment has been levied has matured or is no longer outstanding, whichever comes first, which will be collected by the City in accordance with the TIRZ Project and Finance Plan.

10.2 TIRZ Fund. In accordance with the TIRZ Project and Finance Plan, the tax increment obtained from the TIRZ shall be placed into a separate TIRZ Fund. The monies in the TIRZ Fund shall be distributed in accordance with the TIRZ Project and Finance Plan in the following order of priority: (i) first, to pay the administrative expenses for the TIRZ and (ii) second, to offset or pay the PID Assessments levied on the Property securing PID Bonds for each phase of the Development for the costs of Authorized Improvements as provided in the Service and Assessment Plan in the amount necessary to achieve the Maximum Effective PID Tax Rate.

ARTICLE XI

[RESERVED]

ARTICLE XII **ANNEXATION**

12.1 Consolidation of ETJ with Outside Property. The Parties acknowledge and agree that in order for the entirety of the Property to be included within the City's ETJ for purposes of creation of the PID, the Outside Property must be brought into and located within the City's ETJ prior to creation of the PID. Therefore, Developer agrees to provide City with a petition to extend the existing ETJ to include the Outside Property. If not previously submitted, Developer shall cause such petition to be submitted by applicable owner to the City on or before the expiration of 10 days from the Effective Date of this Agreement. Developer shall be responsible for the cost of surveying the Outside Property and including the surveyed property description and map thereof with the ETJ Petition. The Petition shall be considered by the City within 30 days from the date of the receipt of the Petition.

12.2 Annexation. This Agreement constitutes the consent of Developer (or Owner, if Developer has not yet purchased the Property) to the City's full purpose annexation of the Owner Property, subject to the conditions set forth in this Agreement. Developer agrees to submit or cause the Owners to submit one or more petitions for voluntary annexation of the Property into the City in compliance with Chapter 43 of the Texas Local Government Code, as amended, which first annexation petition shall be submitted to the City within thirty days from the Effective Date of this Agreement. In the event, that the entirety of the Property cannot be annexed in one annexation procedure, the Developer agrees to submit a second annexation petition within 10 days from the date the City approves the first annexation ordinance, to include any remaining portion of the Owner Property not previously annexed. The City agrees to execute and supply any and all instruments and/or other documentation necessary for the City to annex the Owner Property into the City's corporate limits and the Parties agree that the first annexation of the Owner Property shall occur simultaneously with or after the City's approval of the preliminary SAP. The second annexation will be considered by the City for approval as soon as all statutory annexation procedures can be accommodated. Pursuant to Texas Local Government Code, Chapter 43,

Subchapter C-3, or other such provisions governing land as they may then exist, the City shall initiate annexation proceedings following the receipt of the petitions for voluntary annexation of the Property pursuant to this Section. No subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's authority to annex the Owner Property herein described. Each annexation petition shall include (i) the request for annexation, (ii) a metes and bounds description and a map of the portion of the Property being annexed (including any adjoining right of way to the Property not already in the city limits), and (iii) an executed Annexation Services Agreement in the same or substantially same format and content as **Exhibit N**, attached hereto.

ARTICLE XIII **DEVELOPMENT**

13.1 Full Compliance with City Regulations. The City and Developer acknowledge and agree that except as expressly waived, modified or abated by this Agreement all of the City's laws, ordinances (including, without limitation, subdivision ordinances), codes, regulations, requirements, technical construction standards/manuals, and development review procedures and processes (collectively, the "City Regulations") in effect on the Effective Date of this Agreement, or amended from time to time as authorized in Section 13.2 and applicable to the Property, shall apply to any and all development activity undertaken on the Owner Property (or any portion of the Owner Property) in connection with the Development.

13.2 Notwithstanding the foregoing terms of this Article XIII, the City Regulations with respect to the following shall apply to development activity on the Owner Property, or any portion of the Property, as they are enacted and/or amended by the City from time to time, so long as such amendments do not prevent development from occurring on the Owner Property in accordance with the Development Standards, zoning, and as depicted on the Concept Plan attached hereto as **Exhibit B**, and provided that in the event of any conflict between the following City Regulations and this Agreement, including the Development Standards, this Agreement and the Development Standards shall control:

- (a) uniform building, fire, electrical, plumbing, or mechanical codes adopted by a recognized national code organization, or local amendments to those codes enacted solely to address imminent threats of destruction of property or injury to persons, for the construction of a building or structure intended for human occupancy or habitation;
- (b) municipal zoning regulations that do not affect 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 a municipality;
- (c) regulations for sexually oriented businesses;
- (d) fees imposed in conjunction with development permits, so long as such fees are charged in a similar manner to all similar developments within the City;
- (e) regulations for utility connections;

(f) regulations to prevent imminent destruction of property or injury to persons from flooding that are effective only within a flood plain established by a federal flood control program and enacted to prevent the flooding of buildings intended for public occupancy;

(g) construction standards for public works located on public lands or easements; and

(h) regulations to prevent the imminent destruction of property or injury to persons so long as the regulations do not:

(i) affect open space or park dedication, lot size, lot dimensions, lot coverage, building size, residential or commercial density, or the timing of a Development; or

(ii) change development permitted by a restrictive covenant required by a municipality.

(i) sign regulations;

13.3 Development in Compliance with Concept Plan and Development Standards. Development and use of the Owner Property, including, without limitation, the construction, installation, maintenance, repair, and replacement of all buildings and all other improvements and facilities of any kind whatsoever on and within the Owner Property, shall be in compliance with the Concept Plan attached as **Exhibit B**, and the Development Standards attached as **Exhibit E**, respectively, and applicable City Regulations, except as modified by **Exhibit E**. The Development Standards (the “Development Standards”) shall be applicable within the Owner Property. To the extent that any of the Development Standards conflict with City of Lockhart Ordinances, these Development Standards shall control. All development activity undertaken on the Owner Property shall comply with this Agreement, the Concept Plan, all attachments hereto, and with all City zoning, subdivision and construction codes and requirements, except as modified herein..

13.4 Vested Rights. This Agreement shall constitute a “permit” under Chapter 245 of the Texas Local Government Code that is deemed filed with the City on the Effective Date. The Developer does not, by entering into this Agreement, waive any rights or obligations arising under Chapter 245 of the Texas Local Government Code during the term of this Agreement. Provided however, because certain variances and waivers to the City’s Code of Ordinances are implemented by this Agreement, which variances and waivers the City would not agree to without assurances that the Development would be constructed in accordance with this Agreement, Developer acknowledges and agrees that upon expiration or termination of this Agreement, all rights under Chapter 245 with regard to the Project shall terminate.

13.5 Property Acquisition. The Parties acknowledge that the Developer may be required to acquire certain off-site property rights and interests to allow certain Authorized Improvements to be constructed to serve the Property. Developer shall use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, if any, needed to construct the off-site improvements. If, however, Developer is unable to obtain such third-party rights-of-way, consents, or easements within 90 days of commencing efforts to obtain the needed rights-of-way, consents,

or easements, then, as a condition to requiring the Developer to construct off-site improvements, the City, in its sole discretion, may take reasonable steps to secure same through the use of the City's power of eminent domain. If the City takes such eminent domain action, the Developer shall fund all reasonable and necessary legal proceeding/litigation costs, compensation awards by courts or negotiated amounts for the condemned property interest, attorneys' fees, appraiser and expert witness fees, interest, court costs, mediation fees, deposition costs, copy charges, courier fees, postage and taxable court costs (collectively, "Eminent Domain Fees") paid or incurred by the City in the exercise of its eminent domain powers that for any reason are not funded by the proceeds of PID Bonds, if PID Bonds are issued, or Assessments and shall escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. If the escrow fund remains appropriately funded in accordance with this Agreement and in accordance with the City's discretionary governmental powers, the City will use all reasonable efforts to expedite such condemnation procedures so that the Authorized Improvements can be constructed as soon as reasonably practicable. If the Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, Developer shall deposit additional funds as requested by the City into the escrow account within 10 days after written Notice from the City. Any unused escrow funds will be refunded to Developer within 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 City, and the City reserves the right, at all times, to control its proceedings in eminent domain.

To the extent Eminent Domain Fees are paid by the Developer, the Developer may seek reimbursement of any or all eligible Eminent Domain Fees from PID Bonds, or if PID Bonds are not issued, Assessments.

13.6 Zoning of the Property.

(a) Currently, the In-City Property is zoned, and the Owner Property is not zoned. The Parties agree that the Concept Plan attached hereto as Exhibit B, the Development Standards attached hereto as Exhibit E, together with the City Regulations, and the applicable provisions of this Agreement memorialize the plan for development of the Owner Property. The City shall consider zoning the Owner Property as a new PDD - Planned Development District consistent with the Concept Plan attached hereto as Exhibit B, the Development Standards attached hereto as Exhibit E, and the applicable provisions of this Agreement. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Owner Property consistent with and as contemplated by this Section. The City will require the Developer to submit a formal zoning application in order to proceed with zoning the Owner Property as contemplated by this Section.

13.7 Conflicts. In the event of any conflict between this Agreement and any City Regulations, this Agreement, including any exhibit or attachment, shall control. Provided however, that in the event that the Bond Indenture contains requirements that differ from this Agreement (other than the terms specifically agreed to in this Agreement regarding the payment processes), then the Bond Indenture, shall control. In the event of a conflict between the Agreement and any exhibits to this Agreement the text of the Agreement controls over the Exhibits, except for Exhibit E. In the event of a conflict between the Concept Plan and the Development Standards attached as Exhibit E, the Development Standards shall control. Conflicts between this Agreement and the

City Regulations shall occur only in accordance with rights or obligation expressly set out in this Agreement.

13.8 Concept Plan. The City's approval of the Concept Plan herein constitutes the acknowledgement that the development of the Owner Property is consistent with the City's Comprehensive Plan, as amended. Such approval does not constitute the City's agreement that any specific portion of the Development depicted within **Exhibit B** conforms to the City Regulations, as same may be modified by this Agreement. No specific development contemplated by, or indicated on, the Concept Plan may be undertaken or commenced unless and until the City has approved subsequent development permits such as site plan approval and subdivision approval in accordance with the procedures set forth in the City Regulations. Any lots depicted on the Concept Plan are conceptual and shall remain conceptual until the lots are approved by plat. The City's Subdivision Ordinance, except as expressly modified in **Exhibit E**, attached hereto, shall control the configuration, location and concentration of lots within the Owner Property and approval of the configuration, location and concentration of the lots will occur within the City's ordinary process for subdivision and plat approval except as provided herein with respect to Minor Modifications and Major Modifications. The City shall approve plats, site plans, and other approvals in accordance with Texas Local Government Code Section 212.009, and the Developer shall not be required to withdraw or resubmit applications for such approvals to increase any timelines set forth for approvals as set forth in Texas Local Government Code Section 212.009. The City shall not unreasonably withhold approvals for clerical or other minor development items.

The Developer and the City shall work together to create a program to facilitate timely and complete application submittals by Developer and expedited review of same by the City.

Developer must submit any proposed change to the Concept Plan or **Exhibit E**, Development Standards, to the City for approval. If the change is a Minor Modification, as such term is defined in this Agreement, then approval or denial shall be given by the City Manager within ten (10) business days after the request of the Developer. If the change is not a Minor Modification, then approval of such change is considered a major modification ("Major Modification"). Approval of a Major Modification or a Minor Modification, if such Minor Modification is not approved by the City Manager within ten (10) business days after the Developer's request, must be sought in accordance with the procedures, processes and provisions of the City Regulations. Other than with respect to Minor Modifications or Major Modifications as described below, any land use related changes to the Concept Plan or **Exhibit E**, Development Standards, shall require an amendment to this Agreement if a PDD Ordinance is not in effect, and a zoning amendment if the PDD Ordinance is in effect, at the time of the requested change.

Any amendment approved by the City 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. Developer is responsible for providing City updated copies of any modified or amended Concept Plan. Any subsequent development application for approval of a site plan or final plat, that differs from the terms of this Agreement if approved by the City, shall automatically amend this Agreement. The City Manager may administratively approve any amendments to the Concept Plan that the City Manager deems in his or her reasonable discretion to be minor in nature. Minor modifications shall be limited to the following (collectively "Minor Modifications"):

(a) adjustments of no more than 100 feet to the location or configuration of roadways, sidewalks, utilities, parking areas, buildings, landscape features, (including plants and trees) ponds and any other improvements depicted on any Concept Plan;

(b) adjustments of no more than ten percent (10%) in number of lots or building square footage of any individual building to be constructed within the Owner Property, as compared to such building's initial square footage shown on any Concept Plan or described herein; provided no such change may be administratively approved if the change would cause a Parcel within the Owner Property to exceed the limitations on impervious cover, density, height, floor area, or an increase in the number of LUEs above 2700 specified in this Agreement or the Development Standards;

(c) a reduction in size of parking lot areas or structured parking garages;

(d) adjustments of no more than twenty percent (20%) of the total square footage of all landscape areas, within a Parcel, provided no such change may be administratively approved if the change would cause a Parcel within the Development, to exceed the limitations on impervious cover or LUEs in this Agreement or the Development Standards;

(e) adjustments of no more than ten percent (10%) of the number of parking spaces or square footage of parking areas as shown on any Concept Plan provided no such change may be administratively approved if the change would cause a Parcel within the Development to exceed the limitations on impervious cover, the maximum or minimum number of parking spaces, or the limitation on LUEs, specified in this Agreement or the Development Standards; and

(f) any modification approved in a plat approved by the City including but not limited to (i) changes to the lot size or configuration; (ii) adjustments to the number of lots in the overall Development so long as the lot being changed is from a smaller lot to a larger lot; (iii) changes to a local street width, length or alignment; (iv) changes to utility or access easements; (v) changes to street layouts in any phase; or (vi) adjustments to the amount of parkland or open space not more than five percent (5%) of the gross site acreage.

ARTICLE XIV **DEVELOPMENT PROCESS AND CHARGES**

14.1 Development Fees. Except as otherwise provided herein, Development of any portion of the Owner Property shall be subject to payment to the City of the applicable fees, in existence at the time an application is submitted to the City for review according to the City Regulations in effect at the time of the application, including without limitation Impact Fees (provided that certain credits to Impact Fees may be provided as described in this Agreement), tap fees, permit fees, site development fees, building permit fees, review and inspection fees and any other like charges. The fee schedule applicable to the Owner Property shall be uniformly applicable to all development within the corporate limits of the City.

14.2 Building Codes, Fire Codes and Building Materials. As consideration for the City's levying of Assessments that Developer has requested, the Parties agree that the City-adopted building codes and local amendments as subsequently amended, from time to time, the City-adopted fire codes and local amendments as subsequently amended from time to time, and the

City's building material regulations, architectural standards and lighting standards as set out in **Exhibit E1**, and as otherwise required in the City Regulations shall apply to the Owner Property, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended.

14.3 Inspection Fees. Development of the Owner Property shall be subject to the payment to the City of inspection fees (the "Inspection Fees"), according to the fee schedule adopted by the City Council, and amended from time to time.

14.4 Park Development and Waiver of Park Fees. Developer agrees to construct such parks, open space, and other recreational facilities as shown on the Concept Plan attached hereto as **Exhibit B-1** and upon construction of same, the City waives, relinquishes, and releases any right it might have under a current or future City Regulation or state law to: (1) assess, levy, or collect fees for parks, recreation, and open space facilities and purposes in connection with the development of the Owner Property; and (2) require one or more dedications of land for such purposes in lieu of assessing, levying, and collecting such fees for park recreation, and open space facilities.

14.5 Impact Fees. Except as otherwise provided herein, all Impact Fees associated with the Owner Property due and owing from time to time pursuant to City Regulations, shall be assessed and paid in accordance with the requirements of Chapter 395 of the Local Government Code and the City Impact Fee Ordinance. The Developer shall be responsible for the construction of all Authorized Improvements, to the extent such Authorized Improvements are necessitated by and attributable to the development of the Owner Property. The Developer shall be entitled to a credit against Impact Fees as follows:

(a) Developer shall be entitled to a credit against all Impact Fees for on-site or off-site public improvements for eligible water, wastewater, roads and associated facilities that are not otherwise funded from PID bond proceeds or otherwise recoverable pursuant to TIRZ projects.

14.6 **INDEMNIFICATION AND HOLD HARMLESS. THE DEVELOPER AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE AUTHORIZED IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUB-CONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE AUTHORIZED IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE AUTHORIZED IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD**

PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE AUTHORIZED IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PUBLIC INFRA-STRUCTURE, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY. DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 14.6 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

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

14.7 DEVELOPER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/ DEVELOPER'S WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.

(A) THE DEVELOPER ACKNOWLEDGES AND AGREES THAT:

(I) THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY PURSUANT TO THIS AGREEMENT, REGARDING THE PROPERTY, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

- (a) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;**
- (b) VIOLATION OF THE TEXAS LOCAL GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED; AND/OR**
- (c) NUISANCE.**

(II) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE AMOUNT OF THE DEVELOPER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC INFRASTRUCTURE IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE DEVELOPER'S ANTICIPATED IMPROVEMENTS AND DEVELOPER'S DEVELOPMENT PLACES ON THE CITY'S INFRASTRUCTURE.

(III) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER HEREBY AGREES AND ACKNOWLEDGES, WITHOUT WAIVING CLAIMS RELATED SOLELY TO EXACTIONS NOT CONTEMPLATED BY THIS AGREEMENT, THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE DEVELOPER FOR SUCH LAND, AND THE DEVELOPER HEREBY WAIVES ANY CLAIM THEREFOR THAT IT MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTY ON THE CITY'S INFRASTRUCTURE. ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE DEVELOPMENTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

(B) SECTION 14.6 AND 14.7 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

14.8 Inspections and Permitting. The City shall have a right to inspect, as authorized or required by City Regulations, the construction of all structures, Authorized Improvements, Public Improvements and any infrastructure improvements necessary to support the proposed development within the Property, including water, sewer, drainage, streets, park facilities, electrical, and street lights and signs. The City's inspections shall not release the Developer from its responsibility to construct, or ensure the construction of, adequate Authorized Improvements/Public Improvements and infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to development of the Property. The City shall be the beneficiary of the required two-year maintenance bond the Developer shall provide for all Authorized Improvements. Except as otherwise provided in this Agreement, if the City finds that such improvements have been completed in accordance with the final plats and specifications approved by the City (or any modifications thereof approved by the City), and in accordance with all other applicable laws and City Regulations, the City shall accept the same whereupon ownership of such improvements shall be transferred to the City and be operated and maintained by the City at its sole expense other than those improvements that the HOA and/or POA are obligated to maintain as set forth in Article VI of this Agreement and other than the water quality ponds or detention ponds located on the Property which may be owned by the City but shall be maintained by the HOA/POA.

14.9 Temporary Street Closures. To the extent reasonably requested by the Developer in connection with the construction of the Authorized Improvements, the City shall grant and issue to the Developer all necessary permits to authorize temporary closures of, and shall grant and issue to the Developer all necessary permits to make cuts or other perforations in, demolish and excavate all or portions of any street, alley or other public right-of-way that is under reasonable control of the City and that is contained in whole or in part within the Property or that abuts any portion of the Property; provided however, all such actions are subject to the City's obligations to preserve and protect public health, safety, and welfare.

14.10 Joint Cooperation. During the planning, design, development and construction of the private improvements and the Authorized Improvements on the Property, the Parties agree to cooperate and coordinate with each other, and to assign appropriate, qualified personnel to this Development. The City will make reasonable efforts to accommodate urgent or emergency requests during construction. In order to facilitate a timely review process, the Developer shall cause the architect, engineer and other design professionals to attend City meetings if requested by the City.

ARTICLE XV

TERM

The term of this Agreement shall be for a period of thirty (30) years from the Effective Date (the "Term"). If allowed by law, the Parties may extend the term of this Agreement beyond the Term, if they execute an amendment in writing. Notwithstanding anything to the contrary in this Agreement, this Agreement shall terminate and shall be of no further force or effect, if any of the following occurs or fails to occur by December 31, 2024, which date may be extended up to an additional sixty (60) days upon written agreement of the Parties: (i) the Developer has not purchased the Property (ii) the Developer has not petitioned the City for annexation of the Owner

Property; (iii) the Developer has not submitted a zoning application for a PD; and (iv) the Developer has not submitted an application for a PID and TIRZ..

If this Agreement is terminated in accordance with the preceding provisions and the Owner Property has been annexed into the City, the City shall—if the Developer or Owner petitions for disannexation—disannex the Owner Property from the City within thirty (30) days of the filing of the disannexation petition by Developer or the Owner and such property shall thereafter be immune to involuntary annexation by the City for a period of thirty (30) years and (b) if the Developer provides notice to the City of its intent to form a municipal utility district or similar utility or improvement district created by special act of the Texas Legislature or the TCEQ or, if necessary, any other agency with jurisdiction (a “MUD”) on all or a portion of the Owner Property disannexed pursuant to this paragraph then, upon such notice, the City shall be deemed to have consented to the formation of the MUD with no further action of the City or City Council required; provided that the City shall take any necessary steps or provide any documents necessary to evidence the City’s consent to the MUD to the TCEQ, the Texas Attorney General or other agency or body with regulatory powers over the MUD.

ARTICLE XVI

EVENTS OF DEFAULT; REMEDIES

16.1 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.

16.2 Remedies. Except as otherwise expressly set out in this Agreement related to the right of termination, as compensation for the other party’s default, an aggrieved Party is limited to seeking specific performance of the other party’s obligations under this Agreement. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT AND PREVENT THE DEVELOPER OR THE CITY FROM RECEIVING ANY REIMBURSEMENTS OR PAYMENTS DUE AND OWED TO THE DEVELOPER OR THE CITY UNDER THIS AGREEMENT, ANY REIMBURSEMENT AGREEMENT, OR TIRZ AGREEMENT.

ARTICLE XVII
ASSIGNMENT AND ENCUMBRANCE

17.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. The Developer and any Assignee have the right (from time to time) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Developer under this Agreement to any person or entity (an “Assignee”) (a) without City consent, but with Notice to the City, if (i) the Assignee is or will become an owner of any portion of the Property or (ii) the Assignee is a lienholder or an Affiliate or related entity of Developer; or (b) with the City Manager’s prior written consent (which consent shall not be unreasonably withheld if the Assignee demonstrates financial ability to perform to the City Manager’s reasonable satisfaction), if to any other person or entity. If the City Manager fails to provide the Developer or Assignee with a written objection to an assignment request within thirty (30) days of receiving a request pursuant to clause (b), then the assignment shall be automatically deemed approved by the City. Developer shall maintain written records of all assignments made by Developer to Assignees, including a copy of each executed assignment and, upon written request from any Party or Assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party’s sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Property.

Any receivables due under this Agreement, any construction funding agreement, any Reimbursement Agreement (pursuant to Section 372.023(d-1) of the Texas Local Government Code), or any TIRZ agreement may be assigned by Developer without the consent of, but upon written Notice to the City in accordance with Section 19.2 of this Agreement and as allowed. Developer may also collaterally assign the PID and or TIRZ receivables as collateral for any development loan, and Developer may execute such documents and contracts as necessary to effectuate such loans or financings, without the consent of or notice , to the City.

17.2 Assignment by the City. The City shall not assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the City under this Agreement, without the prior written approval of Developer. Provided however, that this language does not apply to any real property interest which the City may have within the Development.

17.3 Encumbrance by Developer and Assignees. 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 or notice to the City, and (b) to any person or entity with the City Manager’s prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). If the City Manager fails to provide the Developer or Assignee with a reasonable written objection to a collateral assignment request within thirty (30) days of receiving such request, then the collateral assignment shall be automatically deemed approved by the City. 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 City 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, but no more than 180 days, to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City 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 Developer 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.

17.4 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement without Developer's prior written consent. Provided however, that this section shall not apply to any real property interests which the City may have in the Development.

17.5 Assignees as Parties. An Assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a "Party" for the purposes of this Agreement. Any person or entity upon becoming an owner of land or upon obtaining an ownership interest (but not including End Buyer) in any part of the Property shall have all of the obligations and rights of the Developer as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest. From and after such assignment, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that Developer shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations.

17.6 No Third-Party Beneficiaries. Subject to Section 17.1 of this Agreement, this Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

17.7 Notice of Assignment. Subject to Section 17.1 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 City;

(b) the notice must describe the extent to which any rights or benefits under this Agreement have been sold, assigned, transferred, or otherwise conveyed;

(c) the notice must state the name, mailing address, and telephone contact information of the person(s) acquiring any rights or benefits as a result of any such sale, assignment, transfer, or other conveyance; and

(d) the notice must be signed by a duly authorized person representing the Developer.

ARTICLE XVIII **RECORDATION AND ESTOPPEL CERTIFICATES**

18.1 **Binding Obligations.** This Agreement and all amendments hereto and assignments hereof shall be recorded in the deed records of Caldwell County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the 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 City Regulations, that apply to such lots.

18.2 **Estoppel Certificates.** From time to time upon written request of the Developer or any future Developer, and upon the payment of a \$100.00 fee to the City, the City Manager, or his/her designee will, in his official capacity and to his reasonable knowledge and belief, execute a written estoppel certificate identifying any obligations of an Developer under this Agreement that are in default.

ARTICLE XIX **ADDITIONAL PROVISIONS**

19.1 **Recitals.** The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

19.2 **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 (i) if delivered via a method other than e-mail, when personally delivered or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid or (ii) if delivered via e-mail, upon the earlier of receipt of a “delivery receipt” or on the next Business Day after being sent (as recorded on the device from which the sender sent the email) unless the sender

receives an automated message that the email has not been delivered. Any such notice shall be addressed as follows:

To the City: Attn: City Manager

Lockhart, Texas 78654
E-mail: slewis@lockhart-tx.org

With a copy to: Attn: Brad Bullock
Messer Fort, PLLC
4201 W. Parmer Lane, Suite C-150
Austin, Texas 78727
E-mail: _____

To the Developer: Attn: Tom Staub
212 E. 6th Street, Suite 203
Austin, Texas 78702
E-mail: tom@redoakvc.com

With a copy to: Attn: Drew Slone
Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
E-mail: dslone@lockelord.com

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.

19.3 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.

19.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

19.5 Entire Agreement.

(a) 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 City and Developer expressly amending the terms of this Agreement.

(b) Upon the Date that Developer becomes the Owner of the Property, Developer shall notify City in writing within five (5) business days of the Closing that it is the owner of the Property.

19.6 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

19.7 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 Caldwell County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Caldwell County District Court.

19.8 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.

19.9 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.

19.10 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Developer certifies and represents that the Developer has full authority to execute this Agreement for the purposes herein stated without the joinder or consent of any other person or entity. 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.

19.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

19.12 Exhibits. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A1 A2 Metes and Bounds Description and Map of the Owner Property:
Exhibit A3 Map of the Outside Property
Exhibit A4 and A5 Metes and Bounds Description and Map of the In-City Property;
Exhibit A6 and A7 Metes and Bounds Description and Map of the Project Boundaries.
Exhibit B Concept Plan
Exhibit B-1-Trails, Parks and Recreational Facilities
Exhibit C Authorized Improvements and Estimated Costs
Exhibit D Development and Absorption Phasing Plan
Exhibit E Development Standards
Exhibit F Home Buyer Disclosure Program
Exhibit G Landowner Agreement
Exhibit H Certification for Payment Form
Exhibit I Closing Disbursement Request
Exhibit J RESERVED
Exhibit K Water System Improvements
Exhibit L Wastewater System Improvements
Exhibit M Roadway Systems Improvements

19.13 Home Buyer Disclosures. The Developer shall comply with the Home Buyer Disclosure Program and shall record the Declaration of Covenants, Conditions and Restrictions set forth on Exhibit II of the Landowner Agreement attached hereto as **Exhibit I** in the real property records of Caldwell County, which notifies future developer of Property of the obligations set forth in the Home Buyer Disclosure Program.

19.14 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

19.15 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 fifteen (15) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time.

19.16 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Developer expressly amending the terms of this Agreement.

19.17 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

19.18 Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the Parties hereto or by any third party to create the relationship of principal and agent, or of partnership, joint venture or any association whatsoever between any one or more of the Parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the Parties hereto shall be deemed to create any relationship between the Parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

19.19 Captions. The descriptive captions of this Agreement are for convenience of reference only and shall in no way define, describe, limit, expand or affect the scope, terms, conditions, or intent of this Agreement.

19.20 Number and Gender. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.

19.21 Gift to Public Servant. The Developer shall not, and shall use commercially reasonable efforts to cause its contractors and agents to not, offer, or agree to confer any benefit upon a City employee or official that the City employee or official is prohibited by law from accepting. For purposes of this section, "benefit" means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with law. Notwithstanding any other legal remedies, the City may require the Developer to remove any employee or contractor of the Developer from performance responsibilities under this Agreement who has violated the restrictions of this section or any similar state or federal law.

19.22 Statutory Verifications. The Developer makes the following representations and pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

a. Not a Sanctioned Company. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

b. No Boycott of Israel. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

c. No Discrimination Against Firearm Entities. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

d. No Boycott of Energy Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

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

[Signatures to Follow]

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

ATTEST:

CITY OF LOCKHART, TEXAS

Name:

Title: City Secretary

By: _____

Name:

Title: Mayor

Date: _____

APPROVED AS TO FORM

, Attorney

STATE OF TEXAS

§

§

COUNTY OF CALDWELL

§

This instrument was acknowledged before me on the ____ day of _____, 2024 by
Lew White, Mayor of the City of Lockhart, Texas, a home-rule municipality, on behalf of said
home rule municipality.

Notary Public, State of Texas

Developer:

RODG MASTER LOCKHART PROP CO
LLC, a Texas limited liability company

By:

By:

By: _____
Name:
Its:

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2024
by _____, _____, _____, as _____, a Texas limited liability company on behalf of
said company.

Notary Public, State of Texas

Executed by the Owners of the Owner Property to be effective on the Effective Date for the limited purpose of acknowledging consent and request of the Owners to annexation of the Owner Property into the City limits of the City of Lockhart as provided in this Agreement, to evidence consent to inclusion of the Outside Property in the City's Extraterritorial Jurisdiction (ETJ) and to agree and acknowledge consent and agreement of the Owners to City's expansion of its water and sewer CCN to cover the Owner Property.

Acknowledged and Agreed:

DAVID ACEVEDO,
an individual

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

EDUARDO ACEVEDO,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

DAVID ACEVEDO,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

VIRGINIA VILLAREAL,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

MARGARITA BRITT,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

EXHIBIT A
PROPERTY DESCRIPTIONS/MAPS

Exhibit A1 and A2: Metes and Bounds Description and Depiction of the Owner Property (includes ETJ and Outside Property)

Exhibit A3: map of the Outside Property

Exhibit A4 and Exhibit A5: property description and map of In-City Property

Exhibit A6 and A7 property description and map of Project/PID/TIRZ Boundaries.



EXHIBIT B
CONCEPT PLAN
and
Exhibit B1- Trails, Parks and Recreational Facilities



EXHIBIT C
Estimated costs of Authorized Improvements



EXHIBIT D
Development and Absorption Phasing Plan

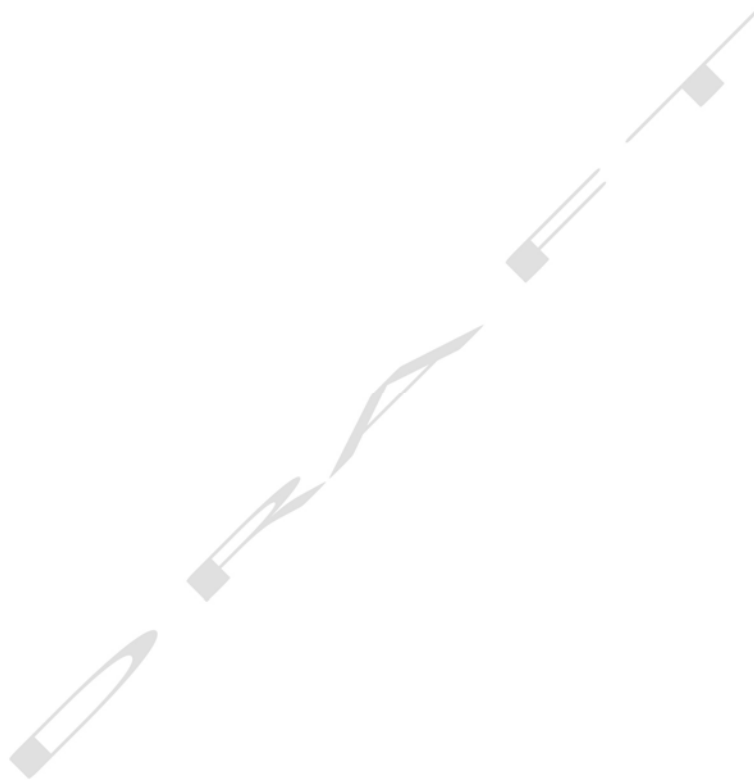


EXHIBIT E
Development Standards

SEA WILLOW DEVELOPMENT STANDARDS

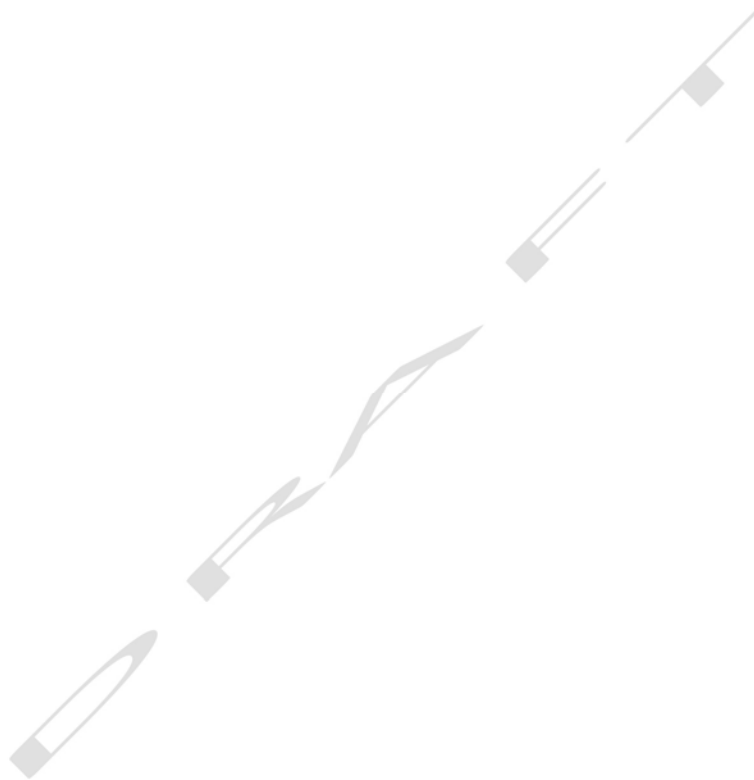


EXHIBIT F

Home Buyer Disclosure Program

The PID Administrator for the Seawillow Ranch Public Improvement District (the “PID”) shall facilitate notice to prospective homebuyers in accordance with the following minimum requirements:

1. Record notice of the PID in the appropriate land records for the Property.
2. Require homebuilders to attach the Recorded Notice of the Authorization and Establishment of the PID 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) in an addendum to each residential homebuyer's contract on brightly colored paper.
3. Collect a copy of the addendum signed by each buyer from homebuilders and provide to the City.
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 homebuilders an overview of the existence and effect of the PID for those homebuilders to include in each sales packet of information that it provides to prospective homebuyers.
6. Notify homebuilders who estimate monthly ownership costs of the requirement that they must include special assessments in estimated Property taxes.
7. Notify Settlement Companies through the homebuilders 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 City will include announcements of the PID on the City's web site.

The Developer and the PID Administrator shall regularly monitor the implementation of this disclosure program and shall take appropriate action to require these notices to be provided when one of them discovers that any requirement is not being complied with.

EXHIBIT G

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the “Agreement”), is entered into as of _____, among the City of Lockhart, Texas (the “City”), a home-rule municipality of the State of Texas (the “State”), and _____, a Texas _____ (the “Landowner”).

RECITALS:

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the Service and Assessment Plan (as defined herein); and

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

WHEREAS, the City Council has adopted an assessment ordinance (including all exhibits and attachments thereto, the “Assessment Ordinance”) for the Authorized Improvements and the Service and Assessment Plan (as updated and amended, 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 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; and

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

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

DEFINITIONS; APPROVAL OF AGREEMENTS

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

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

I.
AGREEMENTS OF LANDOWNER

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

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are coterminous with 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 City Council in the Service and Assessment Plan and the Assessment Ordinance; and

(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 City on the Assessed Parcels within the District (the "Assessments"), 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 at least equal to 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 Assessed Parcels, 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 Assessed Parcels 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 Assessed Parcels, 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 Assessed Parcels regardless of whether such owner is named;

(vi) the Assessment lien on the Assessed 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 City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

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

(viii) the owner of an Assessed Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner 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 City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under 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 City and as provided in the Service and Assessment Plan, as amended or updated.

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

(i) the Declaration of Covenants, Conditions and Restrictions in the form attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Assessed 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 City), in the records of the County Clerk of Caldwell County, as a lien and encumbrance against such Assessed Parcel, and Landowner hereby authorizes the City to so record such documents against the Assessed Parcel owned by Landowner;

(ii) 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 Declaration of Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Assessed Parcel subject to all of the terms, conditions and provisions of such Declaration of Covenants, Conditions and Restrictions; and

(iii) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Assessed 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 if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a “Builder”) but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner’s request and the City’s consent, in the City’s sole and absolute discretion, the Declaration of 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 the portion of the Authorized Improvements benefitting the Landowner Parcel and the land (or easements, as applicable) needed therefor shall be owned by the City as constructed and/or conveyed to the City 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 Assessed Parcel shall, upon the request of the City or Landowner, grant and convey to the City or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Authorized Improvements on the Landowner Parcel within the District, to stage on the Landowner Parcel 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 Assessed Parcels may require that each contractor constructing the Authorized Improvements cause such owner of the Assessed Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Assessed 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 Caldwell County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

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

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

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

(iv) Landowner is, subject to all matters of record in the Caldwell 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 City, as generally described on the current plats of the property within

the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

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

B. Waiver of Claims Concerning 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 City 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 City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City: Attn: City Manager

Lockhart, Texas

With a copy to: Attn: Brad Bullock
Messer Fort PLLC
4201 W. Parmer Lane, Suite 150
Austin, Texas 78727

To the Developer: Attn: Tom Staub
212 E. 6th Street, Suite 203
Austin, Texas 78702

E-mail:tom@redoakvc.com

With a copy to: Attn: Drew Slone
Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
E-mail:dslone@lockelord.com

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

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

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner Parcel, and the holders of or trustee for any bonds secured by Assessment Revenues or TIRZ Increment revenues of the City 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 Caldwell County, Texas.

E. Amendments.

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

F. Effective Date.

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

G. Estoppels.

Within 10 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 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 Parcel upon payment in full of the Assessment(s) against such Landowner Parcel.

[Signature pages to follow]

EXECUTED by the City and Landowner on the Effective Date.

Date: _____

CITY OF LOCKHART, TEXAS

By: _____
_____, Mayor

STATE OF TEXAS §
 §
COUNTY OF CALDWELL §

This instrument was acknowledged before me on the ____ day of _____, 2024 by _____,
Mayor of the City of Lockhart, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

[Signature Page Landowner Agreement]

LANDOWNER

a Texas _____,

By: _____
_____,
its manager

STATE OF TEXAS)
)
COUNTY OF _____)

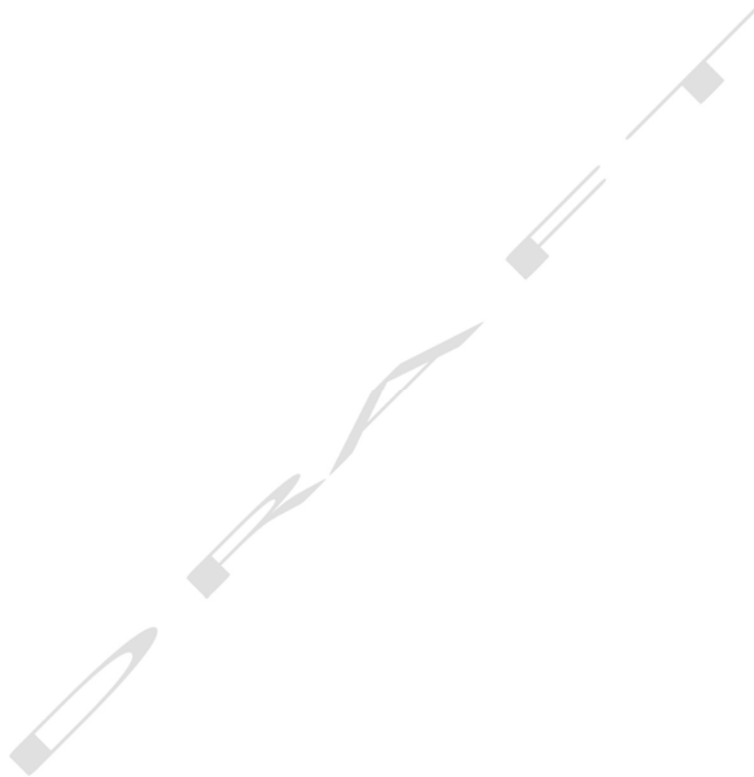
This instrument was acknowledged before me on the ____ day of _____, 2024, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

Notary Public, State of Texas

My Commission Expires:

[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 Caldwell County, Texas, which is described in the attached **Exhibit I** (the “Landowner’s Parcel”).
- B. The City Council of the City of Lockhart, Texas (the “City Council”) upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Seawillow Ranch Public Improvement District (the “District”) by the then record owners taxable real property representing more than fifty percent (50%) of the appraised value of the real property liable for assessment (as determined by the most recent certified appraisal roll for Caldwell County) in the area requested to be included in the District and the record owners of taxable real property that constitute more than fifty percent (50 %) of all of the area of all taxable real property that are liable for assessment within the area requested to be included in the District, created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “PID Act”).
- C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the “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 (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 this Declaration.

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 City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within 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 this Declaration, that the Assessments, including any Annual Installments of the Assessments (as such Annual Installments may be adjusted, decreased or extended), are covenants that run with the Landowner’s Parcel and specifically binds the Landowner, its successors and assigns.

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

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

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

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

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

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

TEXAS PROPERTY CODE SECTION 5.014

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

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

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Lockhart, _____ Lockhart, Texas 78____.

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.

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

LANDOWNER

a Texas _____,

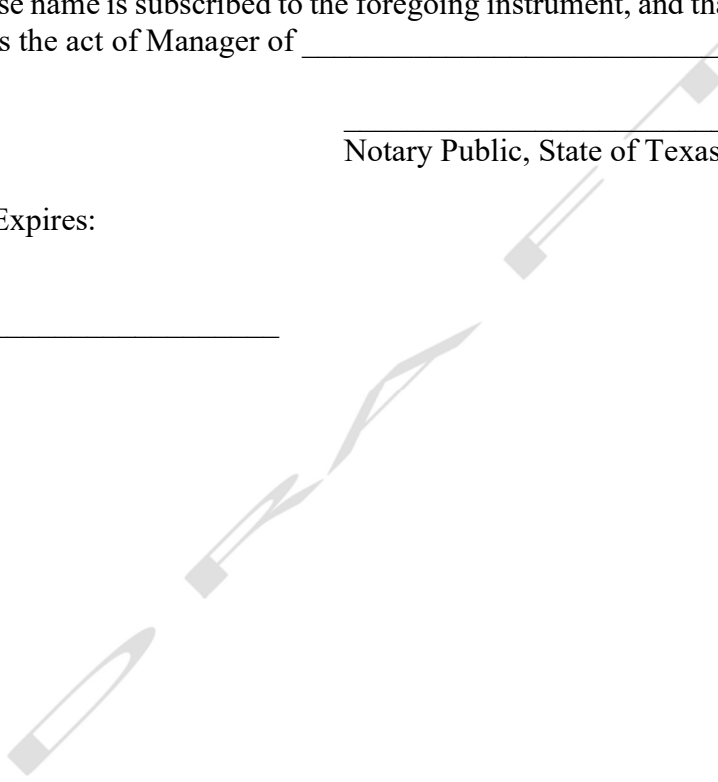
By: _____
_____,
its manager

STATE OF TEXAS)
)
COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 2024, by _____ in his capacity as Manager 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 act of Manager 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 Seawillow Ranch Public Improvement District and the Declaration of 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 Paragraph 1 above, signed by such residential homebuyer, to the City.
3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.
4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.
5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

EXHIBIT H
Certification for Payment Form

The undersigned is an agent for _____ (the “Developer”) and requests payment from the Improvement Account of the Project Fund (as defined in the Bond Indenture) from the City of Lockhart, Texas (the “City”) in the amount of \$ _____ for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Authorized Improvements related to the Seawillow Ranch Public Improvement District. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Bond Indenture.

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

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this 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 City 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 Bond 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 City may begin inspection of the Authorized Improvement(s).
7. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

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 City 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.

a Texas limited liability company

By:

By:

By:

Name: _____

Its: Manager

Date: _____

APPROVAL OF REQUEST BY CITY

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 Improvement Account of the Project Fund, in accordance with the Certification for Payment. The City'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.

CITY OF LOCKHART, TEXAS

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

EXHIBIT I
Closing Disbursement Request

The undersigned is an agent for _____, (the “Developer”) and requests payment from:

[the Cost of Issuance Account of the Project Fund] [the Improvement Account of the Project Fund] from _____, (the “Trustee”) in the amount of _____ DOLLARS (\$ _____) for costs incurred in the establishment, administration, and operation of the Seawillow Ranch Public Improvement District (the “District”), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

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

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer and is knowledgeable as to the matters set forth herein.
2. The payment requested for the above referenced establishment, administration, and operation of the District at the time of the delivery of the PID Bonds has not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below itemized costs is a true and accurate representation of the Authorized Improvement Costs incurred by Developer with the establishment of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with and within the costs as set forth in 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 Indenture for the payment hereby requested have been satisfied.
6. The Developer agrees to cooperate with the City in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

- a. X amount to Person or Account Y for Z goods or services.
- b. Payment instructions

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

_____,
a Texas limited liability company

By: _____
Texas limited liability company
Its Manager

By: _____
Name: _____
Its: _____ Manager

Date: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request to the extent set forth below and authorizes and directs payment by Trustee in such amounts and from the accounts listed below, to the Developer or other person designated by the Developer herein.

CITY OF LOCKHART, TEXAS

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

EXHIBIT J
RESERVED

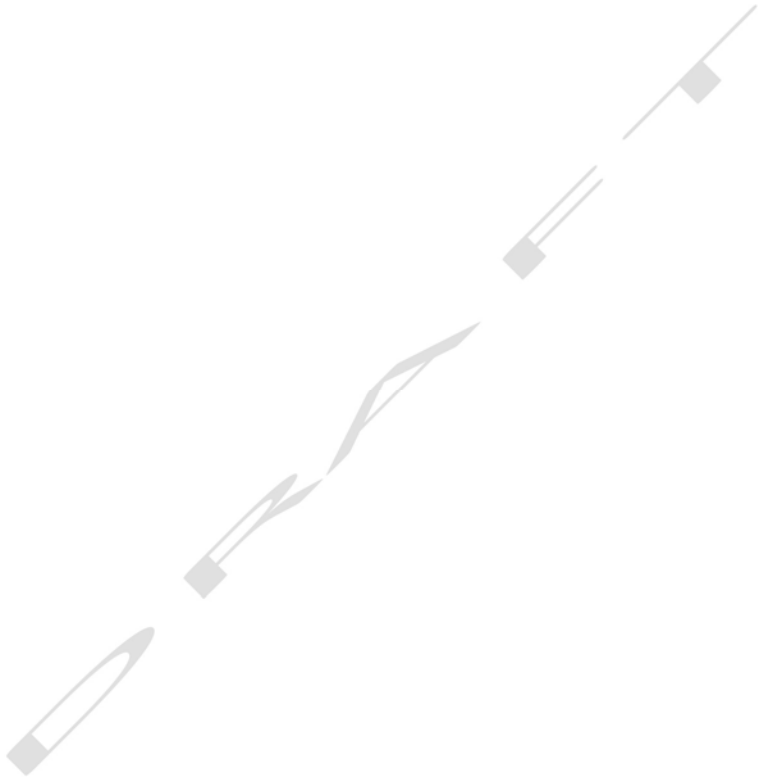


EXHIBIT K

Water Service Improvements

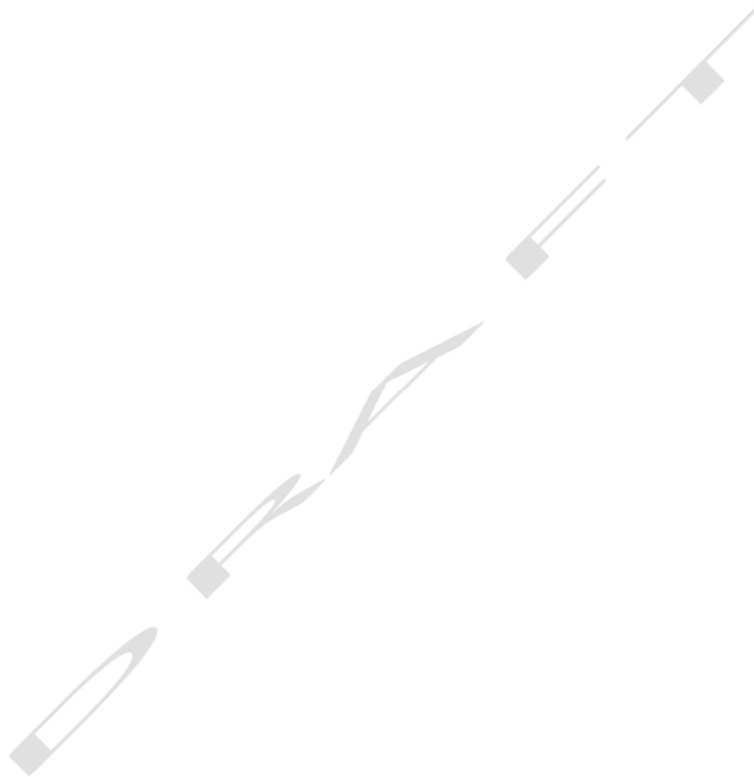


EXHIBIT L
Wastewater Service Improvements

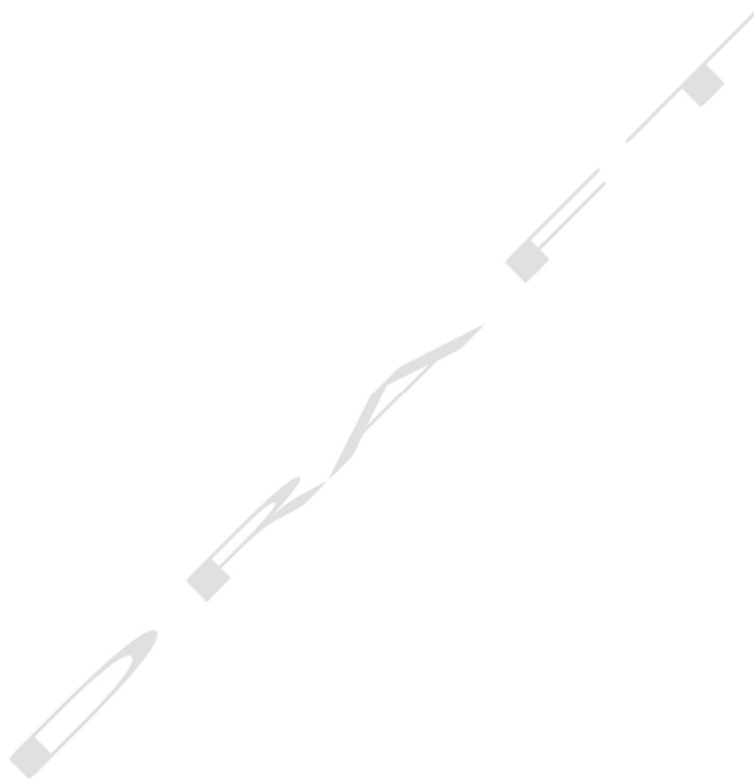
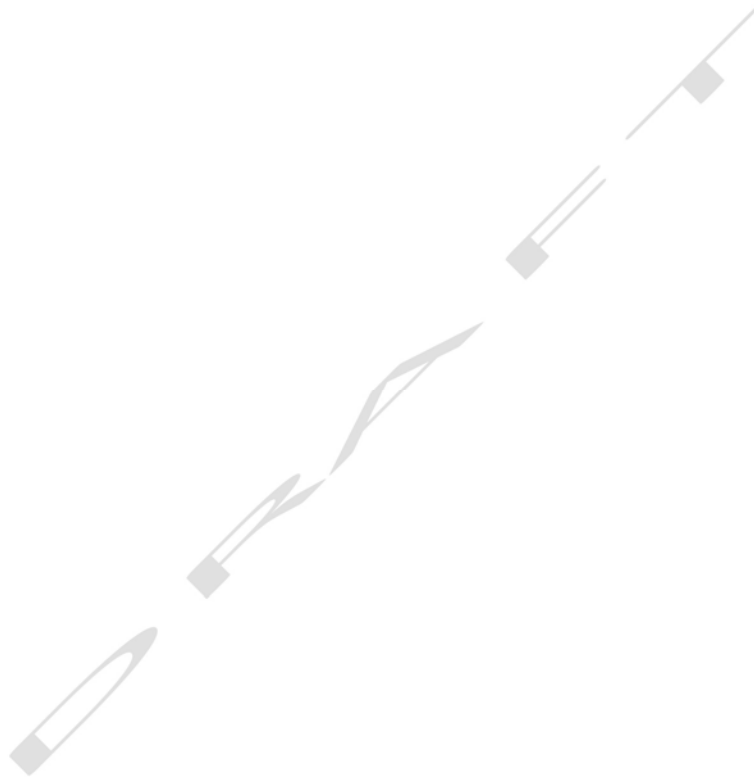
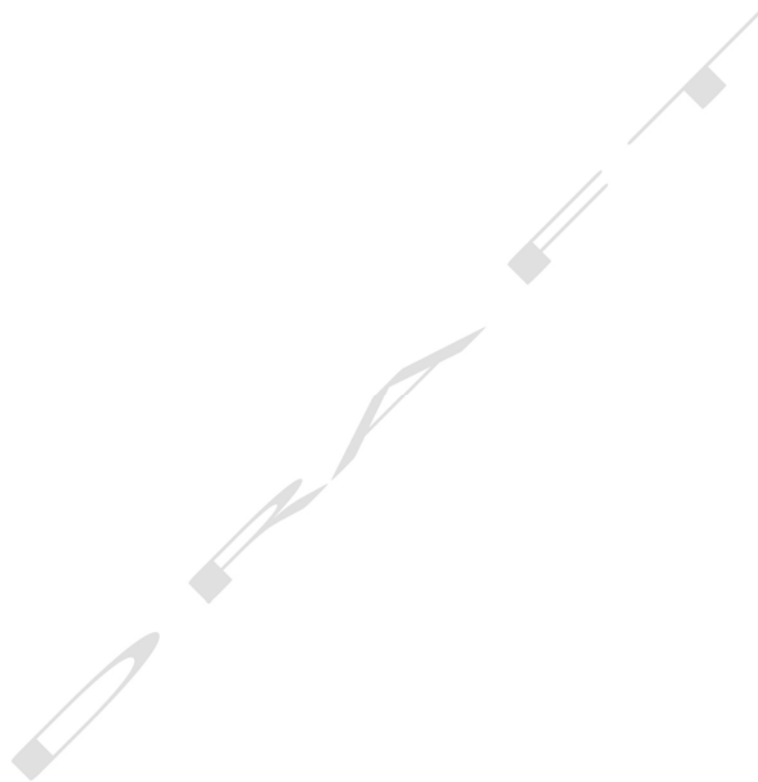


EXHIBIT M
Roadway Improvements





CALDWELL COUNTY, TEXAS

A 588.553 ACRE TRACT SITUATED IN THE JOHN A. NEILL SURVEY, ABSTRACT NO. 20
CALDWELL COUNTY, TEXAS

LEGAL DESCRIPTION - TRACT 1

BEING a 498.778 acre tract of land situated in the JOHN A. NEILL SURVEY, ABSTRACT No. 20, Caldwell County, Texas, and being a portion of a called 160.00 acres of land described in deed as recorded in Volume 28, Page 146 of the Real Property Records, Caldwell County, Texas, SAVE & EXCEPT a certain 20.000 acres, and all of a called 358.536 acres of land as described in deed as recorded in Volume 209, Page 425, Official Public Records, Caldwell County, Texas, said 498.778 acres being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch capped iron rod found, marked Hinkle Surveying, on the Northeast Right-of-Way line of Farm to Market Road 1322, a Variable Width Right-of-Way, and for the Northwest corner of a called 85.00 acre tract of land as described in a deed to Blackjack Block II, LLC as recorded in Document Number 2021-008619 of said Official Public Records, same being the Southwest corner of a called 169.811 acres of land described in deed to SVAG Investments, LLC, a Texas Limited Liability Company, as recorded in Document Number 2021-006881 of said Official Public Records; THENCE North 31° 43' 06" West, along said Right-of-Way and the Southwest line of an 89.775 acre remainder tract of said 169.811 acres, a distance of 2,572.95 feet to a 1/2 inch capped iron rod found, marked Jones Carter Prop Corner, for the Northwest corner of a called 80.04 acre tract of land as described in deed to Vema Investments, LLC, as recorded in Instrument 2021-007855 of said Official Public Records, same being a Northwest corner of said 89.775 acre tract; THENCE North 78° 46' 11" East, along the common line of said 80.04 acres and said 89.775 acres, a distance of 1,665.32 feet to a 1/2 inch iron rod found for the POINT OF BEGINNING on the West line of said 358.536 acre tract, for the Southeast corner of said 80.04 acres, same being the Northeast corner of said 89.775 acres;

THENCE North 29° 54' 41" West, along the common line of said 358.536 acres and said 80.04 acres, a distance of 956.23 feet to a 60D Nail found in Wood Fence Corner Post for an interior angle point in the West line of a called 2.606 acre tract of land described in deed to Ray C. Nash and wife, Helen K. Nash as recorded in Volume 76, Page 743 of said Official Public Records, same being a Northwest corner of said 358.536 acres;

THENCE North 12° 42' 23" East, along the common line of said 358.536 acres and said 2.606 acres, a distance of 100.55 feet to a 1 inch iron pipe found on the South Right-of-Way line of County Road 205, a.k.a. Seawillow Road, a variable width Right-of-Way;

THENCE along said South Right-of-way and the North line of said 358.536 acres the following bearings and distances:
South 72° 03' 50" East, a distance of 65.07 feet to a 1/2 inch iron rod found capped;
South 86° 16' 07" East, a distance of 189.45 feet to a 1/2 inch iron rod found capped;
North 79° 02' 20" East, a distance of 350.87 feet to a three way fence corner post found;
North 78° 34' 18" East, a distance of 1,963.89 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 64° 47' 06" East, a distance of 592.08 feet to a 1/2" iron rod found capped for the North corner of a called 3.007 acre tract of land described in deed to Chris C. Chapman and Kimberly K. Hoffman Chapman as recorded in Instrument Number 2018-003545 of said Official Public Records;

THENCE departing said South Right-of-Way, along the common line of said 3.007 acres and said 358.536 acres the following bearings and distances:
South 24° 46' 06" East, a distance of 358.21 feet to a fence corner post found;
North 24° 38' 27" East, a distance of 366.83 feet to a 5/8 inch iron rod found on said South Right-of-Way, for the East corner of said 3.007 acres;

THENCE South 61° 15' 06" East, along said South Right-of-Way line, a distance of 472.51 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set for the North corner of a 20.000 acre remainder of said 160 acre tract;

THENCE over and across, said 160 acres the following three (3) courses and distances:
South 32° 22' 32" West, a distance of 639.03 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 24° 59' 14" East, a distance of 617.22 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
North 82° 35' 38" East, a distance of 1096.03 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set on the West Right-of-Way line of said CR 205 and the East line of said 160 acres;

THENCE South 14° 17' 18" East, a distance of 970.10 feet to a angle iron with flagging found for the Northwest corner of a called 1.997 acre tract of land as described in deed to Russell A. Nickel, a single man, as recorded in Instrument Number 2020-003246 of said Official Public Records, and being on the East line of said 358.536 acres;

THENCE South 11° 10' 32" East, along the East line of said 358.536 acres, passing a 5/8 inch iron rod found at a distance of 400.12 feet, for the Northwest corner of a called 9.152 acre tract of land as described in a deed to Brenda Gayle Bagwell Hagan, a married person, as her separate property and estate as recorded in Instrument Number 2021004181 of said Official Public Records, same being the Southwest corner of said 1.997 acres, continuing a total distance of 935.25 feet to a 6 inch wood fence corner post found for the Southwest corner of said 9.152 acres, same being an interior ell corner of said 358.536 acres;

THENCE North 78° 31' 19" East, along a North line of said 358.536 acres and along the South line of said 9.152 Bagwell/Hagan tract and a called 9.152 acres of land as described in deed to Delores Jean Stanton as recorded in Instrument Number 117663 of said Official Public Records, a distance of 2095.92 feet to a 6 inch wood fence corner post found on the West Right-of-Way line of said CR 205 for a Northeast corner of said 358.536 acres, same being the Southeast corner of said 9.152 acres;

THENCE along the West Right-of-Way line of said CR 205 the following bearings and distances:
South 09° 58' 20" East, a distance of 1445.88 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 13° 05' 03" East, a distance of 202.27 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 23° 19' 16" East, a distance of 157.39 feet to a 1/2 inch iron rod found capped for the Northeast corner of Lot 1, 2 and 3, Commanche Hill, Section One, a Subdivision in Caldwell County, Texas according to the Map or Plat thereof as recorded in Plat Cabinet A, Slide 28, Plat Records of Caldwell County, as described in Instrument Number 126568 of said Official Public Records, same being the Southernmost Southeast corner of said 358.536 acres;

THENCE South 78° 28' 58" West, along the South line of said 358.536 acres, a distance of 4735.83 feet to a 1 inch iron pipe found for the Southeast corner of said 85.00 acres and being the Southernmost Southwest corner of said 358.536 acres, from which a 1/2 inch iron rod found for the Southwest corner of said 85.00 acres bears South 78° 47' 06" West, a distance of 1,503.48 feet for reference;

THENCE North 29° 54' 41" West, along the common line of said 85.00 acres and said 358.536 acres, a distance 5077.48 feet to the POINT OF BEGINNING, containing an area of 21,726,762 Square Feet and/or 498.778 Acres of land, more or less.

SEAWILLOW ROAD (CR 205) (ASPHALT) (VARIABLE WIDTH RIGHT-OF-WAY)

LEGEND			
	SUBJECT TRACT BOUNDARY		POWER POLE
	ADJOINER TRACT BOUNDARY		WATER METER
	BUILDING SETBACK		WATER VALVE
	EXISTING EASEMENT		GAS METER
	CENTERLINE ROAD		ELECTRIC METER
	RIGHT OF WAY (R.O.W.)		MANHOLE
	UNDER GROUND TELEPHONE		CLEANOUT
	OVERHEAD ELECTRIC		
	BARBED WIRE FENCE		
	CHAIN LINK FENCE		
	PIPE FENCE		
	WOOD FENCE		
	CENTERLINE CREEK/DITCH		
CM	CONTROL MONUMENT		POWER POLE
	CALCULATED POINT		WATER METER
	FOUND MONUMENT		WATER VALVE
	FOUND FENCE POST		GAS METER
	SET 1/2" CAPPED IRON ROD STAMPED "DATEPOINT 10194585" UNLESS OTHERWISE NOTED		ELECTRIC METER
			MANHOLE
			CLEANOUT

NOTE:
LEGEND IS TYPICAL AND NOT ALL ITEMS OR SYMBOLS IN LEGEND APPEAR IN DRAWING.
SYMBOLS REFLECTED IN THE LEGEND AND ON THIS SURVEY MAY HAVE BEEN ENLARGED OR REDUCED FOR CLARITY.

1	RAY C NASH AND WIFE, HELEN K NASH CALLED 2.606 ACRES VOL. 76, PG. 743 O. P. R. C. C. T.
2	CHRIS C CHAPMAN AND KIMBERLY K HOFFMAN CHAPMAN CALLED 3.007 ACRES INSTR. NO. 2018-003545 O. P. R. C. C. T.
3	RUSSELL A NICKEL CALLED 1.997 ACRES INSTR. NO. 2020-003246 O. P. R. C. C. T.
4	BRENDA GAYLE BAGWELL HAGAN CALLED 9.152 ACRES INSTR. NO. 2021-004181 O. P. R. C. C. T.
5	WILLIAM R HAGAN AND BRENDA G HAGAN CALLED 9.152 ACRES VOL. 273, PG. 537 O. P. R. C. C. T.
6	DELORES JEAN STANTON CALLED 9.152 ACRES INSTR. NO. 117663 O. P. R. C. C. T.
7	BEATRICE MADRIGAL, ET AL LOTS 1, 2 & 3 COMMANCHE HILL SUBDIVISION INSTR. NO. 126568 O. P. R. C. C. T.
8	TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 1 CALLED 20.00 ACRES INSTR. NO. 2014-003944 O. P. R. C. C. T.
9	TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 2 CALLED 20.00 ACRES INSTR. NO. 2014-003944 O. P. R. C. C. T.

SEAWILLOW 588.553 ACRE SURVEY EXHIBIT
FARM TO MARKET ROAD 1322, CR 205 (SEAWILLOW RD)
LOCKHART 89 + ACEVEDO TRACTS
A 588.553 ACRE TRACT SITUATED IN THE
JOHN A NEILL SURVEY, ABSTRACT NO. 20
CALDWELL COUNTY, TEXAS

DRAWN BY: BKR	DATE: 3/11/2024	REV. 0
CHECKED BY: BKR/MBT	DATE: 3/11/2024	
AFE #		PAGE 1 OF 1

LEGAL DESCRIPTION - TRACT 2

BEING 89.775 acres of land situated in the J.A. NEILL SURVEY, ABSTRACT NO. 20, Caldwell County, Texas, and being a portion of and part of a called 169.811 acres of land described in deed to SVAG Investments, LLC, a Texas Limited Liability Company, as recorded in Document Number 2021-006881 of the Official Public Records of Caldwell County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch capped iron rod found, marked Hinkle Surveying, on the Northeast Right-of-Way line of Farm to Market Road 1322, a Variable width Right-of-Way, and for the Northwest corner of a called 85.00 acre tract of land as described in a deed to Blackjack Block II, LLC, as recorded in Document Number 2021-008619 of said Official Public Records, same being the Southwest corner of said 169.811 acre tract and of this herein described tract;

THENCE North 31 degrees 43 minutes 06 seconds West, along said Right-of-Way and the Southwest line of this tract, a distance of 2,572.95 feet to a 1/2 inch capped iron rod found, marked Jones Carter Prop Corner, for the Northwest corner of this herein described tract;

THENCE North 78 degrees 46 minutes 11 seconds East, crossing said 169.811 acre tract, a distance of 1,665.32 feet to a 1/2 inch iron rod found on the Southwest line of a called 358.536 acre tract of land as described in a deed to David V. Acevedo and Marge Margarita Acevedo as recorded in Volume 209, Page 425 of said Official Public Records, same being the Northeast corner of said 169.811 acre tract, and being the Northeast corner of this herein described tract;

THENCE South 29 degrees 54 minutes 41 seconds East, along the East line of said 358.536 acre tract, a distance of 2,544.30 feet to a 1/2 inch capped iron rod found, marked Hinkle Surveying, for the Northeast corner of said 85.00 acre tract, and being the Southeast corner of this tract;

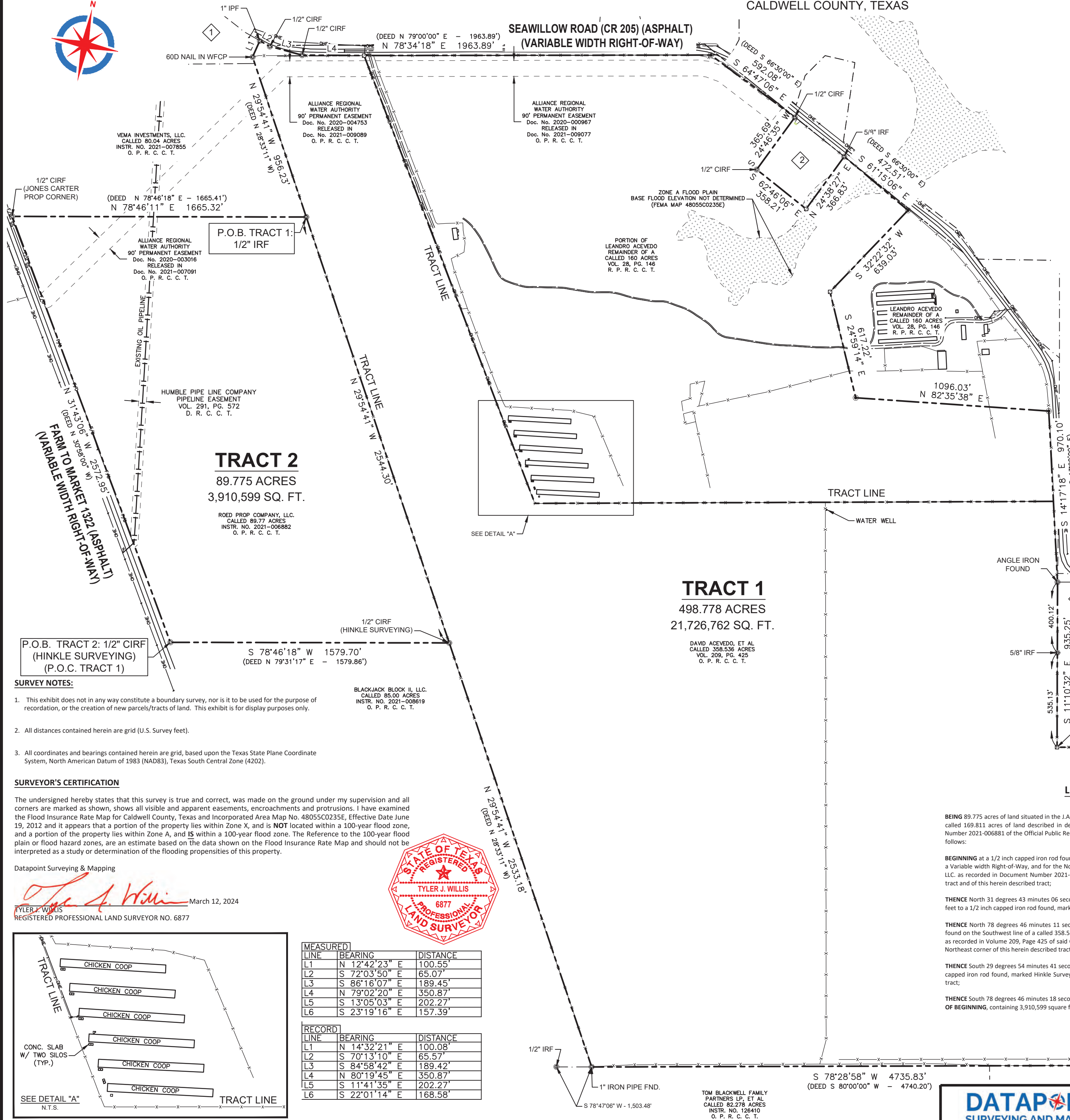
THENCE South 78 degrees 46 minutes 18 seconds West, along the North line of said 85.00 acre tract, a distance of 1,579.70 feet to the POINT OF BEGINNING, containing 3,910,599 square feet and/or 89.775 acres of land, more or less.

DATAPoint
SURVEYING AND MAPPING

12450 Network Blvd. - Suite 155
San Antonio, TX 78249
Phone: 726-777-4240
Firm No. 10194585

0' 400' 800'
SCALE: 1" = 400'

TOM BLACKWELL FAMILY
PARTNERS, LP, ET AL
CALLED 82.278 ACRES
INSTR. NO. 126410
O. P. R. C. C. T.



TRACT 2

89.775 ACRES
3,910,599 SQ. FT.

ROED PROP COMPANY, LLC.
CALLED 89.77 ACRES
INSTR. NO. 2021-006882
O. P. R. C. C. T.

TRACT 1

498.778 ACRES
21,726,762 SQ. FT.

DAVID ACEVEDO, ET AL
CALLED 358.536 ACRES
VOL. 209, PG. 425
O. P. R. C. C. T.

SURVEY NOTES:

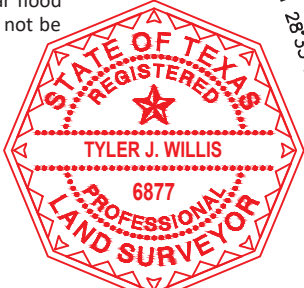
- This exhibit does not in any way constitute a boundary survey, nor is it to be used for the purpose of recordation, or the creation of new parcels/tracts of land. This exhibit is for display purposes only.
- All distances contained herein are grid (U.S. Survey feet).
- All coordinates and bearings contained herein are grid, based upon the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), Texas South Central Zone (4202).

SURVEYOR'S CERTIFICATION

The undersigned hereby states that this survey is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the Flood Insurance Rate Map for Caldwell County, Texas and Incorporated Area Map No. 4805C0235E, Effective Date June 19, 2012 and it appears that a portion of the property lies within Zone X, and is **NOT** located within a 100-year flood zone, and a portion of the property lies within Zone A, and **IS** within a 100-year flood zone. The Reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the Flood Insurance Rate Map and should not be interpreted as a study or determination of the flooding propensities of this property.

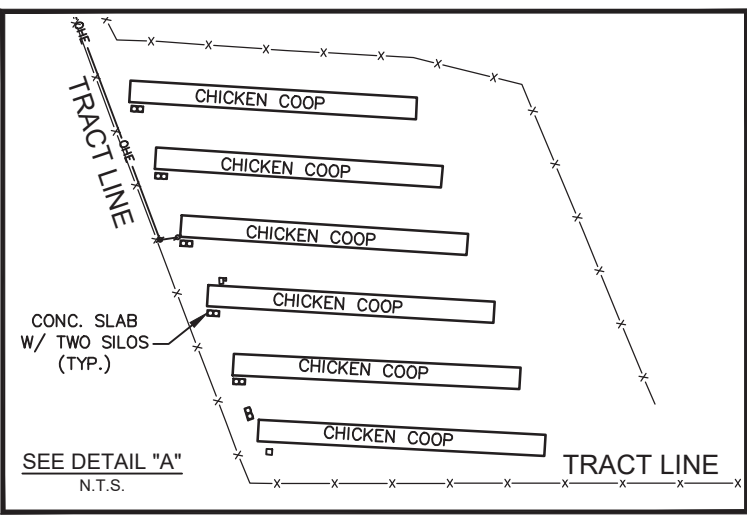
Datapoint Surveying & Mapping

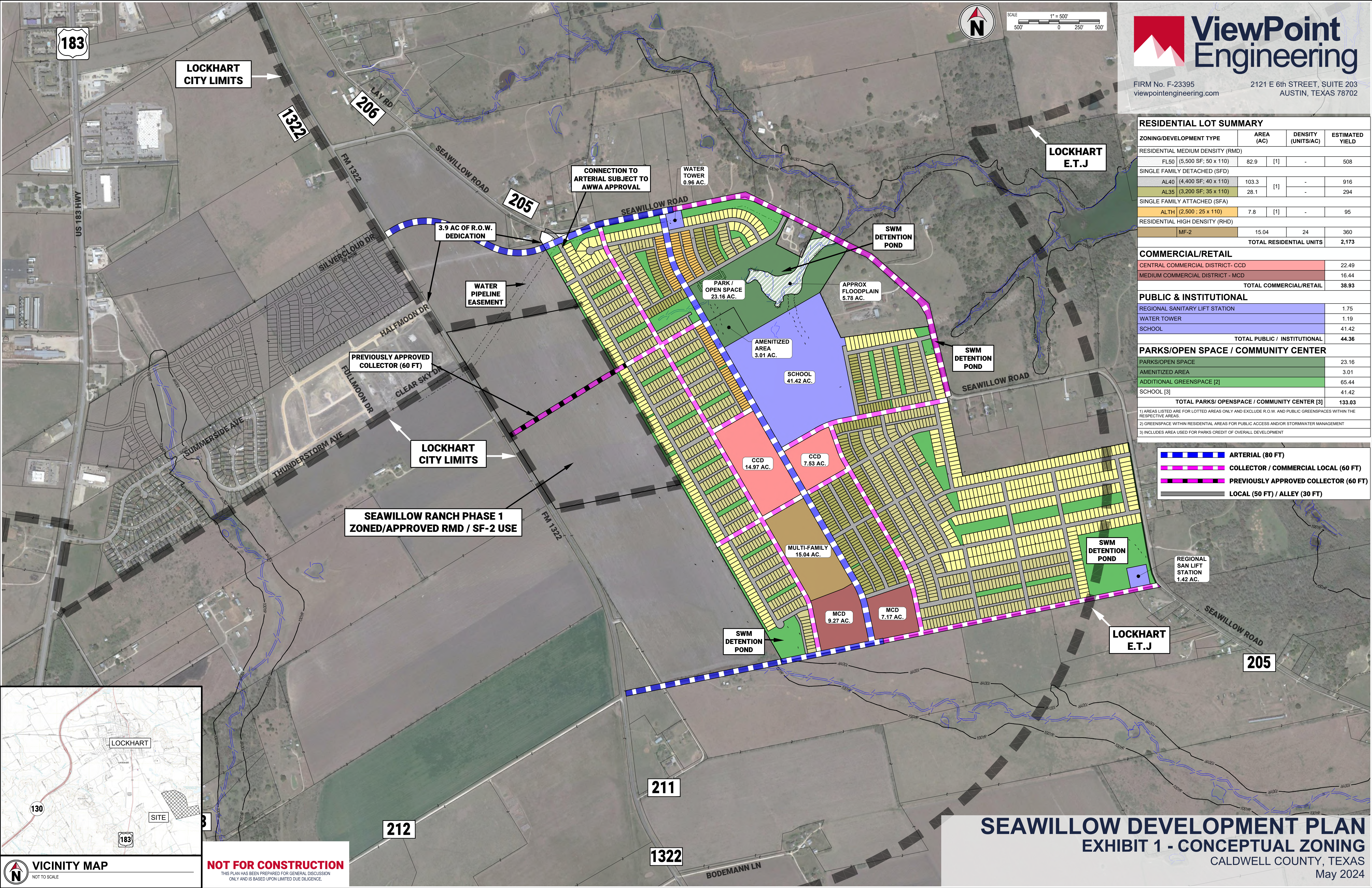
Tyler J. Willis March 12, 2024
TYLER J. WILLIS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6877



LINE	BEARING	DISTANCE
L1	N 12° 42' 23" E	100.55'
L2	S 72° 03' 50" E	65.07'
L3	S 86° 16' 07" E	189.45'
L4	N 79° 02' 20" E	350.87'
L5	S 13° 05' 03" E	202.27'
L6	S 23° 19' 16" E	157.39'

LINE	BEARING	DISTANCE
L1	N 14° 32' 21" E	100.08'
L2	S 70° 13' 10" E	65.57'
L3	S 84° 58' 42" E	189.42'
L4	N 80° 19' 45" E	350.87'
L5	S 11° 41' 35" E	202.27'
L6	S 22° 01' 14" E	168.58'



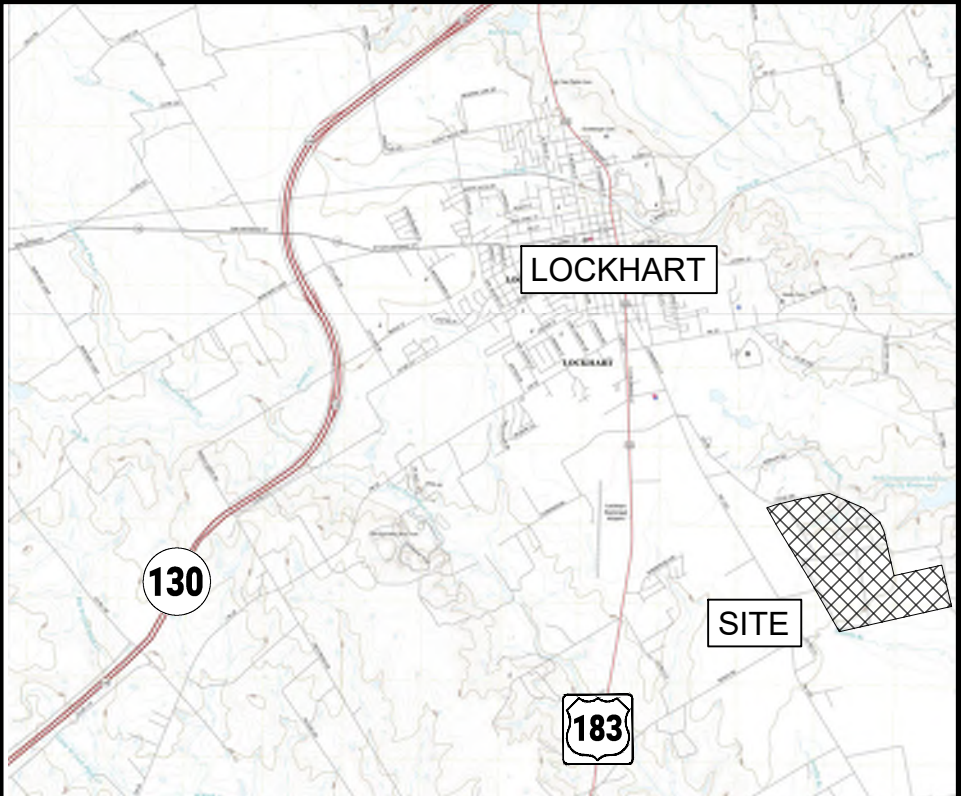


FIRM No. F-23395
viewpointengineering.com

2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

RESIDENTIAL LOT SUMMARY				
ZONING/DEVELOPMENT TYPE		AREA (AC)	DENSITY (UNITS/AC)	ESTIMATED YIELD
RESIDENTIAL MEDIUM DENSITY (RMD)				
FL50 (5,500 SF; 50 x 110)	82.9	[1]	-	508
SINGLE FAMILY DETACHED (SFD)				
AL40 (4,400 SF; 40 x 110)	103.3	[1]	-	916
AL35 (3,200 SF; 35 x 110)	28.1		-	294
SINGLE FAMILY ATTACHED (SFA)				
ALTH (2,500 ; 25 x 110)	7.8	[1]	-	95
RESIDENTIAL HIGH DENSITY (RHD)				
	MF-2	15.04	24	360
TOTAL RESIDENTIAL UNITS				2,173
COMMERCIAL/RETAIL				
CENTRAL COMMERCIAL DISTRICT - CCD				22.49
MEDIUM COMMERCIAL DISTRICT - MCD				16.44
TOTAL COMMERCIAL/RETAIL				38.93
PUBLIC & INSTITUTIONAL				
REGIONAL SANITARY LIFT STATION				1.75
WATER TOWER				1.19
SCHOOL				41.42
TOTAL PUBLIC / INSTITUTIONAL				44.36
PARKS/OPEN SPACE / COMMUNITY CENTER				
PARKS/OPEN SPACE				23.16
AMENITIZED AREA				3.01
ADDITIONAL GREENSPACE [2]				65.44
SCHOOL [3]				41.42
TOTAL PARKS/ OPENSACE / COMMUNITY CENTER [3]				133.03
1) AREAS LISTED ARE FOR LOTTED AREAS ONLY AND EXCLUDE R.O.W. AND PUBLIC GREENSPACES WITHIN THE RESPECTIVE AREAS.				
2) GREENSPACE WITHIN RESIDENTIAL AREAS FOR PUBLIC ACCESS AND/OR STORMWATER MANAGEMENT				
3) INCLUDES AREA USED FOR PARKS CREDIT OF OVERALL DEVELOPMENT				

- ARTERIAL (80 FT)
- COLLECTOR / COMMERCIAL LOCAL (60 FT)
- PREVIOUSLY APPROVED COLLECTOR (60 FT)
- LOCAL (50 FT) / ALLEY (30 FT)



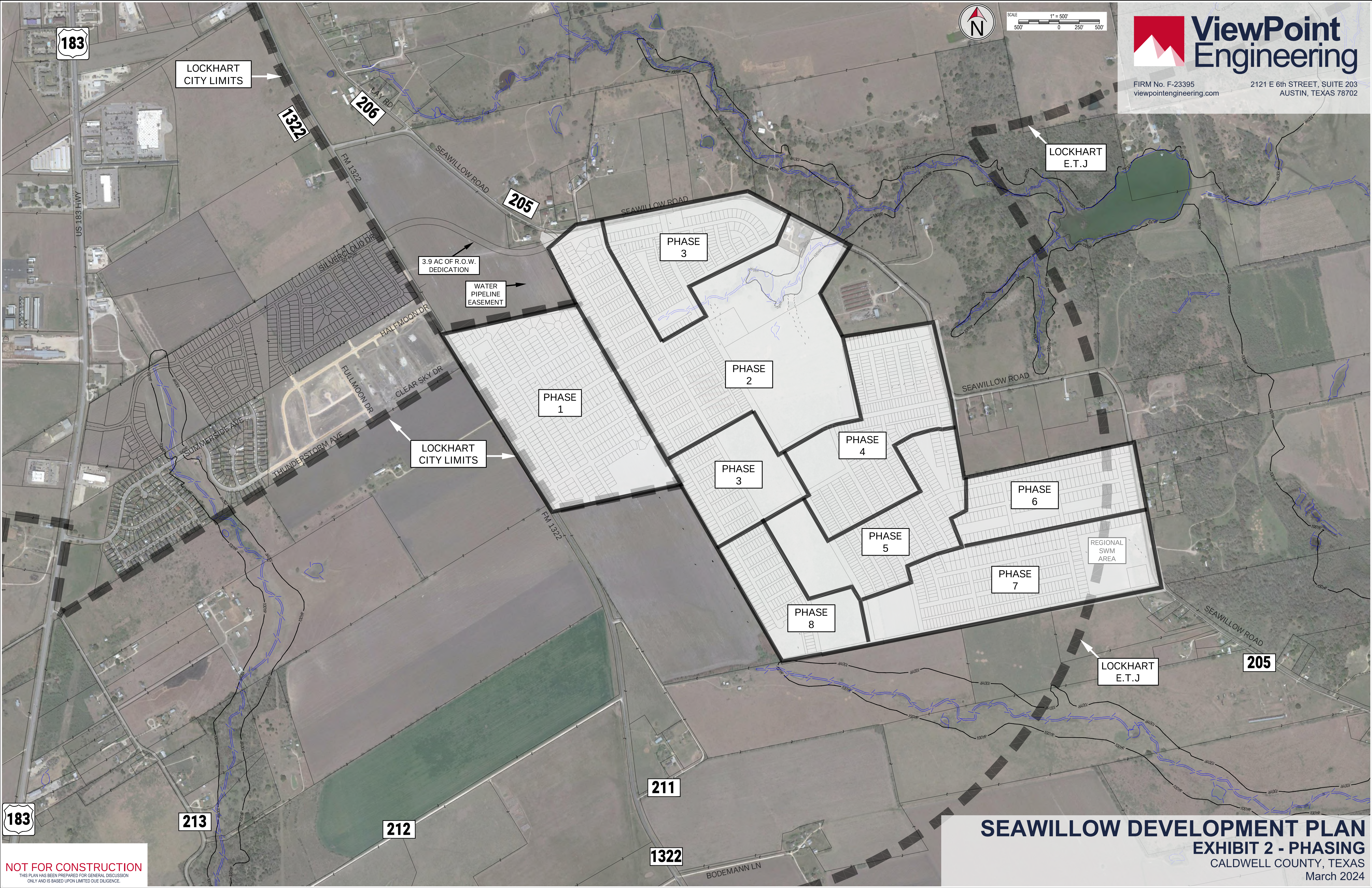
VICINITY MAP
NOT TO SCALE

NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

SEAWILLOW DEVELOPMENT PLAN
EXHIBIT 1 - CONCEPTUAL ZONING
CALDWELL COUNTY, TEXAS
May 2024

Parkland Summary for Seawillow PDD		
Per Acre Appraisal Value of Land	\$50,000	
Acreage Zoned As Residential	269.54	
	Required	Proposed
Land Dedication Acreage (8% of Land Zoned Residential up to 7 units per acre)	21.56	133.03
Community Facility Improvement Cost (15% Land Market Value Up to 5 acres)	\$250,000.00	\$1,500,000

PID Authorized Improvement Summary									
Major Improvements	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Total
Water	\$ 212,345.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212,345.00
Elevated Storage Tank	\$ -	\$ -	\$ 1,546,785.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,546,785.00
Wastewater	\$ 289,654.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 289,654.00
Lift Station	\$ 4,567,890.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,567,890.00
Arterial Extension	\$ -	\$ 2,345,567.00	\$ 2,237,890.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,583,457.00
Seawillow Collector Extension	\$ -	\$ 1,785,436.00	\$ -	\$ 1,543,789.00	\$ 564,980.00	\$ -	\$ -	\$ -	\$ 3,894,205.00
8' Hike and Bike Trail	\$ -	\$ 624,789.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 624,789.00
Contingency (10%)						\$ -	\$ -	\$ -	
Professional Fees (15%)	\$ 760,483.35	\$ 713,368.80	\$ 567,701.25	\$ 231,568.35	\$ 84,747.00	\$ -	\$ -	\$ -	\$ 2,357,868.75
Total	\$ 5,830,372.35	\$ 5,469,160.80	\$ 4,352,376.25	\$ 1,775,357.35	\$ 649,727.00	\$ -	\$ -	\$ -	\$18,076,993.75
Direct Improvements	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Total
Water	\$ 1,628,765.10	\$ 1,359,871.18	\$ 1,359,871.18	\$ 1,320,263.28	\$ 1,100,219.40	\$ 1,100,219.40	\$ 880,175.52	\$ 814,162.36	\$ 9,563,547.43
Wastewater	\$ 1,903,250.25	\$ 1,205,667.19	\$ 1,205,667.19	\$ 1,170,550.67	\$ 975,458.89	\$ 975,458.89	\$ 780,367.11	\$ 721,839.58	\$ 8,938,259.77
Site Work	\$ 685,504.66	\$ 540,264.41	\$ 540,264.41	\$ 524,528.55	\$ 437,107.13	\$ 437,107.13	\$ 349,685.70	\$ 323,459.27	\$ 3,837,921.26
Stormwater Management	\$ 5,133,355.19	\$ 3,146,980.78	\$ 3,146,980.78	\$ 3,055,321.14	\$ 2,546,100.95	\$ 2,546,100.95	\$ 2,036,880.76	\$ 1,884,114.70	\$23,495,835.25
Roadways	\$ 3,636,292.42	\$ 3,847,192.02	\$ 3,847,192.02	\$ 3,735,137.89	\$ 3,112,614.91	\$ 3,112,614.91	\$ 2,490,091.92	\$ 2,303,335.03	\$26,084,471.12
Contingency (10%)	\$ 1,298,716.76	\$ 1,009,997.56	\$ 1,009,997.56	\$ 980,580.15	\$ 817,150.13	\$ 817,150.13	\$ 653,720.10	\$ 604,691.09	\$ 7,192,003.48
Professional Fees (15%)	\$ 1,948,075.14	\$ 1,514,996.34	\$ 1,514,996.34	\$ 1,470,870.23	\$ 1,225,725.19	\$ 1,225,725.19	\$ 980,580.15	\$ 907,036.64	\$10,788,005.23
Total	\$ 16,233,959.53	\$ 12,624,969.47	\$ 12,624,969.47	\$ 12,257,251.91	\$ 10,214,376.60	\$ 10,214,376.60	\$ 8,171,501.28	\$ 7,558,638.68	\$89,900,043.53
Indirect Improvements	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Total
Lot Excavation	\$ 389,471.49	\$ 272,966.93	\$ 272,966.93	\$ 265,016.44	\$ 220,847.03	\$ 220,847.03	\$ 176,677.63	\$ 163,426.80	\$ 1,982,220.29
Park Improvements	\$ -	\$ -	\$ 3,000,000.00	\$ -	\$ -				\$ 3,000,000.00
Electrical	\$ 1,200,000.00	\$ 780,514.21	\$ 780,514.21	\$ 757,780.78	\$ 631,483.99	\$ 631,483.99	\$ 505,187.19	\$ 467,298.15	\$ 5,754,262.52
Construction Material Testing	\$ 9,567.00	\$ 7,340.32	\$ 7,340.32	\$ 7,126.52	\$ 5,938.77	\$ 5,938.77	\$ 4,751.01	\$ 4,394.69	\$ 52,397.40
Developer Fees	\$ 134,568.00	\$ 93,383.93	\$ 93,383.93	\$ 90,664.01	\$ 75,553.34	\$ 75,553.34	\$ 60,442.67	\$ 55,909.47	\$ 679,458.67
Landscape, Irrigation, Entries	\$ 500,000.00	\$ 96,399.08	\$ 96,399.08	\$ 93,591.34	\$ 77,992.78	\$ 77,992.78	\$ 62,394.23	\$ 57,714.66	\$ 1,062,483.95
Geotech Report	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 280,000.00
Contingency (10%)	\$ 226,860.65	\$ 128,560.45	\$ 428,560.45	\$ 124,917.91	\$ 104,681.59	\$ 104,681.59	\$ 84,445.27	\$ 78,374.38	\$ 1,281,082.28
Total	\$ 2,495,467.14	\$ 1,414,164.91	\$ 4,714,164.91	\$ 1,374,097.00	\$ 1,151,497.50	\$ 1,151,497.50	\$ 928,898.00	\$ 862,118.15	\$14,091,905.12



FIRM No. F-23395
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2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
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SEAWILLOW DEVELOPMENT PLAN
EXHIBIT 2 - PHASING
CALDWELL COUNTY, TEXAS
March 2024

LUEs Absorption By Use			
Phase	Use	LUEs	Cumulative LUEs
1	Single-Family Detached	414	414
	Total	414	
2	Single-Family Detached	266	781
	Single-Family Attached	34	
	School	67	
	Total	367	
3	Single-Family Detached	267	1171
	Single-Family Attached	33	
	Commercial	50	
	School	40	
	Total	390	
4	Single-Family Detached	300	1521
	Commercial	50	
	Total	350	
5	Single-Family Detached	250	1861
	Multi-Family	90	
	Total	340	
6	Single-Family Detached	250	2201
	Multi-Family	90	
	Total	340	
7	Single-Family Detached	200	2451
	Commercial	50	
	Total	250	
8	Single-Family Detached	185	2681
	Commercial	45	
	Total	230	

Proposed Project Phasing						
Phase	Use	Construction Start	1st Home Built	Last Home Completed	LUEs	Cumulative LUEs
1	SF	Q1-2024	Q3-2025	Q2-2027	414	414
2	SF/SFA/Sch	Q2-2025	Q4-2026	Q1-2028	367	781
3	SF/SFA/Comm/Sch	Q3-2026	Q1-2028	Q2-2029	390	1171
4	SF/Comm	Q4-2027	Q2-2029	Q3-2030	350	1521
5	SF/MF	Q1-2029	Q3-2030	Q4-2031	340	1861
6	SF/MF	Q2-2030	Q4-2031	Q1-2033	340	2201
7	SF/Comm	Q3-2031	Q1-2033	Q2-2034	250	2451
8	SF/Comm	Q4-2032	Q2-2034	Q3-2035	230	2681

Development LUE Calculations			
Use	Units/Acreage	LUE Conversion	LUEs
Single-Family Detached	2132	1	2132
Single-Family Attached	95	0.7	67
Multi-Family	360	0.5	180
School	1600	15	107
Commercial	38.93	5	195
			2681

“EXHIBIT A”

Seawillow Ranch Planned Development District Design Statement

A. PROPERTY

The “Seawillow Ranch Master Development” tract Planned Development District (PDD) is located at on FM 1322 and encompasses approximately 588 acres, herein defined as the “property”.

B. PURPOSE

The project proposes a mixed-use development including 6 different residential lot types and over 40 acres of commercial development. The development is dedicated over 41.4 acres to the school district while also providing another 83.4 acres of parkland, over 60% of which is maintained by the home owners association (HOA). The development is proposing lot widths smaller than allowed by the RMD/SF2 code. However, it is doing so with enhanced design initiatives around the public space which will transform the look of the neighborhood throughout the streetscape. The community will also contain enhanced design initiatives that will greatly enhance walkability throughout the community. This is achieved primarily by promoting alley loaded design, a centralized commercial concept, and an approach to park design that distributes pocket parks throughout the development.

This PDD serves to augment and/or modify the standards for development outlined in Chapters 52 and 64 of City of Lockhart’s code of ordinances in order to implement the vision for the property and insure a cohesive, quality development not otherwise anticipated by the underlying base zoning district. This Design Statement titled **Exhibit A** is a summary of the development and design standards for the property.

C. APPLICABILITY AND BASE ZONING

This development can essentially be broken up in to parts: Part one would contain properties zoned per the City’s standard code. These would be areas designated as RMD, RHD, CCB, and CMB. Part two contains new zoning districts primarily established to facilitate the proposed alley design approach that makes up over 60% of the lots in Seawillow Ranch. In the case that this Design Statement does not address a specific item, the City of Lockhart’s Code of Ordinances shall apply. In the event of a conflict between the regulations of this PD and the regulations of the base zoning district, the PD shall control.

D. CONCEPTUAL LAND PLAN

A Conceptual Land Plan is attached to this Design Statement titled **Exhibit B** to illustrate the land use and design intent for the property. The Conceptual Land Plan is intended to serve as a guide to illustrate the general vision and design concepts and is not intended to serve as a final document. As such, proposed building, parking and pond locations and configurations are subject to refinement at the time of Site Plan review. The Conceptual Land Plan depicts a series of buildings, parking and landscaping that may be developed in phases, provided the minimum requirements of the PD district are proportionally met with each phase. Approval of this PD, Design Statement, and Conceptual Land Plan does not constitute approval of a Site Plan.

E. LAND USES FOR COMMERCIAL DISTRICTS (LAND USE FOR RESIDENTIAL MATCHES CITY OF LOCKHART CODE OF ORDINANCES)

Specific use and condition requirement uses will need to meet the additional standards set forth in order to obtain land use approval from the City of Lockhart.

MCD- Medium Commercial District

Land use allowed in this zoning district will follow the exact specified land use detailed in Chapter 64 of the Lockhart zoning code, except for allowing the following uses by right:

- Hotel
- Hospital, Acute Care

CCD- Central Commercial District

Land use allowed in this zoning district will follow the exact specified land use detailed in Chapter 64 of the Lockhart zoning code, except for allowing the following uses by right:

- Retail stores, including sale of alcoholic beverages.
- Eating establishments of any type, including on-premise consumption of alcoholic beverages.
- Package sales of alcoholic beverages.
- Hospital, Acute Care
- Mixed Use
- Bar, Tavern, or Lounge

F. Permitted Accessory Uses.

With the exception of those listed above, no other accessory uses are proposed in the underlying zoning district.

G. DESIGN STANDARDS

- 1. Residential Lot Requirements (See Exhibit E)**
- 2. Non-Residential Lot Requirements (See Exhibit E)**
- 3. Street Design Requirements (See Exhibit F)**
- 4. Exterior Lighting.** Exterior Lighting on the Property and its buildings will comply with the Dripping Springs Outdoor Lighting ordinance. City of Dripping Springs is a member of the International Dark Sky Association.
- 5. Elevated Design Standards.** The following standards are being presented in this Exhibit A as elevated design standards that either aren't identified in the Lockhart Code of Ordinances or that go beyond the requirements:
 - **Integration of Commercial District within the Community**
 - Required: No requirement as this project is currently not within the City's comprehensive plan or city limits.
 - Provided Over 40 acres of commercial development.

- Explanation: The development is dedicated approximately 7% of the overall land size to be used for commercial development. Per the concept plan shown on Exhibit B, 22.5 acres is to be designated as a Commercial Central Business District and 16.44 acres is to be designated as a Commercial Medium Business District. It is the goal of the developer to create an enhanced experience for their residents by providing a more integrated community with commercial services in walkable range from the residences.
- **Alley Integration**
 - Required: There are no alley loading requirements within the City of Lockhart Code of Ordinances.
 - Provided: 60-65% of the lots within the community are alley loaded.
 - Explanation: Incorporating alley loaded product, particularly into the residential portion of the Seawillow development creates the following benefits:
 - Enhanced Walkability- By drastically reducing vehicular activity along the public street frontage the alley loaded design approach allows pedestrian to take back the public space. Additionally with the removal of driveways within public frontage street trees can reappear within the public realm. Shaded public sidewalks have been proven to drastically improve walkability.
 - Allows for Decorative Front Porch Designs- The alley load design approach removes the garage from the front street experience as well. This allows for the return of an old favorite within the housing design realm, the front porch. Front porches are believed to enhance the look of the public streetscape and promote more community interaction.
 - Reduces Car along Frontage- Alley load directly influences residents to park behind the housing, greatly reducing the amount of cars in the front public realm and contributing to a much cleaner streetscape.
 - Bigger House on Smaller Lot- Alley load design remove the garage from the house footprint, allowing builders to maximize useable floor space on smaller lots when compared to your typical front loaded lot.
- **Community Facilities and Open Space Dedication**
 - Required: Section 52-112.a2 of the City of Lockhart Code of Ordinances reads: "Eight percent of the total land area zoned or intended for residential use up to and including a gross density of seven units per acre, or 15 percent of the total land area zoned or intended for residential land use above seven units per acre."
 - Provided: The development is proposing the dedication of 41.4 acres of school, which is considered a community facility, and 83.4 acres of parks/open space. This represents an overall dedication of 124.8 acres or 46.3% of the land intended for residential use. Overall 21% of the land has been dedicated to community facilities or parks open space.
 - Explanation: Per the aforementioned code the proposed development would be required to dedicate 21.6 acres for open space/community facilities. **Seawillow exceeds this by over 100 acres.** Please refer to Exhibit D, which shows the amount of land dedicated for open space and community facilities.
- **Community Facility Improvements and Open Space**

- Required: Section 52-114.c of the City of Lockhart Code of Ordinances reads: “The value of public or private improvements must be equal to or more than the market value of the facility land area prior to development, up to a maximum of five acres. Any amount of dedicated land area over the first five acres is not subject to a corresponding improvement value.”
- Provided: The development is proposing \$1.65 million in park improvements for this area. This includes 8,000 LF of an 8' concrete hike and bike trail around the regional park and construction of a pocket park containing \$75,000 in playscape and associated parking facilities for every 200 lots.
- Explanation: Per the aforementioned code the proposed development would be required to construct \$250,000 in parks improvements. **Seawillow is proposing to construct 7 times that amount.** Please refer to Exhibit D, which demonstrates the market value of the land up to five acres and shows the value of improvements the City requires versus the value proposed on Seawillow.
- **Neighborhood Street Trees**
 - Required: Street trees are not required or referenced within the City of Lockhart Code of Ordinances. Front yard trees are required for residential development in section 64-157.h.
 - Provided: Street trees will be provided within the planting zone for all collectors and arterials at 50 feet spacings. Street trees will be provided along all alley loaded residential streetscapes at 30 feet spacing. Developer is requesting that street trees planted within the frontage of a specific residential lot be counted towards the shade tree requirement for that lot.
 - Explanation: The developer will be constructing street trees during construction of all collectors and arterials. Homebuilders will be responsible for constructing street trees within the residential areas during vertical home construction. Adding street trees drastically improves the pedestrian use through shading value and also improves the aesthetics of the public realm.
- **Integration of Center Median with Street Trees for Arterials**
 - Required: A center median is not required for arterials within the City of Lockhart's Code of Ordinances.
 - Provided: Center medians will be constructed within arterial sections and street trees will be provided within the planting zone for all collectors and arterials at 50 feet spacings within the center median.
 - Explanation: The addition of the center median to arterials will add an enhanced aesthetic and character to these primary street sections. The street trees within the center median will provide the street sections with additional shading as well.
- **Decreased Block Length**
 - Required: Per section 52.75.b of the Lockhart Code of Ordinances, “Where no existing subdivision controls, the block lengths shall generally not exceed 800 feet along minor streets, 1,000 feet along collector streets, or 1,200 feet along arterial streets. Where no existing subdivision controls, the blocks shall generally not be less than 400 feet along minor or collector streets, or 500 feet along arterial streets.”
 - Provided: All residential areas shall have a block length no larger than 650 feet

within the Seawillow Master community except for the Central Commercial Business District location along the proposed arterial. This can be increased to 1,200 feet with integration of public pedestrian and bike access through the interior of the tract.

- Explanation: The additional block length requirement is another example of the Seawillow Ranch teams commitment to providing an enhanced walkable, well connected streetscape to our residents. The reduced block length greatly increase circulation and connectivity for pedestrians throughout the public realm.
- **Increase in Sidewalk Width for Residential Local Streets**
 - Required: Per section 52-77.b of the Lockhart Code of Ordinances, “Public sidewalks not less than four feet wide shall be provided on each side of collector streets and minor nonresidential streets, and on one side of minor residential streets, including culs-de-sac exceeding 350 feet in length as measured in accordance with subsection [52-72\(k\)](#). Public sidewalks not less than six feet wide shall be provided on each side of arterial streets and on the subdivision side of expressway frontage roads.”
 - Provided: While 6 foot sidewalks will be provided along each side of any arterial street sections within Seawillow, 5 foot sidewalks weill be provided within all collector roads and minor residential streets.
 - Explanation: This exceeds the ordinance requirement and is intended as yet another design component intended to improve walkability.

H. ARCHITECTURAL DESIGN STANDARDS

Seawillow will adhere to all residential and non-residential regulations for architectural design standards presented in sections 64.197 (Regulations common to all or several districts) and 64.203 (Nonresidential appearance standards) of the City of Lockhart code of ordinances. In addition to these standards, please see Exhibit I, Architectural Residential Design Standards.

I. VEHICULAR ACCESS AND CIRCULATION

- **Transportation Impact Analysis (TIA).** A TIA report has been submitted to the Texas Department of Transportation (TxDOT) as well as to the City of Lockhart.

J. LANDSCAPE AND BUFFER REQUIREMENTS

Seawillow will adhere to all residential and non-residential regulations for landscaping, buffering, and screening presented in sections 64.197 (Regulations common to all or several districts) and 64.203 (Nonresidential appearance standards) of the City of Lockhart code of ordinances. Except where noted in Exhibit H.

K. LIST OF EXHIBITS

Exhibit A- PDD Design Statement

Exhibit B- Conceptual Land Plan

Exhibit C- Zoning Plan

Exhibit D- Park Plan

Exhibit E- Lot Design Requirements w/ Lotting Exhibits

Exhibit F- Design Visuals

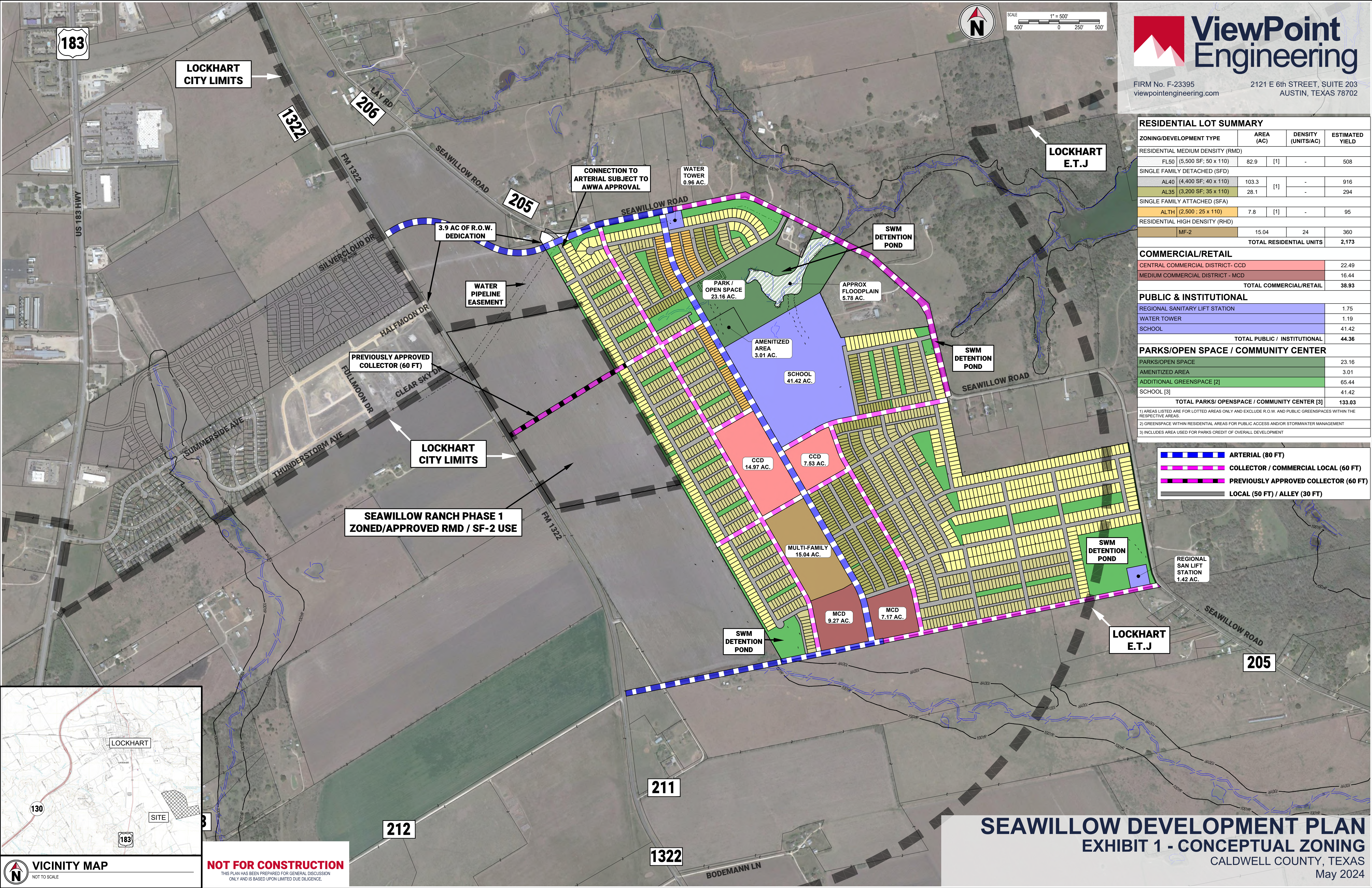
Exhibit G- Street Design Requirements

Exhibit H- Parkland Summary for Seawillow PDD

Exhibit I- Design Standards for Seawillow Ranch PDD

EXHIBIT B

LAND USE PLAN

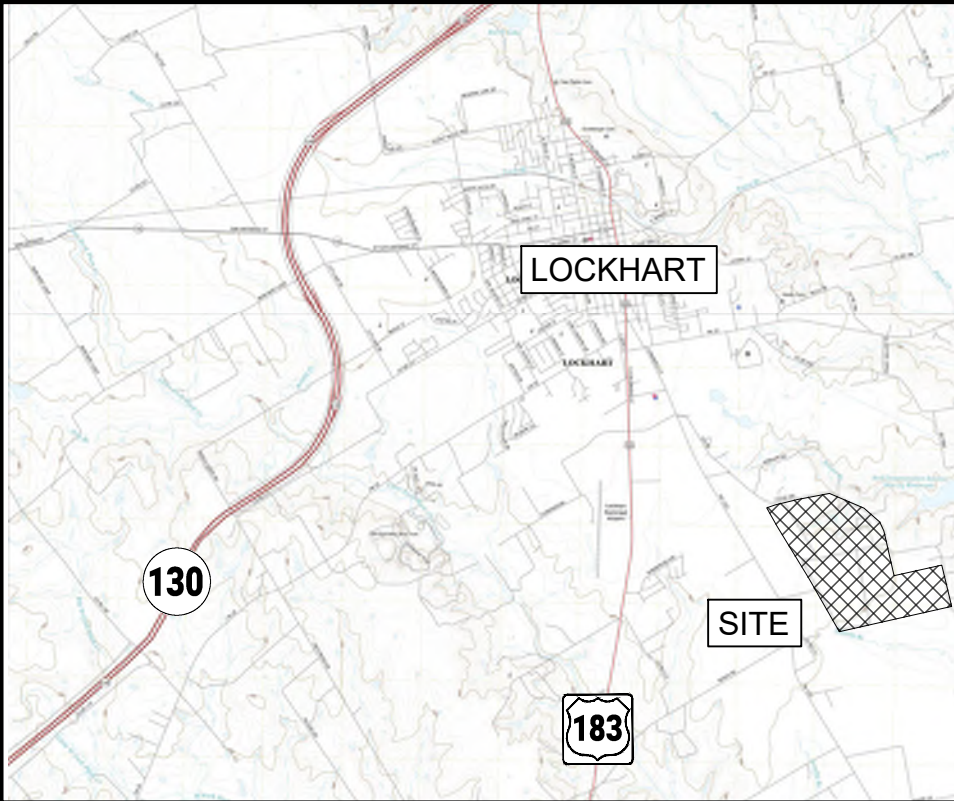


FIRM No. F-23395
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2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

RESIDENTIAL LOT SUMMARY				
ZONING/DEVELOPMENT TYPE		AREA (AC)	DENSITY (UNITS/AC)	ESTIMATED YIELD
RESIDENTIAL MEDIUM DENSITY (RMD)				
FL50 (5,500 SF; 50 x 110)	82.9	[1]	-	508
SINGLE FAMILY DETACHED (SFD)				
AL40 (4,400 SF; 40 x 110)	103.3	[1]	-	916
AL35 (3,200 SF; 35 x 110)	28.1		-	294
SINGLE FAMILY ATTACHED (SFA)				
ALTH (2,500 ; 25 x 110)	7.8	[1]	-	95
RESIDENTIAL HIGH DENSITY (RHD)				
	MF-2	15.04	24	360
TOTAL RESIDENTIAL UNITS				2,173
COMMERCIAL/RETAIL				
CENTRAL COMMERCIAL DISTRICT - CCD				22.49
MEDIUM COMMERCIAL DISTRICT - MCD				16.44
TOTAL COMMERCIAL/RETAIL				38.93
PUBLIC & INSTITUTIONAL				
REGIONAL SANITARY LIFT STATION				1.75
WATER TOWER				1.19
SCHOOL				41.42
TOTAL PUBLIC / INSTITUTIONAL				44.36
PARKS/OPEN SPACE / COMMUNITY CENTER				
PARKS/OPEN SPACE				23.16
AMENITIZED AREA				3.01
ADDITIONAL GREENSPACE [2]				65.44
SCHOOL [3]				41.42
TOTAL PARKS/ OPENSACE / COMMUNITY CENTER [3]				133.03
1) AREAS LISTED ARE FOR LOTTED AREAS ONLY AND EXCLUDE R.O.W. AND PUBLIC GREENSPACES WITHIN THE RESPECTIVE AREAS.				
2) GREENSPACE WITHIN RESIDENTIAL AREAS FOR PUBLIC ACCESS AND/OR STORMWATER MANAGEMENT				
3) INCLUDES AREA USED FOR PARKS CREDIT OF OVERALL DEVELOPMENT				

- ARTERIAL (80 FT)
- COLLECTOR / COMMERCIAL LOCAL (60 FT)
- PREVIOUSLY APPROVED COLLECTOR (60 FT)
- LOCAL (50 FT) / ALLEY (30 FT)



VICINITY MAP
NOT TO SCALE

NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

SEAWILLOW DEVELOPMENT PLAN
EXHIBIT 1 - CONCEPTUAL ZONING
CALDWELL COUNTY, TEXAS
May 2024

EXHIBIT C

ZONING PLAN

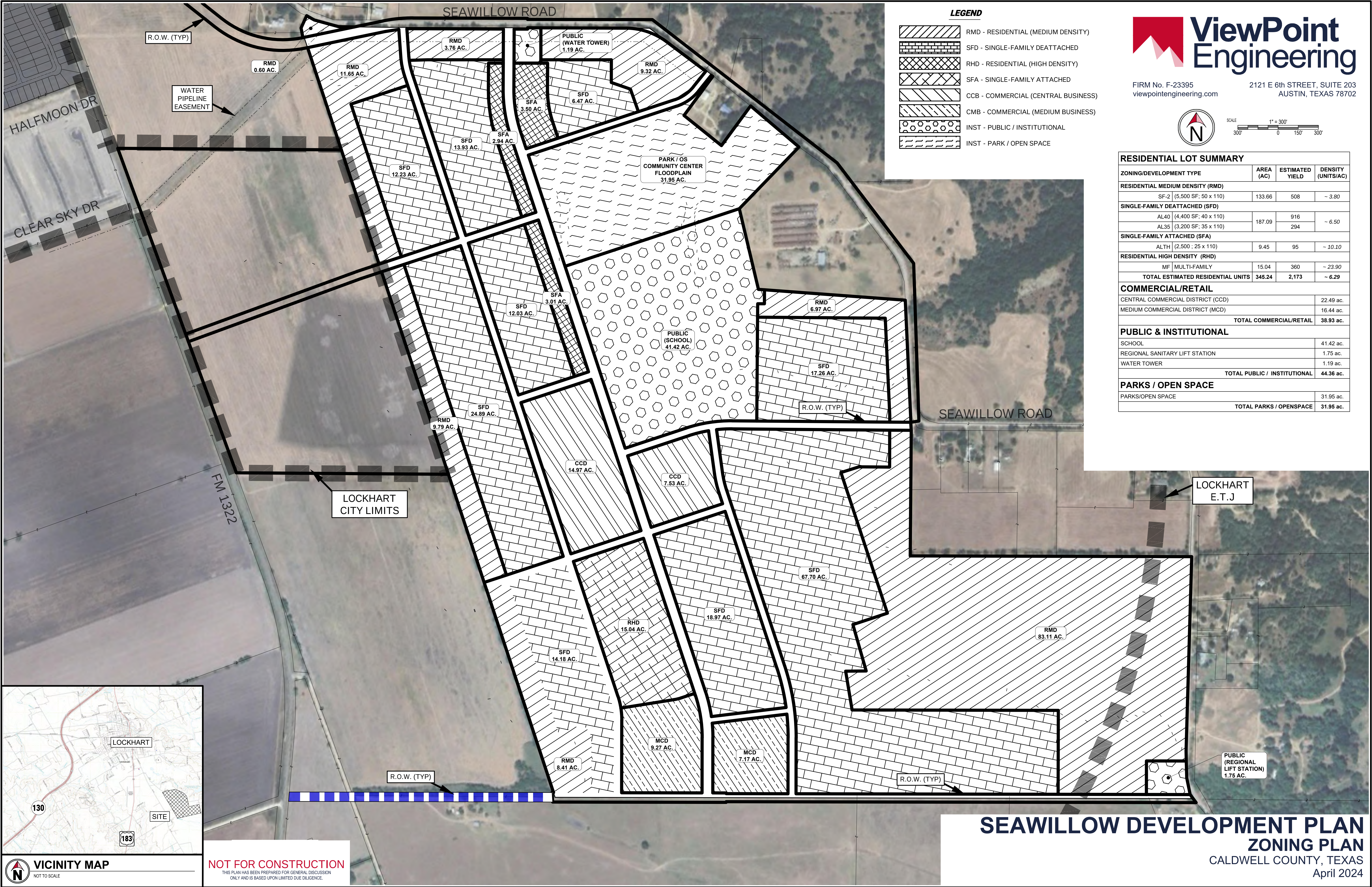
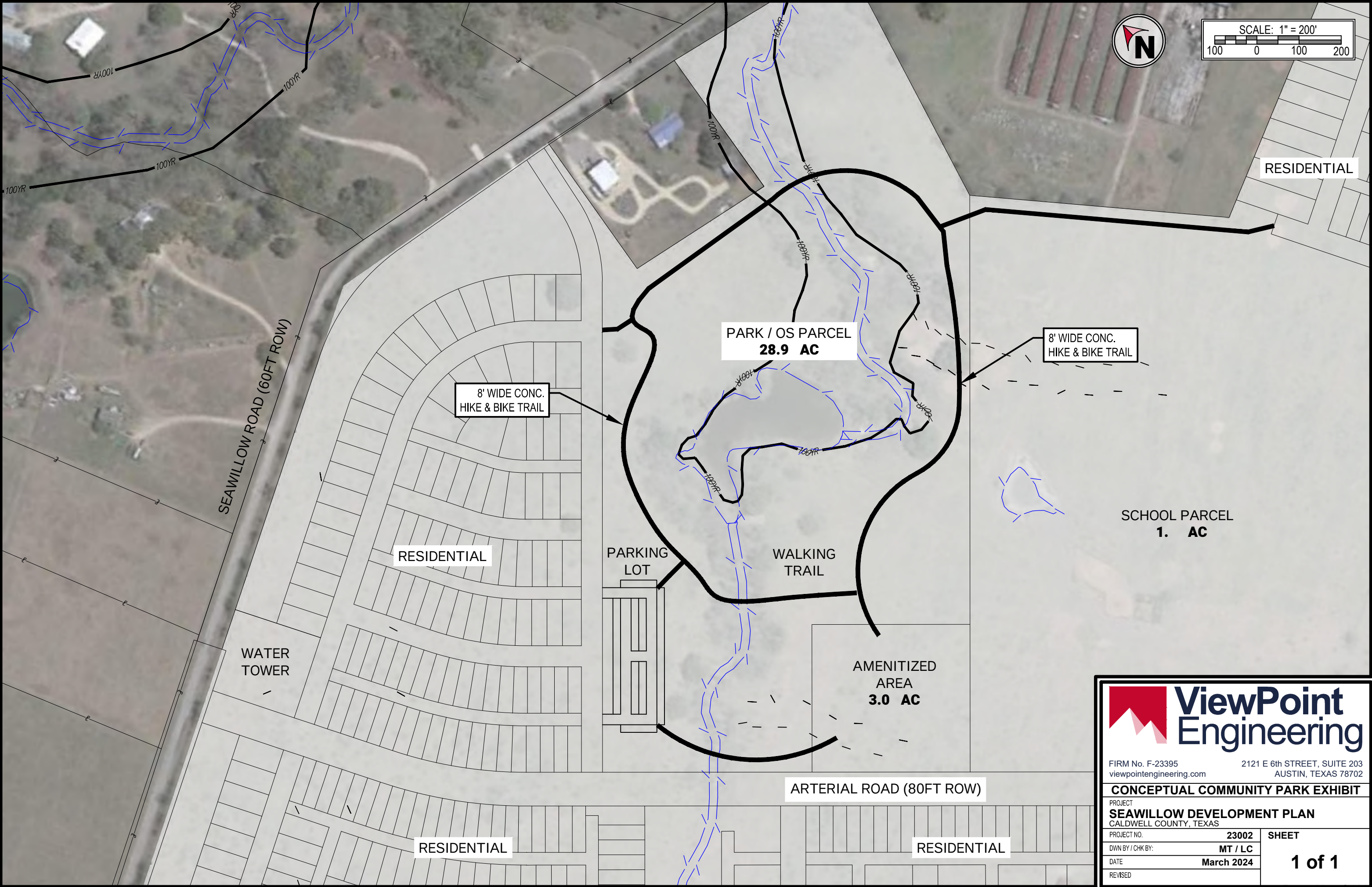


EXHIBIT D

PARK PLAN

The design representations and images provided within this exhibit D are provided strictly as a representation of what the development could look like. The images and design representation provided in this appendix in do not represent the final design and are not enforceable as design standards.



FIRM No. F-23395 2121 E 6th STREET, SUITE 203
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CONCEPTUAL COMMUNITY PARK EXHIBIT

PROJECT
SEAWILLOW DEVELOPMENT PLAN
CALDWELL COUNTY, TEXAS

PROJECT NO.	23002	SHEET 1 of 1
DWN BY / CHK BY:	MT / LC	
DATE	March 2024	
REVISED		



GENERAL MASTER DEVELOPMENT
WALKING TRAIL (AS APPLICABLE)

RESIDENTIAL

CONC. WALK

LOCAL ROAD (50')

RIGHT-OF-WAY

RESIDENTIAL

LOCAL ROAD (50' R.O.W.)

RIGHT-OF-WAY

APPROX. LIMITS OF
PARK AREA (~0.25 AC)



PROJECT NO. P-23095
2421 E. 6th STREET, SUITE 200
AUSTIN, TEXAS 78702
viewpointengineering.com

SEA WILLOW MASTER DEVELOPMENT
CONCEPTUAL POCKET PARK EXHIBIT

DATE: February 2024

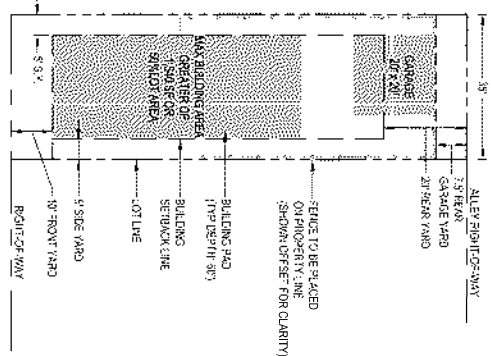
SHEET: 1 of 1

EXHIBIT E

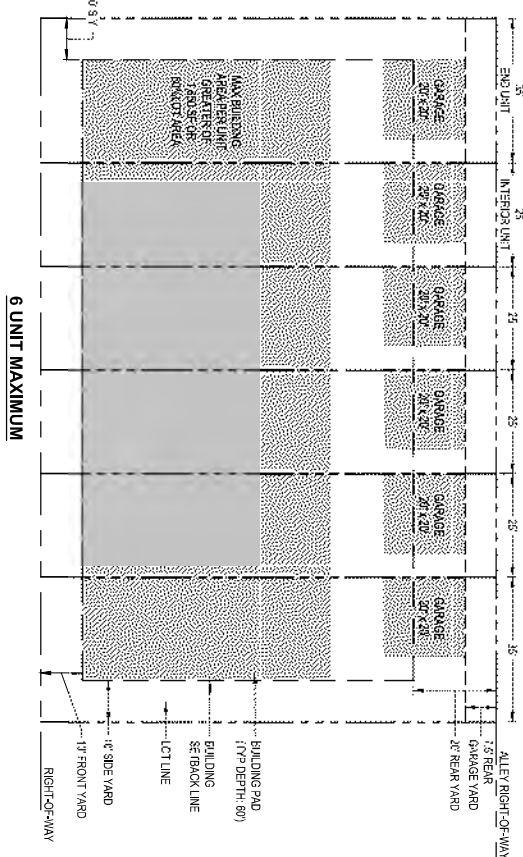
LOT DESIGN REQUIREMENTS W/ LOTTING

EXHIBITS

Residential Lot Requirements for Seaview PDD												
Zone	Min Lot Area (sq ft)	Min Lot Width (ft)	Min Lot Depth (ft)	Min Lot Area (sq ft)	Min Lot Width (ft)	Min Lot Depth (ft)	Min Lot Area (sq ft)	Min Lot Width (ft)	Min Lot Depth (ft)	Min Lot Area (sq ft)	Min Lot Width (ft)	Min Lot Depth (ft)
Residential Medium Density (RMD)	5,000	25	125	5,000	25	125	5,000	25	125	5,000	25	125
Single-Family Detached (SFD)	4,500	20	110	4,500	20	110	4,500	20	110	4,500	20	110
Accessory Dwelling Unit (ADU)	4,000	15	100	4,000	15	100	4,000	15	100	4,000	15	100
Accessory Dwelling Unit (ADU)	3,500	10	90	3,500	10	90	3,500	10	90	3,500	10	90
Accessory Dwelling Unit (ADU)	3,000	10	80	3,000	10	80	3,000	10	80	3,000	10	80
Accessory Dwelling Unit (ADU)	2,500	10	70	2,500	10	70	2,500	10	70	2,500	10	70
Accessory Dwelling Unit (ADU)	2,000	10	60	2,000	10	60	2,000	10	60	2,000	10	60
Accessory Dwelling Unit (ADU)	1,500	10	50	1,500	10	50	1,500	10	50	1,500	10	50
Accessory Dwelling Unit (ADU)	1,000	10	40	1,000	10	40	1,000	10	40	1,000	10	40
Accessory Dwelling Unit (ADU)	500	10	30	500	10	30	500	10	30	500	10	30
Accessory Dwelling Unit (ADU)	250	10	20	250	10	20	250	10	20	250	10	20
Accessory Dwelling Unit (ADU)	100	10	10	100	10	10	100	10	10	100	10	10
Accessory Dwelling Unit (ADU)	50	10	5	50	10	5	50	10	5	50	10	5
Accessory Dwelling Unit (ADU)	25	10	2	25	10	2	25	10	2	25	10	2
Accessory Dwelling Unit (ADU)	10	10	1	10	10	1	10	10	1	10	10	1
Accessory Dwelling Unit (ADU)	5	10	0.5	5	10	0.5	5	10	0.5	5	10	0.5
Accessory Dwelling Unit (ADU)	2	10	0.2	2	10	0.2	2	10	0.2	2	10	0.2
Accessory Dwelling Unit (ADU)	1	10	0.1	1	10	0.1	1	10	0.1	1	10	0.1
Accessory Dwelling Unit (ADU)	0.5	10	0.05	0.5	10	0.05	0.5	10	0.05	0.5	10	0.05
Accessory Dwelling Unit (ADU)	0.2	10	0.02	0.2	10	0.02	0.2	10	0.02	0.2	10	0.02
Accessory Dwelling Unit (ADU)	0.1	10	0.01	0.1	10	0.01	0.1	10	0.01	0.1	10	0.01
Accessory Dwelling Unit (ADU)	0.05	10	0.005	0.05	10	0.005	0.05	10	0.005	0.05	10	0.005
Accessory Dwelling Unit (ADU)	0.02	10	0.002	0.02	10	0.002	0.02	10	0.002	0.02	10	0.002
Accessory Dwelling Unit (ADU)	0.01	10	0.001	0.01	10	0.001	0.01	10	0.001	0.01	10	0.001
Accessory Dwelling Unit (ADU)	0.005	10	0.0005	0.005	10	0.0005	0.005	10	0.0005	0.005	10	0.0005
Accessory Dwelling Unit (ADU)	0.002	10	0.0002	0.002	10	0.0002	0.002	10	0.0002	0.002	10	0.0002
Accessory Dwelling Unit (ADU)	0.001	10	0.0001	0.001	10	0.0001	0.001	10	0.0001	0.001	10	0.0001
Accessory Dwelling Unit (ADU)	0.0005	10	0.00005	0.0005	10	0.00005	0.0005	10	0.00005	0.0005	10	0.00005
Accessory Dwelling Unit (ADU)	0.0002	10	0.00002	0.0002	10	0.00002	0.0002	10	0.00002	0.0002	10	0.00002
Accessory Dwelling Unit (ADU)	0.0001	10	0.00001	0.0001	10	0.00001	0.0001	10	0.00001	0.0001	10	0.00001
Accessory Dwelling Unit (ADU)	0.00005	10	0.000005	0.00005	10	0.000005	0.00005	10	0.000005	0.00005	10	0.000005
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Accessory Dwelling Unit (ADU)	0.00001	10	0.000001	0.00001	10	0.000001	0.00001	10	0.000001	0.00001	10	0.000001
Accessory Dwelling Unit (ADU)	0.000005	10	0.0000005	0.000005	10	0.0000005	0.000005	10	0.0000005	0.000005	10	0.0000005
Accessory Dwelling Unit (ADU)	0.000002	10	0.0000002	0.000002	10	0.0000002	0.000002	10	0.0000002	0.000002	10	0.0000002
Accessory Dwelling Unit (ADU)	0.000001	10	0.0000001	0.000001	10	0.0000001	0.000001	10	0.0000001	0.000001	10	0.0000001
Accessory Dwelling Unit (ADU)	0.0000005	10	0.00000005	0.0000005	10	0.00000005	0.0000005	10	0.00000005	0.0000005	10	0.00000005
Accessory Dwelling Unit (ADU)	0.0000002	10	0.00000002	0.0000002	10	0.00000002	0.0000002	10	0.00000002	0.0000002	10	0.00000002
Accessory Dwelling Unit (ADU)	0.0000001	10	0.00000001	0.0000001	10	0.00000001	0.0000001	10	0.00000001	0.0000001	10	0.00000001
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Accessory Dwelling Unit (ADU)	0.0000000002	10	0.00000000002	0.0000000002	10	0.00000000002	0.0000000002	10	0.00000000002	0.0000000002	10	0.00000000002
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Accessory Dwelling Unit (ADU)	0.00000000005	10	0.000000000005	0.00000000005	10	0.000000000005	0.00000000005	10	0.000000000005	0.00000000005	10	0.000000000005
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Accessory Dwelling Unit (ADU)	0.00000000001	10	0.000000000001	0.00000000001	10	0.000000000001	0.00000000001	10	0.000000000001	0.00000000001	10	0.000000000001
Accessory Dwelling Unit (ADU)	0.000000000005	10	0.0000000000005	0.000000000005	10	0.0000000000005	0.000000000005	10	0.0000000000005	0.000000000005	10	0.0000000000005
Accessory Dwelling Unit (ADU)	0.000000000002	10	0.0000000000002	0.000000000002	10	0.0000000000002	0.000000000002	10	0.0000000000002	0.000000000002	10	0.0000000000002
Accessory Dwelling Unit (ADU)	0.000000000001	10	0.0000000000001	0.000000000001	10	0.0000000000001	0.000000000001	10	0.0000000000001	0.000000000001	10	0.0000000000001
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Accessory Dwelling Unit (ADU)	0.0000000000002	10	0.00000000000002	0.0000000000002	10	0.00000000000002	0.0000000000002	10	0.00000000000002	0.0000000000002	10	0.00000000000002
Accessory Dwelling Unit (ADU)	0.0000000000001	10	0.00000000000001	0.0000000000001	10	0.00000000000001	0.0000000000001	10	0.00000000000001	0.0000000000001	10	0.00000000000001
Accessory Dwelling Unit (ADU)	0.00000000000005	10	0.000000000000005	0.00000000000005	10	0.000000000000005	0.00000000000005	10	0.000000000000005	0.00000000000005	10	0.000000000000005
Accessory Dwelling Unit (ADU)	0.00000000000002	10	0.000000000000002	0.00000000000002	10	0.000000000000002	0.00000000000002	10	0.000000000000002	0.00000000000002	10	0.000000000000002
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Accessory Dwelling Unit (ADU)	0.000000000000005	10	0.0000000000000005	0.000000000000005	10	0.0000000000000005	0.000000000000005	10	0.0000000000000005	0.000000000000005	10	0.0000000000000005
Accessory Dwelling Unit (ADU)	0.000000000000002	10	0.0000000000000002	0.000000000000002	10	0.0000000000000002	0.000000000000002	10	0.0000000000000002	0.000000000000002	10	0.0000000000000002
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Accessory Dwelling Unit (ADU)	0.0000000000000002	10	0.00000000000000002	0.0000000000000002	10	0.00000000000000002	0.0000000000000002	10	0.00000000000000002	0.0000000000000002	10	0.00000000000000002
Accessory Dwelling Unit (ADU)	0.0000000000000001	10	0.00000000000000001	0.0000000000000001	10	0.00000000000000001	0.0000000000000001	10	0.00000000000000001	0.0000000000000001	10	0.00000000000000001
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Accessory Dwelling Unit (ADU)	0.00000000000000001	10	0.000000000000000001	0.00000000000000001	10	0.000000000000000001	0.00000000000000001	10	0.000000000000000001	0.00000000000000001	10	0.000000000000000001
Accessory Dwelling Unit (ADU)	0.000000000000000005	10	0.0000000000000000005	0.000000000000000005	10	0.0000000000000000005	0.000000000000000005	10	0.0000000000000000005	0.000000000000000005	10	0.0000000000000000005
Accessory Dwelling Unit (ADU)	0.000000000000000002	10	0.0000000000000000002	0.000000000000000002	10	0.0000000000000000002	0.000000000000000002	10	0.0000000000000000002	0.000000000000000002	10	0.0000000000000000002
Accessory Dwelling Unit (ADU)	0.000000000000000001	10	0.0000000000000000001	0.000000000000000001	10	0.0000000000000000001	0.000000000000000001	10	0.0000000000000000001	0.000000000000000001	10	0.0000000000000000001
Accessory Dwelling Unit (ADU)	0.0000000000000000005	10	0.00000000000000000005	0.0000000000000000005	10	0.00000000000000000005	0.0000000000000000005	10	0.00000000000000000005	0.0000000000000000005	10	0.00000000000000000005
Accessory Dwelling Unit (ADU)	0.0000000000000000002	10	0.00000000000000000002	0.0000000000000000002	10	0.00000000000000000002	0.0000000000000000002	10	0.00000000000000000002	0.0000000000000000002	10	0.00000000000000000002
Accessory Dwelling Unit (ADU)	0.0000000000000000001	10	0.00000000000000000001</									



SFD/AL35 (35' x 110')



SFD/ALTH (25' x 110')



**SEAWILLOW MASTER DEVELOPMENT
RESIDENTIAL LOT DIMENSIONAL EXHIBIT**
CALDWELL COUNTY, TEXAS
February 2024

EXHIBIT F

DESIGN VISUALS

The design representations and images provided within this exhibit F are provided strictly as a representation of what the development could look like. The images and design representation provided in this appendix in do not represent the final design and are not enforceable as design standards

35' Lot Plum Creek- Street View



35' Lot Plum Creek- Alley View



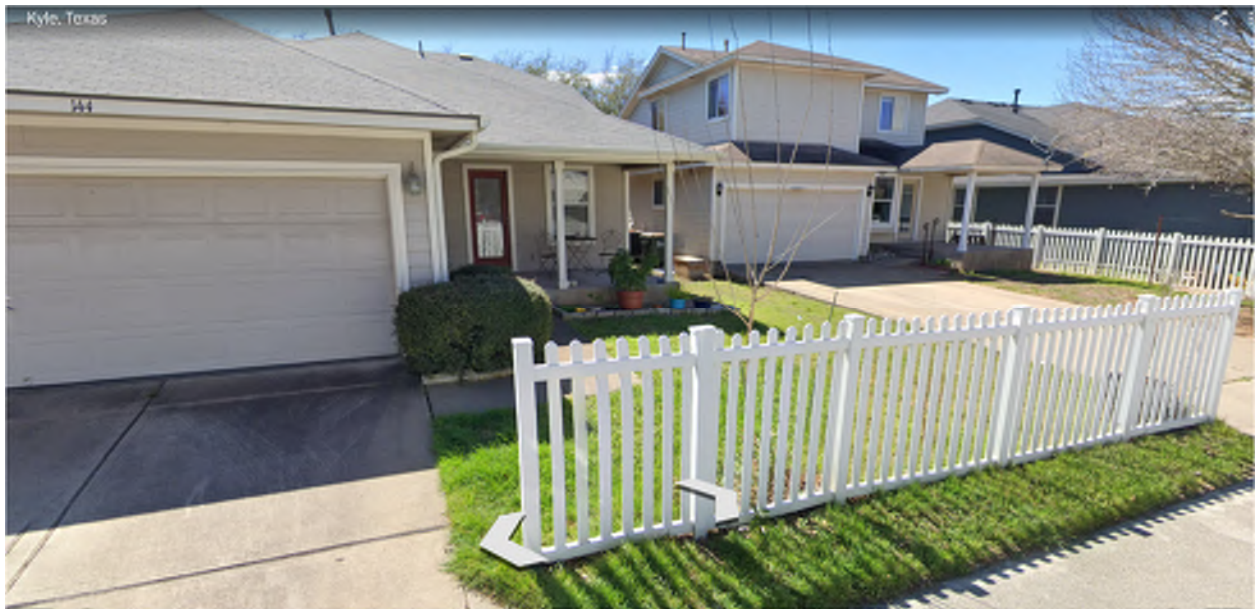
Goodnight Ranch 40' Lot- Street View



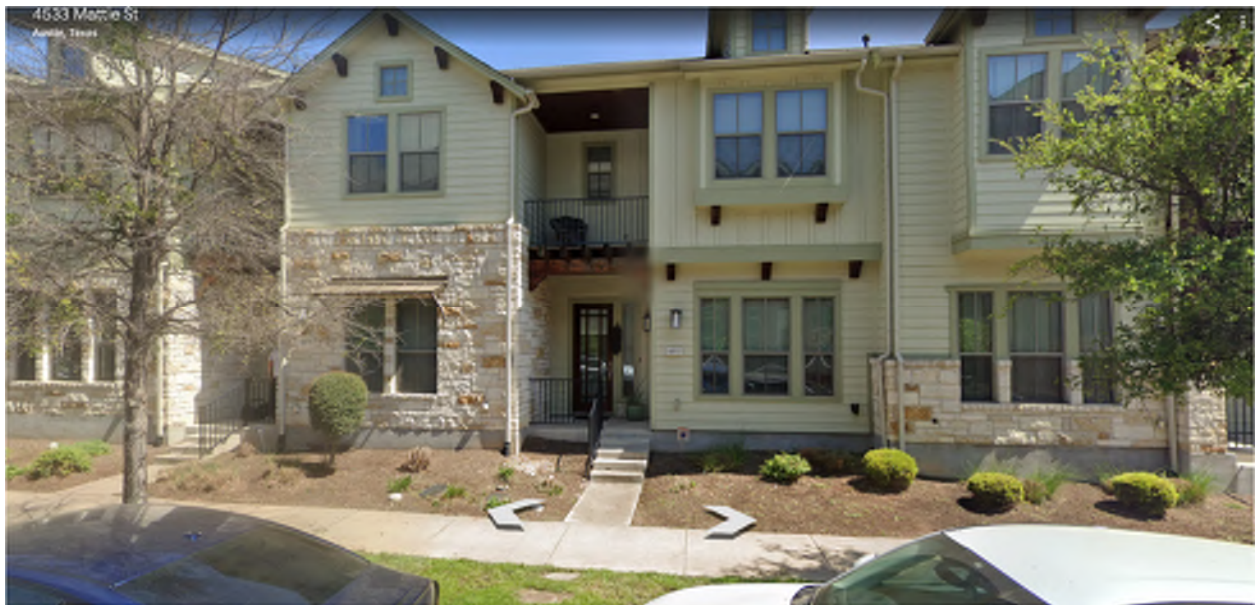
Plum Creek 45' Lot-Street View



Plum Creek 45' Lot- Alley View



Mueller Townhome Lot- Street View



Mueller Townhome Lot- Alley View



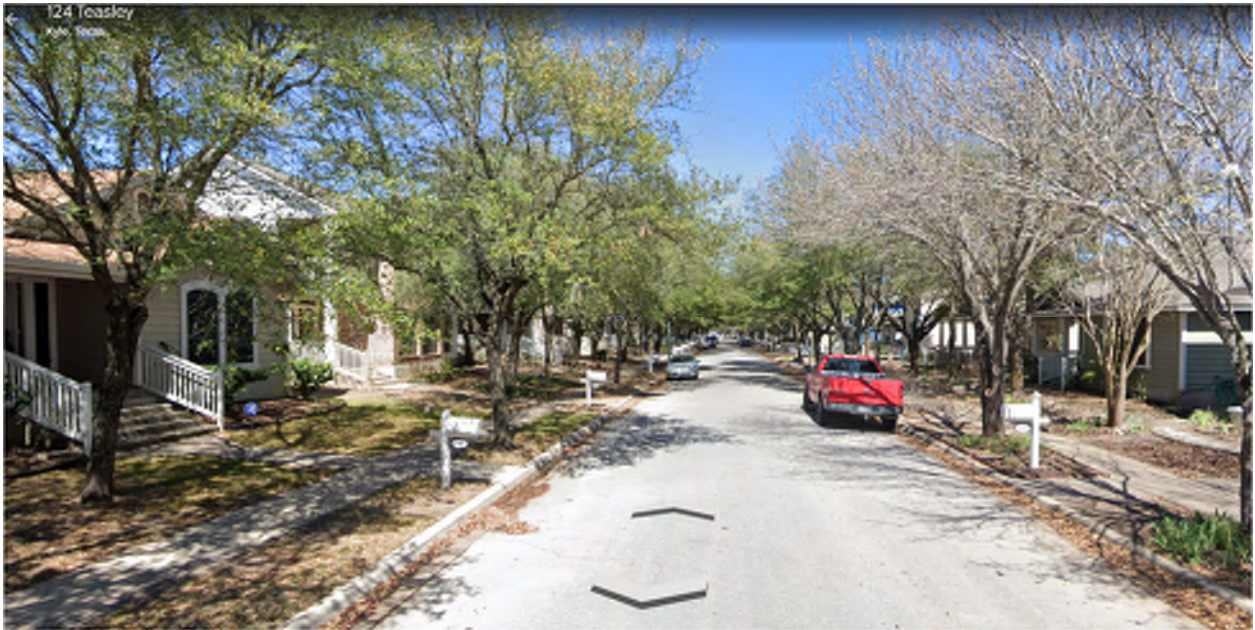
Mueller Street View



Mueller Townhome- Aerial View



Plum Creek- Street View



Taylor Morrison 50' Product



Brightland 50' Product



Commercial Retail Elevation Rendering



Commercial Retail Actual



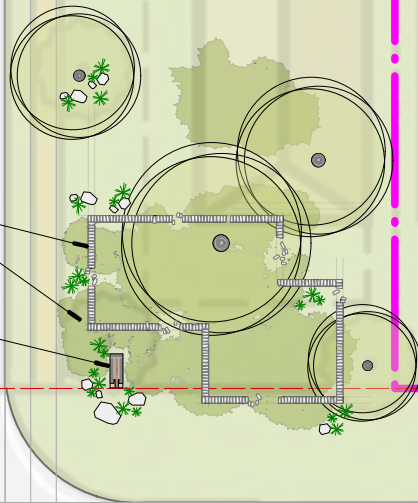
Multi-Family Elevation

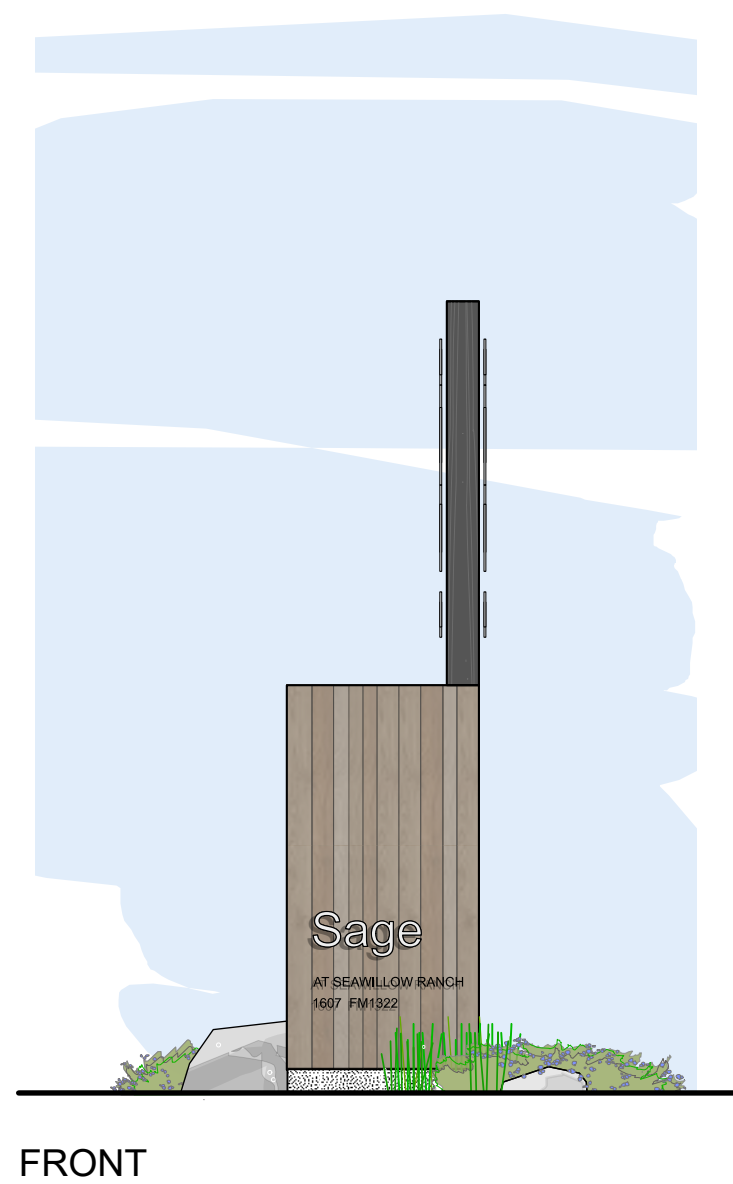
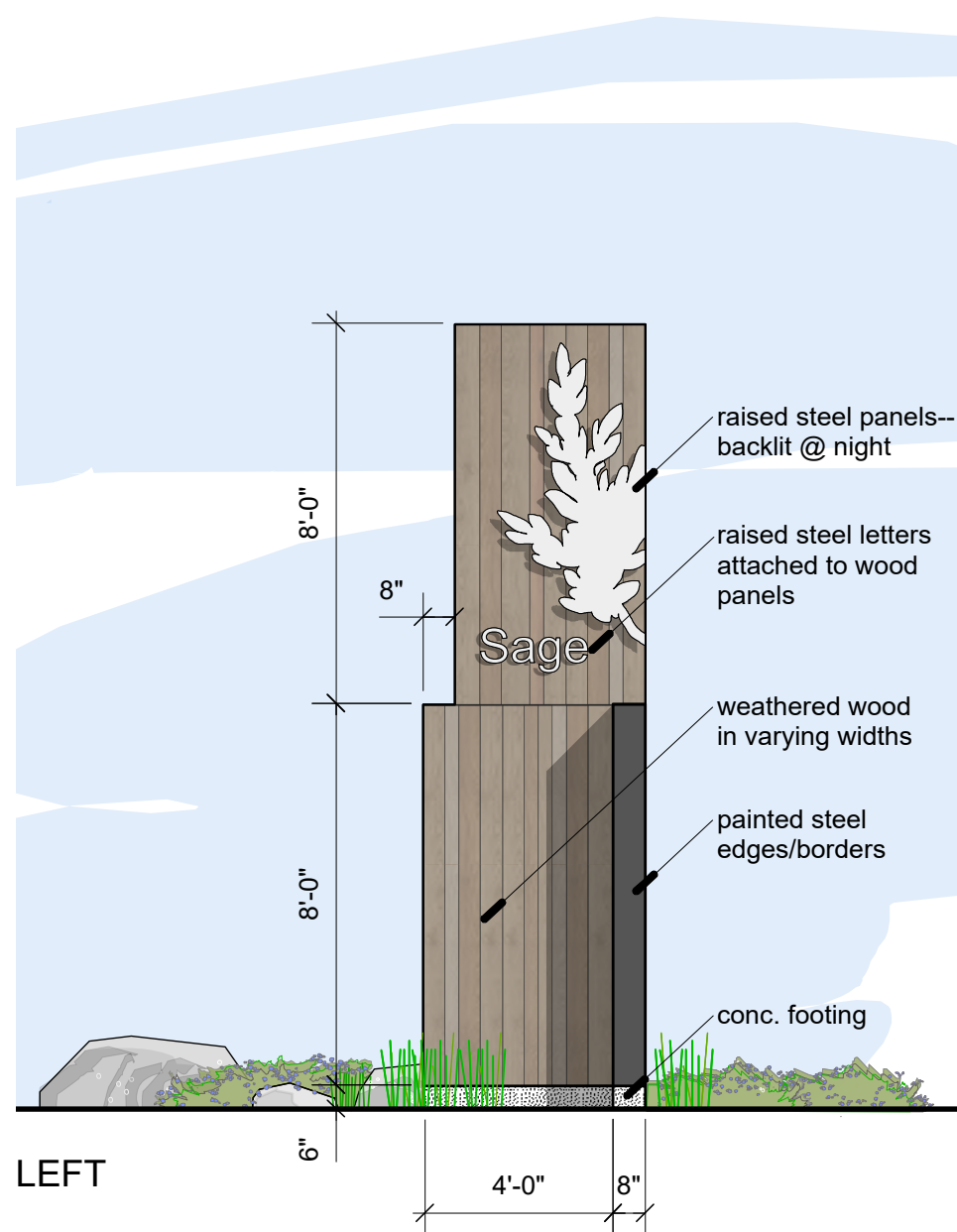
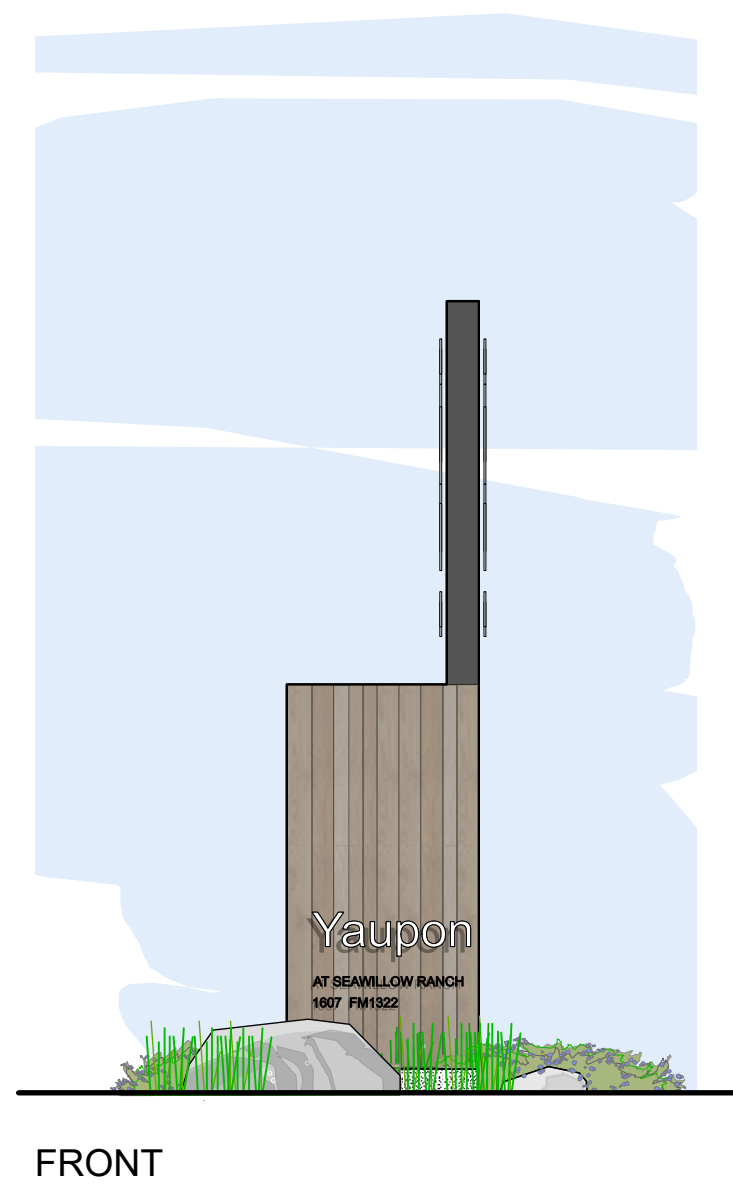
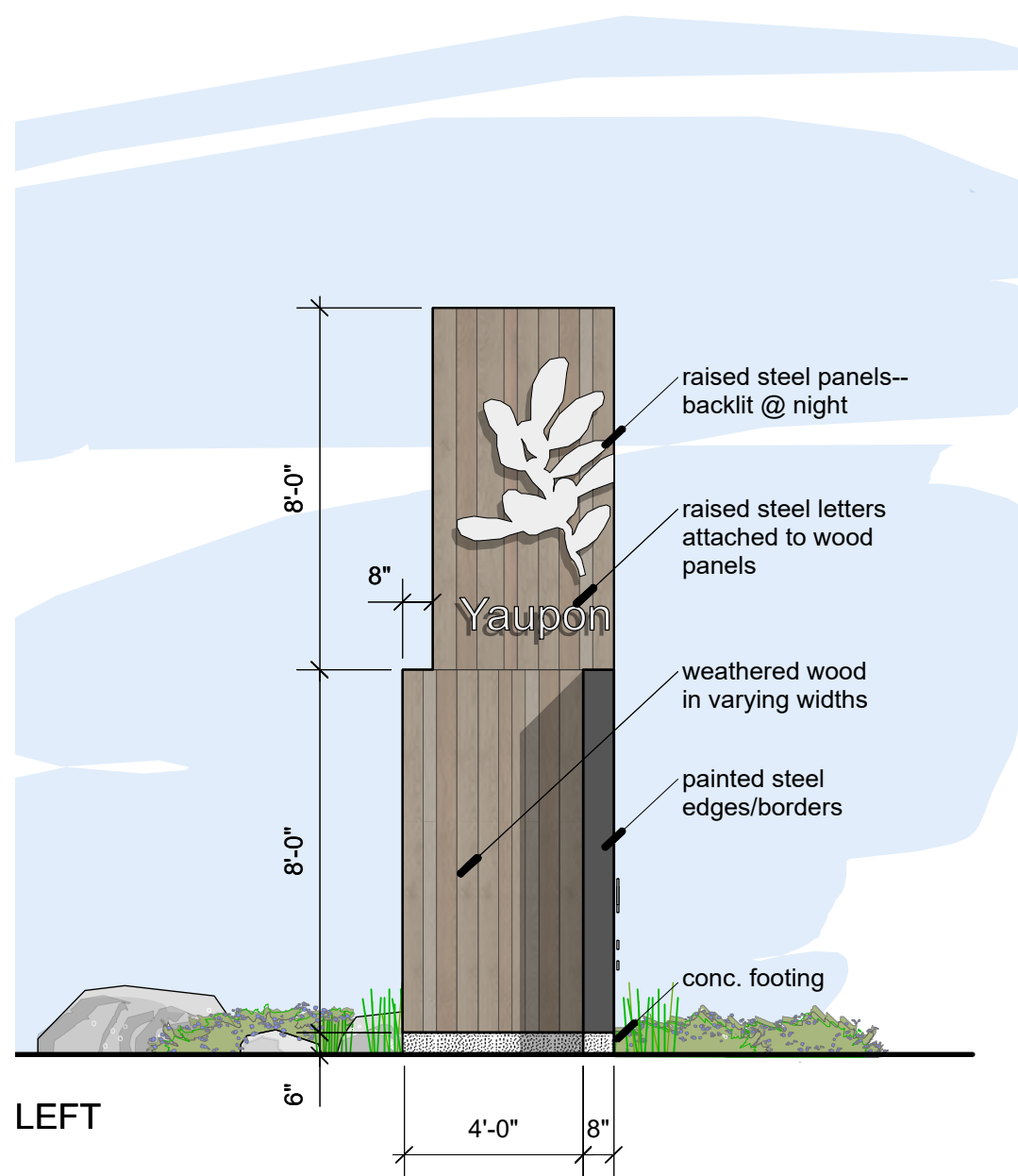


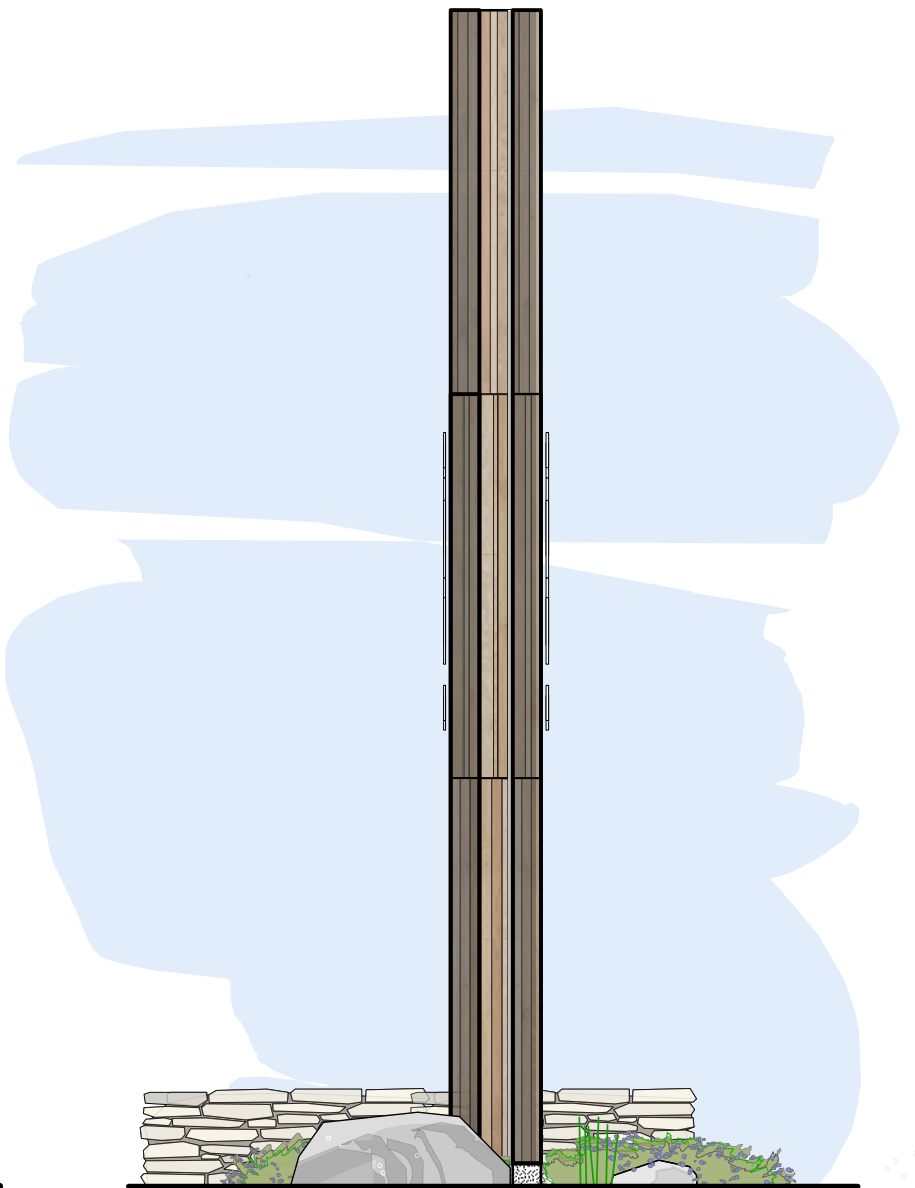
LOW STONE
WALLS

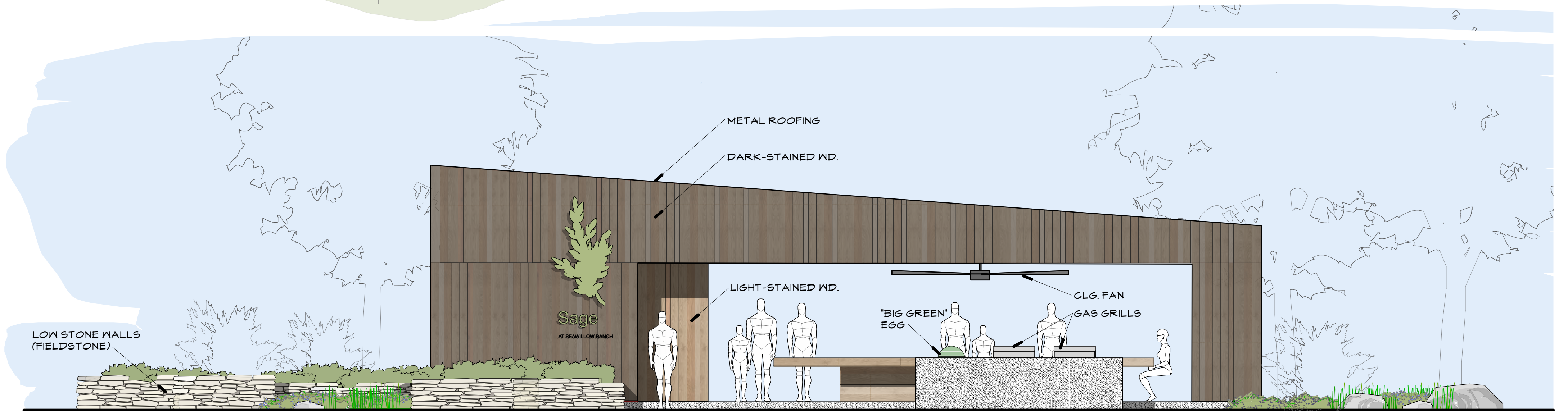
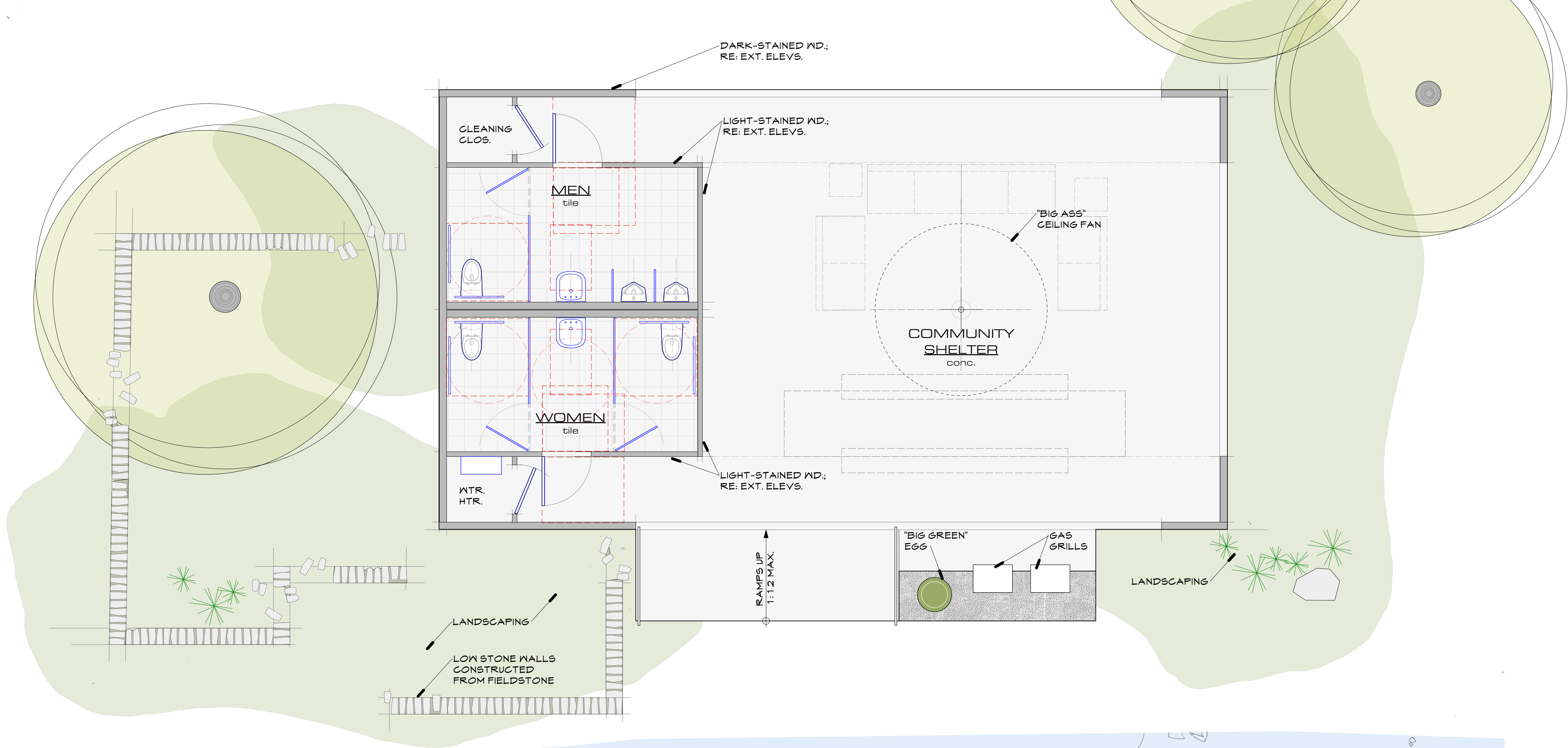
LANDSCAPING

MONUMENT
SIGN









COMMUNITY SHELTER

EXHIBIT G

STREET DESIGN REQUIREMENTS

Street Dimension Requirements for Seawillow PDD						
Street Type	ROW Required (ft.)	Pavement Width Required (ft.)	ROW Provided (ft.)	Pavement Width Provided(ft.)	Sidewalk (ft.)	Planting Zone (ft.)
Arterial	80	N/A	80	54	6	7
Collector/Commercial Local	60	41	60	36	5	7
Residential Local (50' Lots)	50	31	50	30	5	5
Residential Local (Less than 50' Lots)	50	31	54	30	5	7
Commercial/Park Facing Alley	25	20	30	25	5	2.5
Residential Alley	20	15	20	15	5	2.5

EXHIBIT H

PARKLAND SUMMARY FOR SEAWILLOW PDD

Parkland Summary for Seawillow PDD		
Per Acre Appraisal Value of Land	\$50,000	
Acreage Zoned As Residential	269.54	
	Required	Proposed
Land Dedication Acreage (8% of Land Zoned Residential up to 7 units per acre)	21.56	146.6
Community Facility Improvement Cost (15% Land Market Value Up to 5 acres)	\$250,000.00	\$1,650,000
Notes		
Community facility improvement cost proposed by developer was calculated by assuming a 7,000 LF 8' concrete Hike and Bike trail around the main park and the commitment of a 1/4 acre pocket park for every 200 units with a minimum of \$75,000 in playscape improvements.		

EXHIBIT I

DESIGN STANDARDS FOR SEAWILLOW PDD

Design Standards for Seawillow PDD

1. Block Length

- Applicable Districts: All Zoning Districts
- Land Use: All Land Uses
- Requirement: Maximum allowable block length for the Seawillow development is 600 feet. The Central Commercial District (CCD) can contain a block length up to 1200 feet if the developer provides internal public access for both pedestrian and bicycle traffic. Additionally, City staff must approval an internal circulation plan to ensure compliance with the character of the CCD.

2. Public Road Frontage for Park Facing Lots

- Applicable Districts: Single-Family Detached and Attached
- Land Use: ALTH/AL35/AL40/AL45
- Requirement: Alley loaded lots with 30' alley right-of-way that provides the appropriate signage and naming convention as a private street shall not be required to have public street frontage.

3. Street Tree Planting Requirements

- Applicable Zoning Districts: Single-Family Detached and Single-Family Attached Districts (SFD and SFA) and Collector/Arterial Street Sections
- Land Use: ALTH/AL35/AL40/AL45/Collector/Arterial Streets
- Requirement: Street trees will be required to be planted for all residential street sections within SFD and SFA zoning, as well as for proposed internal collector and arterial streets. These trees will be required to be 3 caliper inches and will be planted at 30' increments with the SFD and SFA district and at 50' increments for arterials and collectors. Collector and arterial medians will be planted with a minimum 4.5" caliper tree at 50' increments. All street tree species will be limited to the recommendation of the Texas A&M Forestry Service. Within SFD and SFA zoning districts street trees planted within the frontage of a single-family lot will count towards the City's shade tree requirement found in section 64-197(h.1) of the City of Lockhart Zoning Code.

4. Commercial Landscaping Requirements

- Applicable Zoning Districts: Medium Commercial District (MCD) and Central Commercial District (CCD)
- Land Use: MCD and CCD
- Requirements: All developments within Seawillow Ranch non-residential zoning districts shall abide by the following landscape standards:
 - Landscaping Along Perimeter. All nonresidential uses shall comply with the following streetscape requirements:

- Perimeter Landscaping. Perimeter Landscaping shall be provided adjacent to all streets. This section is only applicable where building facades aren't located within the required perimeter landscaping widths.
- The Perimeter Landscaping shall be the following minimum widths, exclusive of street Right-of-Way.
 - Adjacent to Arterial Street: Ten (10) feet.
 - Adjacent to Collector Street: Five (5) feet.
 - Adjacent to Local Street: Five (5) feet.
- Plantings within the Perimeter Landscaping shall be determined by the following:
 - Along all Freeways, Parkway Streets, Arterial Streets, and Collector Streets at least one (1) Shade Tree for every forty (40) feet of frontage shall be installed. One existing tree may be substituted for each new tree provided the existing tree is in good health and form. New trees must be planted within five (5) feet of the front lot line along the street and in line with other trees but not in conflict with utilities. The Director of Planning may permit additional minor setbacks or other adjustments to the planting strip to accommodate future right-of-way expansions, sidewalks, and utility lines.
 - Complete coverage of natural landscape materials shall be provided with Shrubs, Groundcover, Ornamental Grasses with a Rock/Crushed Rock Landscape Base, or Ornamental Grasses with a Mulch Base. The use of Turf Grass as a landscape material is prohibited in fulfilling the requirements of this subsection.
 - Shrub Buffer. Where parking lots, drives, and access easements abut the Perimeter Landscaping, Shrubs (5 gallon minimum) shall be planted to form a contiguous buffer along the common boundary line.
 - Shrubs shall be planted in planting beds with a Rock/Crushed Rock Landscape Base or Mulch Base.
 - A berm may be placed within the Perimeter Landscaping in lieu of the required Shrubs unless needed for a headlight screen. See 2.09.06. Residential Adjacency for possible additional landscaping requirements.
 - The berm must be 18 to 40 inches above the average grade of the street and parking lot curbs.
 - The slope of the berm shall not exceed a thirty-three (33) percent grade.
 - If the parking lot is located fifty (50) feet or more from the street Right-of-Way line, no Shrubs or berms will be required unless needed for a headlight screen.
- Internal Landscaping.
 - Internal Landscaping refers to all areas within the paved boundaries of the parking lot.
 - Any nonresidential parking area that contains more than ten (10) parking spaces shall provide Internal Landscaping in addition to the required Perimeter Landscaping.

- Only landscaped areas within the parking lot shall be used to meet the Internal Landscaping requirement.
- Plantings within the Internal Landscaping shall be determined by the following:
 - Ten (10) square feet of Internal Landscaping for each parking space or fraction thereof.
 - One (1) Shade Tree or two (2) Ornamental Trees for every fifteen (15) parking spaces or fraction thereof.
 - All parking spaces must be within eighty (80) feet of a Shade Tree.
 - Complete coverage of natural landscape materials, such Groundcover, or Ornamental Grasses with a Rock/Crushed Rock Landscape Base or Mulch Base. The use of Turf Grass as a landscape material is prohibited in fulfilling the requirements of this subsection.

5. Commercial Design Requirements

- Applicable Zoning Districts: Medium Commercial District (MCD) and Central Commercial District (CCD)
- Land Use: MCD and CCD
- Requirements:
 - **Parking Lot Setback:** For all commercial districts located along the frontage of an arterial roadway, parking is prohibited within 100' of the arterial right of way line that fronts the tract.
 - **Building Articulation:**
 - **Depth Articulation:** Depth articulation of at least three (3) feet shall be required for every thirty (30) feet of building facade length. Depth articulation applies only below the roofline.
 - **Height Articulation:** Height articulation for flat roofs of at least five (5) feet shall be required for every fifty (50) feet of building facade length. Pitched roofs do not require height articulation.

6. Architectural Residential Design Standards

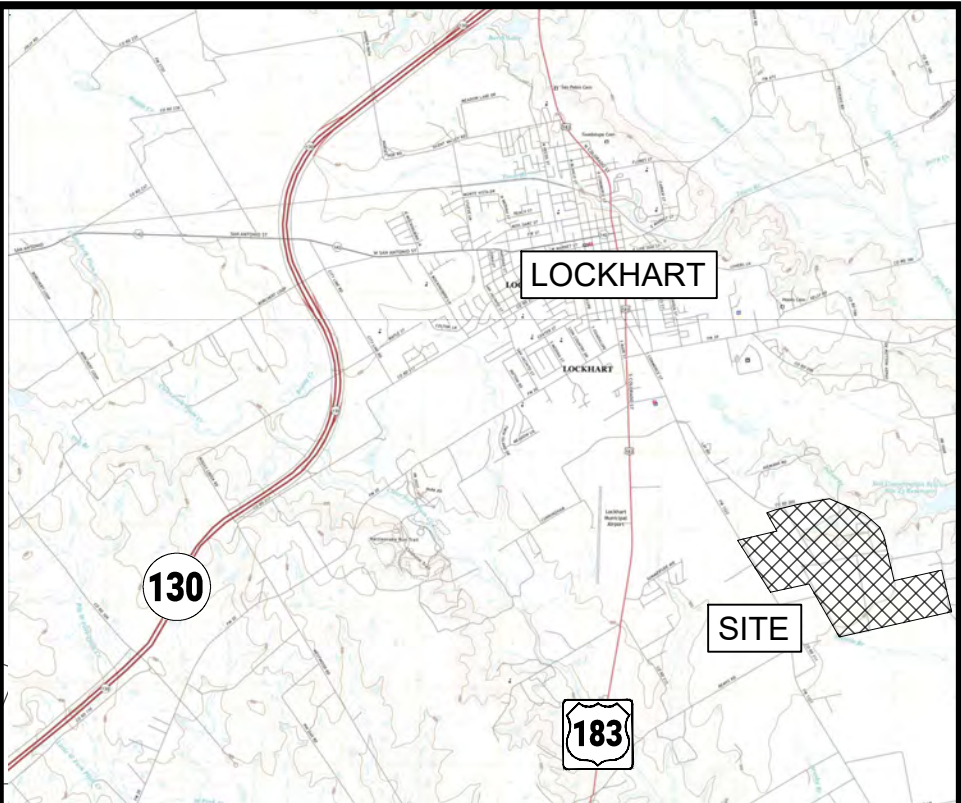
- Applicable Districts: Single-Family Detached
- Land Use: ALTH/AL35/AL40/AL45
- Front Porches for Alley Loaded Product. Front porches will need to be at least 80 square feet and 8 feet deep to meet to qualify as a design feature under the City of Lockhart's single-family architectural standards.
 - Garages. Each residence shall have a garage suitable for parking at least two (2) standard size automobiles. The height of each garage door may not exceed 10 feet in height, calculated from the surface of the driveway to the bottom of the header. Rear

detached garages are permitted provided they are constructed in compliance with the requirements of this PDD. Every garage and accessory building (except a greenhouse) shall correspond in style and architectural and exterior building materials with the dwelling to which it is appurtenant. Accessory structures, including a greenhouse, shall not exceed one (1) story in height, nor shall the total floor area of any accessory structure, exceed ten percent (10%), individually or in the aggregate, of the floor area of the main Dwelling.

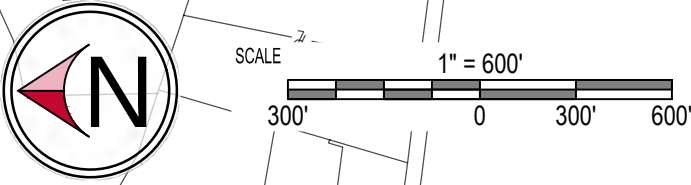
- Exterior materials, which must cover not less than eighty percent (80%) of the exterior, shall be masonry, stone, stucco, plaster, cementitious siding or Hardie-plank equivalent, or wood siding on all first-floor walls (to the top of plate line of first story) visible from any street and on each remaining side and rear elevations. No exterior building walls erected or constructed shall be clad or covered with materials other than brick, brick veneer, stucco, concrete siding in plank form, stone or stone veneer.
- Roof pitches must be a minimum of 8/12 front to back, 8/12 side to side, and any porch or decorative extension must be a minimum of 4/12.
- All house plans must provide a minimum of three (3) of the following design elements:
 - Porches, stoops, or covered entries at a minimum of thirty (30) square feet;
 - Bay or box windows;
 - Dormers and/or gables;
 - Use of accent materials such as brick, stone, or stucco with banding highlights;
 - Ornamental or decorative windows and/or shutters, including, but not limited to, divided light windows;
 - Driveways with enhanced paving treatment consisting of salt finished concrete and/or brick borders;
 - Garage doors with one (1) of the following enhancements: (1) Cedar/Wood clad doors; (2) Double doors; (3) Decorative windows; or (4) Stamped reveals/texture and carriage style hardware; or
 - Two (2) or more coach lights
 - Front Wall Articulation. An offset in plane shall be provided every fifteen (15) feet along any front facade of the dwelling unit
 - Varying Front Setbacks. Variations of the front setback of at least five (5) feet shall be required, however buildings shall not be within the required front setback
- Architectural Focal Point. Include one (1) of the following architectural focal points:
 - Chimney. The exterior veneer of a chimney constructed as part of or an

extension to the exterior wall of a residential structure must be constructed of like or similar brick or other masonry material to that of the primary structure. The exterior veneer of chimneys shall not be constructed of wood or lumber products.

- Window Enhancements. The use of transoms, bay windows, shutters, or other similar window enhancements.



VICINITY MAP
NOT TO SCALE

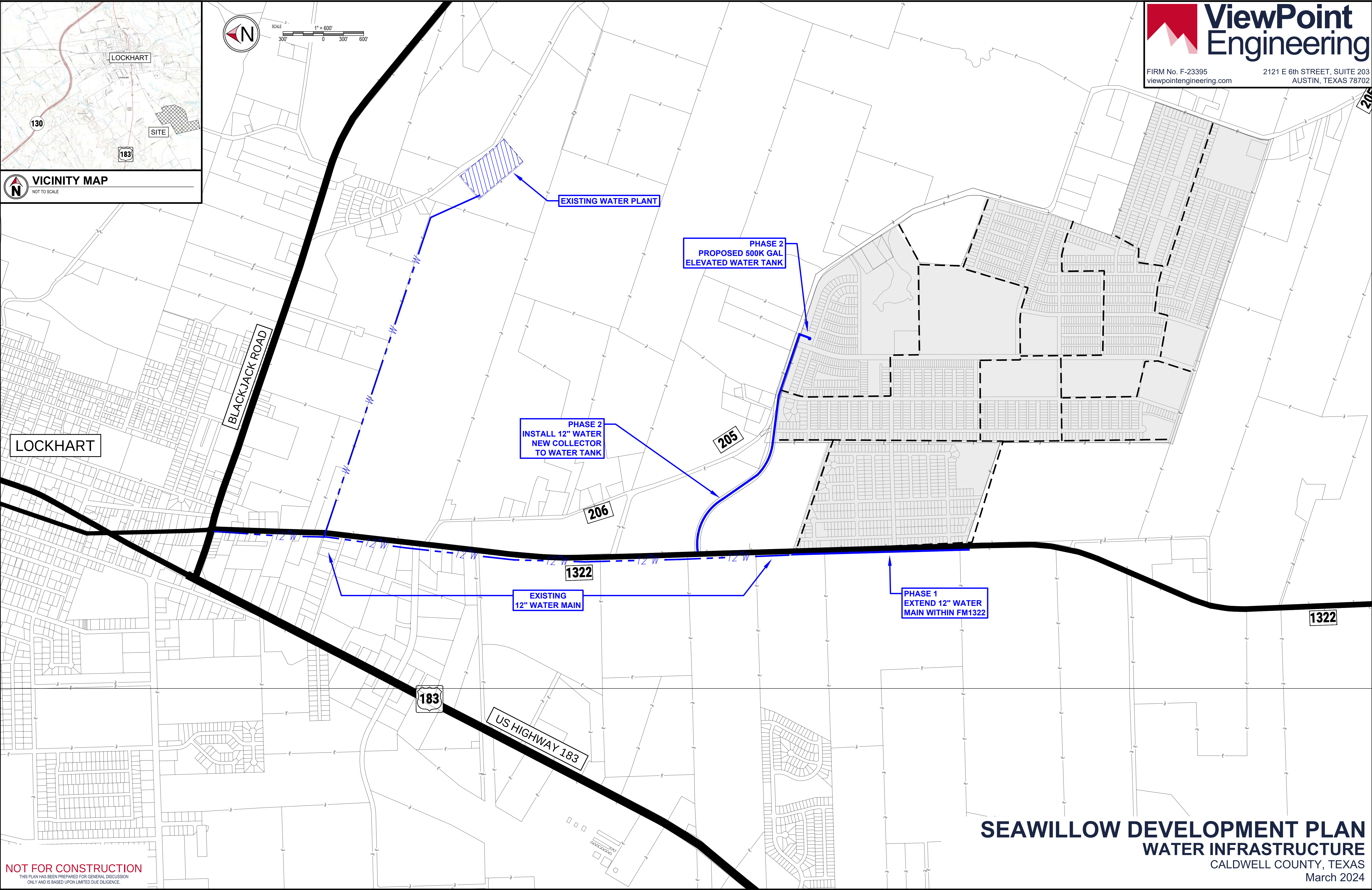




**ViewPoint
Engineering**

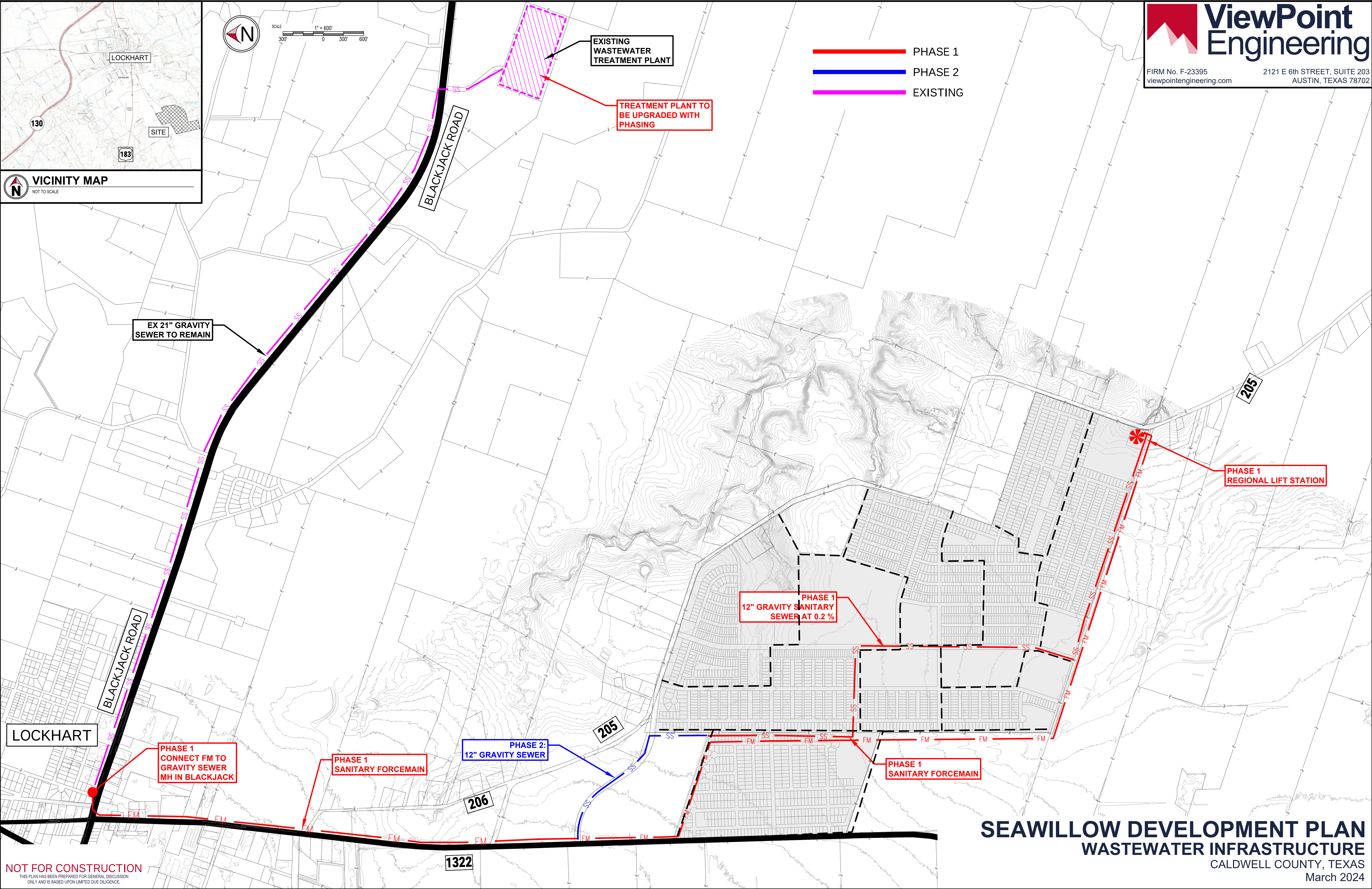
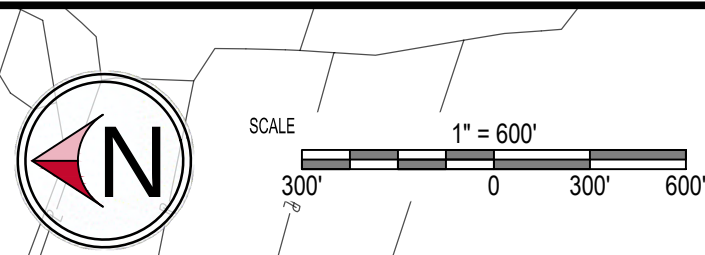
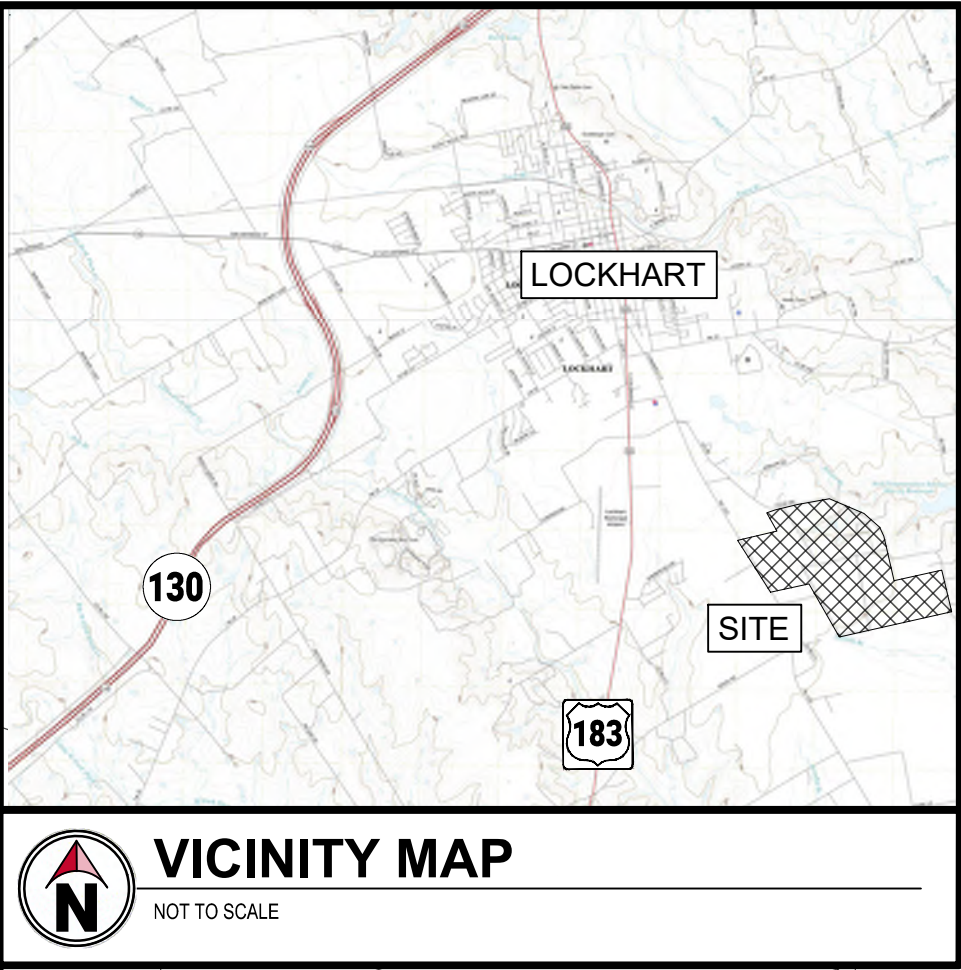
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viewpointengineering.com

2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

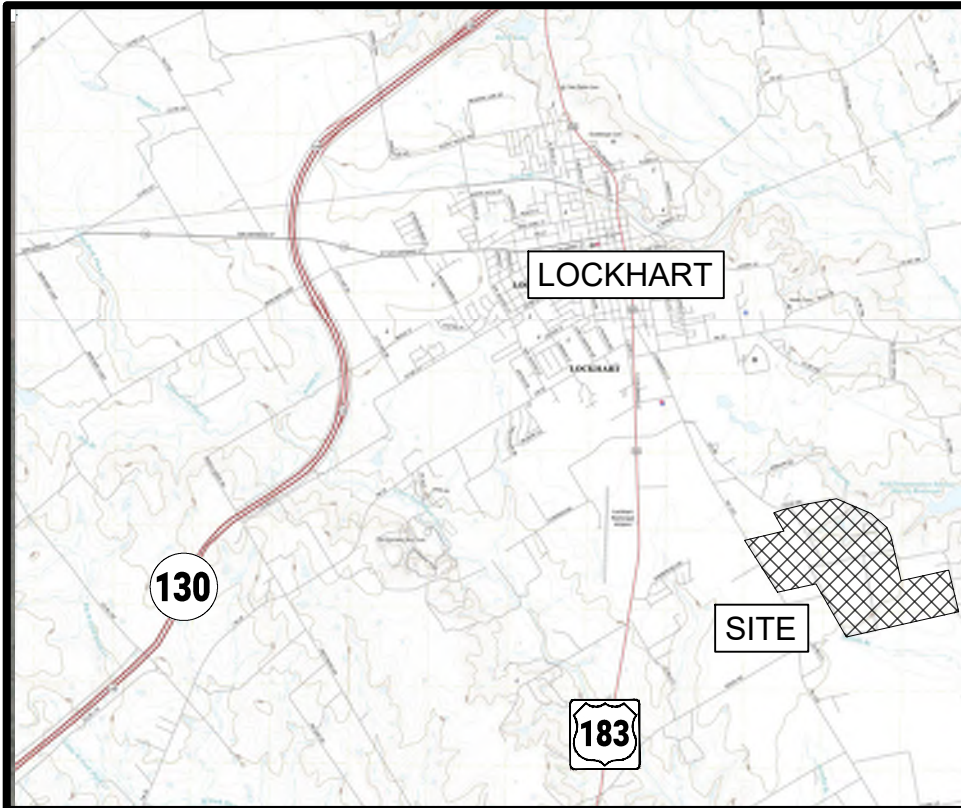


NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

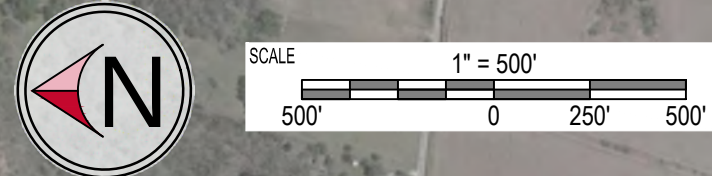
SEAWILLOW DEVELOPMENT PLAN
WATER INFRASTRUCTURE
CALDWELL COUNTY, TEXAS
March 2024



NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.



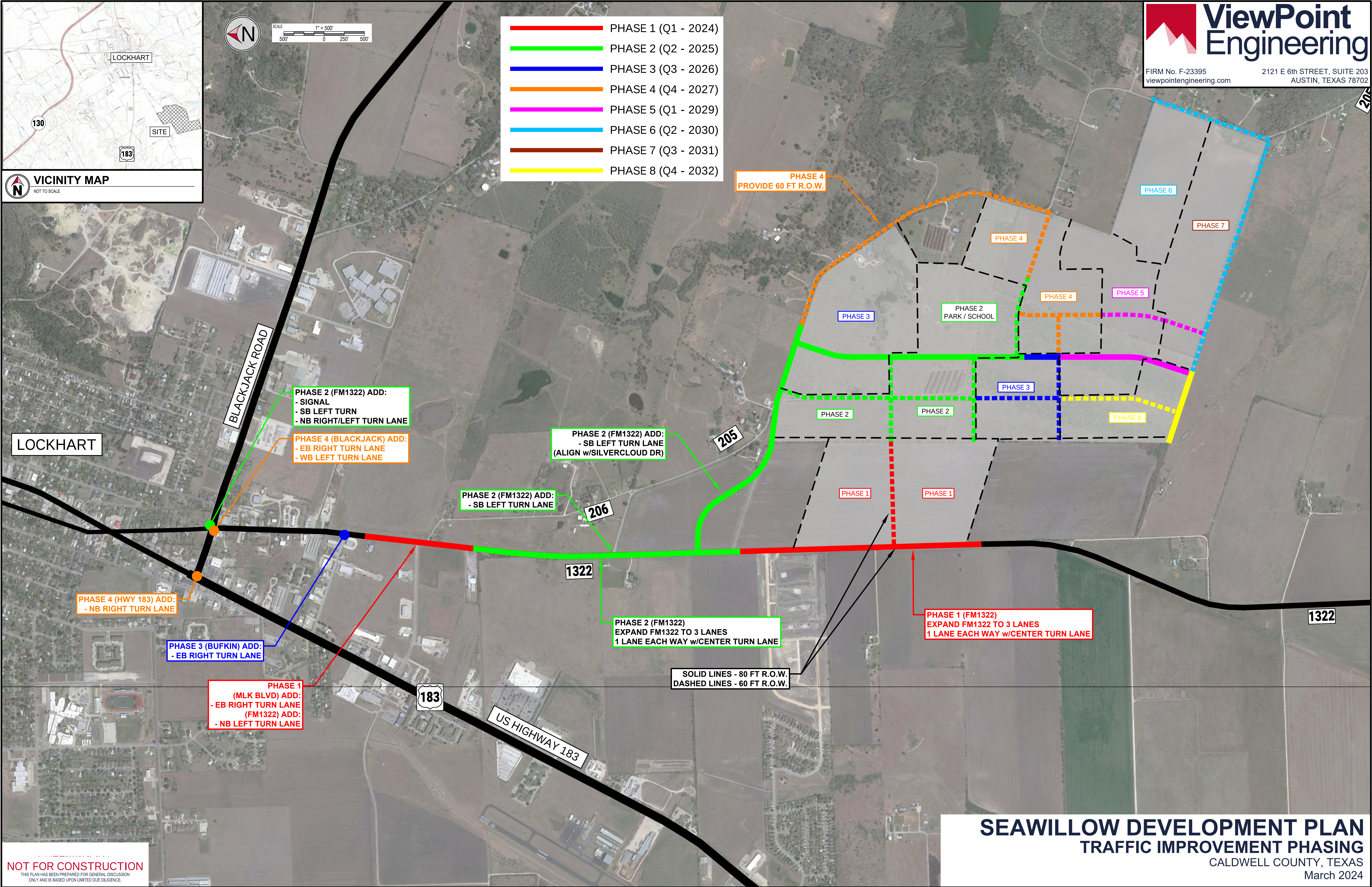
VICINITY MAP
NOT TO SCALE



- PHASE 1 (Q1 - 2024)
- PHASE 2 (Q2 - 2025)
- PHASE 3 (Q3 - 2026)
- PHASE 4 (Q4 - 2027)
- PHASE 5 (Q1 - 2029)
- PHASE 6 (Q2 - 2030)
- PHASE 7 (Q3 - 2031)
- PHASE 8 (Q4 - 2032)

FIRM No. F-23395
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2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702



NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
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SEAWILLOW DEVELOPMENT PLAN

TRAFFIC IMPROVEMENT PHASING

CALDWELL COUNTY, TEXAS
March 2024

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Hold a PUBLIC HEARING and discussion and/or action on an Appeal to the Planning and Zoning Commission's denial of SUP-24-02, a request by Jesse Hernandez for a Specific Use Permit to allow Commercial Outdoor Recreation, entertainment and Amusement 0.33 acres for O.T. Lockhart, Block 33, part of Lot 6, Zoned Commercial Heavy Business District and located at 203 East Pecan Street.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: After receiving several complaints regarding the live music events being held at 4H Hat Company, located at 203 East Pecan Street, City staff requested the applicant file a Specific Use Permit request for Commercial Outdoor Recreation, Entertainment, and Amusement. This request was prompted by both the regularity of live music events being held on the site, as well as complaints received regarding noise, signage, and the sale of alcohol at the events. The applicant stated in his application that he intends to hold live music events on the first Friday of each month from 7-10 PM and the third Sunday of each month from 2-6 PM. The site includes a small wooden stage and a concrete slab used as a dance floor. The stage is located approximately 16 feet from the neighboring residential property. Beer is sold from a trailer used as a mobile bar that is located in the side yard to the west of the building. The applicant has a TABC permit issued for the subject address. Complaints from the next door neighbors have stated that sound levels inside their house exceeded 100 decibels, greatly exceeding the 55 decibels allowed in Section 64-198 for commercial properties adjacent to residentially-zoned properties. The parking pad in front of the store has room for four cars to park, but is not striped and has no accessible parking space available.

The applicant, Jesse Hernandez, filed an appeal to the Planning and Zoning Commission's denial of the SUP within 10 days after the denial was issued. The appeal hearing has been notified, including letters, a sign on the site, and a hearing notice in the May 9, 2024 Lockhart Post-Register. One letter of opposition has been received from the neighbor abutting the property to the north. In considering the appeal, City Council should determine whether the Planning and Zoning Commission denied the SUP application in error or using improper criteria of evaluation. It should be noted that Section 64-128 of the City of Lockhart Code of Ordinances states that all SUP applications must be evaluated for compliance with city codes and that applications which do not or cannot meet all applicable standards of Chapter 64 may be denied.

PROJECT SCHEDULE (if applicable): None.

FISCAL NOTE (if applicable): None.

City of Lockhart, Texas

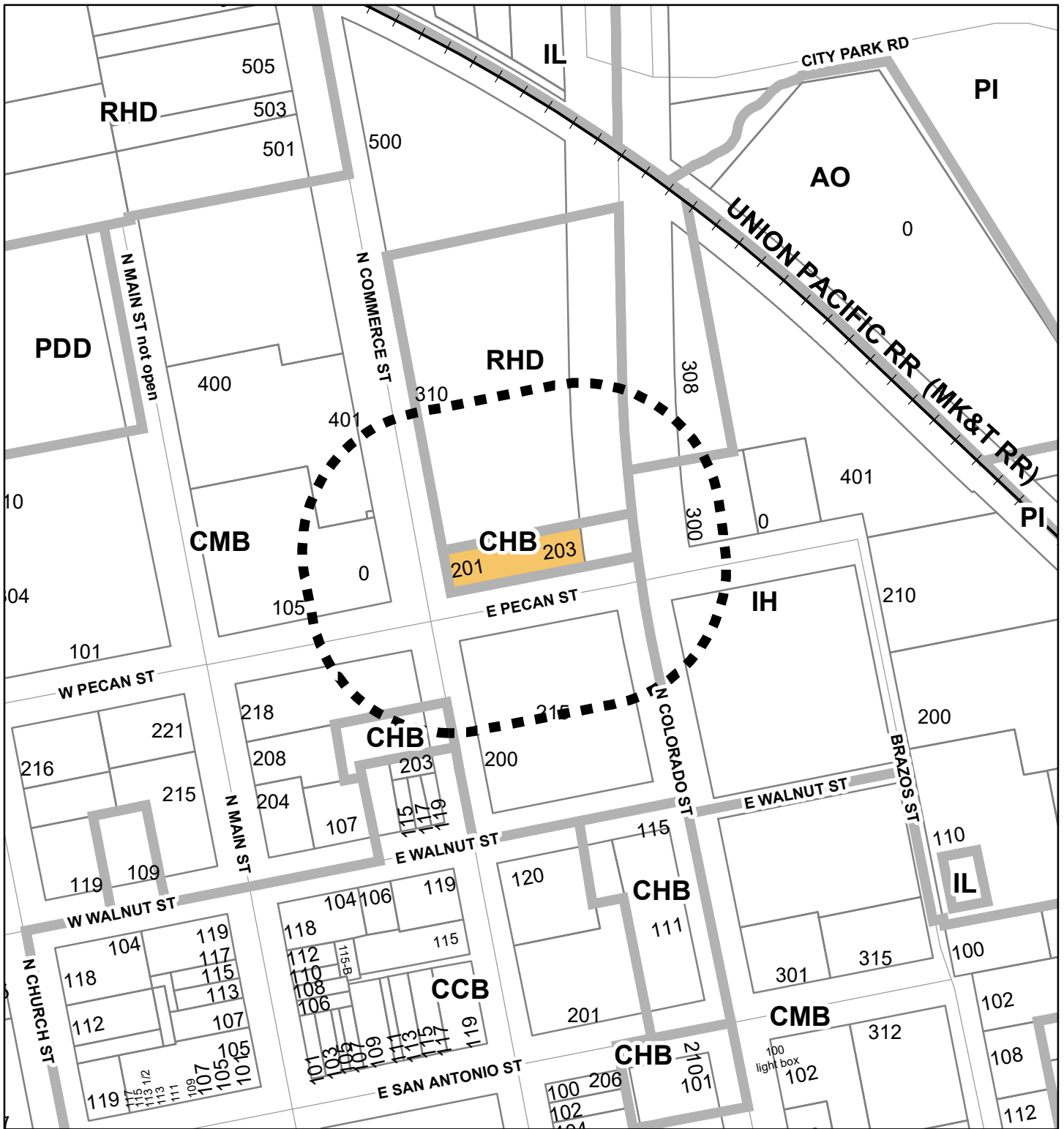
Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: The Planning and Zoning Commission voted to deny the SUP request by a vote of 4-3 at its meeting held April 24, 2024.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends sustaining the Planning and Zoning Commission's denial of the SUP request issued April 24, 2024.

LIST OF SUPPORTING DOCUMENTS: SUP2402 case map, SUP2402 aerial, SUP2402 zoning map, SUP-24-02 Staff Report--Appeal to Council, SUP2402 application and appeal letter, 04-24-2024 appeal opposition letter, 04-24-2024 appeal opposition letter--documentation, 04-24-2024 PZ minutes



SUP-24-02

203 E PECAN ST

COMMERCIAL OUTDOOR
RECREATION, ENTERTAINMENT
AND AMUSEMENT



SUBJECT PROPERTY

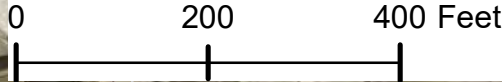


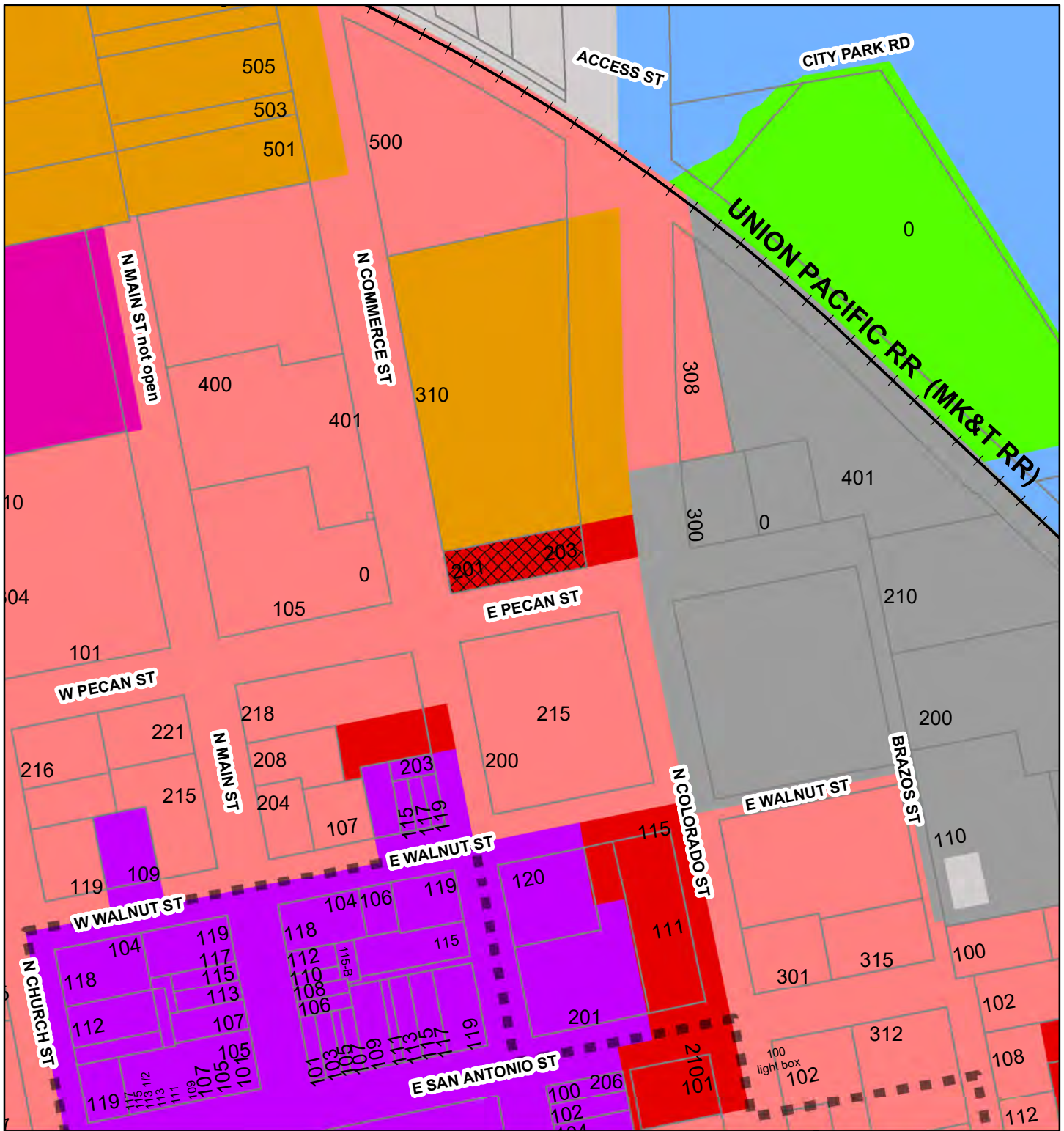
ZONING BOUNDARY



200 FT. BUFFER

scale 1" = 200'





SUP-24-02

203 E PECAN ST

COMMERCIAL OUTDOOR
RECREATION, ENTERTAINMENT
AND AMUSEMENT



scale 1" = 200'

ZONING DISTRICTS

-  HISTORIC DISTRICT
-  AGRICULTURAL-OPEN SPACE
-  COMMERCIAL CENTRAL BUSINESS
-  COMMERCIAL HEAVY BUSINESS
-  COMMERCIAL MEDIUM BUSINESS
-  INDUSTRIAL HEAVY
-  INDUSTRIAL LIGHT
-  PLANNED DEVELOPMENT
-  PUBLIC AND INSTITUTIONAL
-  RESIDENTIAL HIGH DENSITY

CASE SUMMARY

STAFF CONTACT: David Fowler, Planning Director

CASE NUMBER: SUP-24-02

REPORT DATE: May 15, 2024

PUBLIC HEARING DATE: May 21, 2024 (Original hearing date April 24, 2024)

APPLICANT'S REQUEST: Commercial Outdoor Recreation, Entertainment, and Amusement

STAFF RECOMMENDATION: **Denial**

SUGGESTED CONDITIONS: None

BACKGROUND DATA

APPLICANT(S): Jesse M. Hernandez

OWNER(S): Marie Alewine

SITE LOCATION: 203 East Pecan Street

LEGAL DESCRIPTION: Original Town of Lockhart, Block 33, Part of Lot of 6

SIZE OF PROPERTY: 0.33 acres

EXISTING USE OF PROPERTY: Retail shop

ZONING CLASSIFICATION: CHB Commercial Heavy Business District

ANALYSIS OF ISSUES

CHARACTERISTICS OF PROPOSED USE: The Applicant requests a Specific Use Permit for Commercial Outdoor Recreation, Entertainment, and Amusement to host live music twice per month. The applicant has hosted music during First Friday Downtown events. The Applicant also proposes to host live music on the third Sunday of each month and has inquired about hosting other events when there is demand for the site. Several music events have been held on the property and staff contacted the Applicant requesting him to submit an SUP request after receiving noise complaints following two of the events. The Applicant has constructed a small stage and concrete pad serving as a dance floor to the west of the existing building for the music events. The stage is located approximately 16 feet from the fence separating the site from the adjacent residential property. Beer is sold from a trailer set up as a mobile bar during the events. The applicant has a TABC license issued for the site's address. The subject property is zoned CHB and is outside Lockhart's downtown area. The shop is located in an area that is principally commercial in nature. There is a vacant former car dealership to the south, North Colorado Street to the east, a flower and funeral monument store to the west, and a single-family residence zoned RHD to the north.

The Commercial Outdoor Recreation, Entertainment, and Amusement use requires a Specific Use Permit so that the Planning and Zoning Commission can weigh the particulars of each request on a case-by-case basis. The Applicant provided information and a site plan for the proposed use. The existing retail shop has an existing concrete pad that could provide up to four spaces meeting city standards. Bathrooms for attendees of the proposed events are provided inside the store. Outside and to the west of the building, an existing deck and proposed concrete pad will host the live music. The Applicant stated that the events have an anticipated attendance of 30 to 40 people and will be staffed by the four owners of the retail shop. Seating would be available outside near the event space. The proposed event hours are approximately 7 p.m. to 10 p.m. on the first Friday of each month and 2 p.m. to 6 p.m. on the third Sunday of each month, although other events not involving live music have been proposed or held at other times. It should be noted that the Downtown Business Association's First Friday event does not serve to provide

any sort of permit for businesses to conduct outdoor entertainment, if their zoning district requires a SUP for indoor or outdoor entertainment or if the subject property is not approved as a land use which could have indoor or outdoor entertainment, such as a bar or restaurant.

NEIGHBORHOOD COMPATIBILITY: The surrounding zoning classifications are RHD to the north, CHB and CMB across North Commerce Street to the west, CMB to the south, and IH across North Colorado Street to the east. The nearest single-family home is on the property immediately to the north. There is a funeral home across North Commerce Street to the west and a vacant former auto parts store and parking lot to the south across East Pecan Street. In general, the house to the north has the greatest potential of being negatively impacted by the proposed events. Noise, parking, and the consumption of alcohol are the primary concerns staff have received regarding these events.

COMPLIANCE WITH STANDARDS: The applicant has specified that there are eight available parking spots for event attendees, as noted on the Applicant's site plan and that parking is allowed on the adjacent streets. However, staff recently measured that only four spaces are available on the paved parking pad in front of the store. These parking spaces are not striped, and no required handicapped spaces are provided. There is currently no parking formula for the Commercial Outdoor Recreation, Entertainment, and Amusement use other than the off-street standard for uses in the CHB district on one space per 300 square feet of building area and one additional space per employee present at a given time. It should be noted that this standard is based on building floor area and number of employees, neither of which apply to the proposed use of the subject site, as the outdoor area is not a habitable building. Therefore, no additional off-street parking is required unless City Council wishes to attach such a condition to approval of the SUP based upon requiring parking for the attendees on site. It should also be noted that the business' signage and the concrete dance floor had been constructed without a permit, but both permits have recently been issued after City staff identified the work done without permits.

Although there is no way to assess the potential noise level at the time of application, the Applicant's events would be limited to 55 decibels before 10 p.m. and 50 decibels after 10 p.m. as measured at the northern property line, per the noise levels established in Lockhart City Code Section 64-198(c)(3)(a.) - *Performance standards for commercial and industrial districts*. This standard could be difficult or impossible to meet as the proposed stage area is only sixteen feet from the northern property line. The applicant stated that he does not feel he can meet the decibel limit at the Planning and Zoning Commission meeting held April 24, 2024. According to a complaint letter from the residential neighbors, sound levels at recent live music events reached over 100 decibels, measured inside the neighboring house. This is well in excess of the allowed sound levels and is subject to the issuance of a citation. It should be noted that in addition to compatibility with surrounding uses, SUP requests are evaluated for compliance with Chapter 64, Zoning, of the Lockhart Code of Ordinances as well as other relevant sections of City code. Section 64-127 states that applications that do not or cannot comply with code should be denied.

ADEQUACY OF INFRASTRUCTURE: All necessary utilities and vehicular access are available.

RESPONSE TO NOTIFICATION: None as of the date of this report.

STAFF RECOMMENDATION: Denial. At the Planning and Zoning Commission hearing held April 24, 2024, Planning and Zoning Commission voted 4-3 to deny the SUP request, noting the noise levels and lack of off-street parking relative to the attendance of live music events as well as issues relating to the sales of alcohol on the site. The applicant filed to appeal the Commission's decision on April 29, 2024. In reviewing the appeal, City Council should determine whether the Commission's decision was in error or if the decision was made using unreasonable criteria. City Council should also carefully consider whether the application in question would result in a land use that is in compliance with all applicable ordinances if

approved. An application that is not in compliance with all applicable sections of Chapter 64 or that cannot be brought into compliance with the chapter may be denied.

If City Council wished to approve the appeal, thereby allowing the SUP, Planning staff recommends the following conditions of approval:

- 1) Events shall be limited to the occasions and times provided by the Applicant in the SUP application, being the first Friday of the month from 7-10 PM and the first Sunday of each month from 2-6 PM.
- 2) The applicant shall secure the use of off-site parking within 300 feet of the subject site.
- 3) The SUP shall be granted for one year, subject to review to confirm that events adhere to the noise decibel limits established in Section 64-198, and the conditions 1) and 2) listed above.

SPECIFIC USE PERMIT APPLICATION

CITY OF

Lockhart

TEXAS

(512) 398-3461 • FAX (512) 398-3833

P.O. Box 239 • Lockhart, Texas 78644

308 West San Antonio Street

APPLICANT/OWNER

APPLICANT NAME JESSE M. HERNANDEZ ADDRESS PO Box 1304

DAY-TIME TELEPHONE 512 995 1185 LOCKHART TEXAS

E-MAIL HERNANDEZ44@GMAIL.COM 78644

OWNER NAME M. ALVINE ADDRESS _____

DAY-TIME TELEPHONE 512-398-7453 _____

E-MAIL _____

PROPERTY

ADDRESS OR GENERAL LOCATION 203 E. PECAN

LEGAL DESCRIPTION (IF PLATTED) OT LOCKHART, BLOCK 33, LOT 716.

SIZE .33 ^(.145) ACRE(S) ZONING CLASSIFICATION CHB

EXISTING USE OF LAND AND/OR BUILDING(S) RETAIL SHOP (SPECIALTY)

REQUESTED SPECIFIC USE

Commercial outdoor recreation
entertainment and amusement

PROPOSED USE REQUIRING PERMIT FIRST FRIDAY & THIRD SUNDAY

CHARACTERISTICS OF PROPOSED USE, INCLUDING INDOOR AND OUTDOOR FACILITIES, ANTICIPATED OCCUPANCY (NUMBER OF DWELLING UNITS, RESIDENTS, EMPLOYEES, SEATS, OR OTHER MEASURE OF CAPACITY, AS APPLICABLE), GROSS FLOOR AREA, HOURS OF OPERATION, AND ANY OTHER RELEVANT INFORMATION. ATTACH ADDITIONAL SHEETS, IF NECESSARY. ??

OUTDOOR PATIO FOR LIVE ENTERTAINMENT. SITE PLAN ATTACHED

FIRST FRIDAY 7pm - 10pm (3, 45min set w/INTERMISSION)

THIRD SUNDAY 2pm - 6pm (3, 45min set w/INTERMISSION)

(↑ future)

ANTICIPATED PEOPLE 30-40 / INDOOR FACILITIES ARE AVAILABLE

4 EMPLOYEES, OUTDOOR SEATING AVAILABLE / HOURS OF OPERATION

OWNERS & INDOOR PRESENT

6p-10p

SUBMITTAL REQUIREMENTS

IF THE APPLICANT IS NOT THE OWNER, A LETTER SIGNED AND DATED BY THE OWNER CERTIFYING THEIR OWNERSHIP OF THE PROPERTY AND AUTHORIZING THE APPLICANT TO REPRESENT THE PERSON, ORGANIZATION, OR BUSINESS THAT OWNS THE PROPERTY.

IF NOT PLATTED, A METES AND BOUNDS LEGAL DESCRIPTION OF THE PROPERTY.

SITE PLAN, SUBMITTED ON PAPER NO LARGER THAN 11" X 17", SHOWING: 1) Scale and north arrow; 2) Location of site with respect to streets and adjacent properties; 3) Property lines and dimensions; 4) Location and dimensions of buildings; 5) Building setback distances from property lines; 6) Location, dimensions, and surface type of off-street parking spaces and loading areas; 7) Location, dimensions, and surface type of walks and patios; 8) Location, type, and height of free-standing signs; fences, landscaping, and outdoor lighting; 9) utility line types and locations; and, 10) any other proposed features of the site which are applicable to the requested specific use.

APPLICATION FEE OF \$250, PLUS \$150 PER ACRE, MAXIMUM OF \$2,500 PAYABLE TO THE CITY OF LOCKHART.

TO THE BEST OF MY KNOWLEDGE, THIS APPLICATION AND ASSOCIATED DOCUMENTS ARE COMPLETE AND CORRECT, AND IT IS UNDERSTOOD THAT I OR ANOTHER REPRESENTATIVE SHOULD BE PRESENT AT ALL PUBLIC MEETINGS CONCERNING THIS APPLICATION.

SIGNATURE

DATE

03-13-2024

OFFICE USE ONLY

ACCEPTED BY

RECEIPT NUMBER

DATE SUBMITTED

CASE NUMBER SUP -

DATE NOTICES MAILED

DATE NOTICE PUBLISHED

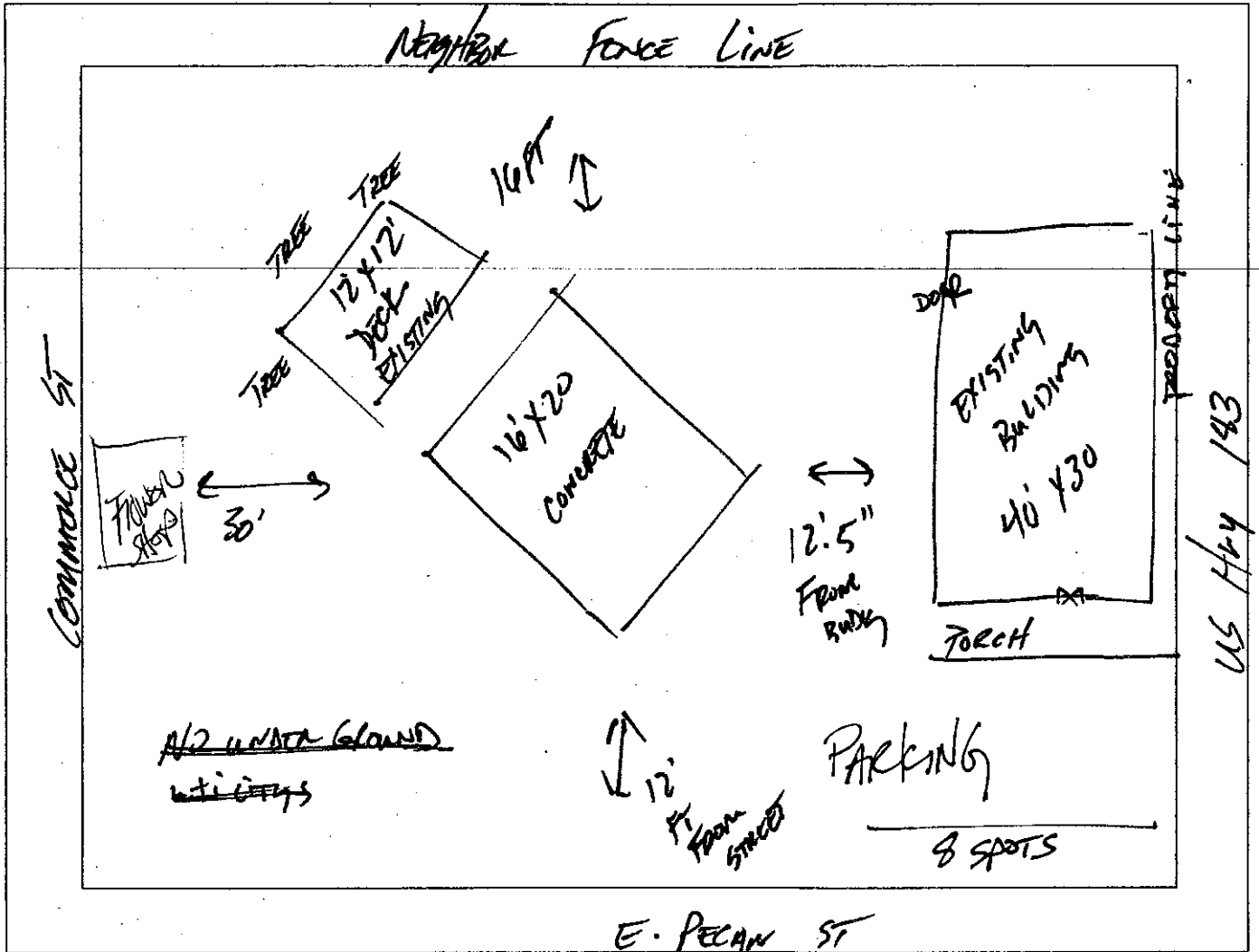
PLANNING AND ZONING COMMISSION MEETING DATE

DECISION

CONDITIONS

CITY OF LOCKHART - SITE PLAN

APPLICANT NAME: JESSE M. HERNANDEZ PHONE: 512.995.1185
 SITE ADDRESS: 203 E. PECAN ST LOCKHART TEXAS 78044
 PERMIT NUMBER: _____
 PROPOSED WORK: 16'X20' CONCRETE PAD



Please indicate the following:

1. North arrow, scale of the drawing (e.g., 1" = 50 feet), property lines with dimensions, and abutting streets and alleys;
2. Outline the location, size, and type of all structures with labels indicating whether existing or proposed; show roof overhangs as dotted lines;
3. Distances between all existing and/or proposed structures (measuring from roof overhang, if any) as well as from all existing and/or proposed structures to all property lines;
4. Location, type, and width of all known easements; and
5. Location, dimensions, and surface material of existing or proposed driveways and off-street parking areas; specify the number of provided and required parking spaces. Planning staff can assist with this requirement.

From: Michelle Harmon michelle@lonestarrealtyteam.com
Subject: FW: City of Lockhart Zoning Board
Date: Mar 14, 2024 at 1:11:43 PM
To: Jesse Hernandez hernand644@gmail.com

Happy 2024! A referral is the best compliment I can receive. If you or someone you know is ready to buy or sell, please call me.

[Consumer Protection Notice](#)
[Brokerage Information](#)

Regards,

Michelle Harmon

Broker/Owner
Lone Star Realty
117 S. Main Street Lockhart, TX 78644
michelle@lonestarrealtyteam.com
512-227-0845 cell phone
512-398-SOLD (7653)
[512-859-6747](tel:512-859-6747) fax
Website: <http://lonestarrealtyteam.com/>
Facebook: [\(2\) Facebook](#)

IMPORTANT NOTICE: Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct.

From: Marie Cody <marie1mde@yahoo.com>
Sent: Thursday, March 14, 2024 1:08 PM
To: Michelle Harmon <michelle@lonestarrealtyteam.com>
Subject: Re: City of Lockhart Zoning Board

It is ok for Jesse Hernandez to speak for me at meeting .

Thank you ,
Marie Alewine

Sent from my iPhone

From: Michael Alewine mic.l.alewine@icloud.com
Subject: Fwd: 4H Hat Co.
Date: Apr 3, 2024 at 9:48:57 PM
To: Marie elvis1mdc@yahoo.com

Sent from my iPhone

Begin forwarded message:

From: Jesse Hernandez <hernand644@gmail.com>
Date: April 3, 2024 at 9:43:54 PM CDT
To: mic.l.alewine@icloud.com
Subject: 4H Hat Co.

I authorize Jesse Hernandez to speak on my behalf for permit purposes.

x Marie Alewine

Date: 04-04-2024

Marie Alewine
203 E. Pecan Lockhart Texas.

Owner of property at

Appeal Letter

I, Jesse Hernandez, and the 4H Hat Co. family appeal the decision made by P&Z commission for SUP-24-02.

On April 24, 2024, members of the planning and zoning commission voted to not approve SUP-24-02. The members and guest present watched a power point presented by David Fowler highlighting our live music and other points of interest, like permits for outdoor stage and signage.

David Fowler has visited my place of business multiple times, each time with a new violation. The 4H Hat Co. signage in question, has been on our property since August 15, 2023. David Fowler has never mentioned our company yard sign as a sign violation until our P&Z hearing on April 24, 2024.

David Fowler stated that a nylon inflatable beer can we displayed on March 1, 2024 was a sign violation. To stay in compliance, we have not used or displayed it.

He had several opportunities to be transparent, but instead still decides to pick and choose what he feels would help those in opposition.

David Fowler also mentioned that a concrete slab was poured without a permit.

The concrete pad was poured on Sunday February 25, 2024 and the permit identifying our outdoor area where work was done, was filed on February 26, 2024. The permit was approved on February 29, 2024. We used a local and licensed contractor. I am the point of contact for this permit, and I was never emailed or called to pay the permit when approved. It wasn't until I read the agenda for the SUP hearing that I read permit remained unpaid. Mr. Fowler again was planning to use the unpaid permit as a strategy to keep our SUP from being approved to please others in opposition.

Mr. Fowler and his department had several months to notify me of the approved permit so that payment could be made.

Mr. Fowler also mentioned to members and guest that no TABC license was issued to 4H Hat Co. and that a mobile bar was used on the property to serve alcohol.

4H Hat Co. has a TABC permit that was signed and approved by Lockhart city Secretary, Lockhart County Clerk, State Comptroller and TABC that is valid until February 2026.

The sell and consumption of alcohol from a mobile bar is permitted on 203 E. Pecan. Again, David Fowler is choosing what sounds best to keep the SUP from approval.

Mr. Fowler's power point also highlighted decibel limits. 4H Hat Co. holds an amplified sound permit signed and approved by Captain Daniel Williams. 4H Hat Co. is zoned Commercial Heavy Business, and all other seven businesses, within the 200 feet radius, are either commercial heavy, medium, or industrial heavy.

The single residential property who is in opposition is zoned residential heavy development. The resident described decibel reading from her living room up to 100 decibels. My readings at our property are within CHB decibel limits.

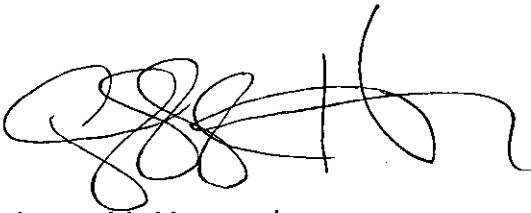
No credible investigation was made to verify the 100 decibel readings from the opposed neighbor's living room, nor has any investigation been made to verify my decibel readings. Our events are held on First Friday of each month. Our contracted musicians, bands or acoustic, play three 45 minute sets within the 7p-10p time frame. The resident also stated we have events on Saturdays. The only Saturday

event we have hosted was November 4, 2023 in which we offered DJ music from 6p-9p for Texas Monthly BBQ fest.

Members of the commission allowed another business owner outside of the 200 feet radius to speak. Ronda Reagan does not live, nor is her business with in 200 feet of my establishment. Her opposition is irrelevant. She is a local bar owner who views 4H Hat Co. as a competitor. Her opinion should not be considered in the SUP approval process.

I feel commission members are uncertain of what 4H Hat Co. is and that the commission should have held off voting until members visited 4H Hat Co. and concluded a proper investigation to make proper recommendations specific to our business. In addition, David Fowler unprofessionally presented a power point of the musicians marketing video and expressed his personal feelings-"this is the kind of parties they're having."

Therefore, the 4H Hat Co. family appeals the decision made by P&Z commission for SUP-24-02.

A handwritten signature in black ink, appearing to read 'Jesse M. Hernandez', with a stylized, cursive script.

Jesse M. Hernandez

04-29-2024

David Fowler

From: Julia Dye <juliaddy@gmail.com>
Sent: Wednesday, May 1, 2024 10:02 AM
To: David Fowler
Subject: SUP-24-2

Good morning, David.

My name is Julia Dye, and I live with my husband Dale Dye at 310 N. Commerce Street here in Lockhart. We met at the Planning and Zoning Commission meeting on 24 April 2024, where the issue of the Specific Use Permit for 203 East Pecan Street was discussed and the permit was denied.

Since that meeting, Jesse Hernandez has filed an appeal. I wanted to write to you and restate our reason for opposition to his outdoor events at the location in question, a CHB site that abuts our residential property.

Our primary concern is that property's current, ongoing violations of Lockhart City Code Section 64-198(c)(3)(a.) – *Performance Standards for commercial and industrial districts*, which limits noise levels to 55 dB before 10pm and 50 dB after 10pm. We have kept a log of decibel levels within our home, and during performances, the decibel levels are consistently over 75 dB inside our house, with peaks over 90 dB. In addition, City Code Sec. 18-27. - *Enumeration of specific noises*, prohibits "the playing of any radio, phonograph or any musical instrument in such manner, or with such volume...as to create a noise such as reasonably calculated to disturb a person of ordinary disposition under the same or similar circumstances residing in a dwelling or other type of residence in the vicinity." A log of exact decibel levels in our home has been submitted to the Planning Commission.

We have a right to quiet enjoyment of our property. We cannot use our backyard or house for our own enjoyment during the times in question while the windows are rattling, and the noise levels are above 90 dB. In addition, although we were told the performances were limited to First Fridays, there have been Saturday performances as well, and now Sunday events have been added.

We are not opposed to live music. We do not wish any ill will to the 4H Hat Co., and hope that they are successful! We ask only that they follow the city ordinances, keeping all noise below 55 dB as required by the Lockhart City Code.

While we do have other concerns, including alcohol consumption, trespassing, litter, and parking, the excessive noise is by far our largest complaint, and an issue that is clearly at odds with the Lockhart City Code.

Mr. Hernandez has continued to plan outdoor events even though his permit was denied, and has advertised an event this Friday. Hopefully that will be cancelled. He and his wife Laura have also posted several places on social media that he has followed all ordinances, which is incorrect. See the following post for an example:



Laura Saldana Hernandez

April 24 at 9:23 PM · 🌐

...

Success is no accident. It is hard work, perseverance, learning, studying, sacrifice, and most of all, love of what you are doing.

Today, 4H Hat Co. was scheduled to meet with the planning & zoning commission. To date, we hold our amplified sound permit and our TABC mixed beverage license. We have followed all rules, regulations, and ordinances. We were told we would need to apply for a Specific Use Permit to hold any other "events" other than "First Friday." Today was the hearing for that permit. Present at this meeting, were commission members Philip Ruiz, Phil McBride, Bradley Lingvai, Julia Haug, Manuel Oliva, Ron Peterson, and Rick Arnic. Staff present were David Fowler and Christine Banda. Visitors/Citizens addressing the commission were Rhonda Reagan and Julia Dye. David Fowler reported we were in violation for our 2x4 company sign in the grass and the concrete pad permit was never paid (because his office finally found the paperwork when Jesse went to the city yesterday to ask about it as listed in the packet for today's meeting.) Rhonda Reagan (owner of The Pearl and founder of First Friday) is in opposition of 4H participating in First Fridays, live music, and the sell of alcoholic beverages. Julia Dye is opposed of live music. Phil McBride motioned to disapprove our Specific Use Permit for live music. Ron Peterson second the motion. All other members were in favor. We have filed an appeal and plan to go before city council again. Oh! & our Kix Garcia reel made it to their big screen....."This is the kind of parties they're having there."

The above post also states that they need the SUP only for events other than "First Friday." Is that correct? Are they still free to hold First Friday events?

I hope this outline of our position is helpful, and look forward to a positive resolution to this matter. If you have any questions or need additional information from us, please don't hesitate to ask.

Our best,

Julia Dye

Documentation and Timeline

On 27 October 2023, Jesse Hernandez knocked on our door and informed me there would be live bands playing on the stage next door. I told him we were strongly against such performances. He looked surprised but wasn't interested in our input. I suggested we could work on compromises, such as splitting the cost of a more sound-proofed fence or a stage shell, but he wasn't interested in that either. He said we shouldn't have bought property next to a commercial zone, and if we had issues, he guessed we could take it up with the city, but they weren't changing their plans. And it would only be for First Fridays.

Two days later, they had their first band. It was horribly loud.

According to the National Institute on Deafness and Other Communication Disorders (NIDCD), noise of only 85 decibels (60 decibels is the sound of a normal conversation) can cause noise-induced hearing loss over time. Having a decimeter, I recorded the levels in our bedroom. It was over 106 decibels.

And it wasn't just First Friday...they played music on Saturday as well.

We did our research, and it appeared to us that the noise violated the city ordinances, but we weren't sure how to file a complaint about that violation. We were advised to call the police. We did so, and there is a police report on file. The officer said they could not enforce city ordinances but could file the report.

We were then advised to contact our city council member, which we did. After a first round of communication, we haven't heard back, although we suspect this meeting is a consequence of that exchange.

Here are our decibel recordings of the events we've logged to date. As you can see, they have already started the Sunday performances.

Day/Date	Peak Decibels
11/3/23	106.5
11/4/23	98.8
12/1/23	105.7
3/1/24	103.2
4/5/24	99.1
4/21/24	101.8

It is our understanding that the purpose of First Friday is to draw people to the downtown area, zoned Commercial Central Business. Can any business of any type in Lockhart that abuts a residential zone start live performances and sell alcohol?

Can the Body Beautiful Spa on Medina Street, surrounded by residential zones, decide to become an outdoor concert venue, and hold First Friday events? How far does the Lockhart Downtown Business Association reach? Can any business outside the Commercial Central Business Zone advertise First Friday events? Doesn't the negate the purpose of First Friday?

And they are definitely advertising it as a First Friday event:

Kix Garcia Band
LIVE ACOUSTIC
7PM-10PM
APRIL 5, 2024
203 E PECAN LOCKHART, TX
First Friday
LOCKHART, TEXAS
PROUDLY SPONSORED BY:
4H Hat Co. Lockhart, Texas
4H Hat Company & Boutique
LOCKHART, TEXAS

Facebook Advertising from Nov 2023...both Friday **and** Saturday performances. See how close the stage is to our fence/property line, and our house immediately behind the fence. Imagine if we didn't have a fence!



**City of Lockhart
Planning and Zoning Commission
April 24, 2024**

MINUTES

Members Present: Philip Ruiz, Phil McBride, Bradley Lingvai, Julia Haug, Manuel Oliva, Ron Peterson, Rick Arnice

Members Absent: None

Staff Present: David Fowler, Evan Olszewski, Christine Banda

Visitors/Citizens Addressing the Commission: Jesse Hernandez, Julia Dye, Ronda Reagan

1. Call meeting to order. Chair Ruiz called the meeting to order at 7:00 p.m.
2. Citizen comments not related to an agenda item. None
3. Consider the Minutes of the March 13, 2024, meeting.

Commissioner Haug moved to approve the March 13, 2024. Commissioner Arnice seconded, and the motion passed by a vote of 7-0.

4. SUP-24-02. Hold a PUBLIC HEARING and consider a request by Jesse Hernandez for a Specific Use Permit to allow commercial outdoor recreation, entertainment, and amusement events on 0.33 acre in the O.T. Lockhart, Block 33, Part of Lot 6, zoned CHB Commercial Heavy Business and located at 203 East Pecan Street.

David Fowler presented the staff report. He gave an overview of the location of the subject property and recent changes to the rear and side yard of the property. A concrete pad was poured without permits or inspections on the property. There are cable spools set up to serve as tables for patrons when events are hosted outside. A small stage was also installed for the bands that would perform on the site. According to the application materials, the stage is 16 feet from the property line with the home to the north. Mr. Fowler noted that permit applications had never been received for the 4H Hat Company signs shown in photos of the site. The applicant has requested approval to have outdoor entertainment with approval of an SUP. The applicant is requesting to host events on First Fridays and the third Sundays of each month. Mr. Fowler explained that First Fridays are an event designed for residents and visitors to patronize local shops after 5 p.m. to help promote downtown business. First Friday is an event created by the Downtown Business Association and is not a city-wide event that provides any permits for live music or any other activities. There is a residential home to the rear (north) of the property where the stage and dance floor are located. Staff has received complaints about

noise from the events as well as questions about alcohol sales on the premises for these events. Mr. Fowler showed a video of one of the events that had been posted on the applicant's website. It showed a First Friday event where dancing and live music were occurring, and alcohol was being sold from a mobile trailer.

Commissioners had questions about the applicant selling alcohol without SUP approval for bar use and the nature of the decibel-based noise restrictions affecting the subject property.

Chair Ruiz asked for the applicant to come forward.

Jesse Hernandez, of 603 Guadalupe Street, said that a correction needs to be made on the notice about the concrete pad. He stated the permit was issued 2-29-2024 and filed on 2-26-2024 but only showed up April 23rd at the customer service window at City Hall for payment. He mentioned that his business is not a bar but rather a family-owned Hispanic business in operation since April 2021. He stated they have a license from TABC to sell beer and wine from their mobile trailer. He stated he believes the stage is 25 feet from the neighbor's fence line. Mr. Hernandez stated they only hold events on First Friday from 6-10 PM and third Sundays from 2 p.m. – 6 p.m. He said that he does not agree with the 50-decibel sound limit and that it is not sufficient for his events. He does not understand how the noise limit could be so low when trains and traffic can be louder than his events. He believes the city needs to revisit the decibels allowed per district. He asked the police department if there have been noise complaints about his business and they said no. He encourages everyone who comes to visit all the other businesses in town. He said parking for events would not be an issue because he has access to the funeral home parking lot as well as from his uncle's church nearby. He claimed most folks walk to his establishment from downtown. He believes he is being singled out in a witch hunt from the Planning department since November 2023. He claimed his business' signs were not applied for because he believed they would be removed later from the revitalization project so why get them if they would have to be removed later. He apologized for his demeanor he had to drive down from San Antonio because he owns three other businesses and just feels frustrated to be here to defend himself.

Chair Ruiz asked for any other speakers in favor to come forward. Seeing none he asked those in opposition to come forward.

Julia Dye of 310 N Commerce St. said she has lived at that address with her husband for almost 20 years. Her property abuts the subject property to the north. She has kept a log of the decibel levels from within her home which were over 75 decibels with peaks of 90 decibels, measured inside the home. So, they have been way over the 50 decibels allowed. She stated that they have a right to enjoy a quiet time in their own home and backyard. She said that the applicant had informed her that their music events would be held only on First Fridays but now they are also doing them on Saturday and Sunday. She said that she and her husband had called the police so there should be some kind of record on file. Her main concern is the excessive noise.

Ronda Reagan of 412 West San Antonio Street came forward in opposition to the SUP request, and in support of the Dye Family's complaints. She stated she herself has experienced similar noise problems with a neighbor who runs an Airbnb next to her home. She stated that she is a founding member of the downtown organization that started First Fridays. The event was

created for those businesses located downtown to stay open late one Friday a month to make visits by those who are busy during regular hours to visit downtown businesses. She stated that the businesses offering entertainment on First Fridays generally do so inside their businesses and not outside. She stated he applicant used to have his store downtown on Main Street but moved out of the district and is now tagging along on those Fridays, despite no longer being downtown. She stated staff should check the distance from 4H Hat Company to the church on North Commerce Street, to determine if 4H Hat should be allowed to sell alcohol. Her main concerns are parking and noise levels.

Chair Ruiz asked for any other speakers seeing none he asked the applicant to come back for any additional remarks.

Mr. Hernandez said that before having he events, he and his wife went over and introduced themselves to the neighbors. He stated he wanted to let them know what they planned to have at their establishment and the neighbor's response was "I hate you for that." He expressed that all events are on First Friday's and one Sunday per month only. He thinks the downtown district should be expanded to include nearby businesses so that all can participate in First Fridays. There should be sufficient parking available. He stated here are other businesses participating in First Fridays and mentioned one on State Park Road. He had already spoken to several City Council members, and most have attended his events since he started holding them.

Chair Ruiz closed the public hearing portion and moved to staff recommendation.

Mr. Fowler stated both Chapter 18 and 64 address noise levels, police do enforce the ordinance, and discussed the establishment's alcohol license. He recommended approval if no significant opposition, with the following conditions: obtain permit for all signage on property, limit events to occasions specified in the application and requiring adherence to the permitted noise levels allowed, which cannot be raised through an SUP.

Commissioner McBride moved to deny SUP-24-02. Commissioner Peterson seconded, and the motion passed with a vote of 4-3 with Commissioners Haug, Lingvai, and Oliva against.

5. Discuss the date and agenda of the next meeting, including Commission requests for agenda items.

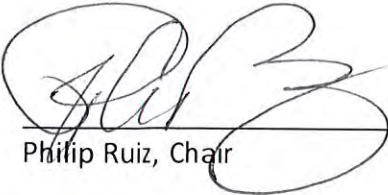
Mr. Fowler stated that the next meeting would be held on Wednesday, May 8th with two Specific Use Permit applications and one plat. At the second meeting in May, he expects to present the impact fee report.

6. Adjourn.

Commissioner Arnic moved to adjourn, and Commissioner Lingvai seconded. The motion passed by a unanimous vote, and the meeting adjourned at 7:58 p.m.

Approved: May 8, 2024
(date)


Christine Banda, Recording Secretary


Philip Ruiz, Chair

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 1, 2023

6:30 P.M.

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember Kara McGregor
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
Julie Bowermon, Civil Service/HR Director
Gary Williamson, Police Chief
Mike Kamerlander, Interim Economic Development Director
Library staff and Library Board members
David Fowler, Planning Director

Monte Akers, City Attorney
Sean Kelley, Public Works Director
Bertha Martinez, Library Director
Randy Jenkins, Fire Chief
Victoria Burns, Public Information Officer

Citizens/Visitors Addressing the Council: Louis Harrison; and, Will Wachel of TRC Engineering.

Work Session 6:30 p.m.

Mayor White opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

DISCUSSION ONLY

A. RECOGNITION OF A \$100,000 MONETARY DONATION TO DR. EUGENE CLARK LIBRARY IN MEMORY OF RONALD A. SEELIGER.

Louis Harrison, Independent Executor for the Estate of Ronald Alton Seeliger presented the Dr. Eugene Clark Library with a monetary donation in the amount of \$100,000. Mr. Seeliger passed away in November 2022 and placed the following request in his Last Will and Testament: "I bequeath to the Dr. Eugene Clark Library a check for the sum of \$100,000. To be used exclusively for the acquisition of books, periodicals, and recordings in either printed, analog or digital formats." Mr. Seeliger grew up in Lockhart, and spent his professional career in the General Libraries at the University of Texas. The Seeliger family has a history of philanthropy towards the city of Lockhart. When Mr. Seeliger's mother passed away in 2008, she left a monetary gift to the City in appreciation for helping make the family business, Seeliger's Clothing Store on the square, a success. The monetary gift was used to purchase a fully equipped EMS ambulance for the City of Lockhart.

B. DISCUSS SH142 CORRIDOR STUDY AND PRELIMINARY SERVICE AGREEMENT WITH TRC ENGINEERING FOR CONSIDERATION OF FUTURE IMPROVEMENTS ALONG WEST SAN ANTONIO STREET FROM SH 130 TO US 183.

Mr. Kelley stated that the City of Lockhart has seen significant residential and multifamily development along the SH 142 Corridor (West San Antonio Street) over the past few years. During the joint Growth Planning Meetings between the City Council and the Planning and Zoning Committee, staff presented growth projections and the need for the SH 142 Corridor to be expanded was discussed.

Mr. Kelley and Will Wachel of TRC Engineering provided information and there was discussion regarding the following:

At the December 13, 2022 meeting, TxDOT outlined the following short/long term project with respect to SH 142:

Short Term:

- SH 142 from US 183 to Borchert Loop - Pavement repair and overlay scheduled for December 2024.

Long Term:

- Feasibility Study for SH 142 - Not scheduled at this time.

Discussion of Project Responsibilities:

- R.O.W.- For a new roadway - typically a 10% match from the City.
- Utilities - Relocation of existing utilities in the R.O.W. - non-reimbursable.

TxDOT Long Range Planning:

- The adopted CAMPO 2045 Transportation Plan notes that SH 142 from US 183 to SH 130 is on the unconstrained list, meaning that there is no funding at this time for TxDOT to work on this project.
- However, TxDOT can partner with cities to make short-term improvements to alleviate "bottlenecks" on identified state roads.

Since the joint meetings, TxDOT has been approached about the need to conduct a corridor study since there was not a TxDOT planned corridor study. They advised that the City conducting study could result in expediting the needed improvements along SH 142. Typically, TxDOT will conduct these studies, but they have a 5-year backlog of similar projects in our district. The attached scope of service from TRC details a work plan.

The purpose of the corridor study is to assess existing facilities and forecasted conditions along the SH 142 Corridor and develop a prioritized implementation plan based on the need and when the improvements should occur by addressing short-(0-4 yrs), middle-(5-10 yrs) and long-range (10+ yrs) projects. Conducting the corridor study would also provide:

- Defined schematic projects for the short/mid/long ranges with costs that could be implemented over time.
- The City would be able to discuss financing options with TxDOT at least 5 years earlier, including discussing potential financial participation from TxDOT.
- The City would be proactive in addressing problems on this corridor and it will save time.
- The study results could be used to discuss with CAMPO for additional funding (either the remaining end of a FY budget or a new call for projects).

However, there is no guarantee that after the study is completed, that any or all identified potential projects will be funded, implemented or implemented by the timeframes recommended in the corridor study. Further, the cost of the corridor study will not be reimbursed to the City.

C. PRESENTATION OF THE CITY OF LOCKHART'S FY 2023-2024 PROPOSED BUDGET AND CONSIDER THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION'S BUDGET FOR FISCAL YEAR 2023-2024, AND SET TWO PUBLIC HEARINGS ON THE FISCAL YEAR 2023-2024 CITY OF LOCKHART PROPOSED BUDGET.

Mr. Resendez stated that according to the City of Lockhart Charter, Article 9, Section 9.07, Public Hearing on Budget, the City Council shall hold a public hearing on the budget submitted and all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein contained. According to the Lockhart Economic Development Corporation's bylaws, Article 5, Section 3 Annual Corporate Budget, the President shall submit the budget to the City Council for approval prior to submittal to the Board for final adoption.

The City of Lockhart is required by Charter to hold one public hearing on the budget. Staff recommends conducting two public hearings to allow the citizens of Lockhart the opportunity to discuss any item or amount presented in the proposed FY 2023-2024 Budget. The following dates are presented to the Council for public hearings:

- August 15, 2023 at 7:30 p.m.
- September 5, 2023 at 7:30 p.m.

Both public hearings will be held in the Council Chambers located at the Clark Library Annex - 217 South Main Street, 3rd floor, Lockhart, Texas.

The City of Lockhart and the Lockhart Economic Development budget for Fiscal Year 2023-24 can be located on the City's website and hard copies are located in City Hall and the City Library.

D. DISCUSS ORDINANCE 2023-12 AMENDING CODE OF ORDINANCES, CH. 10 ANIMALS AND BEEKEEPING, TO INCLUDE A NEW SECTION 10-19 COMMERCE IN LIVE ANIMALS PROHIBITED IN CERTAIN PLACES.

Chief Williamson stated that raising animals for parking lot or flea market sales can raise significant ethical concerns, as these animals are often subject to poor living conditions and inadequate care. The conditions in which these animals are raised can vary widely depending on the individual sellers, but there are some common issues to be aware of: 1. Overcrowded and unhygienic environments, 2. Lack of veterinary care, 3. Minimal socialization and stimulation, 4. Questionable breeding practices, 5. Lack of legal oversight, and 6. Impulse buying and care issues. To address these issues, it's essential for local authorities to enforce existing animal welfare laws and regulations. Additionally, consumers should be educated about the importance of adopting pets from reputable sources, such as animal shelters or licensed breeders who prioritize the well-being of the animals. Adopting pets responsibly ensures that they come from a safe and caring environment, reducing the demand for animals raised under questionable conditions. This ordinance would prohibit the non-retail sale of animals in public spaces, yet allow for the sale or purchase of animals at a private residence. It would make it unlawful to sell, trade, barter, lease, rent, give away or display for commerce a live animal on a roadside, public right-of-way, sidewalk, street, parkway or any other public property or any property dedicated to public use, on a commercial parking lot, or at an outdoor special sale, swap meet, flea market, parking lot sale or similar event. It does not prohibit the sale, purchase or give away of animals from a person's private residence. Occurrences of roadside and parking lot animal sales have occurred in Lockhart. There was discussion.

E. DISCUSS ORDINANCE 2023-13 ORDERING A GENERAL ELECTION ON NOVEMBER 7, 2023 FOR THE PURPOSE OF ELECTING ONE MAYOR; ONE COUNCILMEMBER DISTRICT 3; AND, ONE COUNCILMEMBER DISTRICT 4; PROVIDING FOR JOINT ELECTION WITH CALDWELL COUNTY; ESTABLISHING EARLY VOTING LOCATIONS AND HOURS; DESIGNATING CITY ELECTION POLLING PLACES; AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW; AND MAKING PROVISION FOR THE CONDUCT OF THE ELECTION.

Ms. Bowermon stated that the City Council positions up for election on November 7, 2023 are Mayor, District 3, and District 4. The Caldwell County Elections Administrator (County EA) will be conducting the November 7, 2023 election for several entities which includes the City of Lockhart. The Ordinance provides details about the election and indicates that the City will contract with the County EA to conduct the election. The City Secretary's office will receive applications for a place on the ballot, post and publish notices, prepare ballot language, and be available to direct voters to the correct polling locations. The filing period for a place on the ballot is July 22 – August 21. Early voting will be conducted October 23 – November 3 at the Scott Annex Building at 1403 Blackjack Street, Suite A in Lockhart. The County EA has supplied Election Day polling locations and he has reported that he anticipates presenting the locations to the Caldwell County Commissioners' Court during their next meeting on August 8, 2023. Ordinance 2023-13 includes the polling locations provided by the County EA. However, if the County EA does make amendments to the locations prior to the election, City Staff will return to the Council to update the polling locations. The costs associated with the election will depend on the number of entities involved in Caldwell County's November 7, 2023 General Election as well as the specific needs of each entity in the joint election. Several entities that will be on the November 7 ballot include Caldwell County, City of Lockhart, City of Mustang Ridge, and Oatman Hill Municipal Utility District, to name a few. For the 2022 election held jointly with the County, the City's cost was approximately \$13,000. However, it is anticipated that the 2023 election will have fewer partnering entities sharing the election expenses, thus resulting in a higher cost. A contract for "Joint Election Services Between Caldwell County and Participating Entities" will be presented to the City Council during the next City Council meeting. The County EA has provided a draft of the contract which has been included in this agenda packet for review.

RECESS: Mayor White announced that the Council would recess for a break at 7:30 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:45 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Mayor Pro-Tem Sanchez gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council. There were none.

ITEM 4-A. PRESENTATION OF THE CITY OF LOCKHART'S FY 2023-2024 PROPOSED BUDGET AND CONSIDER APPROVAL OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION'S BUDGET FOR FISCAL YEAR 2023-2024, AND SET TWO PUBLIC HEARINGS ON THE FISCAL YEAR 2023-2024 CITY OF LOCKHART PROPOSED BUDGET.

Councilmember Michelson made a motion to approve the City of Lockhart and the Lockhart Economic Development Corporation's Fiscal Year 2023-2024 proposed budgets, as presented and to schedule two public hearings on August 15, 2023 at 7:30 p.m. and September 5, 2023 at 7:30 p.m. at the Clark Library, Council Chambers, 217 South Main Street, 3rd Floor. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2023-12 AMENDING CODE OF ORDINANCES, CH. 10 ANIMALS AND BEEKEEPING, TO INCLUDE A NEW SECTION 10-19 COMMERCE IN LIVE ANIMALS PROHIBITED IN CERTAIN PLACES.

Councilmember Westmoreland made a motion to approve Ordinance 2023-12, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 4-C. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2023-13 ORDERING A GENERAL ELECTION ON NOVEMBER 7, 2023 FOR THE PURPOSE OF ELECTING ONE MAYOR; ONE COUNCILMEMBER DISTRICT 3; AND, ONE COUNCILMEMBER DISTRICT 4; PROVIDING FOR JOINT ELECTION WITH CALDWELL COUNTY; ESTABLISHING EARLY VOTING LOCATIONS AND HOURS; DESIGNATING CITY ELECTION POLLING PLACES; AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW; AND MAKING PROVISION FOR THE CONDUCT OF THE ELECTION.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2023-13, as presented. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- Coffee with a Cop event scheduled for August 14, 7:00 a.m. - 9:00 a.m. at Summer Moon Coffee.
- TRC Engineers have delivered the 100% Construction Plans / Bid Package for final City Review.
- The City's newly formed Aquatics Subcommittee meets on August 4, 4:00 p.m.
- Update from GBRA concerning the Carrizo Groundwater Supply Project.
- Update relative to new shade structures at the Maple Street Splash Pad.
- Public Works Department activities in preparation for the 2023-2024 school year.

ITEM 6. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

Councilmember Westmoreland expressed condolences to the family of Butch Velasquez for their loss.

Councilmember Mendoza expressed condolences to families that have lost a loved one. He gave information about a seminar that he attended that was hosted by the Law Firm of Denton & Navarro.

Mayor Pro-Tem Sanchez thanked Sean Kelley for helping with city issues during the annual St. Mary's Catholic Church Jamaica. She thanked all that attended the event. She expressed condolences to families that have lost a loved one.

Councilmember McGregor congratulated the Courthouse Nights for a successful event. She reminded all that the Texas No Sales Tax weekend is August 11-13.

Councilmember Castillo expressed condolences to families that have lost a loved one. He thanked staff for their work. He inquired about the vacant positions with the City of Lockhart.

Councilmember Michelson wished all teachers a great school year.

Mayor White expressed condolences to families that have lost a loved one. He wished teachers and students a good school year. He encouraged qualified citizens to come get a box fan.

Mayor White announced that the Council would enter Executive Session at 8:00 p.m. to discuss items 7 and 8, as listed below.

ITEM 7. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.087 TO DELIBERATE OR FOR DISCUSSION REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE GOVERNMENTAL BODY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE GOVERNMENTAL BODY SEEKS TO HAVE LOCATE, STAY, OR EXPAND IN OR NEAR THE TERRITORY OF THE GOVERNMENTAL BODY AND WITH WHICH THE GOVERNMENTAL BODY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR TO DELIBERATE THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT. Discussion regarding economic development negotiations with Project Apple Pie.

ITEM 8. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.074, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE. Discussion regarding the provision of City Attorney services to the City by the Messer Fort and McDonald law firm.

ITEM 9. OPEN SESSION.

Mayor White announced that the Council will enter Open Session at 8:55 p.m.

Discussion and/or action regarding economic development negotiations with Project Apple Pie.

Mayor Pro-Tem Sanchez made a motion to authorize staff to continue negotiations with Project Apple Pie as discussed in closed session. Councilmember Castillo seconded. The motion passed by a vote of 7-0.

Discussion and/or action regarding the provision of City Attorney services to the City by the Messer Fort and McDonald law firm.

There was no action.

ITEM 10. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:56 p.m.

PASSED and APPROVED this the 21st day of May, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 15, 2023

6:30 P.M.

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember Kara McGregor
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
Randy Jenkins, Fire Chief
Gary Williamson, Police Chief
David Fowler, Planning Director

Monte Akers, City Attorney
Julie Bowermon, Civil Service/HR Director
Sean Kelley, Public Works Director
Victoria Burns, Public Information Officer

Citizens/Visitors Addressing the Council: Dave Marsh of CARTS; Citizens: Gillian Robb, Mary Johnson, Rebecca Buckner, Donna Daniels, and Carrie Wells.

Work Session 6:30 p.m.

Mayor White opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

DISCUSSION ONLY

A. DISCUSS AN INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

Mr. Resendez stated that on April 21st, CARTS General Manager, Dave Marsh, contacted the City Manager to request funding for FY 2023-24 be allocated via an interlocal agreement (ILA). Historically, CARTS has received funding from the City Council through the Non-Profit and Human Services Organizational line item in the General Fund. During the July 18th City Council meeting, Mr. Marsh and Ms. Dana Platt, CARTS Community Services Director, gave a presentation to City Council with additional information associated with their increased funding allocation request. Staff was directed to perform additional review and return to City Council for consideration. CARTS and Mr. Marsh provided their current agency budget (09/01/2022 - 08/31/2023) and a financial statement of current revenues and expenditures from 9/01/2022 - 6/30/2023. The statement includes projected year-end expenditures of approximately \$380,000. In 2022, CARTS introduced their CARTS Now service. The added costs for this service require off setting additional funding. CARTS is requesting \$40,000 be approved by the City for the upcoming Fiscal Year 2023-2024 city budget to fund an approximately 10% share of both CARTS Now and Interurban services expenses. At this time, other CARTS communities are evaluating similar requests.

There was discussion with Dave Marsh of CARTS about funding received from other cities and how the additional funds requested from Lockhart would be utilized to continue providing bus transportation services in Lockhart.

B. DISCUSSION REGARDING SETTING THE 2023 COMBINED MAINTENANCE AND OPERATIONS AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE OF THE CITY OF LOCKHART.

Mr. Resendez stated that the action taken by the City Council is required by the State of Texas in adherence with the Truth-In-Taxation laws. If the proposed tax rate exceeds either the no new revenue rate or voter approval rate, a record vote must be taken to place a proposal to adopt the rate on the agenda for a future Council meeting. If the motion passes, the Council must schedule and announce the date, time, and location of one (1) public hearing regarding the proposed tax rate set by the Council. As directed by Council, the aforementioned public hearing is scheduled on September 5, 2023, at 7:30 p.m. in the Council Chambers located in the Clark Library Annex - Council Chambers, 217 South Main Street, 3rd floor, Lockhart, Texas. Senate Bill 2 has limited the percentage increase from No New Revenue to Voter Approval Rate by 3.5% but has added a new unused incremental rate adjustment. The 2023 voter-approved tax rate, as prepared by the Caldwell Appraisal District, is 0.5348/\$100 assessed valuation. This rate includes the unused increment rate. There was discussion.

C. DISCUSS THE 3RD QUARTER FISCAL YEAR 2023 INVESTMENT REPORT.

Mr. Resendez stated that the Texas Public Funds Investment Act requires local governments to review and accept the quarterly investment reports for each quarterly reporting period of the fiscal year. He provided details about the 3rd Quarter Investment Report of Fiscal Year 2023, ending June 30, 2023.

D. DISCUSS ADOPTING ORDINANCE 2023-15 DESIGNATING LOCKHART INDUSTRIAL DISTRICT NO. 1 IN THE CITY'S EXTRATERRITORIAL JURISDICTION.

Mr. Akers stated that Section 42.044, Local Government Code, authorizes the governing body of a city to designate any part of its ETJ as an industrial district and to treat the designated area in a manner considered by the governing body to be in the best interests of the municipality. The designation authorizes the making of contracts with owners in the district that the parties agree to be reasonable, appropriate, and not unduly restrictive of business activities. The designation does not restrict use of the land to industrial, and all present uses may continue. It also does not change any property rights of people who own land in the area, and has no relation to zoning, which does not apply in the ETJ. Additionally, and significantly, SB 2038, the new legislation which creates a procedure for the release of areas from the ETJ of a city and which becomes effective Sept. 1, 2023, provides that the ETJ release procedure does not apply to areas of the ETJ designated as an industrial district under Section 42.044. Ordinance No. 2023-15 designates an area as Lockhart Industrial District No. 1. There was discussion.

E. DISCUSS RESOLUTION 2023-13 REGARDING A CONTRACT FOR MEDICAL DIRECTOR SERVICES FOR LOCKHART EMS BETWEEN TRAVIS COUNTY EMERGENCY PHYSICIANS, P.A. DBA US ACUTE CARE SOLUTIONS (USAC) EFFECTIVE OCTOBER 1, 2023.

Chief Jenkins stated that Lockhart EMS is currently managed by Ascension Seton through a "Lockhart EMS Staffing and Management Services Agreement" between the City of Lockhart and Ascension Seton effective August 1, 2015 with amendments on October 1, 2018 and February 1, 2023. As part of this agreement, medical direction was provided by Ascension Seton. Dr. Hala Ashraf, through US Acute Care Solutions (USAC), is an emergency medicine physician and is the current Medical Director provided by Ascension Seton for Lockhart EMS and also serves as Associate Medical Director for San Marcos - Hays County EMS. Beginning October 1, 2023, the City of Lockhart will be responsible for providing medical direction for Lockhart EMS. The Texas Department of State Health Services (DSHS) requires an ambulance transport service to employ the services of a medical director. Medical control / direction is a planned approach to the provision of advanced life support services in an out-of-hospital setting. Under

this approach, paramedic staff are viewed as surrogates of a designated hospital and a designated medical director in that hospital. The medical director seeks to assure that patients treated by paramedics and transported receive appropriate care in all cases. The medical director also reviews the training program, skills maintenance, continuing education programs and retraining program. Dr. Ashraf will serve as the primary Medical Director for Lockhart EMS as provided in the attached agreement. When Dr. Ashraf is not available, the emergency department physicians at the receiving hospitals will provide the medical direction, with the vast majority being USAC physicians. Dr. Ashraf currently provides monthly training to Lockhart EMS staff regarding EMS protocols which outlines the approved treatment procedures. The continuation of her medical direction services will ensure a seamless transition. There was discussion.

F. DISCUSS CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S GENERAL ELECTION ON NOVEMBER 7, 2023.

Ms. Bowermon stated that the Caldwell County Elections Administrator (County EA) is conducting Elections on November 7, 2023. The City of Lockhart will hold a General election for the positions of Mayor, Councilmember District 3, and Councilmember District 4. Since 2010, in the interest of a public purpose, the City of Lockhart has contracted with the County EA to conduct City Elections to enable all propositions and public official positions to be on one ballot for voters within Caldwell County. The City of Lockhart shall pay an administrative fee of 10% of the total cost of the election and any runoff election or \$75, whichever is greater. In the event the services are provided for a joint election, the cost shall be equally prorated between the participating entities. A runoff Election shall be treated as a separate election. The City of Lockhart ordered the November 7, 2023 General Election during the previous Council meeting held on August 1, 2023. The candidate filing period is July 22, 2023 through August 21, 2023. City staff currently has candidate packets available for distribution to potential candidates, which are also available on the City website. There was discussion.

RECESS: Mayor White announced that the Council would recess for a break at 7:15 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Councilmember Mendoza gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council.

Gillian Robb, 417 S. Guadalupe, thanked the police department for responding to the neighbor's concern about the speedy traffic in their neighborhood. She expressed concern about the city's tree trimming protocol on trees during the fruiting season, such as Pecan trees. She suggested that the tree trimming along power lines be conducted during the dormant season.

Mary Johnson, 736 S. Guadalupe, expressed concern about the city's tree trimming protocol. She suggested that the tree trimming along power lines be conducted during the dormant season and requested that the city consult with an arborist about when or how to trim trees along the power lines.

Rebecca Buckner, 760 S. Guadalupe, expressed concern about the city's tree trimming process. She stated that she hired an arborist that confirmed that the city's tree trimming should be conducted during the dormant season to avoid killing trees. She stated that large trees are dying because of the city trimming trees during the fruiting season.

Donna Daniels, 420 W. Prairie Lea Street, stated that she agrees with the neighborhood about the city's tree trimming protocols. She stated that she hires an arborist annually to trim the live oak trees on her property to assure that they stay healthy. She suggested that the city also consult with an arborist prior to trimming trees.

Carrie Wells, 915-A Crocket Street, expressed concern about the lack of support of the Lockhart Animal Shelter. She suggested that the city consider allocating additional funds to increase staff and a volunteer coordinator.

ITEM 4-A. HOLD A PUBLIC HEARING REGARDING WHETHER THE CITY COUNCIL OF THE CITY OF LOCKHART SHOULD ENACT AN ORDINANCE REGULATING THE INSTALLATION AND USE OF ON-SITE SEWAGE FACILITIES IN THE CITY OF LOCKHART AND DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2023-14 ADOPTING RULES AND REQUIREMENTS FOR ON-SITE SEWAGE FACILITIES.

Mayor White opened the public hearing at 7:50 p.m. He requested the staff background report.

Mr. Akers stated that the purpose of this ordinance is to provide a method for property owners to construct On-Site Sewage Facilities within the City when/where appropriate and to ensure the health and safety of residents of the City and its waterways. The City attempted to enter into an interlocal agreement with Caldwell County in the fall of 2020 to have the County provide On-Site Sewage Facility (OSSF) services to residents in the City of Lockhart. The City Council adopted the agreement but when it went to the Commissioners Court for approval an issue was discovered that would require the City of Lockhart to first become an OSSF "Authorized Agent" prior to entering into any agreements with the County. The Texas Commission on Environmental Quality (TCEQ) has strict requirements for governing bodies who wish to become authorized agents. The proposed ordinance went through a rigorous review process by TCEQ and was finally approved in July of this year. There was discussion.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 7:58 p.m.

Councilmember McGregor made a motion to approve Ordinance 2023-14, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 4-B. HOLD A PUBLIC HEARING FOR THE PROPOSED CITY OF LOCKHART FISCAL YEAR 2023-2024 BUDGET.

Mayor White opened the public hearing at 8:00 p.m. and requested the staff background report.

Mr. Resendez stated that the City Charter requires that the City Council hold one public hearing for the City of Lockhart Budget to allow for public comments. It was the staff's recommendation to hold two

hearings to allow residents two opportunities to comment on the proposed budget. This is the first public hearing. The second public hearing will be held at 7:30 p.m. on September 5, 2023. There was discussion.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 8:03 p.m.

ITEM 5-A. DISCUSSION AND CONSIDERATION REGARDING AN INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

Mayor White made a motion to approve the Interlocal Agreement with CARTS, with funding \$20,000 in the current fiscal year. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5-B. DISCUSSION AND/OR ACTION REGARDING SETTING THE 2023 COMBINED MAINTENANCE AND OPERATIONS AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE OF THE CITY OF LOCKHART.

Councilmember McGregor made a motion to set the City of Lockhart's current ad valorem tax rate at 0.5348 which includes a debt rate of 0.1212 and an M&O rate of 0.4136 and authorize staff to place on the agenda for adoption by ordinance on September 5, 2023. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

The record vote is as follows:

Councilmember Brad Westmoreland – Aye

Councilmember Juan Mendoza – Aye

Mayor Pro-Tem Angie Gonzales-Sanchez – Aye

Mayor Lew White – Aye

Councilmember John Castillo – Aye

Councilmember Jeffry Michelson - Aye

ITEM 5-C. DISCUSSION AND/OR ACTION TO RECEIVE THE 3RD QUARTER FISCAL YEAR 2023 INVESTMENT REPORT.

Councilmember Michelson made a motion to approve the 3rd Quarter Fiscal Year 2023 Investment report, as presented. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5-D. DISCUSSION AND/OR ACTION TO CONSIDER ADOPTING ORDINANCE 2023-15 DESIGNATING LOCKHART INDUSTRIAL DISTRICT NO. 1 IN THE CITY'S EXTRATERRITORIAL JURISDICTION.

Councilmember McGregor made a motion to approve Ordinance 2023-15, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 5-E. DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2023-13 REGARDING A CONTRACT FOR MEDICAL DIRECTOR SERVICES FOR LOCKHART EMS BETWEEN TRAVIS COUNTY EMERGENCY PHYSICIANS, P.A. DBA US ACUTE CARE SOLUTIONS (USAC) EFFECTIVE OCTOBER 1, 2023.

Councilmember Michelson made a motion to approve Resolution 2023-13, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0-1, with Councilmember McGregor abstaining.

ITEM 5-F. DISCUSSION AND/OR ACTION TO CONSIDER CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S GENERAL ELECTION ON NOVEMBER 7, 2023.

Councilmember Westmoreland made a motion to approve the contract for Election Services with the Caldwell Council Elections Administrator, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- Update about water conservation.
- Update on TxDOT's plans for future improvements to FM 2720.
- Update on the Aquatics subcommittee visioning process and future City Council workshop.
- Maple Street Splash Pad shade canopy installations update.
- School starts August 16th: City Park Swimming Pool will remain open with modified hours of operation while lifeguards are available.
- Community input sought for City's new Comprehensive Plan.

ITEM 7. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

Councilmember Westmoreland encouraged everyone to be safe on the first day of school.

Councilmember Mendoza wished students and teachers a good school year.

Mayor Pro-Tem Sanchez wished students and teachers a good and safe school year. She thanked public safety personnel for their efforts with the recent fires.

Councilmember McGregor encouraged everyone to be kind. She invited everyone to the last Courthouse Nights event.

Councilmember Castillo wished students and teachers a safe and good school year. He encouraged everyone to be safe. He thanked the Fire Department for fighting fires and he encouraged citizens to be mindful of fire safety protocols. He expressed concern about the lack of employees in the public safety departments.

Councilmember Michleson wished students and teachers a safe and good school year. He thanked public safety personnel for their dedication to keeping the community safe.

Mayor White wished students and teachers a safe and good school year. He thanked staff for their work.

ITEM 8. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:30 p.m.

PASSED and APPROVED this the 21st day of May, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**SPECIAL JOINT MEETING
LOCKHART CITY COUNCIL
PARKS AND RECREATION ADVISORY BOARD
AQUATICS FACILITY PLANNING COMMITTEE**

AUGUST 21, 2023

7:00 P.M.

CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS

Council present:

Councilmember Brad Westmoreland
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Juan Mendoza
Mayor Pro-Tem Angie Gonzales-Sanchez

Council absent:

Councilmember Kara McGregor
Councilmember John Castillo

Parks and Recreation Advisory Board present:

Warren Burnett
Rob Ortiz
Dennis Placke
Karla Tate
Russell Wheeler

Aquatics Facility Planning Committee present:

B.J. Westmoreland
Todd Moebes
Stephanie Camerrillo
Karla Tate

Staff present:

Steve Lewis, City Manager
Travis Hughes, Parks Director
Julie Bowermon, Civil Service/HR Director

Joseph Resendez, Assistant City Manager

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:00 p.m.

ITEM 2. PRESENTATION AND DISCUSSION FROM HALFF ASSOCIATES, INC. AND WATER TECHNOLOGY (WTI) REGARDING THE AQUATIC NEEDS ASSESSMENT FOR THE CITY OF LOCKHART.

Robbie Hazelbaker of Water Technology, Inc. provided information and there was discussion about the following:

Phased Approach to Concept Development

Phase I

- Participate in a virtual listening discussion with the Aquatics Committee to identify goals, objectives, activities and uses of a proposed new Lockhart Pool.

- Presentation in person on trends, like size projects, possible partnerships, and associated construction cost opinions for future City Council Consideration.
- Seek City Council approval to move forward with Phase II.

Phase II

- Confirm Aquatic goals, objectives, activities and uses.
- Develop Aquatic program and capacities.
- Discuss number of pools, pool zones, and Depths.
- Identify preliminary water activities and features.
- Develop (2) 2D Aquatic Concept Plans.
- Develop Concept Cost Opinion for each plan.
- Consider site evaluation criteria (size, access, utility availability, adjacencies).
- Using the Expertise of Ballard *King consultants, conduct demographic research and analysis specifically for Lockhart Aquatics.
- Conduct Facility and Market Research.
- Provide Revenue and Expense forecasting using the approved concepts.
- Conduct Operational Evaluation and Analysis.

Lockhart Municipal Pool

Current Conditions

- Pool is no longer level as indicated by water level change at the skimmers.
- Pool continues to lose water beyond the evaporation rate.
- Decks have moved and are in poor condition.
- Lack of shade, lack of current amenities
- Maintenance History.
 - Saw cut and remove deck to locate underground leak/replace 4 skimmers at a cost of \$45,000 this summer.
 - Replaced two sand filters at a cost of \$50,000 in 2021.

Lockhart Municipal Pool

Average Summer Attendance

2022

- 855 per week (13 Weeks)
- 46 private party rentals

2023

- 615 per week (5 Weeks)
- Lifeguard shortage delayed opening 2 weeks
- Closed three weeks for leak repairs and skimmer replacement
- 15 private party rentals

Aquatic Committee Input

Observations

- Current City Pool is over 50 years old and has exceeded its serviceable life.
- New families moving into the area are expecting a modern-day aquatic facility in a safe and convenient location.
- Our local kids would always appreciate new things to do.
- K-2nd graders would benefit greatly from a learn to swim program.

- o Superintendent of schools feels strongly about this program to prevent drownings. The district has suffered loss due to drowning.
- o A Natatorium is preferred, but realistically, affordability is a concern.

Goals

- Offer a Multi-generational/Multi-use aquatics facility.
- Promote a collaborative effort between the City of Lockhart and the Lockhart ISD.
 - o High Priority from the start.
- Promote an atmosphere where the city, working with the ISD, can groom lifeguards for the foreseeable future.
- Create a practice facility outdoors that can help build a UIL swim team tradition.
- Offer a pool where everyone feels like this is the place to spend times with friends and family.
- Build on the popularity of party rentals and other sources of revenue.
- Offer a May 2024 Bond election to provide the funding for a new pool to be constructed before the 2025 swim season.
- Identify a 3- 5-acre site to host a new aquatic facility with adequate parking.
- Use the recent city-wide survey to understand citizens interest level to prioritize the Aquatics and Recreational needs its citizens.
- Today's Pool Patrons are tomorrow's Lifeguards.
- Get the plans for a new facility in place now.

Objectives

- To move forward with an exploratory effort to design a new facility that meets the needs of the City of Lockhart and the Lockhart ISD, serving all people with an emphasis on the youth of the community.
- To seek funding opportunities through Bonds, Parks and Recreation Grants, personal donations, endowments and possible naming opportunities for interested parties who have a vested interest in the City of Lockhart.
- Offer the amenities that will attract the sophisticated aquatic user moving to Lockhart with a family.

TRENDS

- Zero Depth Entries
- Shallow Water
- Interactive Play Features
- Separate Bodies of Water
- Shade Structures, First Come First Serve
- Rental Cabanas and Pavilions
- Underwater Benches for Learn to Swim classes
- Water Volleyball/Water Basketball

There was discussion regarding outdoor pools with desired amenities and associated construction costs of several other cities.

NEXT STEPS: MARKET RESEARCH & CONCEPT DEVELOPMENT

Pending City Council Approval

Phase II Consideration

- Confirm Aquatic goals, objectives, activities and uses
- Develop Aquatic program and capacities
- Discuss number of pools, pool zones, and depths
- Identify preliminary water activities and features
- Develop (2) 2D Aquatic Concept Plans
- Develop Concept Cost Opinion for each plan
- Consider site evaluation criteria (size, access, utility availability, adjacencies)
- Using the Expertise of Ballard *King consultants, conduct demographic research and analysis specifically for Lockhart Aquatics
 - 0 Conduct Facility and Market Research
 - 0 Provide Revenue and Expense forecasting using the approved concepts
 - 0 Conduct Operational Evaluation and Analysis

CONSENSUS: After discussion, the consensus of the Council was to authorize commencement of Phase II as indicated above with a cost comparison of 6 and 8 lanes of the pool.

ITEM 3. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 5-0. The meeting was adjourned at 8:11 p.m.

PASSED and APPROVED this the 21st day of May, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Discussion and/or action regarding Resolution 2024-13 to select a Public Improvement District (PID) Administration service provider for the management and administration of Public Improvement Districts and related Tax Increment Reinvestment Zone (TIRZ) districts regarding master-planned developments within the City of Lockhart.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Joseph Resendez

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: City staff issued a Request for Proposals (RFP) for professional Public Improvement District (PID) Administration services on April 22, 2024 with an application deadline of May 10, 2024. These proposals were solicited to procure a professional services firm to assist the City with the following PID management requirements and other related services, according to the Council-adopted PID Policy:

- Prepare and submit a Budget and Five-Year Service Plan to the City Council for consideration and adoption. The budget shall provide for sufficient funding to pay for all costs above and beyond the City's ordinary costs, including additional administrative and/or operational costs as well as additional maintenance costs resulting from the PID.
- Provide for the calculation of the assessment and allocation to the respective parcels in the PID and shall provide for the billing of the assessments to the property owners or provide information to the County Tax Assessor if the City has contracted with that entity to collect the assessments.
- Prepare annual updates and reports for the Service and Assessment Plan as required by Chapter 372 of the Texas Local Government Code and submit an annual Service and Assessment Plan in a form appropriate for consideration and adoption by the City Council each year and assist the City Council and staff in adopting the annual Service and Assessment Plan updates.
- Prepare annual reports reflecting the expenditure of Bond Proceeds or the reimbursement of Developer expenditures as appropriate.
- Prepare annual reports reflecting the imposition and collection of the assessments and the balances in the various accounts related to the PID to be provided to City Council on a monthly or other periodic basis as may be required by the City.
- Prepare and provide any other reports or information required of the City or the Project under Chapter 372 of the Texas Local Government Code.

Additional details regarding the proposed services for PID Administration were issued with the RFP and are attached for reference. Specifically, firms were requested to provide their experience in the creation and administration of Tax Increment Reinvestment Zones (TIRZ) as

City of Lockhart, Texas

Council Agenda Item Cover Sheet

they may relate to the development and administration of PIDs.

Staff received two responses from the following service providers (alphabetical): DTA and P3Works. Each proposal was reviewed and scored by a three-person committee. Based on these results, staff is recommending a contract with P3Works.

With offices located in the Dallas-Fort Worth metroplex, Houston, and Austin, P3Works has implemented numerous districts, both statewide and nationally, ranging in size from \$2 million to \$102 million in a wide range of cities and counties. Specifically, P3Works indicated projects in Travis, Hays, and Comal counties and at least six projects that were a combined PID/TIRZ district.

If approved by Council and an agreement is executed, staff will begin working with P3Works on two current proposed development projects that involve PID and PID/TIRZ considerations.

As Council may recall, a PID, per the Texas Local Government Code Chapter 372, provides the City of Lockhart with an economic development tool that permits the financing of qualified public improvement costs which confer a special benefit on a definable part of the City. Proceeds from bonds issued by a PID can finance capital costs and fund supplemental services to meet the community needs which could not otherwise be constructed or provided. The bonds issued by the City to fund the costs of eligible capital improvements and/or supplemental services are paid entirely by property owners within the PID who receive special benefits from the capital improvements or services. A PID may only be used to pay for public improvements including road construction, water distribution systems, wastewater collection, landscaping, parks and recreational improvements, and more. Unlike Municipal Utility Districts (MUDs), which focus on water, sewer, and drainage infrastructure, PIDs can be used for a variety of community enhancements beyond utilities.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): Provision for the costs associated with the PID administrative services, whether the services are provided by third parties or the City, shall be included in any budget proposed by the Developer and paid by the Developer.

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

City of Lockhart, Texas

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STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of the proposed Resolution 2024-13 as presented.

LIST OF SUPPORTING DOCUMENTS: Resolution 2024-13 - Award PID and TIRZ Admin Services, DRAFT - Agreement for PID and TIRZ Creation and Admin Services, PID Admin RFP - Scope of Work

RESOLUTION 2024-13

A RESOLUTION OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING THE AWARD OF A PUBLIC IMPROVEMENT DISTRICT (PID) AND TAX INCREMENT REINVESTMENT ZONE (TIRZ) CREATION AND ADMINISTRATION SERVICES CONTRACT FOR THE MANAGEMENT AND ADMINISTRATION OF PUBLIC IMPROVEMENT DISTRICTS AND TAX INCREMENT REINVESTMENT ZONES RELATED TO MASTER-PLANNED DEVELOPMENT(S) WITHIN THE CITY OF LOCKHART, TEXAS AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH P3WORKS.

WHEREAS, the establishment and management of Public Improvement Districts (PID) and Tax Increment Reinvestment Zones (TIRZ) serve to promote economic growth by providing funding mechanisms to construct necessary infrastructure or desired amenities that support new developments and encourage redevelopment within designated areas of the City;

WHEREAS, the City acknowledges the importance of selecting a competent and qualified firm to administer the affairs of Public Improvement Districts and Tax Increment Reinvestment Zones, ensuring efficient utilization of resources and adherence to established regulations;

WHEREAS, in order to identify qualified and responsive providers for these services a Request for Proposals (RFP) process for professional administration services has been completed in accordance with Local and State requirements;

WHEREAS, the proposals received by the due date have been reviewed to determine the most qualified and responsive providers for these professional services and scored accordingly;

WHEREAS, a proposed Agreement for Public Improvement District (PID) and Tax Increment Reinvestment Zones (TIRZ) Creation and Administration Services is hereby approved; and

WHEREAS, the City Council desires to authorize the City Manager to execute the Contract on behalf of the City and take all steps necessary to carry out the terms thereof.

NOW, THEREFORE, BE IT RESOLVED:

- Section 1. That **P3Works** be awarded a contract to provide Public Improvement District (PID) and Tax Increment Reinvestment Zones (TIRZ) Creation and Administration Services.
- Section 2. That any and all contracts or commitments made with the above-named services providers are dependent on the successful negotiation of a contract with the service provider;
- Section 3. That the City Manager is authorized to execute a contract with selected provider.

PASSED AND APPROVED on the 21st day of May, 2024.

CITY OF LOCKHART:

Mayor

ATTEST:

City Secretary

**AGREEMENT FOR PUBLIC IMPROVEMENT DISTRICT (PID) AND TAX INCREMENT
REINVESTMENT ZONE (TIRZ) CREATION AND
ADMINISTRATION SERVICES**

This Agreement for Public Improvement District (“PID”) and Tax increment Reinvestment Zone (“TIRZ”) Creation and Administration Services (“Agreement”) is entered into this _____ day of _____, 2024, by and between P3Works, LLC (“P3Works”), and the City of Lockhart, Texas (“City”).

RECITALS

WHEREAS, the City Council may contemplate, approve, and authorize the creation of a Public Improvement District (“PID” or “District”) to finance the costs of certain public improvements for the benefit of property within the District; and

WHEREAS, the City may consider issuing bonds to fund certain improvements in the PID as authorized by the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended; and

WHEREAS, the City may consider creating a Tax Increment Reinvestment Zone (“TIRZ” or “Zone”), in which the boundary will be commensurate with the boundary of the PID, to fund certain improvements as authorized by the Tax Increment Financing Act, of the Texas Tax Code, Chapter 311, as amended; and

WHEREAS, the City requires specialized services related to the creation, revision and updating of the Service and Assessment Plan (“Service and Assessment Plan”), bond issuance, and the administration of the PID; the creation, revision and updating of the Final Project and Finance Plan (“Final Plan”) and the Annual Reporting of the PID/TIRZ as more fully set forth in this Agreement; and

WHEREAS, P3Works has the expertise to properly establish and administer the District/Zone and ensure compliance with Texas Local Government Code Chapter 372, and Texas Tax Code 311; and

WHEREAS, the City desires to retain P3Works to provide District and Zone creation and administration services;

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

ARTICLE I

TERM OF AGREEMENT

- 1.0 The Agreement shall be effective as of its approval by all parties and shall be for a period of three (3) years and shall automatically continue on a year-to-year basis until terminated pursuant to Article IV of this Agreement.

ARTICLE II

SERVICES TO BE PROVIDED BY P3WORKS

2.0 The scope and timing of services to be performed by P3Works are set forth in Exhibits A and B, which are attached hereto and incorporated into this Agreement by this reference.

2.1 P3Works agrees that its services pursuant to this Agreement shall at all times be subject to the control and supervision of the City and that nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law. P3Works shall not represent to any property owner or any other person that it or any of its employees are acting as the City or employees of the City.

2.2 No substantial changes in the scope of services shall be made without the prior written approval of P3Works and the City.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in Exhibits A and B.

ARTICLE III

PAYMENT TERMS AND CONDITIONS

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in Exhibit A and B. Once assessments have been levied the Monthly Collection Fees will begin, and then the February 1 following the levy of assessments, and each February 1 thereafter, the fees shall increase by 2%.

3.1 Monthly invoices shall be submitted to the City for work completed under the rates provided in Exhibits A and B. City agrees to pay the amount due to P3Works upon receipt of each invoice.

3.2 Copies of all invoices to P3Works for expenses, materials, or services provided to P3Works will accompany the invoice to the City. P3Works will pass any third-party cost through to the City without markup and will not incur any expense in excess of \$200 without written consent of the City.

3.3 The only source of payment for P3Works' fees and services shall be the District/Zone or funds advanced by the developer. The City general fund shall never be used to pay for any expenses relating to P3Works' administration of the District/Zone. The City has entered into a Professional Services Reimbursement Agreement with the developer or landowner to fund an escrow, from which the City will pay for services until District/Zone funds shall be used. In the event there is insufficient District/Zone funds in a given year to pay P3Works' fees and expenses, P3Works agrees to defer the fees and expenses until such time as there are sufficient District/Zone funds or funds advanced by the developer. However, if the developer or landowner does not fund or replenish the funds under the Professional Services Reimbursement Agreement, then at P3Works discretion and in accordance with such Agreement, work will cease until such time as the escrow is funded and past due invoices are paid.

ARTICLE IV

TERMINATION OF THIS AGREEMENT

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay P3Works, within 30 days of such termination, all of P3Works' fees and expenses actually accrued or incurred to and including the date of termination, including any amount incurred or accrued in connection with work in progress.

ARTICLE V

GENERAL PROVISIONS

5.0 This Agreement supersedes any and all agreements, including any Original PID/TIRZ Administration Agreement, either oral or written, between the parties hereto with respect to rendering of services by P3Works for the City and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

5.1 This Agreement shall be administered and interpreted under the laws of the State of Texas. This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

5.2 Neither this Agreement nor any duties or obligations under this Agreement may be assigned by P3Works without the prior written consent of the City.

5.3 P3Works is a PID/TIRZ Administration firm, does not provide financial advice, and is not an Independent Registered Municipal Advisor under the SEC and MSRB Rules. Therefore, P3Works will request an IRMA Exemption Letter if not already provided on the City's website, and then will provide to the City an IRMA Exemption Acceptance Letter in the general form attached as Exhibit C upon execution of the Agreement.

5.4 The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof.

5.5 Upon acceptance or approval by City, all deliverables prepared or assembled by P3Works under this Agreement, and any other related documents or items shall be delivered to City, in hard copy and digital format for City use only. All digital data which contains algorithms, formulas, methodologies and related content provided to the City by P3Works shall remain the property of P3Works, and is provided as backup documentation to the deliverables, but shall not be released in digital format to any third-parties due to the proprietary nature of the intellectual data.

5.6 The City acknowledges P3Works' ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. This Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information. All records, reports, and other documents prepared by P3Works for the purposes of providing the services described in this Agreement shall be the property of the City. All such documents shall be made available to the City during the course of performance of this Agreement. Any reports, studies, photographs, negatives, or other documents or drawings prepared by P3Works in the performance of its obligations under this Agreement shall be the exclusive property of the City and all such materials shall be remitted to the City by P3Works upon completion, termination, or cancellation of this Agreement.

5.7 No deliverables or other information (including information given by City to P3Works to assist P3Works' performance under this Agreement) developed by, given to, prepared by or assembled under this Agreement shall be disclosed or made available to any third-party individual or organization that is not engaged to work on this project on behalf of the City by P3Works without the express prior written approval of the City.

5.8 The headings and article titles of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

5.9 Should either party commence any legal action or proceeding against the other based upon this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs.

5.10 All notices, requests, demands, and other communications which are required to be given under this agreement shall be in writing and shall be deemed to have been duly given upon the delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:

Mary V. Petty
Managing Partner
P3Works, LLC
9284 Huntington Square, Ste. 100
North Richland Hills, Texas 76182

To City:

City Manager
City of Lockhart
308 W San Antonio St
P.O. Box 239
Lockhart, TX 78644

5.11 The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

[Continue to Signature Page]

Executed on this _____ day of _____, 2024:

P3Works, LLC

BY: _____
Mary V. Petty
Managing Partner

City of Lockhart, TX

BY: _____
Name: _____
Title: City Manager

DRAFT

EXHIBIT A
PUBLIC IMPROVEMENT DISTRICT SERVICES TO BE PROVIDED

PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. P3Works shall give notice of such adjustment at least (60) days in advance of the effective date of adjustment. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of PID Plan of Finance

1. P3Works will review project information and in conjunction with the City's Financial Advisor review a plan of finance for the proposed transaction, including:
2. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives,
3. Identify areas of risk and with the City's Financial Advisor and solutions to mitigate the risks,
4. Bond sizing and bond phasing by improvement area,
5. Sources and uses of funds by improvement area,
6. Debt service schedules, and,
7. Assessment allocation and associated estimated annual installment by lot type for each improvement area.

Preparation of Service and Assessment Plan

1. P3Works will prepare a complete and final Service and Assessment Plan to be adopted by City Council and included in the Official Statement for the Bonds based on the Plan of Finance.
2. P3Works will present the Service and Assessment Plan to City Council and request approval of Assessment Roll.

Bond Issuance Support

1. P3Works will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.

BASIC DISTRICT ADMINISTRATION SERVICES

MONTHLY COLLECTION FEES WILL BEGIN ONCE ASSESSMENTS ARE LEVIED

If no bonds are sold:

Monthly Fee = \$1,500 beginning the first of the month following levy of assessments for the District for the first improvement area; and \$1,000 per month for each improvement area thereafter. (Proration will occur for any partial month if not begun on the 1st day of the month.)

If bonds are sold:

Monthly Fee amounts will be \$2,500 for the first improvement area beginning the first month following the issuance of bonds; and \$1,250 per month for each improvement area thereafter.

For PIDs that P3Works did not create: Monthly Collection Fees will not begin until the first Annual SAP Update is drafted by P3Works and approved by Council, therefore all work completed to that point will be billed hourly.

See Section below related to “Consulting Services Relating to Future Improvement Areas and related Bond Issuance” for hourly fees if bonds are contemplated.

Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

Administration of Bond Funds (if bonds are sold)

1. Review and summarize the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

Provide Public Information Request Support

1. If requested, P3Works will respond to any calls and or emails relating to the District. P3Works will only provide technical answers relating to the annual assessments or the District generally. P3Works will not provide any commentary on City policy relating to PIDs.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, P3Works will review and provide a written response to the City. If a calculation error occurred, P3Works will take corrective action as required to correct the error.

Delinquency Management

1. After the end of the annual assessment installment collection period, P3Works will prepare a delinquent special assessment report, which details which parcels are delinquent and the amount of delinquency.
2. P3Works will notify the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

Website Setup

1. Prepare website database searchable by property tax ID for use by property owners, title companies, mortgage companies, or other interested parties. The search results will provide assessment information, including outstanding principal, annual installment amount, payment information, and a breakdown of the assessment installment by use (principal, interest, reserve fund accounts, administrations, etc.)
2. Prepare "District Information" page for website. Information will include a background of the District formation and bond issuance process, District boundary map, and description of improvements. In addition, P3Works will provide a link to District documents.

DISTRICT ADMINISTRATION SETUP SERVICES (Required for any existing PID not created by P3Works.)

\$7,500 One Time Lump Sum Fee

1. P3Works will review the full bond transcript and identify all requirements of the City relating to District administration and/or disclosure requirements.
2. Prepare written summary of all City administration and disclosure requirements.
3. Prepare calendar of all relevant dates and deadlines for District administration and disclosure requirements.
4. Meet with County Assessor's office to establish procedure for obtaining parcel information for assessment roll.
5. Meet with County Tax Office to establish procedure to include District assessment roll on property tax bill.
6. Meet with City representatives to finalize policies and procedures relating to District Administration.

ADDITIONAL DISTRICT ADMINISTRATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. P3Works shall give notice of such adjustment at least (60) days in advance of the effective date of adjustment. Travel will be billed at the hourly rates.*

Continuing Disclosure Services

1. P3Works will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. P3Works will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement, including Seller's Disclosures.
3. Upon notification by any responsible party or if P3Works independently becomes aware of such knowledge, P3Works will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. P3Works will coordinate with the Trustee or the City's dissemination agent to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

Developer Payment Request Administration

1. P3Works will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. P3Works will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. P3Works will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. P3Works will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area.
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Development Agreement Review Specific to the PID/TIRZ Boundary

1. Participate in meetings or calls at City Manager's, or his/her designee's, direction.
2. Review and comment on Development Agreement drafts.
3. Prepare Ad hoc analysis as requested.

DRAFT

EXHIBIT B
TAX INCREMENT REINVESTMENT ZONE SERVICES TO BE PROVIDED
TIRZ FORMATION, PRELIMINARY AND FINAL PROJECT AND FINANCE PLAN
PREPARATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

**P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. P3Works shall give notice of such adjustment at least (60) days in advance of the effective date of adjustment. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of TIRZ Project and Finance Plan

1. P3Works will review project information and prepare a Preliminary Plan for the proposed creation, including:
 - a) Assessed value schedules and overall structuring to achieve City goals and objectives.
 - b) Drafting the TIRZ Agreement.
 - c) At the direction of Staff, facilitate presentations to the Council and the TIRZ Board.
2. Evaluate annual TIRZ Credit by lot type for each improvement area.

Preparation of Preliminary and Final Project Plan

1. P3Works will prepare a Preliminary Project and Finance Plan ("PPFP") and a Final Project and Finance Plan ("FPFP") to be adopted by the TIRZ Board and the City Council and included in the Official Statement for the PID Bonds based on the Plan of Finance.
2. P3Works will prepare a draft TIRZ Agreement to be adopted by the TIRZ Board
3. P3Works will present the PPFP to the Council at the creation of the TIRZ and request approval of TIRZ Creation Ordinance.
4. P3Works will present the FPFP to the Council after conducting all necessary steps for public hearings and notifications and request approval of TIRZ FPFP.
5. P3Works will file the necessary creation forms with the Secretary of the State of Texas after the creation of the TIRZ.

Bond Issuance Support

1. P3Works will ensure bond documents, including the bond indenture and official statement are all consistent with the TIRZ Final Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.
2. If requested by the City, P3Works will respond to any calls and or emails relating to the TIRZ.
3. P3Works will only provide technical answers relating to the annual TIRZ Credit or the TIRZ generally.
4. P3Works will not provide any commentary on City policy relating to TIRZs.

BASIC DISTRICT/ZONE ADMINISTRATION SERVICES

Billed at P3Works' prevailing hourly rates, which are currently as follows:

<i>Title</i>	<i>Hourly Rate</i>
<i>Partner</i>	<i>\$250</i>
<i>Project Manager</i>	<i>\$210</i>
<i>Senior Analyst</i>	<i>\$185</i>
<i>Analyst II</i>	<i>\$160</i>
<i>Analyst</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

Preparation of the Annual Report to be filed with the Secretary of State and then presented to the PID/TIRZ Board and City Council for approval.

See Section below related to "Consulting Services Relating to Future Improvement Areas and related Bond Issuance" for hourly fees if future PID/TIRZ changes are contemplated.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
2. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

Prepare Annual Report

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for PID/TIRZ improvements.
2. Update Annual Report as necessary to account for any changes in development plan or land uses.
3. Identify parcel subdivisions, conveyance to owners' associations, changes in land use, and any other information relevant to anticipated estimate of Tax Increment to be generated.
4. Calculate annual PID/TIRZ Credit for each parcel.
5. Present preliminary Annual Report to PID/TIRZ Board. Upon approval by PID/TIRZ Board, submit final Annual Report to the Texas Secretary of State.

EXHIBIT C
IRMA EXEMPTION LETTER



P3Works, LLC.
9284 Huntington Sq.
Suite 100
North Richland Hills,
Texas 76182

Mary V. Petty
Managing Partner
+1.817.393-0353 Phone
Admin@P3-Works.com

Date

City Manager
Address

RE: IRMA Exemption/Acceptance Letter

To Whom It May Concern:

We have received your written representation, dated _____, 20__, that the City of _____ (the "City") has engaged and is represented by _____, an independent registered Municipal Advisor ("IRMA"). In accordance with Section 15Ba1-1(d)(3)(vi) of the Securities Exchange Act of 1934 ("Securities Exchange Act"), we understand and intend for the City to rely on IRMA's advice in evaluating recommendations brought forward by P3Works, LLC that constitute "advice" as defined in the Securities Exchange Act ("IRMA Exemption").

Furthermore, P3Works, LLC has conducted reasonable due diligence and is confirming that to the best of our knowledge, the IRMA is independent from P3Works, LLC, that P3Works, LLC is not a municipal advisor and is not subject to the fiduciary duty to municipal entities that the Security and Exchange Act imposes on municipal advisors, and that P3Works, LLC has a reasonable basis for relying on the IRMA Exemption. We will advise you, in writing, if we become aware of any changes.

P3Works, LLC provides PID Administration as consult services to Cities and Counties.

As required by the relevant sections of the Securities Exchange Act regarding Municipal Advisors, we are informing your identified IRMA of these facts.

Mary V. Petty
Managing Partner
P3Works, LLC

Jon Snyder
Managing Partner
P3Works, LLC

Scope of Work

The PID Administrator shall provide services to the City for PIDs in accordance with the scope of services provided herein.

Each proposal must include the following components: Organizational Profile, Proposed Services for PID Administration, Proposed Fees for Services and References. Each component shall include the information requested below.

Organizational Profile

1. Company name, address and contact information
2. Federal Identification Number
3. Overview of firm
4. Individuals assigned to manage and execute the engagement (location and resources)
5. Experience with PIDs in Texas (and nationwide, as applicable)
6. Experience with first time PID debt issuers such as the City (education, assistance with setting up processes, procedures, etc.)
7. Experience with Texas counties and other tax collectors as it relates to collection of PID assessments
8. Examples of policies, procedures, processes and reports for City PIDs (capital and maintenance PIDs)
9. Examples of policies, procedures, processes and reports for SEC reporting
10. Any other useful information

If company is a partnership, state the name and address of all general and limited partners associated with the office responding to the RFP.

Proposed Services for PID Administration

PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES/TIRZ SUPPORT SERVICES

District Due Diligence and Preparation of PID Plan of Finance

1. Consultant will review project information and prepare a plan of finance for the proposed transaction, including:
 - a. Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives of its PID Policy and Project requirements.
 - b. Identify areas of risk with the City's Financial Advisor, and solutions to mitigate the risks.
 - c. Bond sizing and bond phasing by improvement area,
 - d. Sources and uses of funds by improvement area,
 - e. Debt service schedules, and;
 - f. Assessment allocation and associated estimated annual installment by lot/property type for each improvement area.

Bond Issuance Support

1. Consultant will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. Consultant will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. Consultant will prepare and present information as requested to the City Council or any other public forum.

BASIC DISTRICT ADMINISTRATION SERVICES

Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owner's associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

Administration of Bond Funds (if bonds are sold)

1. Review and reconcile the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

Provide Public Information Request Support

1. If requested, Consultant will respond to any calls and or emails relating to the District. Consultant will only provide technical answers relating to the annual assessments or the District generally.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, Consultant will review and provide a written response to the City. If a calculation error occurred, Consultant will take corrective action as required to correct the error.

Delinquency Management

1. After the end of the annual assessment installment collection period, Consultant will prepare a delinquent special assessment report, which details the delinquent parcels and the amount of delinquency.
2. Consultant will notify the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

ADDITIONAL DISTRICT ADMINISTRATION SERVICES

Continuing Disclosure Services

1. Consultant will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. Consultant will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement.
3. Upon notification by any responsible party or if Consultant independently becomes aware of such knowledge, Consultant will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. Consultant will coordinate with the Trustee to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

Developer Payment Request Administration

1. Consultant will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. Consultant will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. Consultant will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. Consultant will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. Consultant will update the Service and Assessment Plan to comply with Bond documents.
2. Consultant will prepare an updated Assessment Roll including the future Improvement Area
3. Consultant will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. Consultant will prepare any additional reports or analyses as needed to successfully issue the Bonds.

CONSULTANT SERVICES RELATED TO TIRZ SERVICES

The Consultant shall have the following duties with respect to the City's Tax Increment Reinvestment Zone ("TIRZ"):

1. Advise and assist the corporate authorities in the coordination of economic development programs, policies and activities;
2. Serve as the primary liaison between the City Council and the TIRZ Board;
3. Provide staff assistance to the TIRZ Board;
4. Provide assistance to parties using the TIRZ to buy down the assessment costs of the PID;
5. Assist in the negotiation of TIRZ Finance Plan on behalf of the City;
6. Monitor the implementation of TIRZ projects and agreements;
7. Prepare the annual budget of the TIRZ;
8. Prepare the annual report of the TIRZ as required by statute;
9. Provide advice as needed to the corporate authorities on related financial matters, including but not limited to property tax levies, bonded indebtedness, utility rates, investment of funds, and budgeting.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Discussion and/or action to consider Ordinance 2024-13 clarifying the Police Department lateral entry pay criteria.

ORIGINATING DEPARTMENT AND CONTACT: Police - Gary Williamson

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: On June 6, 2023, Council passed Ordinance 2023-10, permitting special seniority pay (also called lateral entry pay) for experienced police officer recruits. Questions arose about the ordinance's vagueness regarding prior agency service requirements. The City's Labor Attorney has revised the ordinance to specify the necessary years of service at each prior agency for eligibility, improving clarity and outlining the ordinance's intent.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: Original ordinance approved by Council on June 6, 2023.

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Marked-up version of Ordinance 2024-13, Final version of Ordinance 2024-13, Ordinance 2023-10

ORDINANCE NO. ~~2023-10~~ 2024-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS CLARIFYING O – 2023-10, THE ~~ESTABLISHING~~ A SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to clarify O-2023-10 in explaining and supplementing the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have at least two whole years ~~the required years~~ of **continuous** service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond

to calls for service, carry a firearm, and use discretion as part of their assigned duties. “Continuous service” or “continuous employment as a law enforcement officer” means uninterrupted service. In order to be eligible for “Lateral Entry,” an A lateral entry applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department. Lateral pay will only be paid when the applicant or officer provides proof of the prior service as a law enforcement officer.

c. Starting Pay:

~~i.i.~~ i.i. To be considered for a “Lateral Entry Officer Position,” an officer must possess at least two (2) whole years of paid, continuous full time service as a peace officer ~~in at each~~ law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county. Any partial years of service will not be added together to form a “year” of service. Service with a law enforcement agency of less than at least two whole years at any agency means the officer does not qualify for the Lateral Entry placement.

~~ii.i.~~ ii.i. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.

~~iii.ii.~~ iii.ii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.

~~iv.iii.~~ iv.iii. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer’s prior whole years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.

d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.

e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart’s Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief’s

decision shall be final and non-appealable to the Civil Service Commission or to any court.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE ~~16th DAY OF MAY, 2023~~ 21st DAY OF MAY, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

~~Brad Bullock~~ Monte Akers, City Attorney

ORDINANCE NO. 2024-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS CLARIFYING ORDINANCE 2023-10, THE SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to clarify Ordinance 2023-10 in explaining and supplementing the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have at least two whole years of **continuous** service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. “Continuous service” or “continuous employment as a law enforcement officer” means uninterrupted service.

In order to be eligible for “Lateral Entry,” an applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department. Lateral pay will only be paid when the applicant or officer provides proof of the prior service as a law enforcement officer.

c. Starting Pay:

- i. To be considered for a “Lateral Entry Officer Position,” an officer must possess at least two (2) whole years of paid, continuous full time service as a peace officer at each law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county. Any partial years of service will not be added together to form a “year” of service. Service with a law enforcement agency of less than at least two whole years at any agency means the officer does not qualify for the Lateral Entry placement.
 - ii. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.
 - iii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.
 - iv. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer’s prior whole years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.
- d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.
- e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart’s Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief’s decision shall be final and non-appealable to the Civil Service Commission or to any court.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 21st DAY OF MAY, 2024.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, City Secretary

Brad Bullock, City Attorney

ORDINANCE NO. 2023-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING A SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to explicate and supplement the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have the required years of continuous service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry

applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department.

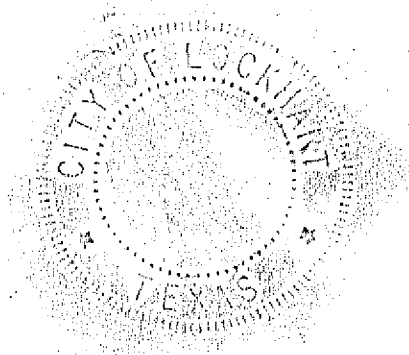
c. Starting Pay:

- i. To be considered for a "Lateral Entry Officer Position," an officer must possess at least two (2) years of paid, continuous full time service as a peace officer in a law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county.
 - ii. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.
 - iii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.
 - iv. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer's prior years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.
- d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.
- e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart's Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

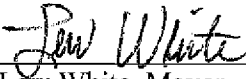
SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

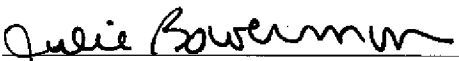
PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 6th DAY OF JUNE, 2023 .



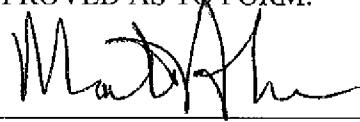
CITY OF LOCKHART


Lew White, Mayor

ATTEST:


Julie Bowermon, Deputy City Secretary

APPROVED AS TO FORM:


Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: May 21, 2024

AGENDA ITEM CAPTION: Discuss and consider a Development Agreement between the City and RODG DT SeawillowPropCo LLC to authorize development of the Seawillow Project, consisting of approximately 586.778 acres of land out of the John A. Neill Survey A020 for residential and commercial purposes, which property is located east of FM 1322 and south and west of Seawillow Road, approximately 2,000 feet southeast of Lay Road.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: I. The proposed Seawillow project consists of approximately 498.78 acres with 88 acres located inside the city limits and the balance of the property located primarily in the City's ETJ. Development of the 88 acres is subject to compliance with the City's Code of Ordinances and has already been zoned for residential purposes while the ETJ portion of the property will be developed under The Seawillow Ranch Planned Development District Design Statement, which will be Exhibit E of the Development Agreement (DA) and specific performance standards contained therein. The Concept plan, Exhibit B, attached to the DA depicts the land uses proposed for the portion of the out of city property. The DA provides for annexation of the property not currently in the city limits. The DA also contemplates creation of a Public Improvement District (PID) and a Tax Increment Reinvestment Zone (TIRZ) which are financing mechanisms for the utilities, roads and other public improvements associated with the project. The project term is 30 years and the project will be developed in phases, beginning with phase one and ending with phase eight. The term of the TIRZ is 40 years to accommodate the length of PID bonds issued in subsequent phases of the project.

The land uses associated with the ETJ property are summarized below:

- a. Single family detached residential homes: maximum of 2,132 Living Unit Equivalents (LUEs) located on 35', 40', 45' and 50' foot lots and approximately 131 acres;
- b. Single family attached residential: maximum of 67 LUEs located on 25 foot x110 foot lots and approximately 8 acres;
- c. Multifamily residential units: maximum 180 LUEs (360 units total) and approximately 15 acres;
- d. School uses: maximum 107 LUEs and approximately 41 acres;
- e. Commercial/Retail uses: maximum of 190 LUEs and approximately 39 acres;
- f. Parks, open space and amenity areas of approximately 91 acres;

The balance of the remaining acreage is in the roads and public infrastructure that serves the project.

City of Lockhart, Texas

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II. Public Improvements and Developer Contributions: The DA requires the Developer to pay the cost of the on-site utilities and roads that are necessary to serve the Project and to fund all or a portion of certain off-site utilities and road improvements. In some cases, the Developer is required to construct the improvements and in other cases the Developer will fund the improvement and the City will undertake the construction.

The following public improvements, property interests and funding will be provided by the Developer:

- a. **One acre site** to be conveyed to City for placement of Elevated Water Storage Tank and Developer funded **one million gallon capacity elevated storage tank**. Anything larger would be considered oversizing and the City would cover the oversizing cost if it requests a larger tank. (Phase 2)
- b. Construct new 12 inch water line connector to existing 12 inch water line at FM 1322. (Phase 2)
- c. Construct an extension of the existing 12-inch water line on FM 1322 from the current line to the project site. (Phase 1)
- d. Pay the City a community contribution of **5 million dollars** to provide funds for the wastewater plant expansion. Developer is entitled to a credit against future impact fees for this payment.
- e. Upgrade and increase the capacity of a lift station.
- f. Replace and enlarge the off-site sewer line.
- g. Dedication of between 127-133 acres of park land and open space to the City, which includes multiple 0.25-acre pocket parks (one pocket park for every 200 single-family residential lots).
- h. Provide **1.5** million dollars towards park equipment and improvements.
- i. Construction of 2,500 linear feet of 8-foot concrete hike and bike trails.
- j. Developer will fund road improvements based on TIA as described in Exhibit M per TxDOT requirements.
- k. Convey 41 acres to the School District, or to the City if the School District does not agree to accept the property for school purposes.
- l. Authorizes City to conduct study on feasibility of developing groundwater wells and to develop, own and operate groundwater wells if the city determines it's feasible.
- m. Commitment to provide discounts for teacher housing.
- n. Development of commercial land uses that should increase city sales tax.

III. Impacts to City.

- 1. TIRZ - The purpose of the TIRZ is to create a fund which will allow the developers to buy down lot owner PID assessment costs to maintain competitive sales prices with other developments in the area. The funds that go into the TIRZ are created by the improvements constructed by the Developer. The TIRZ fund will consist of 55% of the "added value" the Developer improvements have in increasing ad valorem property taxes. If the property remains in the ETJ the City does not collect ad valorem property

City of Lockhart, Texas

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taxes. The remaining 45% of ad valorem property taxes created by the improvements to the property will be payable to the City together with the base rate (pre-improvement value) of ad valorem property taxes. The TIRZ will be in effect for 40 years, or retirement of the PID bonds, whichever occurs first.

2. Development Density - The smallest single-family detached lots allowed in residential zoning districts are 50-foot lots. The majority of single family lots will be narrower than 50 feet, thus making the proposed development density at this project greater than is allowed in single-family districts elsewhere in the City.

PROJECT SCHEDULE (if applicable): None

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): After the City has contracted with a professional services firm for the administration of the PID and TIRZ, the firm will assist Council and City staff with the financial analysis of the proposed PID and TIRZ agreements.

PREVIOUS COUNCIL ACTION: None

COMMITTEE/BOARD/COMMISSION ACTION: None. The proposed Planned Development District development plan has not yet been heard before a public hearing of the Planning and Zoning Commission. However, City staff is working with the applicant to schedule the required public hearing.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends convening into executive session to further discuss the details of the proposed development agreement and direct staff to pursue any revisions or additional terms of the agreement City Council may require prior to approval.

LIST OF SUPPORTING DOCUMENTS: Seawillow DA 5-21-24 clean, Exhibit A M&B for InCity and OutCity Tracts, Exhibit B Concept Plan, Exhibit B-1 Parks Summary, Exhibit C Authorized Improvements and Estimated Costs, Exhibit D Phasing Plan, Exhibit D-2 Absorption Plan, Exhibit E Design Standards, Exhibit J Water System Improvements, Exhibit K Wastewater Improvements, Exhibit L Roadway Improvements, Exhibit L2 Roadway Improvements, .

**SEAWILLOW RANCH
DEVELOPMENT AND PUBLIC IMPROVEMENT AGREEMENT**

BETWEEN

RODG DT SEAWILLOW PROPCO LLC,
a Texas limited liability company,

AND

THE CITY OF LOCKHART, TEXAS

Dated: May 21, 2024

SEAWILLOW RANCH DEVELOPMENT AGREEMENT

This Seawillow Ranch Development Agreement (this “Agreement”) is executed between **RODG DT Seawillow PropCo LLC**, a Texas limited liability company and the **City of Lockhart, Texas** (the “City”) to be effective on the Effective Date (as defined below).

RECITALS

WHEREAS, certain terms used in these recitals are defined in Article I; and

WHEREAS, Developer and the City are sometimes individually referred to as a “Party” and collectively as the “Parties”; and

WHEREAS, Developers are Texas limited liability companies; and

WHEREAS, the City is a home-rule municipality of the state of Texas located within Caldwell County (the “County”); and

WHEREAS, Developer is the owner of approximately 88 acres currently located within the City limits (the “In-City Property”) and described in **Exhibit A1** and depicted in **Exhibit A2** and Developer has contracted to purchase from David Acevedo, Eduardo Acevedo, Virginia K. Villareal, and Margarita Britt (collectively, “Owner”) approximately 498.778 acres of real property (the “Owner Property”) which property is described in **Exhibit A4** and depicted in **Exhibit A5**, attached hereto, and is contiguous to the city limits and is primarily located within the City’s extraterritorial jurisdiction, except for a portion of such property depicted in **Exhibit A3** consisting of approximately 32.3 acres, located outside of the ETJ (such portion, the “Outside Property”); and

WHEREAS, as authorized by state law, Developer intends to petition, or cause the Owner to petition, the City to include the Owner Property, within the City’s ETJ, so that all such Owner Property can be annexed into the city limits and will be eligible for inclusion in a subsequent PID and/or TIRZ; and

WHEREAS,

WHEREAS, the Developer intends to close on the acquisition of the Owner Property (and including the Outside Property) prior to the levy of PID Assessments as set forth in this Agreement; and

WHEREAS, it is the parties intention to include In-City Property within the boundaries of any subsequently created PID or TIRZ, but such In-City Property is referenced herein only for PID and TIRZ purposes and shall not be subject to any land use requirements set out herein and applicable to the Owner Property (including the Outside Property); and

WHEREAS, the Parties intend for this Agreement to take effect on the Effective Date; and

WHEREAS, the Developer plans to develop the Owner Property as a mixed-use development consisting of residential uses and commercial uses, as set out in **Exhibit B**, the “Concept Plan”, upon the execution of this Agreement and subsequent issuance of PID Bonds for the payment of certain costs for the construction and/or acquisition of certain public improvements and certain other associated costs to benefit the Property, and for the repayment to Developer for certain costs advanced for the construction and acquisition of certain public improvements to benefit the Property as set forth in this Agreement and as determined by future PID related agreements; and

WHEREAS, in consideration of the Developer’s agreements contained herein to accomplish the high-quality development of the Owner Property envisioned by the Parties and to provide financing for the Authorized Improvements, the City intends to consider creation of a PID in accordance with Chapter 372 of the Texas Local Government Code, as amended (the “PID Act”), and to consider creation of a TIRZ in accordance with Chapter 311 of the Texas Tax Code, as amended (the “TIRZ Act”), for the In-side City Property and the Owner Property proposed to be developed; and

WHEREAS, water, sewer, drainage, roadway, and other public infrastructure is not currently sufficient to serve the Parties’ intended full development of the Owner Property; and

WHEREAS, the Developer desires and intends to design, construct and install public improvements to serve the development of the Owner Property and the In-City Property (collectively the “Project”) which Project Boundaries are described in **Exhibit A6** and depicted in **Exhibit A7**. Public improvements that are constructed that are eligible for PID reimbursement are considered (“Authorized Improvements”), which Authorized Improvements are generally identified in **Exhibit C** and are intended by the Developer to 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 phases and to dedicate such Authorized Improvements to the City for use and maintenance (with a few exceptions set out herein), subject to approval of the plans and inspection of the Authorized Improvements in accordance with this Agreement and the City Regulations, as hereinafter defined, and contingent upon the partial or total financing of such Authorized Improvements; and

WHEREAS, the Developer estimates that the cost of the Authorized Improvements excluding any estimated PID Bond issuance or other costs will be One Hundred Fifty Million Dollars (\$150,000,000.00) and is the proposed maximum amount that Developer will seek to finance and will seek for reimbursement; and

WHEREAS, the City recognizes the positive impact that the Authorized Improvements and the Development will bring to the City, and that the Authorized Improvements will promote state and local economic development; stimulate business and commercial activity in the municipality; promote the development and diversification of the economy of the state; promote development and expansion of commerce in the state; and promote the elimination of unemployment or underemployment in the state; and

WHEREAS, in consideration of the Developer's agreements contained herein, the City shall consider adoption of a PID to provide financing arrangements that will enable the Developer to do the following in accordance with the procedures and requirements of the PID Act: (i) fund a specified portion of the costs of the Authorized Improvements using the proceeds of PID Bonds; and (ii) obtain reimbursement for a specified portion of the costs of the Authorized Improvements of other public improvements, the source of which reimbursement will be installment payments from Assessments within the Property, provided that such reimbursements shall be subordinate to the payment of PID Bonds and Administrative Expenses; and

WHEREAS, the City, subject to the consent and approval of the City Council, and in accordance with the PID Act, to: (i) consider and act upon the creation of a PID encompassing the Owner Property and the In-City Property, in accordance with the PID Act; (ii) consider adoption of a Service and Assessment Plan; (iii) consider adoption of an Assessment Ordinance (to pay for a specified portion of the Budgeted Cost of the Authorized Improvements which are estimated to encompass the costs described in Exhibit C and the costs associated with the administration of the PID and issuance of the PID Bonds; and (iv) consider issuance of PID Bonds up to One Hundred Fifty Million Dollars (\$150,000,000.00) in the principal amount of PID Bonds for the purpose of financing a specified portion of the costs of the Authorized Improvements and paying associated costs as authorized by the PID Act; and

WHEREAS, prior to, or in conjunction with Bond closing: (i) the City Council shall have approved and adopted the PID Resolution, a Service and Assessment Plan, and an Assessment Ordinance (collectively, the "PID Documents"); (ii) the City shall have reviewed and approved the Home Buyer Disclosure Program in substantially the same form as attached as Exhibit F hereto, which form may be updated from time to time to address legislative changes; (iii) owners of the Property constituting all of the acreage in the PID shall have executed a Landowner Agreement in substantially the same form as attached as Exhibit G hereto; and (iv) the Developer shall have delivered a fully executed copy of the Landowner Agreement(s) to the City; and

WHEREAS, prior to the authorization of the first PID Bond issue, the Parties intend that the City Council consider approval of a TIRZ Ordinance and to create a TIRZ to be coterminous with the boundaries of the PID; and

WHEREAS, the Developer proposes that the Authorized Improvements and certain other Public Improvements are also improvements that qualify as projects under the TIRZ Act; and

WHEREAS, prior to, or in connection with, the sale of the first PID Bond issue, and in consideration of the Developer's agreements contained herein, the Parties shall have agreed to the final form of the following documents, which will provide for a credit to PID assessments for a specified portion of TIRZ eligible costs: (i) the TIRZ Project Finance plan; (ii) an ordinance creating the TIRZ; and (iii) an ordinance approving the final TIRZ Project and Finance Plan required by the TIRZ Act; and

WHEREAS, in consideration of the Developer's agreements contained herein, the City intends to consider creation of a TIRZ and to adopt, approve, and execute the TIRZ Documents to dedicate fifty-five percent (55%) of the City's collected *ad valorem* tax increment based on the City's tax rate in effect on the date of the establishment of the TIRZ for a period of up to forty (40) years, or

until the last series of PID Bonds for which an Assessment has been levied has matured or is no longer outstanding, whichever comes first, to off-set or pay a portion of any Assessments levied on the Property securing PID Bonds for each phase of Development for the costs of Authorized Improvements and Public Improvements that qualify as projects under the TIRZ Act in accordance with the TIRZ Project and Finance Plan and Service and Assessment Plan (“SAP”); and

WHEREAS, all of the City’s Administrative Expenses associated with the PID will be funded by the annual levy of Assessments on the Property within the PID in accordance with the PID Act and the SAP, and the City will not be responsible for payment of such costs; and

WHEREAS, all of the City’s Administrative Expenses associated with the TIRZ will be paid in accordance with the TIRZ Act and the TIRZ Project and Finance Plan, and the City will not be responsible for payment of such costs; and

WHEREAS, the Parties intend that the Owner Property be developed as a mixed-use development, consisting of residential uses and commercial uses including open space, and other public and private amenities that will benefit and serve the present and future citizens of the City, including the creation of substantial future tax base for the City; and

WHEREAS, the Owner Property shall be developed pursuant to current ordinances of the City, except as same may be modified by or are in conflict with this Agreement, the concept plan (“Concept Plan”), which Concept Plan is attached hereto as **Exhibit B**, and the development standards set forth in certain planned development district zoning standards (“Development Standards”), which Development Standards are attached hereto as **Exhibit E**; and

WHEREAS, the Parties intend for the City Council and Planning and Zoning Commission to consider zoning the Owner Property as a new Planned Development District consistent with the Concept Plan, the Development Standards, and the other applicable provisions of this Agreement; and

WHEREAS, the Parties intend that the retail water and sewer service to the Property will be provided by the City; and

WHEREAS, the Parties agree that this Agreement constitutes a “permit” within the meaning of Chapter 245, Texas Local Government Code; and

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE I **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 City in the establishment, administration, and operation of the PID or the TIRZ, as applicable, including, but

not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the PID and TIRZ and preparing the Assessment Rolls, (iii) computing, levying, collecting and transmitting the Assessments or the installments thereof, (iv) maintaining the record of installments, payments and reallocations and/or cancellations of the Assessments, (v) investing or depositing the Assessments or other monies, (vi) complying with the PID Act, and (vii) administering the construction of the Authorized Improvements.

Agreement means this Seawillow Ranch Development Agreement.

Assessment means a special assessment levied by the City 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 Fund(s) means the interest-bearing assessment fund account(s) created by the City for a PID to which the Assessment revenues will be deposited once collected.

Assessment Ordinance means an ordinance adopted by the City Council which levies Assessments on the Property within the PID 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 the 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 the portion of on-site and off-site public improvements, constructed or funded by the Developer, as described in the SAPs (including any amendments or supplements), as estimated in **Exhibit C**, and as authorized by Section 372.003 of the PID Act.

Authorized Improvement Costs means the actual costs of design, engineering, construction, acquisition, and inspection costs of the Authorized Improvements, and all costs related in any manner to the Authorized Improvements.

Bond Indenture means a trust indenture by and between the issuer of PID Bonds and a trustee bank under which PID Bonds are issued and funds disbursed.

Bond Ordinance means an ordinance adopted by the City Council that authorizes and approves the issuance and sale of PID Bonds.

Budgeted Cost means, with respect to any given Authorized Improvement, 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 City no more frequently than monthly for work completed on any of the Authorized Improvements, in substantially the same form as **Exhibit H** attached hereto.

City means the City of Lockhart, Texas, a home-rule municipality located in Caldwell County, Texas.

City Code means the Code of Ordinances, City of Lockhart, Texas.

City Council means the City Council of the City.

City Manager means the current or acting City Manager of the City, or a person designated to act on behalf of that individual if the designation is in writing and signed by the current or acting City Manager.

City Regulations mean City Code provisions, ordinances, design standards, uniform and international building and construction codes, and regulations duly adopted by the City which may be amended from time to time, and including a planned development district zoning ordinance and the Development Standards attached hereto as **Exhibit E** and subject to the provisions of **Section 13.1 and 13.2**.

Community Contribution means the amounts paid by the Developer to City or contributed infrastructure constructed by the Developer pursuant to Section 7.1 of this Agreement.

Construction Cost means the costs actually paid for by Developer or caused to be paid by Developer for on-site and off-site Authorized Improvements and other Public Improvements related to engineering, design, permitting, construction, inspection, testing, and third-party property/easement acquisitions; however, the cost of third-party property/easement acquisitions shall be limited to the fair-market value of any property/easement acquired, plus any damages to the remainder, all as determined by an appraiser licensed by Texas Appraiser Licensing and Certification Board selected by the City, and Eminent Domain Fees, if any.

Cost Overruns shall have the meaning set forth in Section 9.2 hereof.

Cost Underruns means actual Authorized Improvement Costs that are less than the Budgeted Costs set forth in the SAP.

Development and Absorption Phasing Plan means the estimated phasing plan and LUE absorption schedule per phase for the Owner Property, as shown on **Exhibit D** attached hereto.

Developer means RODG DT Seawillow PropCo LLC, a Texas limited liability company and its successors, assigns, and affiliates responsible for developing the Project and causing the Owner Property to be developed in accordance with this Agreement.

Developer Cash Contribution means that portion of the Budgeted Cost that the Developer is contributing to initially fund the Authorized Improvements.

Developer Continuing Disclosure Agreement means any continuing disclosure agreement of the Developer executed contemporaneously with the issuance and sale of PID Bonds.

Developer Improvement Account means the construction fund account created under the Bond Indenture, funded by the Developer, and used to pay for portions of the acquisition, design, and construction of the Authorized Improvements.

Effective Date means the date upon which the last of all of the Parties has approved and duly executed this Agreement.

End Buyer means any Developer, developer, homebuilder, tenant, user, or owner of a Fully Developed and Improved Lot.

Existing City Facilities means the existing water and wastewater plants, water lines, wastewater lines, or roadways available to serve the Project on the Effective Date.

Force Majeure means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) epidemics or pandemics; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City Regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (a) changes in market condition; (b) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (c) the occurrence of any manpower, material or equipment shortages. The events listed in (a) through (c) that are beyond the reasonable control of the Developer shall be included as Force Majeure. If the Developer claims an economic hardship, the City will make a determination if such economic hardship is a Force Majeure event.

Fully Developed and Improved Lot means any lot in the Project, regardless of proposed use, intended to be served by the Authorized Improvements, and/or other public improvements, and for which a final plat has been approved by the City and recorded in the Real Property Records of Caldwell County, Texas.

Home Buyer Disclosure Program means the disclosure program, administered by the PID Administrator as set forth in **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; such form to be updated from time to time as required by state law.

Impact Fees mean all water, wastewater, and road impact fees approved by the City on the Effective Date of this Agreement, or which may be approved by City after the Effective Date of

this Agreement and in each case assessed, imposed and/or collected by the City in accordance with the PID Act and City Regulations adopted by the City or hereinafter adopted.

In-City Property means the real property owned by Developer, described **Exhibit A4** and depicted in **Exhibit A5** , attached hereto, and currently located within the city limits.

Landowner Agreement means an agreement by and between the City and a Landowner consenting to the form and terms of the PID Documents in a form substantially similar to **Exhibit G** attached hereto.

LUE means a living unit equivalent which has an average daily flow of 200 gallons per day for water, and 200 gallons per day for wastewater.

Major Improvements means the Authorized Improvements which will benefit the Owner Property and the In-City Property within the PID and are described in the Service and Assessment Plan.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

Off-site means those Authorized or Public Improvements that may be required to be constructed for the benefit of the Project and are constructed outside of the boundaries of the Owner or In-City Property.

On-site means those Authorized or Public Improvements constructed within the boundaries of the In-City or Owner Property.

Owner Property means the property located outside of the current city limits and described in **Exhibit A1** and depicted in **Exhibit A2**.

Outside Property means the portion of the Owner Property currently located outside of the City's ETJ and which is depicted in **Exhibit A3**.

Parcel means any parcel of land located within a PID or TIRZ identified by either a tax map identification number assigned by the Caldwell County 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 Caldwell County.

PID means a public improvement district to be consider for creation by the City for the benefit of the In-City Property and Owner Property pursuant to Chapter 372, Texas Local Government Code, to be known as the Seawillow Ranch 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 City, 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 City related to the duties and responsibilities for the administration of the PID.

PID Bonds means special assessment revenue bonds issued by the City through the PID.

PID Bond Proceeds means the funds generated from the sale of the PID Bonds.

PID Resolution means the resolution adopted by the Council creating a PID pursuant to Section 372.010 of the PID Act and approving the advisability of the Authorized Improvements.

Project Boundaries means the boundaries of the PID and TIRZ as described in **Exhibit A5** and depicted in **Exhibit A6** and including the Owner Property and the Inside City Property.

Project means construction of Authorized Improvements and public improvements, described in **Exhibit C** attached hereto, in accordance with an approved PID and any applicable TIRZ and the development of the Owner Property in accordance with the PID, TIRZ Finance Plan and this Agreement.

Project Fund(s) means the interest-bearing construction fund account(s) as set forth in the applicable Bond Indenture.

Public Improvements means public improvements as described in the City Regulations that Developer is required to construct for the Project, which are not eligible for reimbursement through the PID pursuant to the PID Act.

Real Property Records of Caldwell County means the official land recordings of the Caldwell County Clerk's Office.

Roadway Improvements means the right of way dedication, design and construction of street, road and alley improvements and facilities as described in **Exhibit M** to be constructed to and within the Project and is sufficient to provide adequate ingress/egress within the Owner Property as determined by a Traffic Impact Study ("TIA").

Service and Assessment Plan or SAP means a PID Service and Assessment Plan adopted by the City Council, as may be updated, supplemented, and amended annually, if needed, by the City 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 City, as required by this Agreement.

TIRZ means a Tax Increment Reinvestment Zone created by the City encompassing the Owner and In-City Property, subject to the consent and approval of the City Council, pursuant to the TIRZ Act.

TIRZ Act means Chapter 311, Texas Tax Code, as amended.

TIRZ Board means the board of directors of the TIRZ that will be established in accordance with the TIRZ Act.

TIRZ Fund(s) means the fund(s) set up by the City in order to receive the TIRZ funds in accordance with this Agreement and the TIRZ Documents.

TIRZ Documents means the TIRZ Project and Finance Plan, and the TIRZ Ordinance, as may be amended.

TIRZ Ordinance means a City ordinance creating the TIRZ pursuant to the TIRZ Act, and any subsequent ordinances effectuating amendments thereto.

TIRZ Project and Finance Plan means the project and finance plan for the TIRZ approved in accordance with the TIRZ Act.

TIRZ Projects means those projects, including the Authorized Improvements, as estimated in **Exhibit C**, to be undertaken by the PID as well as the TIRZ.

Wastewater Service Improvements means the sanitary sewer line, lift station and other facilities described in **Exhibit L**, attached hereto, and necessary to be constructed to and within the Project and is sufficient to provide 2700 LUEs of wastewater service to the Project.

Water Service Improvements means the water transmission and distribution lines and facilities as described in **Exhibit K** to be constructed to and within the Project and is sufficient to provide 2700 LUEs of potable water service to the Project.

Water Storage Tank means the one million (1,000,000) gallon water storage tank to be constructed by the City at the Developer's cost on the Water Storage Tank Site in accordance with the specifications agreed to in writing by Developer and the City.

Water Storage Tank Site means an approximately 1.0 acre parcel to be transferred by Developer to the City and upon which the Water Storage Tank will be constructed.

ARTICLE II **SEAWILLOW RANCH DEVELOPMENT**

2.1 **Scope of Agreement.** This Agreement contemplates a plan for construction of Authorized Improvements within the In-City Property sufficient to provide a maximum 414 LUEs of water and wastewater service and roadway improvements to provide adequate and sufficient ingress and egress to and from the In-City Property (Phase 1), a plan for development of the Owner Property (Phase 2 through Phase 8) in accordance with the City Regulations, except as same may be modified by this Agreement, over time, which when fully developed, will require a maximum of 2286 LUEs for water service and a maximum of 2286 LUEs for wastewater service, a water storage tank and roadway improvement to provide adequate and sufficient ingress and egress to and from the Owner Property together with future actions by the parties, that if approved, will establish provisions for the apportionment, levying, and collection of Assessments on the Owner Property and the In-City Property within the PID, the construction of the Authorized Improvements, and other public improvements, reimbursement, acquisition, ownership and maintenance of the Authorized Improvements and other Public Improvements, the issuance of PID Bonds for the financing of the Authorized Improvements benefitting the In-City Property and the Owner Property within the PID, the creation of the TIRZ for the In-City and Owner Property and the use of TIRZ funds. Notwithstanding anything to the contrary, the In-City Property is not subject to the Concept Plan or Exhibit E and shall not be subject to the land use requirements or permitting

procedures contractually provided by this Agreement. Development of the In-City Property shall be subject to full compliance with the City Code, unless variances are obtained as provided by the City Code. Likewise, zoning, platting and other permitting activities on the In-City Property shall be in accordance with the City Code. The In-City Property is referenced herein solely for the purpose of including it within the PID and the TIRZ and to acknowledge that certain Authorized Improvements within the In-City Property will be funded by the PID/TIRZ.

2.2 Development Overview – Seawillow Ranch Development. The Developer will undertake or cause the undertaking of the design, development, construction, maintenance, management, use and operation of the Owner Property, including the Authorized Improvements and any other Public Improvements. The land use development within the Owner Property is expected to consist of seven (7) phases of development, beginning with Phase 2 and ending with Phase 8 and shall have the following elements, in substantial conformance with the Concept Plan, attached hereto as **Exhibit B**, and in accordance with the performance standards set out in **Exhibit E**, attached hereto.

- (a) single family detached residential homes: maximum of 2132 LUEs located on 35', 40', 45' and 50' foot lots and approximately 131 acres;
- (b) single family attached residential: maximum of 67 LUEs located on 25 foot x 110 foot lots and approximately 8 acres;
- (c) Multifamily residential units: maximum 180 LUEs (360 units total) and approximately 15 acres;
- (d) School uses: maximum 107 LUEs and approximately 41 acres;
- (e) Commercial/Retail uses: maximum of 190 LUEs and approximately 39 acres;
- (f) Parks, open space and amenity areas of approximately 91 acres;

2.3 Dedication of Authorized Improvements. Upon completion, inspection and acceptance by the City, the City shall own all of the Authorized Improvements; subject to certain maintenance responsibilities of a POA/HOA, for a portion of the Authorized Improvements related to storm water detention ponds and related facilities.

ARTICLE III **PUBLIC IMPROVEMENT DISTRICT**

3.1 Creation and Levy of Assessments. A petition to create the Seawillow Ranch Public Improvement District has been submitted, or will be submitted, to the City supported by such additional documentation as the City may require. The City shall initiate and consider for approval all necessary documents and ordinances required under the PID Act, to create the PID, to levy the Assessments on property within the PID, and to prepare and consider for approval 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 for the PID acceptable to the Developer and the City and subject to City Council making findings that the Authorized Improvements confer a special benefit on the property within the PID, the City

Council shall consider an Assessment Ordinance. The Developer shall develop the Property consistent with the terms of this Agreement and any approved PID.

3.2 Acceptance of Assessments and Recordation of Covenants Running with the Land. Concurrently with the levy of the Assessment, the Landowners shall approve and accept in writing the levy of the Assessment(s) on all land owned by the Landowners and shall approve and accept in writing the Home Buyer Disclosure Program in substantially the same form as attached as **Exhibit F** hereto and shall cause to be recorded against the Property covenants running with the land that will bind the Developer any and all 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. Land owned by the City within the PID shall not be subject to PID assessments.

ARTICLE IV

AUTHORIZED IMPROVEMENTS AND PUBLIC IMPROVEMENTS

4.1 Authorized Improvements and Public Improvements. The Budgeted Costs, including Authorized Improvements and Public Improvements, are subject to change and shall be updated consistent with the Service and Assessment Plan, the PID Act, the TIRZ Project and Finance Plan, and the TIRZ Act, the Authorized Improvements and Public Improvements shall be identified and included on each approved site plan and/or final plat(s) for the Project as each final plat/site plan for each phase of the Owner Property is approved by the City. The Developer may be required to provide an updated **Exhibit B** with each final plat application, or site plan application as applicable to the Owner Property, consistent with the PID requirements and this Agreement. Upon approval by the City Council of an updated **Exhibit B**, this Agreement shall be deemed amended to include such approved updated **Exhibit B**. The Budgeted Costs and/or Authorized Improvement Costs and the timetable for installation of the Authorized Improvements and Public Improvements will be reviewed in accordance with the PID/TIRZ requirements and in accordance with the City Regulations.

4.2 Construction, Ownership, and Transfer of Authorized Improvements and Public Improvements.

(a) Construction Plans. The Developer shall prepare, or cause to be prepared, plans and specifications for each of the Authorized Improvements and public improvements and have them submitted to the City for approval in accordance with the City Regulations.

(b) Contract Award. The contracts for construction of Authorized Improvements and Public Improvements shall be let in the name of the Developer for all on-site Authorized Improvements/Public Improvements, unless the Parties mutually agree otherwise, and the offsite Authorized Improvements/Public Improvements will be let by the City, and funded by the Developer according to the Developer's pro rata responsibility in the improvement or as otherwise required by this Agreement. The Developer's engineers shall prepare, or cause the preparation of, and provide all contract specifications and necessary related documents for on-site Authorized Improvements and Public Improvements and any off site Authorized Improvements or Public

Improvements which the Parties agree that the Developer shall be responsible for constructing. For all Authorized Improvements and Public Improvements that the Developer is responsible for constructing, the Developer shall reasonably attempt to provide all construction documents and shall acknowledge that the City has no obligations and liabilities thereunder and the Developer shall reasonably attempt to include a provision in the construction documents that the contractor will indemnify the City and its officers and employees against any costs or liabilities thereunder. However, such indemnity by the Contractor shall not relieve Developer of its obligations to indemnify and hold the City harmless against costs and liabilities and to name the City as an additional insured in accordance with the City Regulations. The Developer shall administer the contracts the Developer is responsible for. The Budgeted Costs, which are estimated on Exhibit C, shall be paid from the proceeds of PID Bonds, in accordance with the Bond Indenture, reimbursed by the collected Assessments pursuant to the terms of a Reimbursement Agreement through the Certification for Payment form process where the Developer or the Developer's assignee will submit invoices for payment.

(c) Construction Standards and Inspection. The Authorized Improvements will be installed within the public right-of-way or in easements granted without cost to the City. The Authorized Improvements and Public Improvements shall be constructed and inspected in accordance with applicable state law, City Regulations and all others applicable development requirements, including those imposed by the City and any other governing body or entity with jurisdiction over the Authorized Improvements and Public Improvements.

(d) Competitive Bidding. This Agreement and construction of the Authorized Improvements and the Public Improvements, including, without limitation, the TIRZ Projects, are anticipated to be exempt from competitive bidding pursuant to Sections 252.022(a)(9) and 252.022(a)(11) of the Texas Local Government Code based upon current cost estimates. However, in the event that the actual costs for the Authorized Improvements and Public Improvements do not meet the parameters for exemption from the competitive bid requirement, then alternative delivery methods may be used by the City as allowed by law.

(e) Ownership. All of the Authorized Improvements and Public Improvements, with the exception of non-public parks or open space and HOA/POA common property and facilities, shall be owned by the City upon acceptance of them by the City using procedures established by the City Regulations and this Agreement. Provided however, that certain facilities such as storm water management ponds and facilities may be owned by the City, if constructed with PID funds, but in such case will be maintained by the HOA/POA. Such facilities shall not be owned by the City if PID funds are not used. Developer shall cause the POA (as defined in Section 6.1(a)) and/or HOA (as defined in Section 6.1(b)) to have an on-going maintenance and operation responsibility toward such Authorized Improvements, such as trails, water quality and storm water detention ponds and related facilities and as shown on the Concept Plan, attached hereto as Exhibit B, through recorded covenants, conditions, restrictions and/or maintenance agreements as required by the City Regulations or this Agreement. The Developer agrees to take any action reasonably required by the City where applicable to transfer or otherwise dedicate or ensure the dedication of easements for the Authorized Improvements, as applicable, to the City and the public.

(f) Authorized Improvements and Public Improvements to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with

respect to the Authorized Improvements and Public Improvements, including any related rights-of-way, easements, and open spaces if any, to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for review and approval at least 30 calendar days prior to the transfer of title of an Authorized Improvement or Public Improvement to the City. The City Manager shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City Manager, could materially affect the City's use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City Manager does not approve the preliminary title report, the City shall not be obligated to accept title to the Authorized Improvement or Public Improvement until the Developer has cured such objections to title to the satisfaction of the City Manager. Any on-site Authorized Improvements or Public Improvements not accepted by the City shall be owned and maintained by the HOA/POA.

(g) Authorized Improvements and Public Improvements. If the Authorized Improvement or Public Improvement is on land owned by the City, the City hereby grants to the Developer a temporary easement to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Authorized Improvement or Public Improvement. If the Authorized Improvement or Public Improvement is on land owned by the Developer, the Developer shall dedicate easements by plat or shall execute and deliver to the City such access and maintenance easements as the City may reasonably require in recordable form, and the Developer hereby grants to the City a permanent access and maintenance easement to enter upon such land for purposes related to inspection and maintenance of the Authorized Improvement or other Public Improvement. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Authorized Improvement or Public Improvement as required by the City Regulations or this Agreement or in the City's reasonable judgment to be granted to provide for convenient access to and routine and emergency maintenance of such Authorized Improvement or Public Improvement. The provisions for inspection and acceptance of such Authorized Improvements, or other Public Improvement, shall be in accordance with the City Regulations except as modified by this Agreement.

4.3 Operation and Maintenance of Authorized Improvements and Public Improvements.

(a) Upon inspection, approval, and acceptance of the Authorized or Public Improvements, or any portion thereof, the City shall maintain and operate the accepted Authorized or Public Improvements, except as limited by section 4.2(e) and 4.3(b).

(b) Upon inspection, approval, and acceptance of the roadway and associated storm water collection lines, Authorized Improvements or any portion thereof, the City shall maintain and operate the accepted roadway and associated storm water collection lines constructed within City right of way.

(c) The Developer shall construct or cause to be constructed and the POA or HOA, as applicable, shall maintain and operate the Development entries and signage, open spaces, common areas, right-of-way irrigation systems, right-of-way landscaping, screening walls, and any other public improvements or appurtenances not maintained and operated by the City.

ARTICLE V

RECREATIONAL FACILITIES

5.1 Trails/Parks. The Developer shall construct or cause to be constructed trails, recreational facilities, and pocket parks as depicted in the Concept Plan attached as **Exhibit B1** and described below:

- (a) approximately 133 acres of land dedicated for open space/parks/community facilities;
- (b) approximately \$1.5 million in parkland improvements to be constructed in phases with each phase being constructed as such phase is developed;
- (c) One 0.25-acre pocket park for every 200 single-family residential lots;
- (d) With approval of each final plat for each Phase of development within the Owner Property, Developer shall include design, engineering, and construction plans as required by the City Regulations for construction of the trails, parks and recreational facilities included in the phase. Designs shall be by a Texas registered/licensed Architect and as applicable a Professional Engineer (P.E.); and
- (e) The design, engineering, and construction of any trails or associated recreational facilities or parks shall comply with all applicable City Regulations and state requirements and be submitted for review and permitting to the City. Provided however, that the City agrees that the construction of the pocket parks, trails and recreational facilities as described in the Concept Plan **Exhibit B1**, when constructed in accordance this Agreement, shall fulfill any obligation Developer may have under current City Regulations to construct parks or other recreational facilities on the Owner Property.

ARTICLE VI

ADDITIONAL DEVELOPER AND CITY OBLIGATIONS

6.1 Mandatory Property Owners' Association and Homeowners' Association.

(a) The Developer will create a mandatory property owners' association ("POA") over nonresidential portions of the Owner Property, which POA, in accordance with the City Regulations and through its covenants, conditions and restrictions filed in the Real Property Records of Caldwell County, and in its by-laws, shall be required to assure compliance with this Agreement, shall be required to remain solvent, and assess and collect from owners annual fees in an amount calculated to maintain and operate the open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping and streetscaping, water quality ponds, detention ponds, detention areas, drainage areas, screening walls, retaining walls, parks, trails, landscaping, and any other public improvements or appurtenances not required to be dedicated to the City or be maintained and operated by the City within the Property. Common areas, including but not limited to all landscaped entrances to the Property and right-of-way landscaping and all other public improvements not maintained by the City shall be maintained

solely by the POA. The POA shall be required to pay ad valorem taxes on any property owned by the POA.

(b) The Developer will create a mandatory homeowners' association ("HOA") over residential portions of the Owner Property, which HOA, in accordance with City Regulations and through its covenants, conditions and restrictions filed in the Real Property Records of Caldwell County or its by-laws, shall be required to assure compliance with this Agreement with regard to the portions of the Property and Authorized Improvements within its jurisdiction, and be required to remain solvent and assess and collect from owners annual fees in an amount calculated to operate and maintain the open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping and streetscaping, water quality ponds, detention ponds, detention areas, drainage areas, screening walls, retaining walls, parks, trails, landscaping, and any other public improvements or appurtenances not required to be dedicated or maintained and operated by the City. Common areas, including but not limited to all landscaped entrances to the Project and right-of-way landscaping, and all other Public Improvements not maintained by the City shall be maintained solely by the HOA. The HOA shall be required to pay ad valorem taxes on any property owned by the HOA.

6.2 Requirements Related to Conveyance or Dedication of Land to City.

(a) The Developer shall convey by separate instrument or dedicate by plat to City all public trails and recreational facilities upon construction, inspection and acceptance of same.

(b) The Developer shall dedicate the Authorized Improvements or other applicable public improvements to the City in a phased manner by final plat and upon City acceptance as set forth in Section 4.2.

(c) All conveyances of easement rights shall be by easement agreement in the form provided or approved by the City, and shall be subject only to the exceptions to title approved by the City. Developer shall provide the City with a subordination agreement, in recordable form, executed by the Lender(s) of any liens existing at the time of conveyance, in which it subordinates its lien rights to the City's rights under the easements. Prior to conveyance, Developer shall provide to the City a currently-issued title commitment showing Developer to be the owner of the property that will be subject to the easement(s). Developer shall be responsible for performing or paying for surveying for the easements.

6.3 Requirements Related to Conveyance or Dedication of Land to School District. The Developer shall convey or dedicate at the request of the school district and without cost to the school District and, upon terms mutually agreeable to the Developer and the school district, approximately 41 acres of the Owner Property (or such acreage agreed to by the Developer and the school district at the time of dedication), in a mutually agreeable location for use by the school district for school purposes (the "School Site"). If the school district does not request the dedication or conveyance of the School Site within three years of the Effective Date of this Agreement, the Developer shall convey the land constituting the School Site to the City for use as a community facility mutually agreeable to the City and the Developer. Such dedication of land shall qualify as a community facility per City of Lockhart Code of Ordinances Chapter 52, Article VI.

ARTICLE VII
WATER AND WASTEWATER FACILITY IMPROVEMENTS AND SHARED COSTS
OBLIGATIONS

7.1 Developer's Community Contribution toward City's Cost to Provide 2700 LUEs of Water and Wastewater Service to the Project.

(a) Developer acknowledges and agrees to pay City the amounts as described below to offset a portion of the financial impact to the City caused by Developer's need for a significant percentage of the available capacity in the City's Wastewater and Water Plants and associated facilities. The Developer shall provide a contribution to the City (I) in the total amount of \$4,500,000 to be utilized for the design, permitting and construction of the Water Storage Tank payable at such times as described below in subsection (b) (the "Water Community Contribution") and (II) in the total amount of \$5,000,000 to be utilized for the design and construction of upgrades to the City's Wastewater Treatment Plant (the "Treatment Plant") payable at such times as described below in subsection (c) (the Sewer Community Contribution").

(b) The Water Community Contribution shall be paid to City as follows:

(i) pay the amount of \$450,000 to the City prior to Phase 2 approval of construction plans for the Project; and

(ii) pay the amount of \$ 4,050,000 upon completion of the permitting phase for the Water Storage Tank, prior to the City mobilizing on construction of the Water Storage Tank;

(c) The Sewer Community Contribution shall be paid to City as follows:

(i) pay the amount of \$500,000 to the City when design starts for the Treatment Plant; and

(ii) pay the amount of \$4,500,000 upon completion of the permitting phase for the Treatment Plant.

The amounts paid by Developer for the Sewer Community Contribution shall be credited against sewer Impact Fees owed by the Developer or future builders under current and future impact fee ordinances. The City shall provide the Developer quarterly updates regarding the amount of sewer Impact Fee credits remaining. If Developer seeks to have sewer Impact Fee credits applied to Developer and not subsequent builders, or other third parties who would otherwise be entitled to such credit pursuant to state law, Developer must clearly delineate its authority to receive sewer Impact Fee credits in subsequent agreements with its builders or other third parties. If Developer intends to transfer sewer Impact Fee credits to a builder or third party the amount of the credit being transferred shall be clearly delineated in any agreement with its builders or other third parties. Developer shall provide City evidence of same prior to approval of each final plat. Once the credit toward impact fees is exhausted, Impact Fees shall be paid as provided in Section 14.5.

7.2 LUEs for Water and Sanitary Sewer Service for the Project.

(a) Water Service. Notwithstanding anything to the contrary in this Agreement, the City agrees to provide a maximum of 2700 LUEs to the Project in increments as described below which the Developer agrees is sufficient to provide adequate and continuous water service to the entire Project and each phase of the Project.

(b) Subject to the conditions described in this subsection, the City agrees to provide 2700 LUEs of water service at full build out of the Project and in each Phase to provide the number of LUEs described in the Development and Absorption Phasing Plan, as described in **Exhibit D**, attached hereto, for Phase 1 through Phase 8. The Parties acknowledge that the City's CCNs for water and wastewater services do not currently encompass the Project Boundaries and Aqua Texas currently holds the CCN for water service for the Project. The Parties intend for the City to be the retail water and wastewater service provider to the Project. The Developer and Owners hereby consent to inclusion of the Owner and In-City Property into the City's water and wastewater CCNs and support and agree that the Aqua Texas water CCN should be replaced with the City's water CCN. Developer agrees to support and cooperate with City's effort to contract with Aqua Texas and to seek regulatory approval of the City's CCN expansion to include the Project Boundaries. Developer agrees to pay Aqua Texas for any costs (estimated to be \$12,000.00 per acre) Aqua Texas may impose on the City for release of its CCN in favor of the City's CCN for water service. Extension of the City CCNs for water and sewer service is a condition precedent to the City's obligation to provide water and sewer services to the Project. If the City is unable to reach an agreement with Aqua Texas whereby Aqua Texas contractually agrees to release its CCN covering the Project Boundaries, prior to 5:00pm on December 31, 2024, this Agreement will terminate, unless prior to the expiration date the parties agree to extend the deadline. Likewise, in the event that the Aqua Texas agrees to accept payment over a period of years, Developer shall be responsible for making such payments and failure to make the payments shall be a material default of this Agreement.

(c) Sanitary Sewer Service. Notwithstanding anything to the contrary in this Agreement, the City agrees to provide a maximum of 2700 LUEs to the Project in increments as described below which the Developer agrees is sufficient to provide adequate and continuous sanitary sewer service to the entire Project. Subject to the conditions described below, the City agrees to provide 2700 LUEs of sanitary sewer service at full build out of the Property and in each Phase to provide the number of LUEs described in the Development and Absorption Phasing Plan, described in Exhibit D, attached hereto, for Phase I through Phase 8.

7.3 Water Storage Tank and Site. Developer shall provide City with a Water Storage Tank tract of land of sufficient size and composed of suitable acreage to accommodate location, construction and operation of the Water Storage Tank with a minimum capacity of one million (1,000,000) gallons. TCEQ requirements associated with set-back requirements and non-development restrictions shall be calculated, and if necessary, the Water Storage Tank Site shall be enlarged such that all set back or requirements can be accommodated within the Water Storage Tank Site without the need to impose easements or restrictions on adjoining property. The City shall be responsible for design and construction of the Water Storage Tank with specifications as agreed to by the Developer and the City. To the extent that the City elects to increase the capacity

of the Water Storage Tank beyond 1,000,000 gallons, the City shall pay the increased costs of the Water Storage Tank; provided that, in the event that the City elects to increase the size of the Water Storage Tank, the City may request an increase to the Water Community Contribution and any increase to the Water Community Contribution shall be set forth in an amendment to this Agreement and such increase in the Water Community Contribution shall be credited to water Impact Fees.

7.4 Groundwater Wells. The Parties acknowledge that the Project's need for water LUEs after development may require the City to acquire and construct new or expanded treated water facilities. As an alternative to developing surface water, the Parties agree that development of new groundwater sources is a less expensive alternative than surface water. The amount of property within the Project creates an opportunity to develop ground water wells within the Project to supplement the City water supply and will greatly enhance the City's ability to continue to provide low cost water service to the customers and future residents of the Project. In furtherance of this goal the Developer agrees to provide the City with access easements to mutually acceptable sites within the Development which can be explored for possible well production suitability and to authorize the City to construct test wells if hydrological studies determine that further study is warranted. If test wells demonstrate that there is sufficient flow to support a well, the Developer agrees to provide permanent easements to the City to construct a maximum of three (3) producing groundwater wells; provided that the location of any such wells and any required land dedications therefor shall be acceptable to the Developer and shall not be required in any manner that would alter the Concept Plan or reduce the number of square feet of commercial development or alter the lot mix without the express consent of the Developer. Developer acknowledges that the Plum Creek Groundwater Conservation District regulates ground water in the County and any well constructed would be permitted by the Groundwater District and operated in accordance with their regulations. The City shall be responsible for obtaining any necessary permits, obtaining the groundwater studies, and constructing any groundwater wells or facilities at its sole cost and expense. Because of the spacing requirements associated with development of groundwater wells, the Developer would not be able to develop their own groundwater wells on the Property so long as the City has operating wells located on the Property. Developer agrees to waive and convey any rights to produce groundwater on the Property solely in accordance with the limitations set forth in this section and in future mutual agreements relating to the same. The Parties agree to negotiate in good faith toward a future agreement which details the concepts set out in this Section.

7.5 Failure of Property to Develop as Projected.

Based upon the Developer's Absorption Schedule as described in **Exhibit D**, attached hereto, the City has agreed to guarantee 2700 LUEs of water service and 2700 LUEs of sanitary sewer service for use by Developer beginning with Phase 1 and thereafter through full build out at Phase 8 (or such phase that constitutes the last phase of development). Notwithstanding anything to the contrary in this Agreement, the deadline for the timing of the City's construction and service obligations for Phase I and all future Phases for water and wastewater service shall be extended in the event that (a) the City has been delayed in the performance of one or more obligations under this Agreement by the Developer or its successors, assigns, contractors, agents or representatives, or (b) in the event of a delay or default by Developer of any payment or conveyance required by this Agreement if such payment or conveyance is related to the City's service or construction obligations; or (c) in the event of a delay or default by Developer regarding construction of any Authorized Improvement required by this Agreement to the extent that this Agreement contains a

deadline for the construction of such Authorized Improvement by the Developer or (d) in the event that Developer or other applicable Developer fails to convey such easements, or rights of way as are required by this Agreement.

7.6 City Contributions for Over-sizing. Developer shall not be required to construct or fund any Public Improvements so that it is oversized to provide a benefit to land outside the Project (“Oversized Public Improvements”) unless, by the commencement of construction, the City has made arrangements to fund the City’s portion of the costs of construction attributable to the oversizing requested by the City from sources other than PID Assessments, PID Bonds, and the TIRZ Fund. In the event Developer constructs or causes the construction of any Oversized Public Improvements on behalf of the City, the City shall be solely responsible for all costs attributable to oversized portions of the Oversized Public Improvements and the PID and the TIRZ shall not be utilized for financing the portion of costs associated with the oversizing of the Authorized Improvement or the Public Improvements. .

7.7 Off-Site Authorized Improvements. Portions of the Authorized Improvements associated with water service, sewer service and roadway improvements as depicted and described in **Exhibit K**, Water System Improvements, **Exhibit L**, Wastewater System Improvements, and **Exhibit M**, Roadway Improvements, attached hereto, shall be constructed to connect the Project to existing City water and sewer infrastructure and existing public streets and roads

ARTICLE VIII **PID BONDS**

8.1 PID Bonds.

(a) The City shall consider issuing PID Bonds, in one or more series, solely for the purposes of financing the costs of the Authorized Improvements and related costs 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 Developer has determined and hereby agrees that the maximum aggregate principal amount of PID Bonds will be one hundred fifty million (\$150,000,000). The City staff will, from time to time, submit to the City Council agenda items to approve the issuance of PID Bonds by the City (in one issue or in a series of issues over the years as set out in any PID approved by the City) in an amount up to, but not to exceed, the maximum aggregate principal PID Bond amount of one hundred fifty million (\$150,000,000). Notwithstanding the foregoing, the City’s obligation to approve the issuance of PID Bonds is at the sole discretion of the City and is subject to the City’s review and confirmation that the Assessments are reasonable relative to the market as determined by the City Council.

(b) As provided in the City’s PID Policy, the issuance of PID Bonds is subject to the following conditions:

(i) a minimum value to lien ratio of at least 3:1 based on the anticipated final lots values as provided in a third-party appraisal for PID Bonds issued for the construction of Major Improvements and phased PID Bonds for phases beginning after Phase I;

(ii) a minimum value to lien ratio of at least 2:1 based on the anticipated final lots values as provided in a third-party appraisal for PID Bonds issued for the construction of Authorized Improvements benefitting only Phase I of the Development, which may include a pro-rata portion of the Major Improvements benefitting such phase; and

(iii) a maximum tax rate equivalent of the Assessments for parcels within the PID, after the TIRZ credit is applied, shall be no greater than 1.25 per \$100 assessed value (which maximum total tax rate equivalent shall be measured based on the estimated build out value of the applicable parcel) (the “Maximum Effective PID Tax Rate”).

8.2 Non-Bank Qualified Debt.

(a) In any calendar year in which PID Bonds are issued, the Developer agrees to pay the City additional costs occurring solely from the difference in interest cost (“Additional Costs”) the City may incur in the issuance of City obligations (the “City Obligations”) as described in this Section if the City Obligations are deemed not to qualify for the designation of “qualified tax-exempt obligations” (“QTEO”) as defined in section 265(b)(3) of the Internal Revenue Code of 1986, as amended, as a result of the issuance of PID Bonds by the City in any given year. The City agrees to deposit all funds for the payment of such Additional Costs received under this Section into a segregated account of the City, and such funds shall remain separate and apart from all other funds and accounts of the City until December 31 of the calendar year in which the PID Bonds are issued, at which time the City is authorized to utilize such funds for any purpose permitted by law. Additionally, the City will provide the Developer on an annual basis no later than December 15th each year the projected amount of City Obligations to be issued in the upcoming year based on its annual budget process.

(b) In the event the City issues PID Bonds prior to the issuance of City Obligations, the City, with assistance from its Financial Advisor, shall calculate the estimated Additional Costs based on the market conditions as they exist approximately forty-five (45) days prior using independent third party public pricing information to the date of the pricing of the PID Bonds (the “Estimated Additional Costs”), the City shall provide a written invoice to the Developer, and the Developer shall have 10 days to review and provide input on the calculation to the City. The Developer shall pay such Estimated Additional Costs to the City on or before the earlier of (i) ten (10) business days after the date of the City’s invoice or (ii) fifteen (15) business days prior to pricing the PID Bonds. The City shall not be required to price or sell any issue of PID Bonds until the Developer has paid to the City the Estimated Additional Costs related to the PID Bonds then being issued. The Estimated Additional Costs are an estimate of the increased cost to the City to issue its City Obligations as non-QTEO. Upon the City’s approval of the City Obligations, the City’s Financial Advisor shall calculate the actual Additional Costs to the City of issuing its City Obligations as non-QTEO (the “Actual Increased Costs”). The City will, within five (5) business days of the issuance of the City Obligations, notify the Developer of the Actual Increased Costs. In the event the Actual Increased Costs are less than the Estimated Additional Costs, the City will refund to the Developer the difference between the Actual Increased Costs and the Estimated Additional Costs within ten (10) business days of the date of the City’s notice to the Developer of the Actual Increased Costs. If the Actual Increased Costs are more than the Estimated Additional Costs, the Developer will pay to the City the difference between the Actual Increased Costs and the Estimated Additional Costs within ten (10) business days of the date of the City’s notice to the

Developer of the Actual Increased Costs. If the Developer does not pay the City the difference between the Actual Increased Costs and the Estimated Additional Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased Costs, the Developer shall not be paid any reimbursement amounts under any Reimbursement Agreement(s) related to the PID or the Development until such payment is made in full.

(c) In the event the City issues City Obligations prior to the issuance of PID Bonds, the City's Financial Advisor shall calculate the estimated Additional Costs based on the market conditions as they exist approximately forty-five (45) days prior to the date of the pricing using independent third party public pricing information of the City Obligations (the "Estimated Additional City Obligation Costs"), the City shall provide a written invoice to the Developer, and the Developer shall have 10 days to review and provide input on the calculation to the City. The Developer shall pay such Estimated Additional City Obligation Costs to the City at least fifteen (15) days prior to pricing the City Obligations. If the Developer has not paid the Estimated Additional City Obligation Costs to the City by the required time, the City, at its option, may elect to designate such City Obligations as QTEO, and the City shall not be required to issue any PID Bonds in such calendar year. The Estimated Additional City Obligation Costs are an estimate of the increased cost to the City to issue its City Obligations as non-QTEO. Upon the City's approval of the City Obligations, the City's Financial Advisor shall calculate the actual Additional Costs to the City of issuing its City Obligations as non-QTEO (the "Actual Increased City Obligation Costs"). The City will, within five (5) business days of the issuance of the City Obligations, notify the Developer of the Actual Increased City Obligation Costs. In the event the Actual Increased City Obligation Costs are less than the Estimated Additional City Obligation Costs, the City will refund to the Developer the difference between the Actual Increased City Obligation Costs and the Estimated Additional City Obligation Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased City Obligation Costs. If the Actual Increased City Obligation Costs are more than the Estimated Additional City Obligation Costs, the Developer will pay to the City the difference between the Actual Increased City Obligation Costs and the Estimated Additional City Obligation Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased City Obligation Costs. If the Developer does not pay the City the difference between the Actual Increased City Obligation Costs and the Estimated Additional City Obligation Costs within ten (10) business days of the date of the City's notice to the Developer of the Actual Increased City Obligation Costs, the Developer shall not be paid any reimbursement amounts under any Reimbursement Agreement(s) related to the PID or the Development until such payment is made in full.

(d) To the extent any developer(s) or the Developer(s) (including the Developer, as applicable) has (have) paid Additional Costs for any particular calendar year, any such Additional Costs paid subsequently by a developer or Developer(s) (including the Developer, as applicable) to the City applicable to the same calendar year shall be reimbursed by the City to the developer(s) or Developer(s) (including the Developer, as applicable) as necessary so as to put all developers and the Developer so paying for the same calendar year in the proportion set forth in subsection (e), below, said reimbursement to be made by the City within ten (10) business days after its receipt of such subsequent payments of such Additional Costs.

(e) The City shall charge Additional Costs attributable to any other developer or the Developer on whose behalf the City has issued debt in the same manner as described in this Section

4.05, and the Developer shall only be liable for its portion of the Additional Costs under this provision, and if any Additional Costs in excess of the Developer's portion had already been paid to the City under this provision, then such excess of Additional Costs shall be reimbursed to the Developer. The portion owed by the Developer shall be determined by dividing the total bond proceeds from any debt issued on behalf of the Developer in such calendar year by the total bond proceeds from any debt issued by the City on behalf of another Developer.

ARTICLE IX

PAYMENT OF AUTHORIZED IMPROVEMENTS

9.1 Improvement Account of the Project Fund. On the date of issuance of any PID Bonds, the City shall establish the Improvement Account of the Project Fund in accordance with the applicable Bond Indenture. Any Improvement Account of the Project Fund shall be maintained as provided in the Bond Indenture and shall not be commingled with any other funds of the City. Any Improvement Account of the Project Fund shall be administered and controlled (including signatory authority) by the City, 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 Bond Indenture. In the event of any conflict between the terms of this Agreement and the terms of the Bond Indenture relative to deposit and/or disbursement, the terms of the Bond Indenture shall control.

9.2 Cost Overrun. In advance of the Developer letting a contract for the Authorized Improvements, the City shall confirm that the cost for construction of such Authorized Improvements is generally consistent with the Budgeted Costs provided on **Exhibit C**, as amended from time to time pursuant to this Agreement. If the total cost of an Authorized Improvements (or segment or section thereof) exceeds the Budgeted Cost for such Authorized Improvement (or segment or section thereof) (a "Cost Overrun"), the Developer shall be solely responsible for the remainder of the Authorized Improvements Costs (or segment or section thereof), except as provided for in Section 8.3 below.

9.3 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 City Manager and provided that all Authorized Improvements as set forth in the Service and Assessment Plan are undertaken at least in part. The elimination of a category of Authorized Improvements in the Service and Assessment Plan will require an amendment to the SAP. 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.

9.4 Remainder of Funds in the Improvement Account of the Project Fund. If funds remain in the Improvement Account of the Project Fund created under the Bond Indenture after the completion of all Authorized Improvements and the payment of all Authorized Improvement

Costs as provided for in the Bond Indenture, then such funds thereafter shall be the exclusive property of the City and shall be used by the City as provided for in the Service and Assessment Plan, the Bond Indenture, or any other applicable use to the Property as provided by law.

9.5 Payment Process for Authorized Improvements.

(a) The City shall authorize reimbursement of the Authorized Improvement Costs from PID Bond proceeds. The Developer shall submit a Certification for Payment Form to the City (no more frequently than monthly) for Authorized Improvement Costs including a completed segment, section or portion of an Authorized Improvement, as approved by the City. The Certification for Payment Form is set forth in Exhibit H, as may be modified by the Indenture or a Reimbursement Agreement, if applicable. The City shall review the sufficiency of each Certification for Payment Form (each, a “Payment Certificate”) with respect to compliance with this Agreement, compliance with City Regulations, and compliance with the SAP. The City 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 or its designee 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 City 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 City requires additional documentation, timely disapproves or questions the correctness or authenticity of the Payment Certificate, the City 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 City have jointly settled such dispute or additional information has been provided to the City’s reasonable satisfaction.

(c) Except as modified with respect to Cost Underruns and Cost Overruns as provided in Section 9.2 and 9.3, the City shall reimburse the lesser of: (i) the Budgeted Costs as set forth in Exhibit C and the SAP and (ii) the Authorized Improvement Costs, from funds available pursuant to the Indenture.

(d) Reimbursement to the Developer and the City for Administrative Expenses relating to the creation of each PID, the levy of Assessments and issuance of PID Bonds may be distributed at closing of the PID Bonds pursuant to a Closing Disbursement Request, in the form attached as Exhibit I.

ARTICLE X TIRZ

10.1 Tax Increment Reinvestment Zone. Prior to the issuance of the first series of PID Bonds, the City, subject to the consent and approval of the City Council, will consider creation of a TIRZ coterminous with the boundary lines of the PID as described in this Section. Developer has requested that the TIRZ provide tax increment revenue generated from the TIRZ as follows:

(i) fifty-five percent (55%) of the ad valorem tax increment generated by the TIRZ for a period of up forty (40) years, or until the last series of PID Bonds for which an Assessment has been levied has matured or is no longer outstanding, whichever comes first, which will be collected by the City in accordance with the TIRZ Project and Finance Plan.

10.2 TIRZ Fund. In accordance with the TIRZ Project and Finance Plan, the tax increment obtained from the TIRZ shall be placed into a separate TIRZ Fund. The monies in the TIRZ Fund shall be distributed in accordance with the TIRZ Project and Finance Plan in the following order of priority: (i) first, to pay the administrative expenses for the TIRZ and (ii) second, to offset or pay the PID Assessments levied on the Property securing PID Bonds for each phase of the Development for the costs of Authorized Improvements as provided in the Service and Assessment Plan in the amount necessary to achieve the Maximum Effective PID Tax Rate.

ARTICLE XI

[RESERVED]

ARTICLE XII **ANNEXATION**

12.1 Consolidation of ETJ with Outside Property. The Parties acknowledge and agree that in order for the entirety of the Property to be included within the City's ETJ for purposes of creation of the PID, the Outside Property must be brought into and located within the City's ETJ prior to creation of the PID. Therefore, Developer agrees to provide City with a petition to extend the existing ETJ to include the Outside Property. If not previously submitted, Developer shall cause such petition to be submitted by applicable owner to the City on or before the expiration of 10 days from the Effective Date of this Agreement. Developer shall be responsible for the cost of surveying the Outside Property and including the surveyed property description and map thereof with the ETJ Petition. The Petition shall be considered by the City within 30 days from the date of the receipt of the Petition.

12.2 Annexation. This Agreement constitutes the consent of Developer (or Owner, if Developer has not yet purchased the Property) to the City's full purpose annexation of the Owner Property, subject to the conditions set forth in this Agreement. Developer agrees to submit or cause the Owners to submit one or more petitions for voluntary annexation of the Property into the City in compliance with Chapter 43 of the Texas Local Government Code, as amended, which first annexation petition shall be submitted to the City within thirty days from the Effective Date of this Agreement. In the event, that the entirety of the Property cannot be annexed in one annexation procedure, the Developer agrees to submit a second annexation petition within 10 days from the date the City approves the first annexation ordinance, to include any remaining portion of the Owner Property not previously annexed. The City agrees to execute and supply any and all instruments and/or other documentation necessary for the City to annex the Owner Property into the City's corporate limits and the Parties agree that the first annexation of the Owner Property shall occur simultaneously with or after the City's approval of the preliminary SAP. The second annexation will be considered by the City for approval as soon as all statutory annexation procedures can be accommodated. Pursuant to Texas Local Government Code, Chapter 43,

Subchapter C-3, or other such provisions governing land as they may then exist, the City shall initiate annexation proceedings following the receipt of the petitions for voluntary annexation of the Property pursuant to this Section. No subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's authority to annex the Owner Property herein described. Each annexation petition shall include (i) the request for annexation, (ii) a metes and bounds description and a map of the portion of the Property being annexed (including any adjoining right of way to the Property not already in the city limits), and (iii) an executed Annexation Services Agreement in the same or substantially same format and content as **Exhibit N**, attached hereto.

ARTICLE XIII **DEVELOPMENT**

13.1 Full Compliance with City Regulations. The City and Developer acknowledge and agree that except as expressly waived, modified or abated by this Agreement all of the City's laws, ordinances (including, without limitation, subdivision ordinances), codes, regulations, requirements, technical construction standards/manuals, and development review procedures and processes (collectively, the "City Regulations") in effect on the Effective Date of this Agreement, or amended from time to time as authorized in Section 13.2 and applicable to the Property, shall apply to any and all development activity undertaken on the Owner Property (or any portion of the Owner Property) in connection with the Development.

13.2 Notwithstanding the foregoing terms of this Article XIII, the City Regulations with respect to the following shall apply to development activity on the Owner Property, or any portion of the Property, as they are enacted and/or amended by the City from time to time, so long as such amendments do not prevent development from occurring on the Owner Property in accordance with the Development Standards, zoning, and as depicted on the Concept Plan attached hereto as **Exhibit B**, and provided that in the event of any conflict between the following City Regulations and this Agreement, including the Development Standards, this Agreement and the Development Standards shall control:

- (a) uniform building, fire, electrical, plumbing, or mechanical codes adopted by a recognized national code organization, or local amendments to those codes enacted solely to address imminent threats of destruction of property or injury to persons, for the construction of a building or structure intended for human occupancy or habitation;
- (b) municipal zoning regulations that do not affect 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 a municipality;
- (c) regulations for sexually oriented businesses;
- (d) fees imposed in conjunction with development permits, so long as such fees are charged in a similar manner to all similar developments within the City;
- (e) regulations for utility connections;

(f) regulations to prevent imminent destruction of property or injury to persons from flooding that are effective only within a flood plain established by a federal flood control program and enacted to prevent the flooding of buildings intended for public occupancy;

(g) construction standards for public works located on public lands or easements; and

(h) regulations to prevent the imminent destruction of property or injury to persons so long as the regulations do not:

(i) affect open space or park dedication, lot size, lot dimensions, lot coverage, building size, residential or commercial density, or the timing of a Development; or

(ii) change development permitted by a restrictive covenant required by a municipality.

(i) sign regulations;

13.3 Development in Compliance with Concept Plan and Development Standards. Development and use of the Owner Property, including, without limitation, the construction, installation, maintenance, repair, and replacement of all buildings and all other improvements and facilities of any kind whatsoever on and within the Owner Property, shall be in compliance with the Concept Plan attached as **Exhibit B**, and the Development Standards attached as **Exhibit E**, respectively, and applicable City Regulations, except as modified by **Exhibit E**. The Development Standards (the “Development Standards”) shall be applicable within the Owner Property. To the extent that any of the Development Standards conflict with City of Lockhart Ordinances, these Development Standards shall control. All development activity undertaken on the Owner Property shall comply with this Agreement, the Concept Plan, all attachments hereto, and with all City zoning, subdivision and construction codes and requirements, except as modified herein..

13.4 Vested Rights. This Agreement shall constitute a “permit” under Chapter 245 of the Texas Local Government Code that is deemed filed with the City on the Effective Date. The Developer does not, by entering into this Agreement, waive any rights or obligations arising under Chapter 245 of the Texas Local Government Code during the term of this Agreement. Provided however, because certain variances and waivers to the City’s Code of Ordinances are implemented by this Agreement, which variances and waivers the City would not agree to without assurances that the Development would be constructed in accordance with this Agreement, Developer acknowledges and agrees that upon expiration or termination of this Agreement, all rights under Chapter 245 with regard to the Project shall terminate.

13.5 Property Acquisition. The Parties acknowledge that the Developer may be required to acquire certain off-site property rights and interests to allow certain Authorized Improvements to be constructed to serve the Property. Developer shall use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, if any, needed to construct the off-site improvements. If, however, Developer is unable to obtain such third-party rights-of-way, consents, or easements within 90 days of commencing efforts to obtain the needed rights-of-way, consents,

or easements, then, as a condition to requiring the Developer to construct off-site improvements, the City, in its sole discretion, may take reasonable steps to secure same through the use of the City's power of eminent domain. If the City takes such eminent domain action, the Developer shall fund all reasonable and necessary legal proceeding/litigation costs, compensation awards by courts or negotiated amounts for the condemned property interest, attorneys' fees, appraiser and expert witness fees, interest, court costs, mediation fees, deposition costs, copy charges, courier fees, postage and taxable court costs (collectively, "Eminent Domain Fees") paid or incurred by the City in the exercise of its eminent domain powers that for any reason are not funded by the proceeds of PID Bonds, if PID Bonds are issued, or Assessments and shall escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. If the escrow fund remains appropriately funded in accordance with this Agreement and in accordance with the City's discretionary governmental powers, the City will use all reasonable efforts to expedite such condemnation procedures so that the Authorized Improvements can be constructed as soon as reasonably practicable. If the Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, Developer shall deposit additional funds as requested by the City into the escrow account within 10 days after written Notice from the City. Any unused escrow funds will be refunded to Developer within 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 City, and the City reserves the right, at all times, to control its proceedings in eminent domain.

To the extent Eminent Domain Fees are paid by the Developer, the Developer may seek reimbursement of any or all eligible Eminent Domain Fees from PID Bonds, or if PID Bonds are not issued, Assessments.

13.6 Zoning of the Property.

(a) Currently, the In-City Property is zoned, and the Owner Property is not zoned. The Parties agree that the Concept Plan attached hereto as Exhibit B, the Development Standards attached hereto as Exhibit E, together with the City Regulations, and the applicable provisions of this Agreement memorialize the plan for development of the Owner Property. The City shall consider zoning the Owner Property as a new PDD - Planned Development District consistent with the Concept Plan attached hereto as Exhibit B, the Development Standards attached hereto as Exhibit E, and the applicable provisions of this Agreement. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Owner Property consistent with and as contemplated by this Section. The City will require the Developer to submit a formal zoning application in order to proceed with zoning the Owner Property as contemplated by this Section.

13.7 Conflicts. In the event of any conflict between this Agreement and any City Regulations, this Agreement, including any exhibit or attachment, shall control. Provided however, that in the event that the Bond Indenture contains requirements that differ from this Agreement (other than the terms specifically agreed to in this Agreement regarding the payment processes), then the Bond Indenture, shall control. In the event of a conflict between the Agreement and any exhibits to this Agreement the text of the Agreement controls over the Exhibits, except for Exhibit E. In the event of a conflict between the Concept Plan and the Development Standards attached as Exhibit E, the Development Standards shall control. Conflicts between this Agreement and the

City Regulations shall occur only in accordance with rights or obligation expressly set out in this Agreement.

13.8 Concept Plan. The City's approval of the Concept Plan herein constitutes the acknowledgement that the development of the Owner Property is consistent with the City's Comprehensive Plan, as amended. Such approval does not constitute the City's agreement that any specific portion of the Development depicted within **Exhibit B** conforms to the City Regulations, as same may be modified by this Agreement. No specific development contemplated by, or indicated on, the Concept Plan may be undertaken or commenced unless and until the City has approved subsequent development permits such as site plan approval and subdivision approval in accordance with the procedures set forth in the City Regulations. Any lots depicted on the Concept Plan are conceptual and shall remain conceptual until the lots are approved by plat. The City's Subdivision Ordinance, except as expressly modified in **Exhibit E**, attached hereto, shall control the configuration, location and concentration of lots within the Owner Property and approval of the configuration, location and concentration of the lots will occur within the City's ordinary process for subdivision and plat approval except as provided herein with respect to Minor Modifications and Major Modifications. The City shall approve plats, site plans, and other approvals in accordance with Texas Local Government Code Section 212.009, and the Developer shall not be required to withdraw or resubmit applications for such approvals to increase any timelines set forth for approvals as set forth in Texas Local Government Code Section 212.009. The City shall not unreasonably withhold approvals for clerical or other minor development items.

The Developer and the City shall work together to create a program to facilitate timely and complete application submittals by Developer and expedited review of same by the City.

Developer must submit any proposed change to the Concept Plan or **Exhibit E**, Development Standards, to the City for approval. If the change is a Minor Modification, as such term is defined in this Agreement, then approval or denial shall be given by the City Manager within ten (10) business days after the request of the Developer. If the change is not a Minor Modification, then approval of such change is considered a major modification ("Major Modification"). Approval of a Major Modification or a Minor Modification, if such Minor Modification is not approved by the City Manager within ten (10) business days after the Developer's request, must be sought in accordance with the procedures, processes and provisions of the City Regulations. Other than with respect to Minor Modifications or Major Modifications as described below, any land use related changes to the Concept Plan or **Exhibit E**, Development Standards, shall require an amendment to this Agreement if a PDD Ordinance is not in effect, and a zoning amendment if the PDD Ordinance is in effect, at the time of the requested change.

Any amendment approved by the City 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. Developer is responsible for providing City updated copies of any modified or amended Concept Plan. Any subsequent development application for approval of a site plan or final plat, that differs from the terms of this Agreement if approved by the City, shall automatically amend this Agreement. The City Manager may administratively approve any amendments to the Concept Plan that the City Manager deems in his or her reasonable discretion to be minor in nature. Minor modifications shall be limited to the following (collectively "Minor Modifications");

(a) adjustments of no more than 100 feet to the location or configuration of roadways, sidewalks, utilities, parking areas, buildings, landscape features, (including plants and trees) ponds and any other improvements depicted on any Concept Plan;

(b) adjustments of no more than ten percent (10%) in number of lots or building square footage of any individual building to be constructed within the Owner Property , as compared to such building's initial square footage shown on any Concept Plan or described herein; provided no such change may be administratively approved if the change would cause a Parcel within the Owner Property to exceed the limitations on impervious cover, density, height, floor area, or an increase in the number of LUEs above 2700 specified in this Agreement or the Development Standards;

(c) a reduction in size of parking lot areas or structured parking garages;

(d) adjustments of no more than twenty percent (20%) of the total square footage of all landscape areas, within a Parcel, provided no such change may be administratively approved if the change would cause a Parcel within the Development, to exceed the limitations on impervious cover or LUEs in this Agreement or the Development Standards;

(e) adjustments of no more than ten percent (10%) of the number of parking spaces or square footage of parking areas as shown on any Concept Plan provided no such change may be administratively approved if the change would cause a Parcel within the Development to exceed the limitations on impervious cover, the maximum or minimum number of parking spaces, or the limitation on LUEs, specified in this Agreement or the Development Standards; and

(f) any modification approved in a plat approved by the City including but not limited to (i) changes to the lot size or configuration; (ii) adjustments to the number of lots in the overall Development so long as the lot being changed is from a smaller lot to a larger lot; (iii) changes to a local street width, length or alignment; (iv) changes to utility or access easements; (v) changes to street layouts in any phase; or (vi) adjustments to the amount of parkland or open space not more than five percent (5%) of the gross site acreage.

ARTICLE XIV **DEVELOPMENT PROCESS AND CHARGES**

14.1 Development Fees. Except as otherwise provided herein, Development of any portion of the Owner Property shall be subject to payment to the City of the applicable fees, in existence at the time an application is submitted to the City for review according to the City Regulations in effect at the time of the application, including without limitation Impact Fees (provided that certain credits to Impact Fees may be provided as described in this Agreement), tap fees, permit fees, site development fees, building permit fees, review and inspection fees and any other like charges. The fee schedule applicable to the Owner Property shall be uniformly applicable to all development within the corporate limits of the City.

14.2 Building Codes, Fire Codes and Building Materials. As consideration for the City's levying of Assessments that Developer has requested, the Parties agree that the City-adopted building codes and local amendments as subsequently amended, from time to time, the City-adopted fire codes and local amendments as subsequently amended from time to time, and the

City's building material regulations, architectural standards and lighting standards as set out in **Exhibit E1**, and as otherwise required in the City Regulations shall apply to the Owner Property, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended.

14.3 Inspection Fees. Development of the Owner Property shall be subject to the payment to the City of inspection fees (the "Inspection Fees"), according to the fee schedule adopted by the City Council, and amended from time to time.

14.4 Park Development and Waiver of Park Fees. Developer agrees to construct such parks, open space, and other recreational facilities as shown on the Concept Plan attached hereto as **Exhibit B-1** and upon construction of same, the City waives, relinquishes, and releases any right it might have under a current or future City Regulation or state law to: (1) assess, levy, or collect fees for parks, recreation, and open space facilities and purposes in connection with the development of the Owner Property; and (2) require one or more dedications of land for such purposes in lieu of assessing, levying, and collecting such fees for park recreation, and open space facilities.

14.5 Impact Fees. Except as otherwise provided herein, all Impact Fees associated with the Owner Property due and owing from time to time pursuant to City Regulations, shall be assessed and paid in accordance with the requirements of Chapter 395 of the Local Government Code and the City Impact Fee Ordinance. The Developer shall be responsible for the construction of all Authorized Improvements, to the extent such Authorized Improvements are necessitated by and attributable to the development of the Owner Property. The Developer shall be entitled to a credit against Impact Fees as follows:

(a) Developer shall be entitled to a credit against all Impact Fees for on-site or off-site public improvements for eligible water, wastewater, roads and associated facilities that are not otherwise funded from PID bond proceeds or otherwise recoverable pursuant to TIRZ projects.

14.6 **INDEMNIFICATION AND HOLD HARMLESS.** THE DEVELOPER AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE AUTHORIZED IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUB-CONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE AUTHORIZED IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE AUTHORIZED IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD

PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE AUTHORIZED IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PUBLIC INFRA-STRUCTURE, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY. DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 14.6 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

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

14.7 DEVELOPER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/ DEVELOPER'S WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.

(A) THE DEVELOPER ACKNOWLEDGES AND AGREES THAT:

(I) THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY PURSUANT TO THIS AGREEMENT, REGARDING THE PROPERTY, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

- (a) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;**
- (b) VIOLATION OF THE TEXAS LOCAL GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED; AND/OR**
- (c) NUISANCE.**

(II) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE AMOUNT OF THE DEVELOPER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC INFRASTRUCTURE IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE DEVELOPER'S ANTICIPATED IMPROVEMENTS AND DEVELOPER'S DEVELOPMENT PLACES ON THE CITY'S INFRASTRUCTURE.

(III) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER HEREBY AGREES AND ACKNOWLEDGES, WITHOUT WAIVING CLAIMS RELATED SOLELY TO EXACTIONS NOT CONTEMPLATED BY THIS AGREEMENT, THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE DEVELOPER FOR SUCH LAND, AND THE DEVELOPER HEREBY WAIVES ANY CLAIM THEREFOR THAT IT MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTY ON THE CITY'S INFRASTRUCTURE. ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE DEVELOPMENTED IMPACT OF THE PUBLIC INFRASTRUCTURE.

(B) SECTION 14.6 AND 14.7 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

14.8 Inspections and Permitting. The City shall have a right to inspect, as authorized or required by City Regulations, the construction of all structures, Authorized Improvements, Public Improvements and any infrastructure improvements necessary to support the proposed development within the Property, including water, sewer, drainage, streets, park facilities, electrical, and street lights and signs. The City's inspections shall not release the Developer from its responsibility to construct, or ensure the construction of, adequate Authorized Improvements/Public Improvements and infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to development of the Property. The City shall be the beneficiary of the required two-year maintenance bond the Developer shall provide for all Authorized Improvements. Except as otherwise provided in this Agreement, if the City finds that such improvements have been completed in accordance with the final plats and specifications approved by the City (or any modifications thereof approved by the City), and in accordance with all other applicable laws and City Regulations, the City shall accept the same whereupon ownership of such improvements shall be transferred to the City and be operated and maintained by the City at its sole expense other than those improvements that the HOA and/or POA are obligated to maintain as set forth in Article VI of this Agreement and other than the water quality ponds or detention ponds located on the Property which may be owned by the City but shall be maintained by the HOA/POA.

14.9 Temporary Street Closures. To the extent reasonably requested by the Developer in connection with the construction of the Authorized Improvements, the City shall grant and issue to the Developer all necessary permits to authorize temporary closures of, and shall grant and issue to the Developer all necessary permits to make cuts or other perforations in, demolish and excavate all or portions of any street, alley or other public right-of-way that is under reasonable control of the City and that is contained in whole or in part within the Property or that abuts any portion of the Property; provided however, all such actions are subject to the City's obligations to preserve and protect public health, safety, and welfare.

14.10 Joint Cooperation. During the planning, design, development and construction of the private improvements and the Authorized Improvements on the Property, the Parties agree to cooperate and coordinate with each other, and to assign appropriate, qualified personnel to this Development. The City will make reasonable efforts to accommodate urgent or emergency requests during construction. In order to facilitate a timely review process, the Developer shall cause the architect, engineer and other design professionals to attend City meetings if requested by the City.

ARTICLE XV

TERM

The term of this Agreement shall be for a period of thirty (30) years from the Effective Date (the "Term"). If allowed by law, the Parties may extend the term of this Agreement beyond the Term, if they execute an amendment in writing. Notwithstanding anything to the contrary in this Agreement, this Agreement shall terminate and shall be of no further force or effect, if any of the following occurs or fails to occur by December 31, 2024, which date may be extended up to an additional sixty (60) days upon written agreement of the Parties: (i) the Developer has not purchased the Property (ii) the Developer has not petitioned the City for annexation of the Owner

Property; (iii) the Developer has not submitted a zoning application for a PD; and (iv) the Developer has not submitted an application for a PID and TIRZ..

If this Agreement is terminated in accordance with the preceding provisions and the Owner Property has been annexed into the City, the City shall—if the Developer or Owner petitions for disannexation—disannex the Owner Property from the City within thirty (30) days of the filing of the disannexation petition by Developer or the Owner and such property shall thereafter be immune to involuntary annexation by the City for a period of thirty (30) years and (b) if the Developer provides notice to the City of its intent to form a municipal utility district or similar utility or improvement district created by special act of the Texas Legislature or the TCEQ or, if necessary, any other agency with jurisdiction (a “MUD”) on all or a portion of the Owner Property disannexed pursuant to this paragraph then, upon such notice, the City shall be deemed to have consented to the formation of the MUD with no further action of the City or City Council required; provided that the City shall take any necessary steps or provide any documents necessary to evidence the City’s consent to the MUD to the TCEQ, the Texas Attorney General or other agency or body with regulatory powers over the MUD.

ARTICLE XVI

EVENTS OF DEFAULT; REMEDIES

16.1 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.

16.2 Remedies. Except as otherwise expressly set out in this Agreement related to the right of termination, as compensation for the other party’s default, an aggrieved Party is limited to seeking specific performance of the other party’s obligations under this Agreement. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT AND PREVENT THE DEVELOPER OR THE CITY FROM RECEIVING ANY REIMBURSEMENTS OR PAYMENTS DUE AND OWED TO THE DEVELOPER OR THE CITY UNDER THIS AGREEMENT, ANY REIMBURSEMENT AGREEMENT, OR TIRZ AGREEMENT.

ARTICLE XVII
ASSIGNMENT AND ENCUMBRANCE

17.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. The Developer and any Assignee have the right (from time to time) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Developer under this Agreement to any person or entity (an “Assignee”) (a) without City consent, but with Notice to the City, if (i) the Assignee is or will become an owner of any portion of the Property or (ii) the Assignee is a lienholder or an Affiliate or related entity of Developer; or (b) with the City Manager’s prior written consent (which consent shall not be unreasonably withheld if the Assignee demonstrates financial ability to perform to the City Manager’s reasonable satisfaction), if to any other person or entity. If the City Manager fails to provide the Developer or Assignee with a written objection to an assignment request within thirty (30) days of receiving a request pursuant to clause (b), then the assignment shall be automatically deemed approved by the City. Developer shall maintain written records of all assignments made by Developer to Assignees, including a copy of each executed assignment and, upon written request from any Party or Assignee, shall provide a copy of such records to the requesting person or entity, and this obligation shall survive the assigning Party’s sale, assignment, transfer, or other conveyance of any interest in this Agreement or the Property.

Any receivables due under this Agreement, any construction funding agreement, any Reimbursement Agreement (pursuant to Section 372.023(d-1) of the Texas Local Government Code), or any TIRZ agreement may be assigned by Developer without the consent of, but upon written Notice to the City in accordance with Section 19.2 of this Agreement and as allowed. Developer may also collaterally assign the PID and or TIRZ receivables as collateral for any development loan, and Developer may execute such documents and contracts as necessary to effectuate such loans or financings, without the consent of or notice , to the City.

17.2 Assignment by the City. The City shall not assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the City under this Agreement, without the prior written approval of Developer. Provided however, that this language does not apply to any real property interest which the City may have within the Development.

17.3 Encumbrance by Developer and Assignees. 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 or notice to the City, and (b) to any person or entity with the City Manager’s prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). If the City Manager fails to provide the Developer or Assignee with a reasonable written objection to a collateral assignment request within thirty (30) days of receiving such request, then the collateral assignment shall be automatically deemed approved by the City. 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 City 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, but no more than 180 days, to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City 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 Developer 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.

17.4 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement without Developer's prior written consent. Provided however, that this section shall not apply to any real property interests which the City may have in the Development.

17.5 Assignees as Parties. An Assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a "Party" for the purposes of this Agreement. Any person or entity upon becoming an owner of land or upon obtaining an ownership interest (but not including End Buyer) in any part of the Property shall have all of the obligations and rights of the Developer as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest. From and after such assignment, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that Developer shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations.

17.6 No Third-Party Beneficiaries. Subject to Section 17.1 of this Agreement, this Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

17.7 Notice of Assignment. Subject to Section 17.1 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 City;

(b) the notice must describe the extent to which any rights or benefits under this Agreement have been sold, assigned, transferred, or otherwise conveyed;

(c) the notice must state the name, mailing address, and telephone contact information of the person(s) acquiring any rights or benefits as a result of any such sale, assignment, transfer, or other conveyance; and

(d) the notice must be signed by a duly authorized person representing the Developer.

ARTICLE XVIII **RECORDATION AND ESTOPPEL CERTIFICATES**

18.1 **Binding Obligations.** This Agreement and all amendments hereto and assignments hereof shall be recorded in the deed records of Caldwell County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the 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 City Regulations, that apply to such lots.

18.2 **Estoppel Certificates.** From time to time upon written request of the Developer or any future Developer, and upon the payment of a \$100.00 fee to the City, the City Manager, or his/her designee will, in his official capacity and to his reasonable knowledge and belief, execute a written estoppel certificate identifying any obligations of an Developer under this Agreement that are in default.

ARTICLE XIX **ADDITIONAL PROVISIONS**

19.1 **Recitals.** The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

19.2 **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 (i) if delivered via a method other than e-mail, when personally delivered or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid or (ii) if delivered via e-mail, upon the earlier of receipt of a “delivery receipt” or on the next Business Day after being sent (as recorded on the device from which the sender sent the email) unless the sender

receives an automated message that the email has not been delivered. Any such notice shall be addressed as follows:

To the City: Attn: City Manager

Lockhart, Texas 78654
E-mail: slewis@lockhart-tx.org

With a copy to: Attn: Brad Bullock
Messer Fort, PLLC
4201 W. Parmer Lane, Suite C-150
Austin, Texas 78727
E-mail: _____

To the Developer: Attn: Tom Staub
212 E. 6th Street, Suite 203
Austin, Texas 78702
E-mail: tom@redoakvc.com

With a copy to: Attn: Drew Slone
Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
E-mail: dslone@lockelord.com

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.

19.3 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.

19.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

19.5 Entire Agreement.

(a) 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 City and Developer expressly amending the terms of this Agreement.

(b) Upon the Date that Developer becomes the Owner of the Property, Developer shall notify City in writing within five (5) business days of the Closing that it is the owner of the Property.

19.6 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

19.7 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 Caldwell County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Caldwell County District Court.

19.8 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.

19.9 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.

19.10 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Developer certifies and represents that the Developer has full authority to execute this Agreement for the purposes herein stated without the joinder or consent of any other person or entity. 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.

19.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

19.12 Exhibits. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A1 A2 Metes and Bounds Description and Map of the Owner Property:
Exhibit A3 Map of the Outside Property
Exhibit A4 and A5 Metes and Bounds Description and Map of the In-City Property;
Exhibit A6 and A7 Metes and Bounds Description and Map of the Project Boundaries.
Exhibit B Concept Plan
Exhibit B-1-Trails, Parks and Recreational Facilities
Exhibit C Authorized Improvements and Estimated Costs
Exhibit D Development and Absorption Phasing Plan
Exhibit E Development Standards
Exhibit F Home Buyer Disclosure Program
Exhibit G Landowner Agreement
Exhibit H Certification for Payment Form
Exhibit I Closing Disbursement Request
Exhibit J RESERVED
Exhibit K Water System Improvements
Exhibit L Wastewater System Improvements
Exhibit M Roadway Systems Improvements

19.13 Home Buyer Disclosures. The Developer shall comply with the Home Buyer Disclosure Program and shall record the Declaration of Covenants, Conditions and Restrictions set forth on Exhibit II of the Landowner Agreement attached hereto as **Exhibit I** in the real property records of Caldwell County, which notifies future developer of Property of the obligations set forth in the Home Buyer Disclosure Program.

19.14 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

19.15 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 fifteen (15) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time.

19.16 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Developer expressly amending the terms of this Agreement.

19.17 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

19.18 Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the Parties hereto or by any third party to create the relationship of principal and agent, or of partnership, joint venture or any association whatsoever between any one or more of the Parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the Parties hereto shall be deemed to create any relationship between the Parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

19.19 Captions. The descriptive captions of this Agreement are for convenience of reference only and shall in no way define, describe, limit, expand or affect the scope, terms, conditions, or intent of this Agreement.

19.20 Number and Gender. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.

19.21 Gift to Public Servant. The Developer shall not, and shall use commercially reasonable efforts to cause its contractors and agents to not, offer, or agree to confer any benefit upon a City employee or official that the City employee or official is prohibited by law from accepting. For purposes of this section, "benefit" means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with law. Notwithstanding any other legal remedies, the City may require the Developer to remove any employee or contractor of the Developer from performance responsibilities under this Agreement who has violated the restrictions of this section or any similar state or federal law.

19.22 Statutory Verifications. The Developer makes the following representations and pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

a. Not a Sanctioned Company. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

b. No Boycott of Israel. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

c. No Discrimination Against Firearm Entities. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

d. No Boycott of Energy Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

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

[Signatures to Follow]

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

ATTEST:

CITY OF LOCKHART, TEXAS

Name:

Title: City Secretary

By: _____

Name:

Title: Mayor

Date: _____

APPROVED AS TO FORM

, Attorney

STATE OF TEXAS

§

§

COUNTY OF CALDWELL

§

This instrument was acknowledged before me on the ____ day of _____, 2024 by
Lew White, Mayor of the City of Lockhart, Texas, a home-rule municipality, on behalf of said
home rule municipality.

Notary Public, State of Texas

Developer:

RODG MASTER LOCKHART PROP CO
LLC, a Texas limited liability company

By:

By:

By: _____
Name:
Its:

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2024
by _____, _____, _____, as _____, a Texas limited liability company on behalf of
said company.

Notary Public, State of Texas

Executed by the Owners of the Owner Property to be effective on the Effective Date for the limited purpose of acknowledging consent and request of the Owners to annexation of the Owner Property into the City limits of the City of Lockhart as provided in this Agreement, to evidence consent to inclusion of the Outside Property in the City’s Extraterritorial Jurisdiction (ETJ) and to agree and acknowledge consent and agreement of the Owners to City’s expansion of its water and sewer CCN to cover the Owner Property.

Acknowledged and Agreed:

DAVID ACEVEDO,
an individual

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

EDUARDO ACEVEDO,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

DAVID ACEVEDO,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

VIRGINIA VILLAREAL,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

MARGARITA BRITT,
an individual, a representative of the Leandro Acevedo Estate

By: _____

STATE OF TEXAS §
COUNTY OF _____ §

Before me, on this day personally appeared the foregoing individual, known to me to be the person whose name was subscribed in my presence to the foregoing instrument.

[SEAL]

Notary Public
Commission Expires: _____

EXHIBIT A
PROPERTY DESCRIPTIONS/MAPS

Exhibit A1 and A2: Metes and Bounds Description and Depiction of the Owner Property (includes ETJ and Outside Property)

Exhibit A3: map of the Outside Property

Exhibit A4 and Exhibit A5: property description and map of In-City Property

Exhibit A6 and A7 property description and map of Project/PID/TIRZ Boundaries.



EXHIBIT B
CONCEPT PLAN
and
Exhibit B1- Trails, Parks and Recreational Facilities



EXHIBIT C
Estimated costs of Authorized Improvements



EXHIBIT D
Development and Absorption Phasing Plan

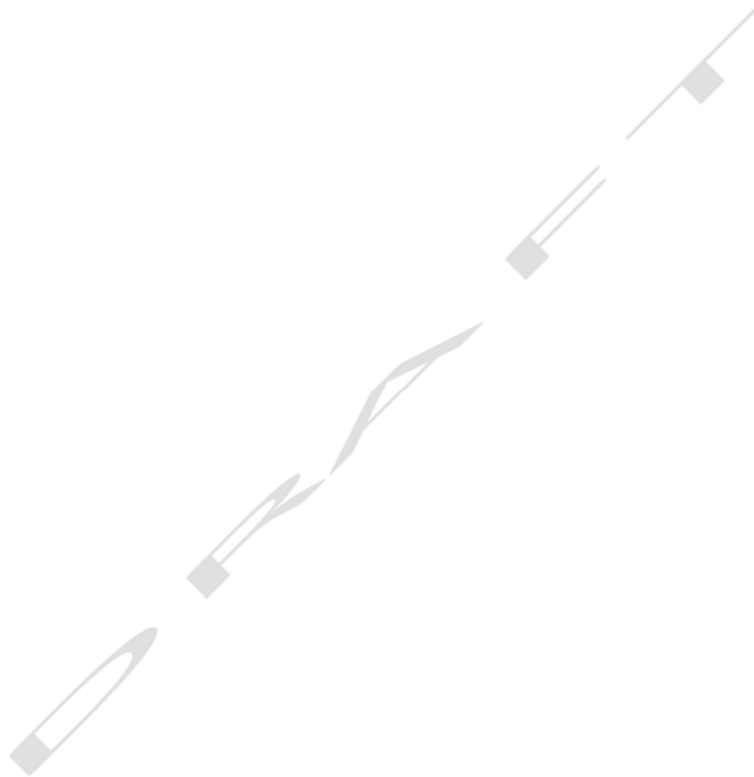


EXHIBIT E
Development Standards

SEA WILLOW DEVELOPMENT STANDARDS

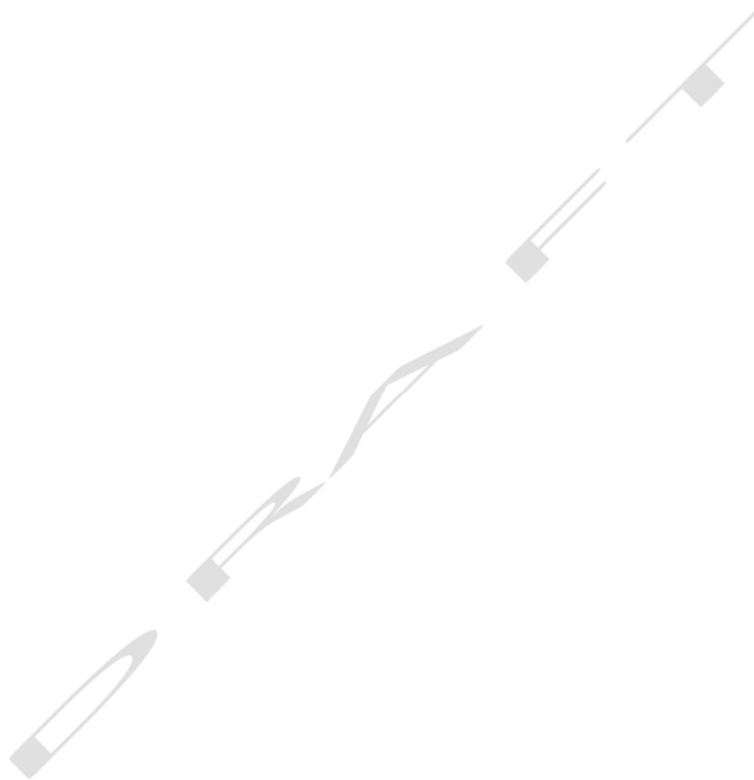


EXHIBIT F

Home Buyer Disclosure Program

The PID Administrator for the Seawillow Ranch Public Improvement District (the “PID”) shall facilitate notice to prospective homebuyers in accordance with the following minimum requirements:

1. Record notice of the PID in the appropriate land records for the Property.
2. Require homebuilders to attach the Recorded Notice of the Authorization and Establishment of the PID 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) in an addendum to each residential homebuyer's contract on brightly colored paper.
3. Collect a copy of the addendum signed by each buyer from homebuilders and provide to the City.
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 homebuilders an overview of the existence and effect of the PID for those homebuilders to include in each sales packet of information that it provides to prospective homebuyers.
6. Notify homebuilders who estimate monthly ownership costs of the requirement that they must include special assessments in estimated Property taxes.
7. Notify Settlement Companies through the homebuilders 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 City will include announcements of the PID on the City's web site.

The Developer and the PID Administrator shall regularly monitor the implementation of this disclosure program and shall take appropriate action to require these notices to be provided when one of them discovers that any requirement is not being complied with.

EXHIBIT G

LANDOWNER AGREEMENT

This **LANDOWNER AGREEMENT** (the “Agreement”), is entered into as of _____, among the City of Lockhart, Texas (the “City”), a home-rule municipality of the State of Texas (the “State”), and _____, a Texas _____ (the “Landowner”).

RECITALS:

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the Service and Assessment Plan (as defined herein); and

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

WHEREAS, the City Council has adopted an assessment ordinance (including all exhibits and attachments thereto, the “Assessment Ordinance”) for the Authorized Improvements and the Service and Assessment Plan (as updated and amended, 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 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; and

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

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

DEFINITIONS; APPROVAL OF AGREEMENTS

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

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

I.
AGREEMENTS OF LANDOWNER

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

(i) the creation and boundaries of the District, and the boundaries of the Landowner's Parcel which are coterminous with 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 City Council in the Service and Assessment Plan and the Assessment Ordinance; and

(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 City on the Assessed Parcels within the District (the "Assessments"), 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 at least equal to 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 Assessed Parcels, 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 Assessed Parcels 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 Assessed Parcels, 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 Assessed Parcels regardless of whether such owner is named;

(vi) the Assessment lien on the Assessed 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 City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

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

(viii) the owner of an Assessed Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner 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 City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under 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 City and as provided in the Service and Assessment Plan, as amended or updated.

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

(i) the Declaration of Covenants, Conditions and Restrictions in the form attached hereto as **Exhibit II** shall be terms, conditions and provisions running with the Assessed 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 City), in the records of the County Clerk of Caldwell County, as a lien and encumbrance against such Assessed Parcel, and Landowner hereby authorizes the City to so record such documents against the Assessed Parcel owned by Landowner;

(ii) 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 Declaration of Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Assessed Parcel subject to all of the terms, conditions and provisions of such Declaration of Covenants, Conditions and Restrictions; and

(iii) Landowner shall comply with, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Assessed 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 if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a “Builder”) but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner’s request and the City’s consent, in the City’s sole and absolute discretion, the Declaration of 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 the portion of the Authorized Improvements benefitting the Landowner Parcel and the land (or easements, as applicable) needed therefor shall be owned by the City as constructed and/or conveyed to the City 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 Assessed Parcel shall, upon the request of the City or Landowner, grant and convey to the City or Landowner and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Authorized Improvements on the Landowner Parcel within the District, to stage on the Landowner Parcel 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 Assessed Parcels may require that each contractor constructing the Authorized Improvements cause such owner of the Assessed Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Assessed 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 Caldwell County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement, or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner.

Landowner represents and warrants to the City as follows:

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

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

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

(iv) Landowner is, subject to all matters of record in the Caldwell 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 City, as generally described on the current plats of the property within

the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

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

B. Waiver of Claims Concerning 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 City 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 City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City: Attn: City Manager

Lockhart, Texas

With a copy to: Attn: Brad Bullock
Messer Fort PLLC
4201 W. Parmer Lane, Suite 150
Austin, Texas 78727

To the Developer: Attn: Tom Staub
212 E. 6th Street, Suite 203
Austin, Texas 78702

E-mail:tom@redoakvc.com

With a copy to: Attn: Drew Slone
Locke Lord LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
E-mail:dslone@lockelord.com

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

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

D. Parties in Interest.

This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner Parcel. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner Parcel, and the holders of or trustee for any bonds secured by Assessment Revenues or TIRZ Increment revenues of the City 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 Caldwell County, Texas.

E. Amendments.

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

F. Effective Date.

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

G. Estoppels.

Within 10 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 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 Parcel upon payment in full of the Assessment(s) against such Landowner Parcel.

[Signature pages to follow]

EXECUTED by the City and Landowner on the Effective Date.

Date: _____

CITY OF LOCKHART, TEXAS

By: _____
_____, Mayor

STATE OF TEXAS §
 §
COUNTY OF CALDWELL §

This instrument was acknowledged before me on the ____ day of _____, 2024 by _____,
Mayor of the City of Lockhart, Texas on behalf of said City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

[Signature Page Landowner Agreement]

LANDOWNER

a Texas _____,

By: _____
_____,
its manager

STATE OF TEXAS)
)
COUNTY OF _____)

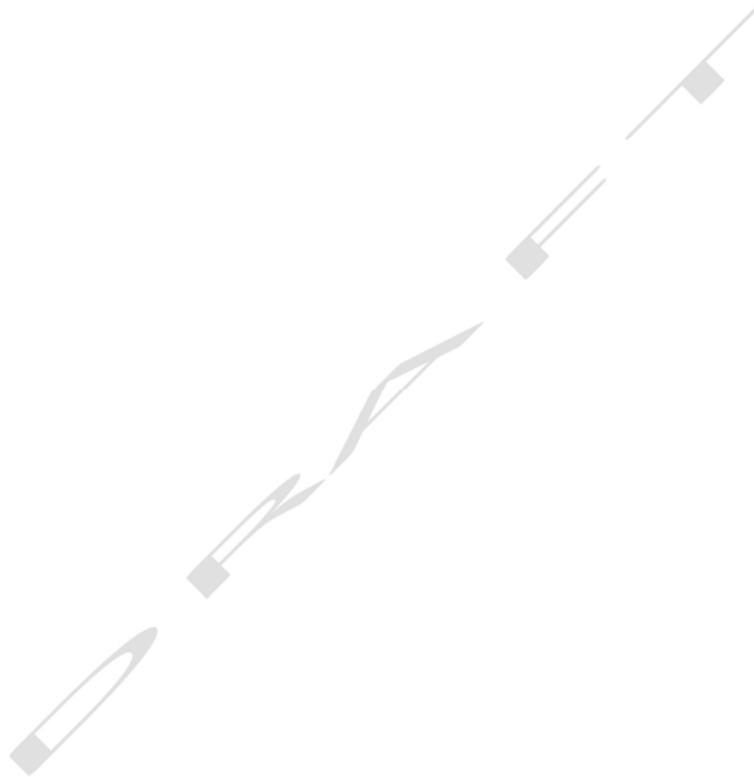
This instrument was acknowledged before me on the ____ day of _____, 2024, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

Notary Public, State of Texas

My Commission Expires:

[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 Caldwell County, Texas, which is described in the attached **Exhibit I** (the “Landowner’s Parcel”).
- B. The City Council of the City of Lockhart, Texas (the “City Council”) upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the Seawillow Ranch Public Improvement District (the “District”) by the then record owners taxable real property representing more than fifty percent (50%) of the appraised value of the real property liable for assessment (as determined by the most recent certified appraisal roll for Caldwell County) in the area requested to be included in the District and the record owners of taxable real property that constitute more than fifty percent (50 %) of all of the area of all taxable real property that are liable for assessment within the area requested to be included in the District, created such District, in accordance with the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “PID Act”).
- C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the “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 (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 this Declaration.

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 City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City. The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within 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 this Declaration, that the Assessments, including any Annual Installments of the Assessments (as such Annual Installments may be adjusted, decreased or extended), are covenants that run with the Landowner’s Parcel and specifically binds the Landowner, its successors and assigns.

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

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

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

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

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

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

TEXAS PROPERTY CODE SECTION 5.014

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

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

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs). More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Lockhart, _____ Lockhart, Texas 78____.

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.

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 _____, 2024, by _____ in his capacity as Manager 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 act of Manager 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 Seawillow Ranch Public Improvement District and the Declaration of 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 Paragraph 1 above, signed by such residential homebuyer, to the City.
3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.
4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.
5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

EXHIBIT H
Certification for Payment Form

The undersigned is an agent for _____ (the “Developer”) and requests payment from the Improvement Account of the Project Fund (as defined in the Bond Indenture) from the City of Lockhart, Texas (the “City”) in the amount of \$ _____ for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain Authorized Improvements related to the Seawillow Ranch Public Improvement District. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Bond Indenture.

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

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this 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 City 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 Bond 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 City may begin inspection of the Authorized Improvement(s).
7. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

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 City 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.

a Texas limited liability company

By:

By:

By:

Name: _____

Its: Manager

Date: _____

APPROVAL OF REQUEST BY CITY

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 Improvement Account of the Project Fund, in accordance with the Certification for Payment. The City'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.

CITY OF LOCKHART, TEXAS

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

EXHIBIT I
Closing Disbursement Request

The undersigned is an agent for _____, (the “Developer”) and requests payment from:

[the Cost of Issuance Account of the Project Fund] [the Improvement Account of the Project Fund] from _____, (the “Trustee”) in the amount of _____ DOLLARS (\$ _____) for costs incurred in the establishment, administration, and operation of the Seawillow Ranch Public Improvement District (the “District”), as follows:

Closing Costs Description	Cost	PID Allocated Cost
TOTAL		

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

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer and is knowledgeable as to the matters set forth herein.
2. The payment requested for the above referenced establishment, administration, and operation of the District at the time of the delivery of the PID Bonds has not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below itemized costs is a true and accurate representation of the Authorized Improvement Costs incurred by Developer with the establishment of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with and within the costs as set forth in 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 Indenture for the payment hereby requested have been satisfied.
6. The Developer agrees to cooperate with the City in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

- a. X amount to Person or Account Y for Z goods or services.
- b. Payment instructions

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

_____,
a Texas limited liability company

By: _____
Texas limited liability company
Its Manager

By: _____
Name: _____
Its: _____ Manager

Date: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request to the extent set forth below and authorizes and directs payment by Trustee in such amounts and from the accounts listed below, to the Developer or other person designated by the Developer herein.

CITY OF LOCKHART, TEXAS

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

EXHIBIT J
RESERVED

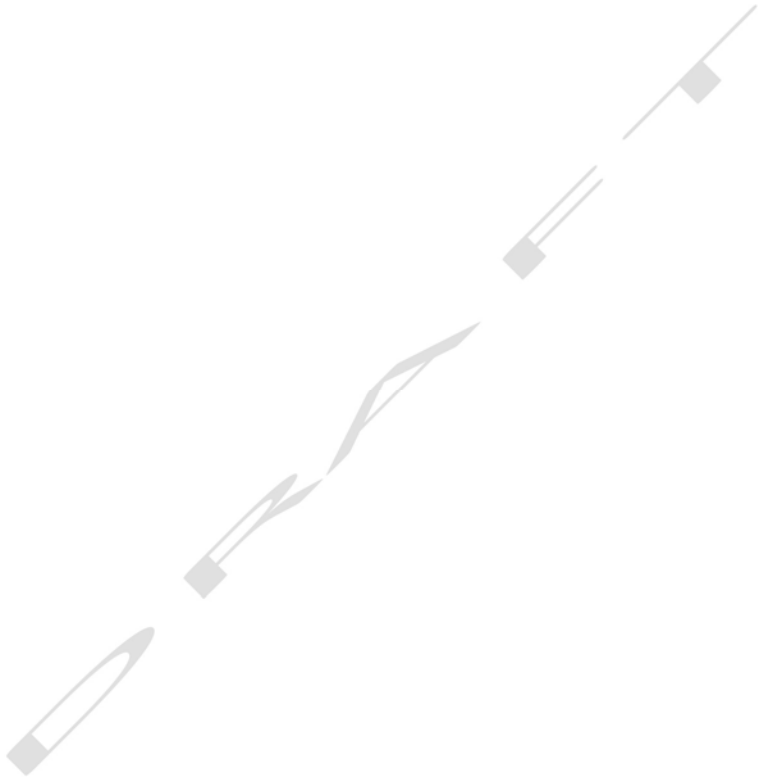


EXHIBIT K

Water Service Improvements

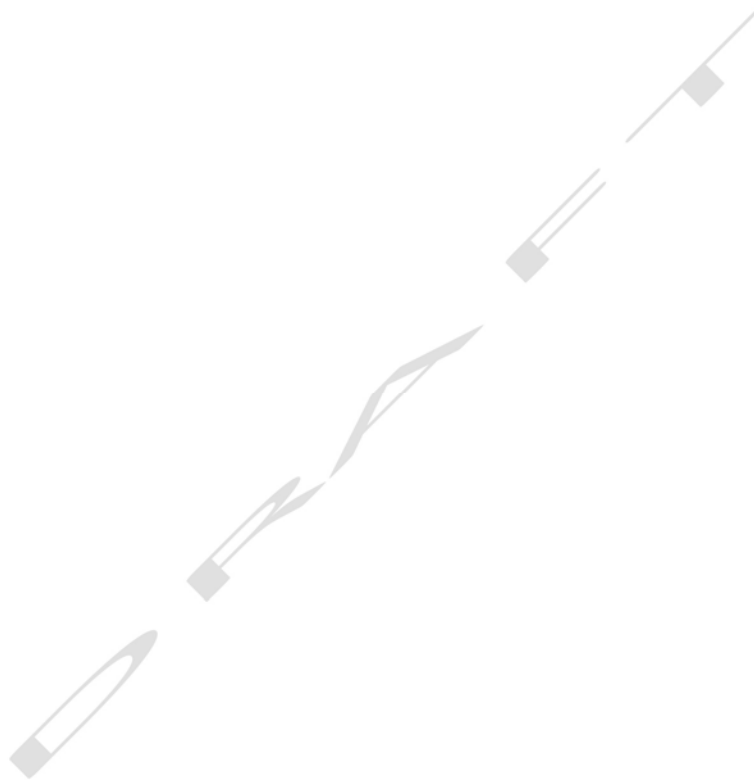


EXHIBIT L
Wastewater Service Improvements

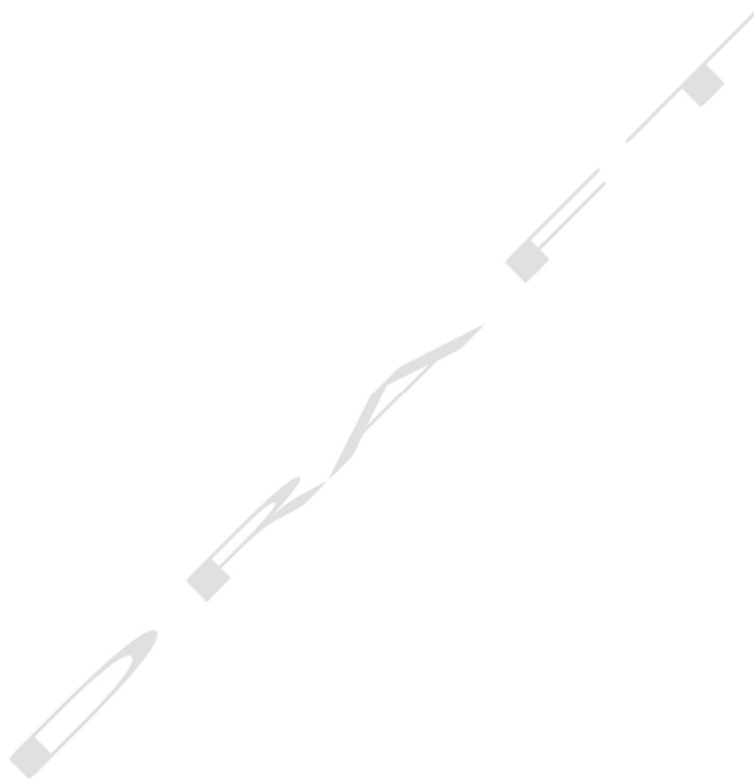
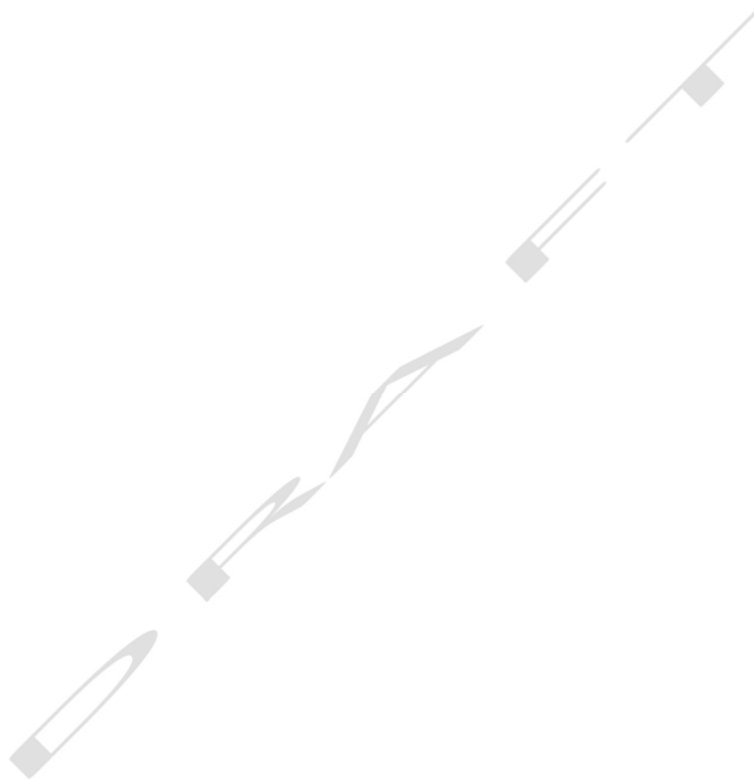


EXHIBIT M
Roadway Improvements





CALDWELL COUNTY, TEXAS

A 588.553 ACRE TRACT SITUATED IN THE JOHN A. NEILL SURVEY, ABSTRACT NO. 20
CALDWELL COUNTY, TEXAS

LEGAL DESCRIPTION - TRACT 1

BEING a 498.778 acre tract of land situated in the JOHN A. NEILL SURVEY, ABSTRACT No. 20, Caldwell County, Texas, and being a portion of a called 160.00 acres of land described in deed as recorded in Volume 28, Page 146 of the Real Property Records, Caldwell County, Texas, SAVE & EXCEPT a certain 20.000 acres, and all of a called 358.536 acres of land as described in deed as recorded in Volume 209, Page 425, Official Public Records, Caldwell County, Texas, said 498.778 acres being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch capped iron rod found, marked Hinkle Surveying, on the Northeast Right-of-Way line of Farm to Market Road 1322, a Variable Width Right-of-Way, and for the Northwest corner of a called 85.00 acre tract of land as described in a deed to Blackjack Block II, LLC as recorded in Document Number 2021-008619 of said Official Public Records, same being the Southwest corner of a called 169.811 acres of land described in deed to SVAG Investments, LLC, a Texas Limited Liability Company, as recorded in Document Number 2021-006881 of said Official Public Records; THENCE North 31° 43' 06" West, along said Right-of-Way and the Southwest line of an 89.775 acre remainder tract of said 169.811 acres, a distance of 2,572.95 feet to a 1/2 inch capped iron rod found, marked Jones Carter Prop Corner, for the Northwest corner of a called 80.04 acre tract of land as described in deed to Vema Investments, LLC, as recorded in Instrument 2021-007855 of said Official Public Records, same being a Northwest corner of said 89.775 acre tract; THENCE North 78° 46' 11" East, along the common line of said 80.04 acres and said 89.775 acres, a distance of 1,665.32 feet to a 1/2 inch iron rod found for the POINT OF BEGINNING on the West line of said 358.536 acre tract, for the Southeast corner of said 80.04 acres, same being the Northeast corner of said 89.775 acres;

THENCE North 29° 54' 41" West, along the common line of said 358.536 acres and said 80.04 acres, a distance of 956.23 feet to a 60D Nail found in Wood Fence Corner Post for an interior angle point in the West line of a called 2.606 acre tract of land described in deed to Ray C. Nash and wife, Helen K. Nash as recorded in Volume 76, Page 743 of said Official Public Records, same being a Northwest corner of said 358.536 acres;

THENCE North 12° 42' 23" East, along the common line of said 358.536 acres and said 2.606 acres, a distance of 100.55 feet to a 1 inch iron pipe found on the South Right-of-Way line of County Road 205, a.k.a. Seawillow Road, a variable width Right-of-Way;

THENCE along said South Right-of-way and the North line of said 358.536 acres the following bearings and distances:
South 72° 03' 50" East, a distance of 65.07 feet to a 1/2 inch iron rod found capped;
South 86° 16' 07" East, a distance of 189.45 feet to a 1/2 inch iron rod found capped;
North 79° 02' 20" East, a distance of 350.87 feet to a three way fence corner post found;
North 78° 34' 18" East, a distance of 1,963.89 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 64° 47' 06" East, a distance of 592.08 feet to a 1/2" iron rod found capped for the North corner of a called 3.007 acre tract of land described in deed to Chris C. Chapman and Kimberly K. Hoffman Chapman as recorded in Instrument Number 2018-003545 of said Official Public Records;

THENCE departing said South Right-of-Way, along the common line of said 3.007 acres and said 358.536 acres the following bearings and distances:
South 24° 46' 35" West, a distance of 365.69 feet to a 1/2 inch iron rod found capped;
South 62° 46' 06" East, a distance of 358.21 feet to a fence corner post found;
North 24° 38' 27" East, a distance of 366.83 feet to a 5/8 inch iron rod found on said South Right-of-Way, for the East corner of said 3.007 acres;

THENCE South 61° 15' 06" East, along said South Right-of-Way line, a distance of 472.51 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set for the North corner of a 20.000 acre remainder of said 160 acre tract;

THENCE over and across, said 160 acres the following three (3) courses and distances:
South 32° 22' 32" West, a distance of 639.03 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 24° 59' 14" East, a distance of 617.22 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
North 82° 35' 38" East, a distance of 1096.03 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set on the West Right-of-Way line of said CR 205 and the East line of said 160 acres;

THENCE South 14° 17' 18" East, a distance of 970.10 feet to a angle iron with flagging found for the Northwest corner of a called 1.997 acre tract of land as described in deed to Russell A. Nickel, a single man, as recorded in Instrument Number 2020-003246 of said Official Public Records, and being on the East line of said 358.536 acres;

THENCE South 11° 10' 32" East, along the East line of said 358.536 acres, passing a 5/8 inch iron rod found at a distance of 400.12 feet, for the Northwest corner of a called 9.152 acre tract of land as described in a deed to Brenda Gayle Bagwell Hagan, a married person, as her separate property and estate as recorded in Instrument Number 2021004181 of said Official Public Records, same being the Southwest corner of said 1.997 acres, continuing a total distance of 935.25 feet to a 6 inch wood fence corner post found for the Southwest corner of said 9.152 acres, same being an interior ell corner of said 358.536 acres;

THENCE North 78° 31' 19" East, along a North line of said 358.536 acres and along the South line of said 9.152 Bagwell/Hagan tract and a called 9.152 acres of land as described in deed to William R. Hagan and Brenda G. Hagan, husband and wife, as recorded in Volume 273, Page 537 of said Official Public Records, and the South line of a called 9.152 acres of land described in deed to Delores Jean Stanton as recorded in Instrument Number 117663 of said Official Public Records, a distance of 2095.92 feet to a 6 inch wood fence corner post found on the West Right-of-Way line of said CR 205 for a Northeast corner of said 358.536 acres, same being the Southeast corner of said 9.152 acres;

THENCE along the West Right-of-Way line of said CR 205 the following bearings and distances:
South 09° 58' 20" East, a distance of 1445.88 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 13° 05' 03" East, a distance of 202.27 feet to a 1/2 inch iron rod capped DATAPOINT#10194585 set;
South 23° 19' 16" East, a distance of 157.39 feet to a 1/2 inch iron rod found capped for the Northeast corner of Lot 1, 2 and 3, Commanche Hill, Section One, a Subdivision in Caldwell County, Texas according to the Map or Plat thereof as recorded in Plat Cabinet A, Slide 28, Plat Records of Caldwell County, as described in Instrument Number 126568 of said Official Public Records, same being the Southermost Southeast corner of said 358.536 acres;

THENCE South 78° 28' 58" West, along the South line of said 358.536 acres, a distance of 4735.83 feet to a 1 inch iron pipe found for the Southeast corner of said 85.00 acres and being the Southermost Southwest corner of said 358.536 acres, from which a 1/2 inch iron rod found for the Southwest corner of said 85.00 acres bears South 78° 47' 06" West, a distance of 1,503.48 feet for reference;

THENCE North 29° 54' 41" West, along the common line of said 85.00 acres and said 358.536 acres, a distance 5077.48 feet to the POINT OF BEGINNING, containing an area of 21,726,762 Square Feet and/or 498.778 Acres of land, more or less.

SEAWILLOW ROAD (CR 205) (ASPHALT) (VARIABLE WIDTH RIGHT-OF-WAY)

LEGEND	
	SUBJECT TRACT BOUNDARY
	ADJOINER TRACT BOUNDARY
	BUILDING SETBACK
	EXISTING EASEMENT
	CENTERLINE ROAD
	RIGHT OF WAY (R.O.W.)
	UNDER GROUND TELEPHONE
	OVERHEAD ELECTRIC
	BARBED WIRE FENCE
	CHAIN LINK FENCE
	PIPE FENCE
	WOOD FENCE
	CENTERLINE CREEK/DITCH
	CONTROL MONUMENT
	CALCULATED POINT
	FOUND MONUMENT
	FOUND FENCE POST
	SET 1/2" CAPPED IRON ROD STAMPED DATAPOINT#10194585 UNLESS OTHERWISE NOTED
	POWER POLE
	WATER METER
	WATER VALVE
	GAS METER
	ELECTRIC METER
	MANHOLE
	CLEANOUT

NOTE:
LEGEND IS TYPICAL AND NOT ALL ITEMS OR SYMBOLS IN LEGEND APPEAR IN DRAWING.
SYMBOLS REFLECTED IN THE LEGEND AND ON THIS SURVEY MAY HAVE BEEN ENLARGED OR REDUCED FOR CLARITY.

- RAY C NASH AND WIFE, HELEN K NASH CALLED 2.606 ACRES VOL. 76, PG. 743 O. P. R. C. C. T.
- CHRIS C CHAPMAN AND KIMBERLY K HOFFMAN CHAPMAN CALLED 3.007 ACRES INSTR. NO. 2018-003545 O. P. R. C. C. T.
- RUSSELL A NICKEL CALLED 1.997 ACRES INSTR. NO. 2020-003246 O. P. R. C. C. T.
- BRENDA GAYLE BAGWELL HAGAN CALLED 9.152 ACRES INSTR. NO. 2021-004181 O. P. R. C. C. T.
- WILLIAM R HAGAN AND BRENDA G HAGAN CALLED 9.152 ACRES VOL. 273, PG. 537 O. P. R. C. C. T.
- DELORES JEAN STATON CALLED 9.152 ACRES INSTR. NO. 117663 O. P. R. C. C. T.
- BEATRICE MADRIGAL, ET AL LOTS 1, 2 & 3 COMMANCHE HILL SUBDIVISION INSTR. NO. 126568 O. P. R. C. C. T.
- TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 1 CALLED 20.00 ACRES INSTR. NO. 2014-003944 O. P. R. C. C. T.
- TOM BLACKWELL FAMILY PARTNERS, LP, TRACT 2 CALLED 20.00 ACRES INSTR. NO. 2014-003944 O. P. R. C. C. T.

SEAWILLOW 588.553 ACRE SURVEY EXHIBIT
FARM TO MARKET ROAD 1322, CR 205 (SEAWILLOW RD)
LOCKHART 89 + ACEVEDO TRACTS
A 588.553 ACRE TRACT SITUATED IN THE
JOHN A NEILL SURVEY, ABSTRACT NO. 20
CALDWELL COUNTY, TEXAS

DRAWN BY: BKR	DATE: 3/11/2024	REV. 0
CHECKED BY: BKR/MBT	DATE: 3/11/2024	
AFE #		PAGE 1 OF 1

LEGAL DESCRIPTION - TRACT 2

BEING 89.775 acres of land situated in the J.A. NEILL SURVEY, ABSTRACT NO. 20, Caldwell County, Texas, and being a portion of and part of a called 169.811 acres of land described in deed to SVAG Investments, LLC, a Texas Limited Liability Company, as recorded in Document Number 2021-006881 of the Official Public Records of Caldwell County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch capped iron rod found, marked Hinkle Surveying, on the Northeast Right-of-Way line of Farm to Market Road 1322, a Variable width Right-of-Way, and for the Northwest corner of a called 85.00 acre tract of land as described in a deed to Blackjack Block II, LLC, as recorded in Document Number 2021-008619 of said Official Public Records, same being the Southwest corner of said 169.811 acre tract and of this herein described tract;

THENCE North 31 degrees 43 minutes 06 seconds West, along said Right-of-Way and the Southwest line of this tract, a distance of 2,572.95 feet to a 1/2 inch capped iron rod found, marked Jones Carter Prop Corner, for the Northwest corner of this herein described tract;

THENCE North 78 degrees 46 minutes 11 seconds East, crossing said 169.811 acre tract, a distance of 1,665.32 feet to a 1/2 inch iron rod found on the Southwest line of a called 358.536 acre tract of land as described in a deed to David V. Acevedo and Marge Margarita Acevedo as recorded in Volume 209, Page 425 of said Official Public Records, same being the Northeast corner of said 169.811 acre tract, and being the Northeast corner of this herein described tract;

THENCE South 29 degrees 54 minutes 41 seconds East, along the East line of said 358.536 acre tract, a distance of 2,544.30 feet to a 1/2 inch capped iron rod found, marked Hinkle Surveying, for the Northeast corner of said 85.00 acre tract, and being the Southeast corner of this tract;

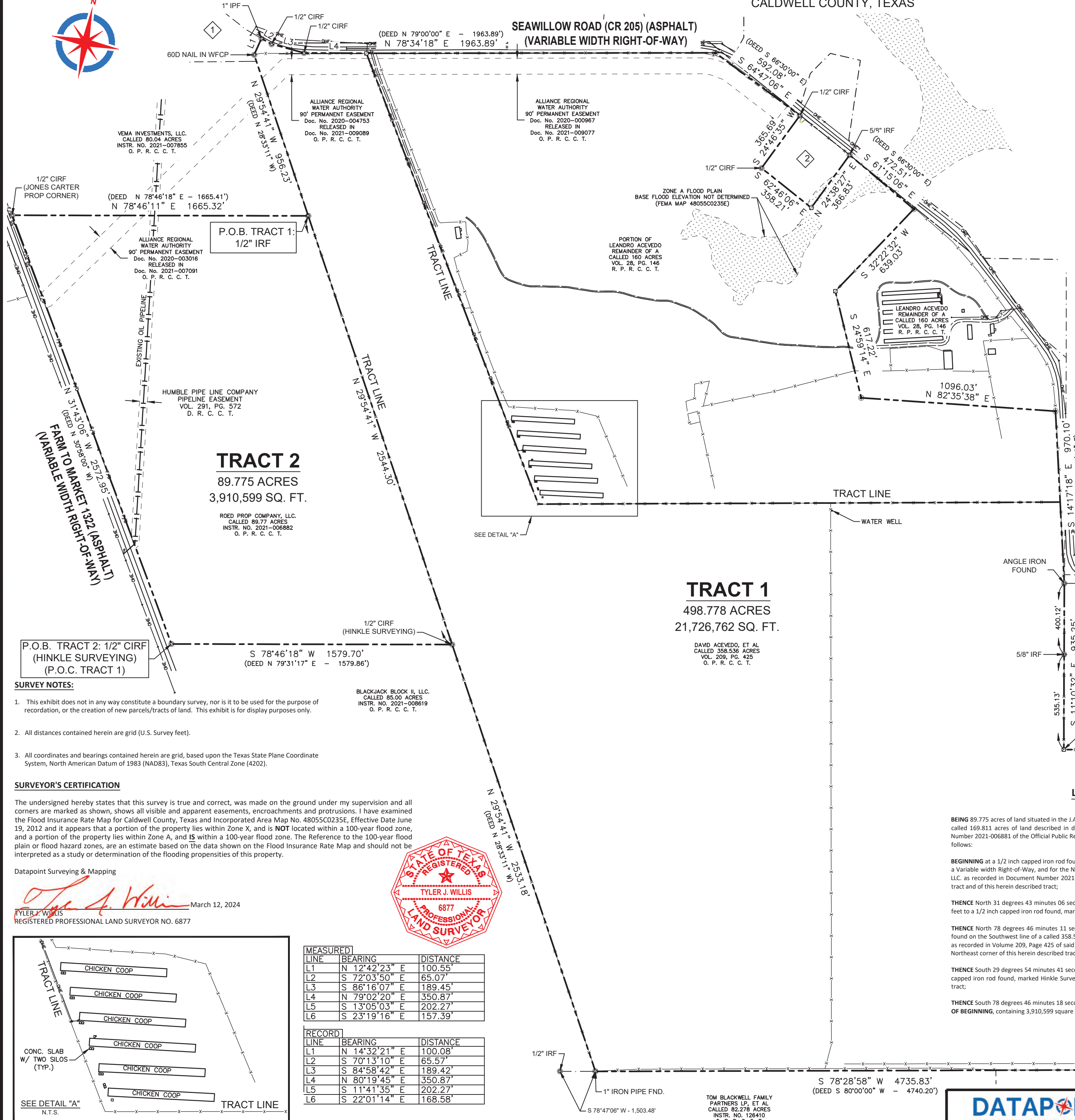
THENCE South 78 degrees 46 minutes 18 seconds West, along the North line of said 85.00 acre tract, a distance of 1,579.70 feet to the POINT OF BEGINNING, containing 3,910,599 square feet and/or 89.775 acres of land, more or less.

DATAPoint
SURVEYING AND MAPPING

12450 Network Blvd. - Suite 155
San Antonio, TX 78249
Phone: 726-777-4240
Firm No. 10194585

0' 400' 800'
SCALE: 1" = 400'

TOM BLACKWELL FAMILY PARTNERS, LP, ET AL CALLED 82.278 ACRES INSTR. NO. 126410 O. P. R. C. C. T.



TRACT 2
89.775 ACRES
3,910,599 SQ. FT.

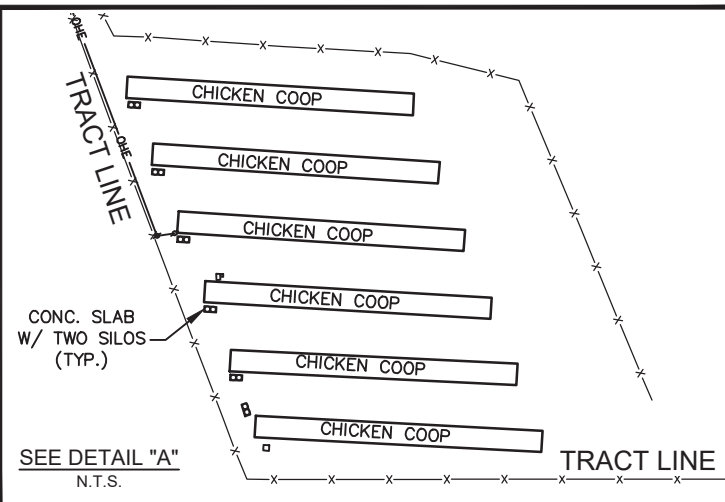
TRACT 1
498.778 ACRES
21,726,762 SQ. FT.

- SURVEY NOTES:**
- This exhibit does not in any way constitute a boundary survey, nor is it to be used for the purpose of recordation, or the creation of new parcels/tracts of land. This exhibit is for display purposes only.
 - All distances contained herein are grid (U.S. Survey feet).
 - All coordinates and bearings contained herein are grid, based upon the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), Texas South Central Zone (4202).

SURVEYOR'S CERTIFICATION

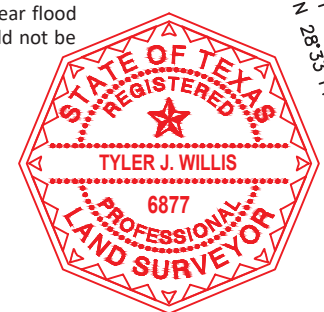
The undersigned hereby states that this survey is true and correct, was made on the ground under my supervision and all corners are marked as shown, shows all visible and apparent easements, encroachments and protrusions. I have examined the Flood Insurance Rate Map for Caldwell County, Texas and Incorporated Area Map No. 4805C0235E, Effective Date June 19, 2012 and it appears that a portion of the property lies within Zone X, and is **NOT** located within a 100-year flood zone, and a portion of the property lies within Zone A, and **IS** within a 100-year flood zone. The Reference to the 100-year flood plain or flood hazard zones, are an estimate based on the data shown on the Flood Insurance Rate Map and should not be interpreted as a study or determination of the flooding propensities of this property.

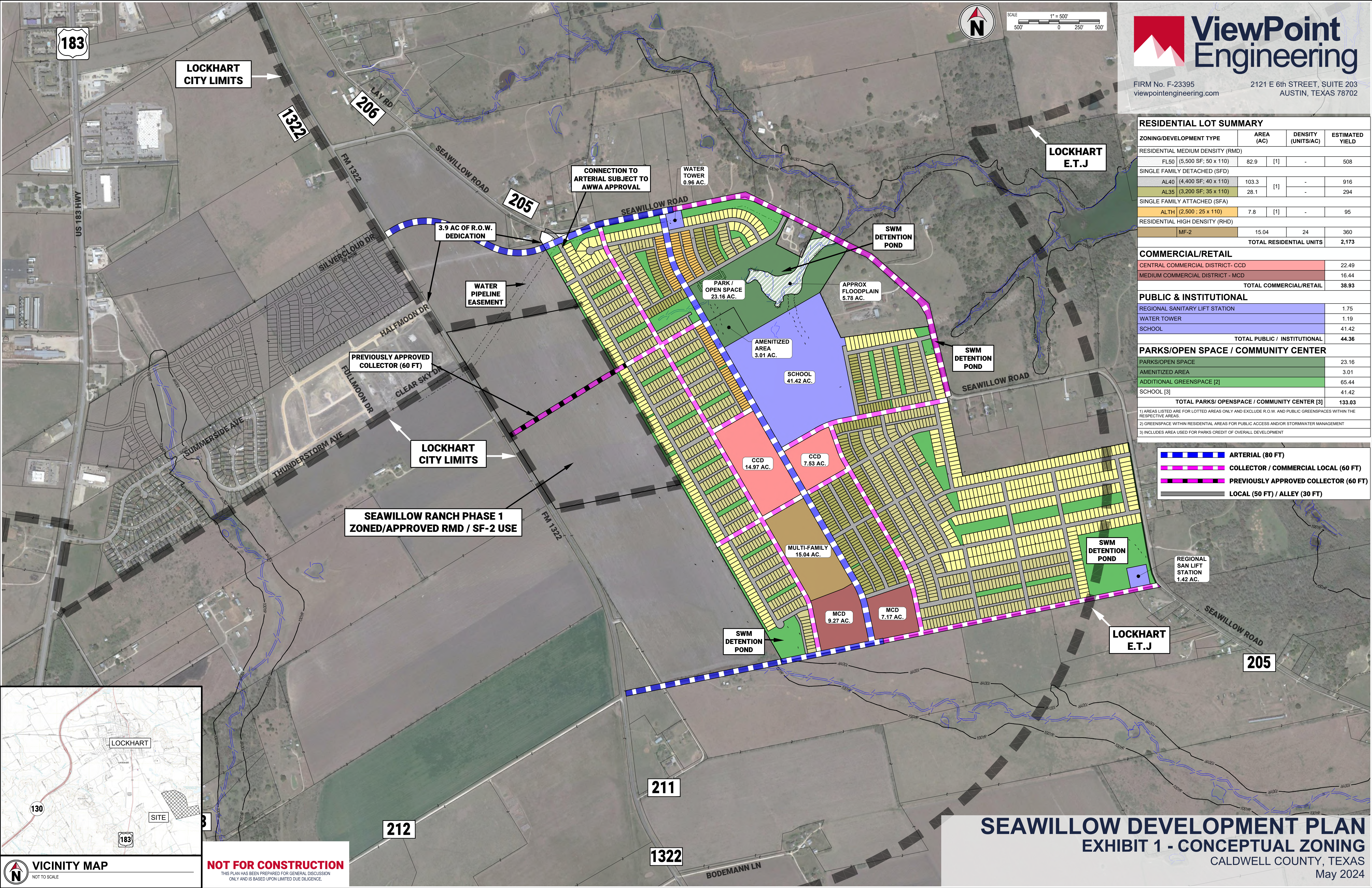
Datapoint Surveying & Mapping
Tyler J. Willis
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6877
March 12, 2024



[MEASURED]		
LINE	BEARING	DISTANCE
L1	N 12°42'23" E	100.55'
L2	S 72°03'50" E	65.07'
L3	S 86°16'07" E	189.45'
L4	N 79°02'20" E	350.87'
L5	S 13°05'03" E	202.27'
L6	S 23°19'16" E	157.39'

[RECORD]		
LINE	BEARING	DISTANCE
L1	N 14°32'21" E	100.08'
L2	S 70°13'10" E	65.57'
L3	S 84°58'42" E	189.42'
L4	N 80°19'45" E	350.87'
L5	S 11°41'35" E	202.27'
L6	S 22°01'14" E	168.58'



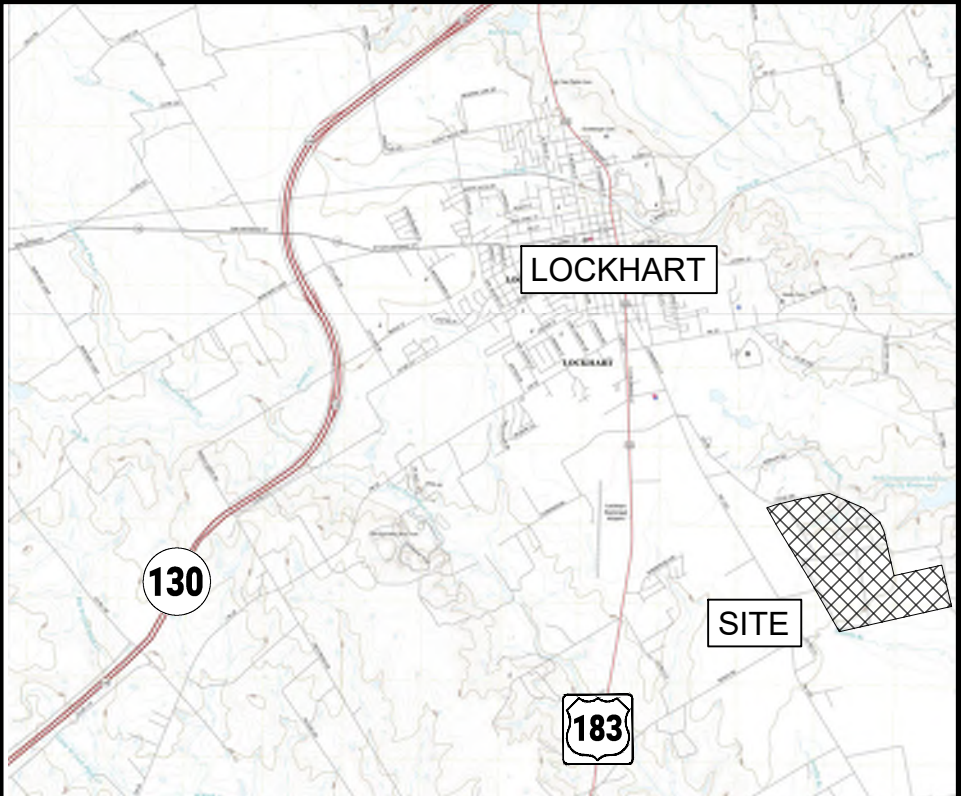


FIRM No. F-23395
viewpointengineering.com

2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

RESIDENTIAL LOT SUMMARY				
ZONING/DEVELOPMENT TYPE		AREA (AC)	DENSITY (UNITS/AC)	ESTIMATED YIELD
RESIDENTIAL MEDIUM DENSITY (RMD)				
FL50 (5,500 SF; 50 x 110)	82.9	[1]	-	508
SINGLE FAMILY DETACHED (SFD)				
AL40 (4,400 SF; 40 x 110)	103.3	[1]	-	916
AL35 (3,200 SF; 35 x 110)	28.1		-	294
SINGLE FAMILY ATTACHED (SFA)				
ALTH (2,500 ; 25 x 110)	7.8	[1]	-	95
RESIDENTIAL HIGH DENSITY (RHD)				
	MF-2	15.04	24	360
TOTAL RESIDENTIAL UNITS				2,173
COMMERCIAL/RETAIL				
CENTRAL COMMERCIAL DISTRICT - CCD				22.49
MEDIUM COMMERCIAL DISTRICT - MCD				16.44
TOTAL COMMERCIAL/RETAIL				38.93
PUBLIC & INSTITUTIONAL				
REGIONAL SANITARY LIFT STATION				1.75
WATER TOWER				1.19
SCHOOL				41.42
TOTAL PUBLIC / INSTITUTIONAL				44.36
PARKS/OPEN SPACE / COMMUNITY CENTER				
PARKS/OPEN SPACE				23.16
AMENITIZED AREA				3.01
ADDITIONAL GREENSPACE [2]				65.44
SCHOOL [3]				41.42
TOTAL PARKS/ OPENSACE / COMMUNITY CENTER [3]				133.03
1) AREAS LISTED ARE FOR LOTTED AREAS ONLY AND EXCLUDE R.O.W. AND PUBLIC GREENSPACES WITHIN THE RESPECTIVE AREAS.				
2) GREENSPACE WITHIN RESIDENTIAL AREAS FOR PUBLIC ACCESS AND/OR STORMWATER MANAGEMENT				
3) INCLUDES AREA USED FOR PARKS CREDIT OF OVERALL DEVELOPMENT				

- ARTERIAL (80 FT)
- COLLECTOR / COMMERCIAL LOCAL (60 FT)
- PREVIOUSLY APPROVED COLLECTOR (60 FT)
- LOCAL (50 FT) / ALLEY (30 FT)



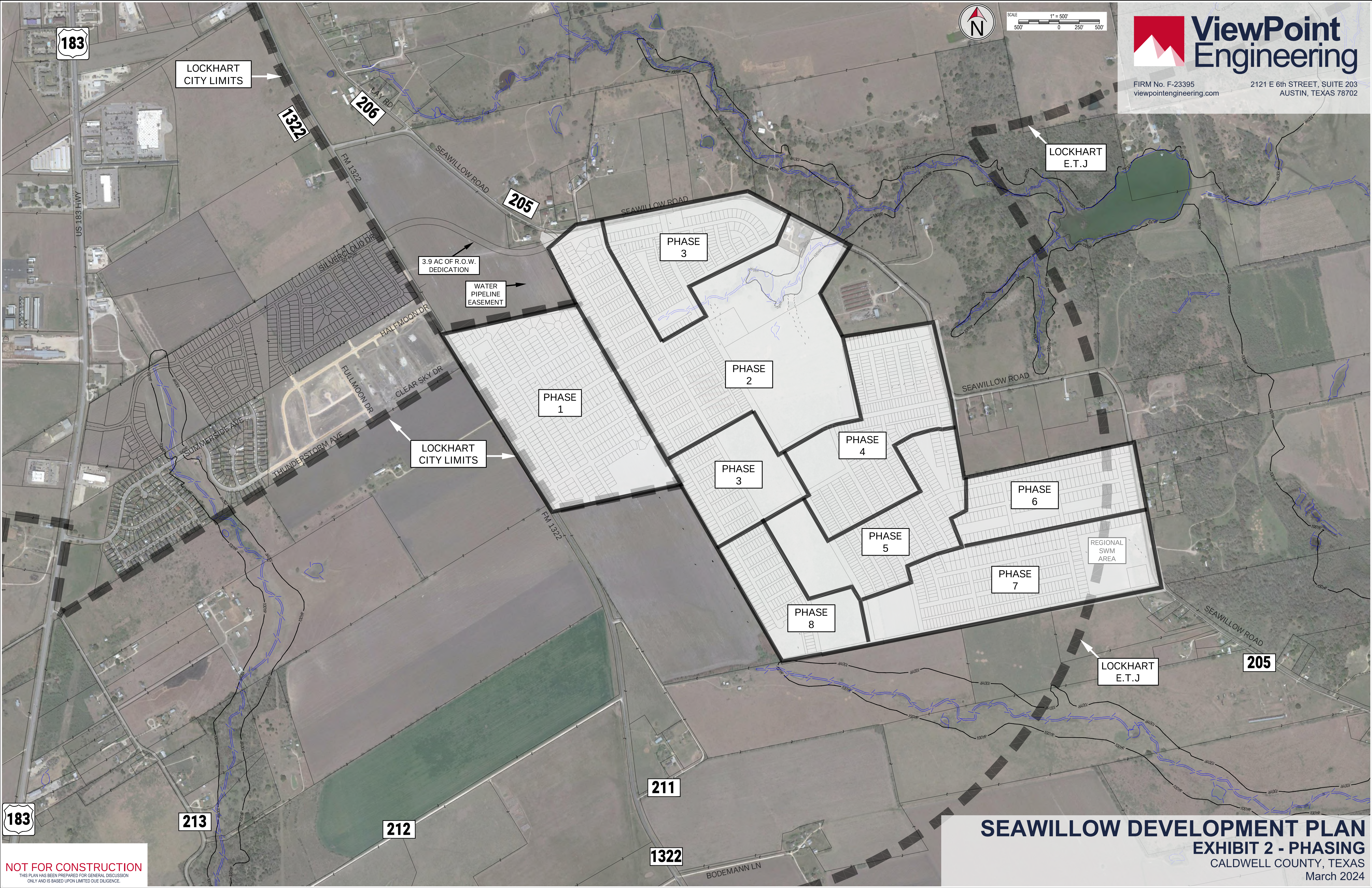
VICINITY MAP
NOT TO SCALE

NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

SEAWILLOW DEVELOPMENT PLAN
EXHIBIT 1 - CONCEPTUAL ZONING
CALDWELL COUNTY, TEXAS
May 2024

Parkland Summary for Seawillow PDD		
Per Acre Appraisal Value of Land	\$50,000	
Acreage Zoned As Residential	269.54	
	Required	Proposed
Land Dedication Acreage (8% of Land Zoned Residential up to 7 units per acre)	21.56	133.03
Community Facility Improvement Cost (15% Land Market Value Up to 5 acres)	\$250,000.00	\$1,500,000

PID Authorized Improvement Summary									
Major Improvements	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Total
Water	\$ 212,345.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212,345.00
Elevated Storage Tank	\$ -	\$ -	\$ 1,546,785.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,546,785.00
Wastewater	\$ 289,654.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 289,654.00
Lift Station	\$ 4,567,890.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,567,890.00
Arterial Extension	\$ -	\$ 2,345,567.00	\$ 2,237,890.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,583,457.00
Seawillow Collector Extension	\$ -	\$ 1,785,436.00	\$ -	\$ 1,543,789.00	\$ 564,980.00	\$ -	\$ -	\$ -	\$ 3,894,205.00
8' Hike and Bike Trail	\$ -	\$ 624,789.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 624,789.00
Contingency (10%)						\$ -	\$ -	\$ -	
Professional Fees (15%)	\$ 760,483.35	\$ 713,368.80	\$ 567,701.25	\$ 231,568.35	\$ 84,747.00	\$ -	\$ -	\$ -	\$ 2,357,868.75
Total	\$ 5,830,372.35	\$ 5,469,160.80	\$ 4,352,376.25	\$ 1,775,357.35	\$ 649,727.00	\$ -	\$ -	\$ -	\$18,076,993.75
Direct Improvements	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Total
Water	\$ 1,628,765.10	\$ 1,359,871.18	\$ 1,359,871.18	\$ 1,320,263.28	\$ 1,100,219.40	\$ 1,100,219.40	\$ 880,175.52	\$ 814,162.36	\$ 9,563,547.43
Wastewater	\$ 1,903,250.25	\$ 1,205,667.19	\$ 1,205,667.19	\$ 1,170,550.67	\$ 975,458.89	\$ 975,458.89	\$ 780,367.11	\$ 721,839.58	\$ 8,938,259.77
Site Work	\$ 685,504.66	\$ 540,264.41	\$ 540,264.41	\$ 524,528.55	\$ 437,107.13	\$ 437,107.13	\$ 349,685.70	\$ 323,459.27	\$ 3,837,921.26
Stormwater Management	\$ 5,133,355.19	\$ 3,146,980.78	\$ 3,146,980.78	\$ 3,055,321.14	\$ 2,546,100.95	\$ 2,546,100.95	\$ 2,036,880.76	\$ 1,884,114.70	\$23,495,835.25
Roadways	\$ 3,636,292.42	\$ 3,847,192.02	\$ 3,847,192.02	\$ 3,735,137.89	\$ 3,112,614.91	\$ 3,112,614.91	\$ 2,490,091.92	\$ 2,303,335.03	\$26,084,471.12
Contingency (10%)	\$ 1,298,716.76	\$ 1,009,997.56	\$ 1,009,997.56	\$ 980,580.15	\$ 817,150.13	\$ 817,150.13	\$ 653,720.10	\$ 604,691.09	\$ 7,192,003.48
Professional Fees (15%)	\$ 1,948,075.14	\$ 1,514,996.34	\$ 1,514,996.34	\$ 1,470,870.23	\$ 1,225,725.19	\$ 1,225,725.19	\$ 980,580.15	\$ 907,036.64	\$10,788,005.23
Total	\$ 16,233,959.53	\$ 12,624,969.47	\$ 12,624,969.47	\$ 12,257,251.91	\$ 10,214,376.60	\$ 10,214,376.60	\$ 8,171,501.28	\$ 7,558,638.68	\$89,900,043.53
Indirect Improvements	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Phase 8	Total
Lot Excavation	\$ 389,471.49	\$ 272,966.93	\$ 272,966.93	\$ 265,016.44	\$ 220,847.03	\$ 220,847.03	\$ 176,677.63	\$ 163,426.80	\$ 1,982,220.29
Park Improvements	\$ -	\$ -	\$ 3,000,000.00	\$ -	\$ -				\$ 3,000,000.00
Electrical	\$ 1,200,000.00	\$ 780,514.21	\$ 780,514.21	\$ 757,780.78	\$ 631,483.99	\$ 631,483.99	\$ 505,187.19	\$ 467,298.15	\$ 5,754,262.52
Construction Material Testing	\$ 9,567.00	\$ 7,340.32	\$ 7,340.32	\$ 7,126.52	\$ 5,938.77	\$ 5,938.77	\$ 4,751.01	\$ 4,394.69	\$ 52,397.40
Developer Fees	\$ 134,568.00	\$ 93,383.93	\$ 93,383.93	\$ 90,664.01	\$ 75,553.34	\$ 75,553.34	\$ 60,442.67	\$ 55,909.47	\$ 679,458.67
Landscape, Irrigation, Entries	\$ 500,000.00	\$ 96,399.08	\$ 96,399.08	\$ 93,591.34	\$ 77,992.78	\$ 77,992.78	\$ 62,394.23	\$ 57,714.66	\$ 1,062,483.95
Geotech Report	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 280,000.00
Contingency (10%)	\$ 226,860.65	\$ 128,560.45	\$ 428,560.45	\$ 124,917.91	\$ 104,681.59	\$ 104,681.59	\$ 84,445.27	\$ 78,374.38	\$ 1,281,082.28
Total	\$ 2,495,467.14	\$ 1,414,164.91	\$ 4,714,164.91	\$ 1,374,097.00	\$ 1,151,497.50	\$ 1,151,497.50	\$ 928,898.00	\$ 862,118.15	\$14,091,905.12



FIRM No. F-23395
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2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

SEAWILLOW DEVELOPMENT PLAN
EXHIBIT 2 - PHASING
CALDWELL COUNTY, TEXAS
March 2024

NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

LUEs Absorption By Use			
Phase	Use	LUEs	Cumulative LUEs
1	Single-Family Detached	414	414
	Total	414	
2	Single-Family Detached	266	781
	Single-Family Attached	34	
	School	67	
	Total	367	
3	Single-Family Detached	267	1171
	Single-Family Attached	33	
	Commercial	50	
	School	40	
	Total	390	
4	Single-Family Detached	300	1521
	Commercial	50	
	Total	350	
5	Single-Family Detached	250	1861
	Multi-Family	90	
	Total	340	
6	Single-Family Detached	250	2201
	Multi-Family	90	
	Total	340	
7	Single-Family Detached	200	2451
	Commercial	50	
	Total	250	
8	Single-Family Detached	185	2681
	Commercial	45	
	Total	230	

Proposed Project Phasing						
Phase	Use	Construction Start	1st Home Built	Last Home Completed	LUEs	Cumulative LUEs
1	SF	Q1-2024	Q3-2025	Q2-2027	414	414
2	SF/SFA/Sch	Q2-2025	Q4-2026	Q1-2028	367	781
3	SF/SFA/Comm/Sch	Q3-2026	Q1-2028	Q2-2029	390	1171
4	SF/Comm	Q4-2027	Q2-2029	Q3-2030	350	1521
5	SF/MF	Q1-2029	Q3-2030	Q4-2031	340	1861
6	SF/MF	Q2-2030	Q4-2031	Q1-2033	340	2201
7	SF/Comm	Q3-2031	Q1-2033	Q2-2034	250	2451
8	SF/Comm	Q4-2032	Q2-2034	Q3-2035	230	2681

Development LUE Calculations			
Use	Units/Acreage	LUE Conversion	LUEs
Single-Family Detached	2132	1	2132
Single-Family Attached	95	0.7	67
Multi-Family	360	0.5	180
School	1600	15	107
Commercial	38.93	5	195
			2681

“EXHIBIT A”

Seawillow Ranch Planned Development District Design Statement

A. PROPERTY

The “Seawillow Ranch Master Development” tract Planned Development District (PDD) is located at on FM 1322 and encompasses approximately 588 acres, herein defined as the “property”.

B. PURPOSE

The project proposes a mixed-use development including 6 different residential lot types and over 40 acres of commercial development. The development is dedicated over 41.4 acres to the school district while also providing another 83.4 acres of parkland, over 60% of which is maintained by the home owners association (HOA). The development is proposing lot widths smaller than allowed by the RMD/SF2 code. However, it is doing so with enhanced design initiatives around the public space which will transform the look of the neighborhood throughout the streetscape. The community will also contain enhanced design initiatives that will greatly enhance walkability throughout the community. This is achieved primarily by promoting alley loaded design, a centralized commercial concept, and an approach to park design that distributes pocket parks throughout the development.

This PDD serves to augment and/or modify the standards for development outlined in Chapters 52 and 64 of City of Lockhart’s code of ordinances in order to implement the vision for the property and insure a cohesive, quality development not otherwise anticipated by the underlying base zoning district. This Design Statement titled **Exhibit A** is a summary of the development and design standards for the property.

C. APPLICABILITY AND BASE ZONING

This development can essentially be broken up in to parts: Part one would contain properties zoned per the City’s standard code. These would be areas designated as RMD, RHD, CCB, and CMB. Part two contains new zoning districts primarily established to facilitate the proposed alley design approach that makes up over 60% of the lots in Seawillow Ranch. In the case that this Design Statement does not address a specific item, the City of Lockhart’s Code of Ordinances shall apply. In the event of a conflict between the regulations of this PD and the regulations of the base zoning district, the PD shall control.

D. CONCEPTUAL LAND PLAN

A Conceptual Land Plan is attached to this Design Statement titled **Exhibit B** to illustrate the land use and design intent for the property. The Conceptual Land Plan is intended to serve as a guide to illustrate the general vision and design concepts and is not intended to serve as a final document. As such, proposed building, parking and pond locations and configurations are subject to refinement at the time of Site Plan review. The Conceptual Land Plan depicts a series of buildings, parking and landscaping that may be developed in phases, provided the minimum requirements of the PD district are proportionally met with each phase. Approval of this PD, Design Statement, and Conceptual Land Plan does not constitute approval of a Site Plan.

E. LAND USES FOR COMMERCIAL DISTRICTS (LAND USE FOR RESIDENTIAL MATCHES CITY OF LOCKHART CODE OF ORDINANCES)

Specific use and condition requirement uses will need to meet the additional standards set forth in order to obtain land use approval from the City of Lockhart.

MCD- Medium Commercial District

Land use allowed in this zoning district will follow the exact specified land use detailed in Chapter 64 of the Lockhart zoning code, except for allowing the following uses by right:

- Hotel
- Hospital, Acute Care

CCD- Central Commercial District

Land use allowed in this zoning district will follow the exact specified land use detailed in Chapter 64 of the Lockhart zoning code, except for allowing the following uses by right:

- Retail stores, including sale of alcoholic beverages.
- Eating establishments of any type, including on-premise consumption of alcoholic beverages.
- Package sales of alcoholic beverages.
- Hospital, Acute Care
- Mixed Use
- Bar, Tavern, or Lounge

F. Permitted Accessory Uses.

With the exception of those listed above, no other accessory uses are proposed in the underlying zoning district.

G. DESIGN STANDARDS

- 1. Residential Lot Requirements (See Exhibit E)**
- 2. Non-Residential Lot Requirements (See Exhibit E)**
- 3. Street Design Requirements (See Exhibit F)**
- 4. Exterior Lighting.** Exterior Lighting on the Property and its buildings will comply with the Dripping Springs Outdoor Lighting ordinance. City of Dripping Springs is a member of the International Dark Sky Association.
- 5. Elevated Design Standards.** The following standards are being presented in this Exhibit A as elevated design standards that either aren't identified in the Lockhart Code of Ordinances or that go beyond the requirements:
 - **Integration of Commercial District within the Community**
 - Required: No requirement as this project is currently not within the City's comprehensive plan or city limits.
 - Provided Over 40 acres of commercial development.

- Explanation: The development is dedicated approximately 7% of the overall land size to be used for commercial development. Per the concept plan shown on Exhibit B, 22.5 acres is to be designated as a Commercial Central Business District and 16.44 acres is to be designated as a Commercial Medium Business District. It is the goal of the developer to create an enhanced experience for their residents by providing a more integrated community with commercial services in walkable range from the residences.
- **Alley Integration**
 - Required: There are no alley loading requirements within the City of Lockhart Code of Ordinances.
 - Provided: 60-65% of the lots within the community are alley loaded.
 - Explanation: Incorporating alley loaded product, particularly into the residential portion of the Seawillow development creates the following benefits:
 - Enhanced Walkability- By drastically reducing vehicular activity along the public street frontage the alley loaded design approach allows pedestrian to take back the public space. Additionally with the removal of driveways within public frontage street trees can reappear within the public realm. Shaded public sidewalks have been proven to drastically improve walkability.
 - Allows for Decorative Front Porch Designs- The alley load design approach removes the garage from the front street experience as well. This allows for the return of an old favorite within the housing design realm, the front porch. Front porches are believed to enhance the look of the public streetscape and promote more community interaction.
 - Reduces Car along Frontage- Alley load directly influences residents to park behind the housing, greatly reducing the amount of cars in the front public realm and contributing to a much cleaner streetscape.
 - Bigger House on Smaller Lot- Alley load design remove the garage from the house footprint, allowing builders to maximize useable floor space on smaller lots when compared to your typical front loaded lot.
- **Community Facilities and Open Space Dedication**
 - Required: Section 52-112.a2 of the City of Lockhart Code of Ordinances reads: "Eight percent of the total land area zoned or intended for residential use up to and including a gross density of seven units per acre, or 15 percent of the total land area zoned or intended for residential land use above seven units per acre."
 - Provided: The development is proposing the dedication of 41.4 acres of school, which is considered a community facility, and 83.4 acres of parks/open space. This represents an overall dedication of 124.8 acres or 46.3% of the land intended for residential use. Overall 21% of the land has been dedicated to community facilities or parks open space.
 - Explanation: Per the aforementioned code the proposed development would be required to dedicate 21.6 acres for open space/community facilities. **Seawillow exceeds this by over 100 acres.** Please refer to Exhibit D, which shows the amount of land dedicated for open space and community facilities.
- **Community Facility Improvements and Open Space**

- Required: Section 52-114.c of the City of Lockhart Code of Ordinances reads: “The value of public or private improvements must be equal to or more than the market value of the facility land area prior to development, up to a maximum of five acres. Any amount of dedicated land area over the first five acres is not subject to a corresponding improvement value.”
- Provided: The development is proposing \$1.65 million in park improvements for this area. This includes 8,000 LF of an 8’ concrete hike and bike trail around the regional park and construction of a pocket park containing \$75,000 in playscape and associated parking facilities for every 200 lots.
- Explanation: Per the aforementioned code the proposed development would be required to construct \$250,000 in parks improvements. **Seawillow is proposing to construct 7 times that amount.** Please refer to Exhibit D, which demonstrates the market value of the land up to five acres and shows the value of improvements the City requires versus the value proposed on Seawillow.
- **Neighborhood Street Trees**
 - Required: Street trees are not required or referenced within the City of Lockhart Code of Ordinances. Front yard trees are required for residential development in section 64-157.h.
 - Provided: Street trees will be provided within the planting zone for all collectors and arterials at 50 feet spacings. Street trees will be provided along all alley loaded residential streetscapes at 30 feet spacing. Developer is requesting that street trees planted within the frontage of a specific residential lot be counted towards the shade tree requirement for that lot.
 - Explanation: The developer will be constructing street trees during construction of all collectors and arterials. Homebuilders will be responsible for constructing street trees within the residential areas during vertical home construction. Adding street trees drastically improves the pedestrian use through shading value and also improves the aesthetics of the public realm.
- **Integration of Center Median with Street Trees for Arterials**
 - Required: A center median is not required for arterials within the City of Lockhart’s Code of Ordinances.
 - Provided: Center medians will be constructed within arterial sections and street trees will be provided within the planting zone for all collectors and arterials at 50 feet spacings within the center median.
 - Explanation: The addition of the center median to arterials will add an enhanced aesthetic and character to these primary street sections. The street trees within the center median will provide the street sections with additional shading as well.
- **Decreased Block Length**
 - Required: Per section 52.75.b of the Lockhart Code of Ordinances, “Where no existing subdivision controls, the block lengths shall generally not exceed 800 feet along minor streets, 1,000 feet along collector streets, or 1,200 feet along arterial streets. Where no existing subdivision controls, the blocks shall generally not be less than 400 feet along minor or collector streets, or 500 feet along arterial streets.”
 - Provided: All residential areas shall have a block length no larger than 650 feet

within the Seawillow Master community except for the Central Commercial Business District location along the proposed arterial. This can be increased to 1,200 feet with integration of public pedestrian and bike access through the interior of the tract.

- Explanation: The additional block length requirement is another example of the Seawillow Ranch teams commitment to providing an enhanced walkable, well connected streetscape to our residents. The reduced block length greatly increase circulation and connectivity for pedestrians throughout the public realm.
- **Increase in Sidewalk Width for Residential Local Streets**
 - Required: Per section 52-77.b of the Lockhart Code of Ordinances, “Public sidewalks not less than four feet wide shall be provided on each side of collector streets and minor nonresidential streets, and on one side of minor residential streets, including culs-de-sac exceeding 350 feet in length as measured in accordance with subsection [52-72\(k\)](#). Public sidewalks not less than six feet wide shall be provided on each side of arterial streets and on the subdivision side of expressway frontage roads.”
 - Provided: While 6 foot sidewalks will be provided along each side of any arterial street sections within Seawillow, 5 foot sidewalks weill be provided within all collector roads and minor residential streets.
 - Explanation: This exceeds the ordinance requirement and is intended as yet another design component intended to improve walkability.

H. ARCHITECTURAL DESIGN STANDARDS

Seawillow will adhere to all residential and non-residential regulations for architectural design standards presented in sections 64.197 (Regulations common to all or several districts) and 64.203 (Nonresidential appearance standards) of the City of Lockhart code of ordinances. In addition to these standards, please see Exhibit I, Architectural Residential Design Standards.

I. VEHICULAR ACCESS AND CIRCULATION

- **Transportation Impact Analysis (TIA).** A TIA report has been submitted to the Texas Department of Transportation (TxDOT) as well as to the City of Lockhart.

J. LANDSCAPE AND BUFFER REQUIREMENTS

Seawillow will adhere to all residential and non-residential regulations for landscaping, buffering, and screening presented in sections 64.197 (Regulations common to all or several districts) and 64.203 (Nonresidential appearance standards) of the City of Lockhart code of ordinances. Except where noted in Exhibit H.

K. LIST OF EXHIBITS

Exhibit A- PDD Design Statement

Exhibit B- Conceptual Land Plan

Exhibit C- Zoning Plan

Exhibit D- Park Plan

Exhibit E- Lot Design Requirements w/ Lotting Exhibits

Exhibit F- Design Visuals

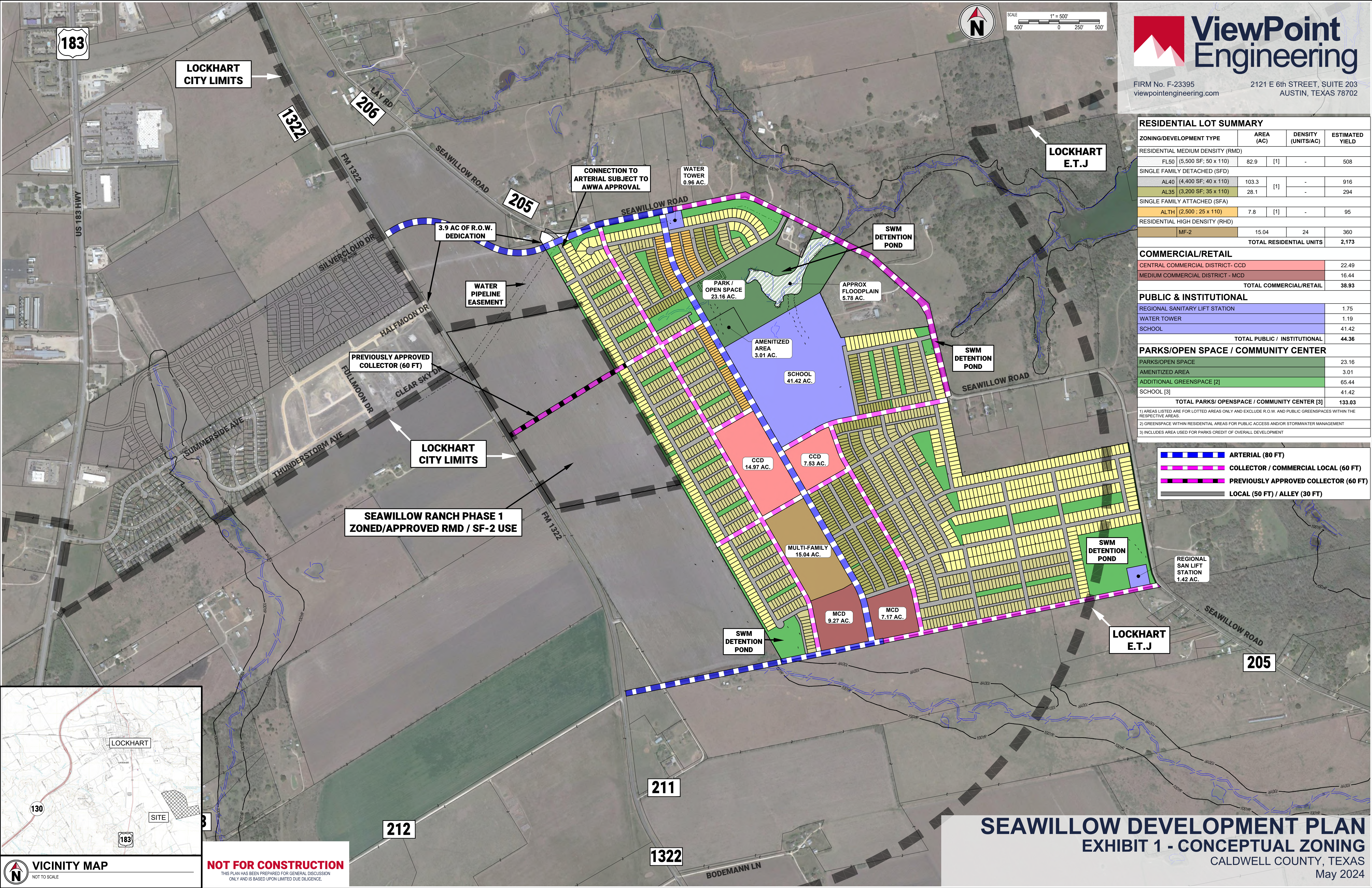
Exhibit G- Street Design Requirements

Exhibit H- Parkland Summary for Seawillow PDD

Exhibit I- Design Standards for Seawillow Ranch PDD

EXHIBIT B

LAND USE PLAN

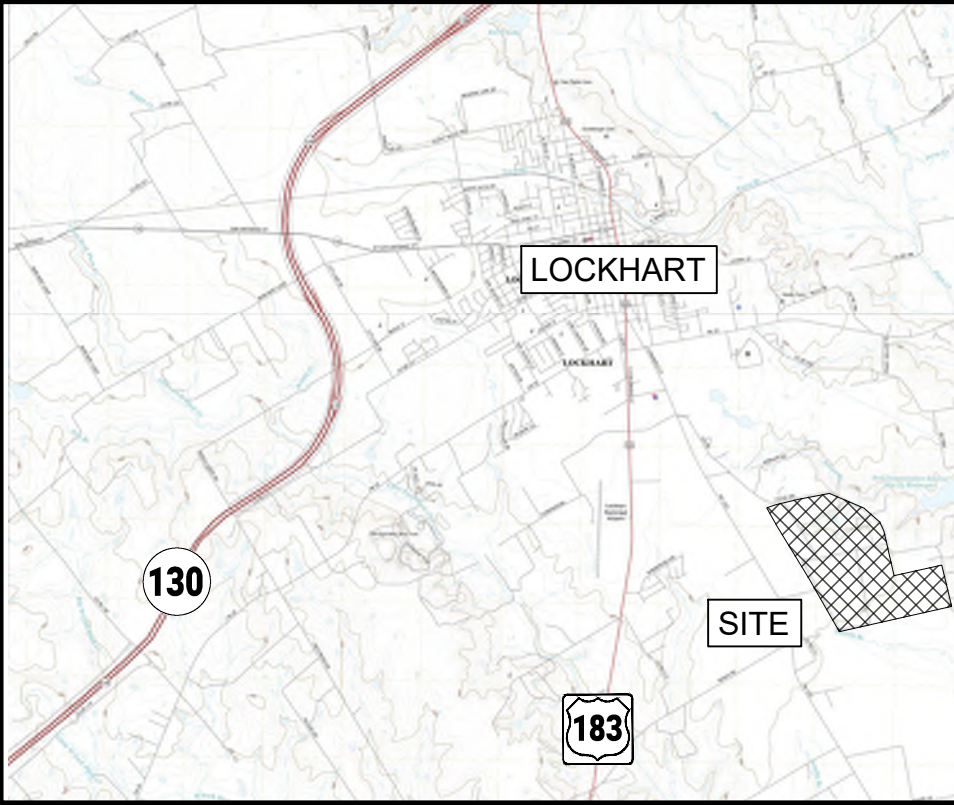


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2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702

RESIDENTIAL LOT SUMMARY				
ZONING/DEVELOPMENT TYPE		AREA (AC)	DENSITY (UNITS/AC)	ESTIMATED YIELD
RESIDENTIAL MEDIUM DENSITY (RMD)				
FL50 (5,500 SF; 50 x 110)	82.9	[1]	-	508
SINGLE FAMILY DETACHED (SFD)				
AL40 (4,400 SF; 40 x 110)	103.3	[1]	-	916
AL35 (3,200 SF; 35 x 110)	28.1		-	294
SINGLE FAMILY ATTACHED (SFA)				
ALTH (2,500 ; 25 x 110)	7.8	[1]	-	95
RESIDENTIAL HIGH DENSITY (RHD)				
	MF-2	15.04	24	360
TOTAL RESIDENTIAL UNITS				2,173
COMMERCIAL/RETAIL				
CENTRAL COMMERCIAL DISTRICT - CCD				22.49
MEDIUM COMMERCIAL DISTRICT - MCD				16.44
TOTAL COMMERCIAL/RETAIL				38.93
PUBLIC & INSTITUTIONAL				
REGIONAL SANITARY LIFT STATION				1.75
WATER TOWER				1.19
SCHOOL				41.42
TOTAL PUBLIC / INSTITUTIONAL				44.36
PARKS/OPEN SPACE / COMMUNITY CENTER				
PARKS/OPEN SPACE				23.16
AMENITIZED AREA				3.01
ADDITIONAL GREENSPACE [2]				65.44
SCHOOL [3]				41.42
TOTAL PARKS/ OPENSACE / COMMUNITY CENTER [3]				133.03
1) AREAS LISTED ARE FOR LOTTED AREAS ONLY AND EXCLUDE R.O.W. AND PUBLIC GREENSPACES WITHIN THE RESPECTIVE AREAS.				
2) GREENSPACE WITHIN RESIDENTIAL AREAS FOR PUBLIC ACCESS AND/OR STORMWATER MANAGEMENT				
3) INCLUDES AREA USED FOR PARKS CREDIT OF OVERALL DEVELOPMENT				

- ARTERIAL (80 FT)
- COLLECTOR / COMMERCIAL LOCAL (60 FT)
- PREVIOUSLY APPROVED COLLECTOR (60 FT)
- LOCAL (50 FT) / ALLEY (30 FT)



VICINITY MAP
NOT TO SCALE

NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

SEAWILLOW DEVELOPMENT PLAN
EXHIBIT 1 - CONCEPTUAL ZONING
CALDWELL COUNTY, TEXAS
May 2024

EXHIBIT C

ZONING PLAN

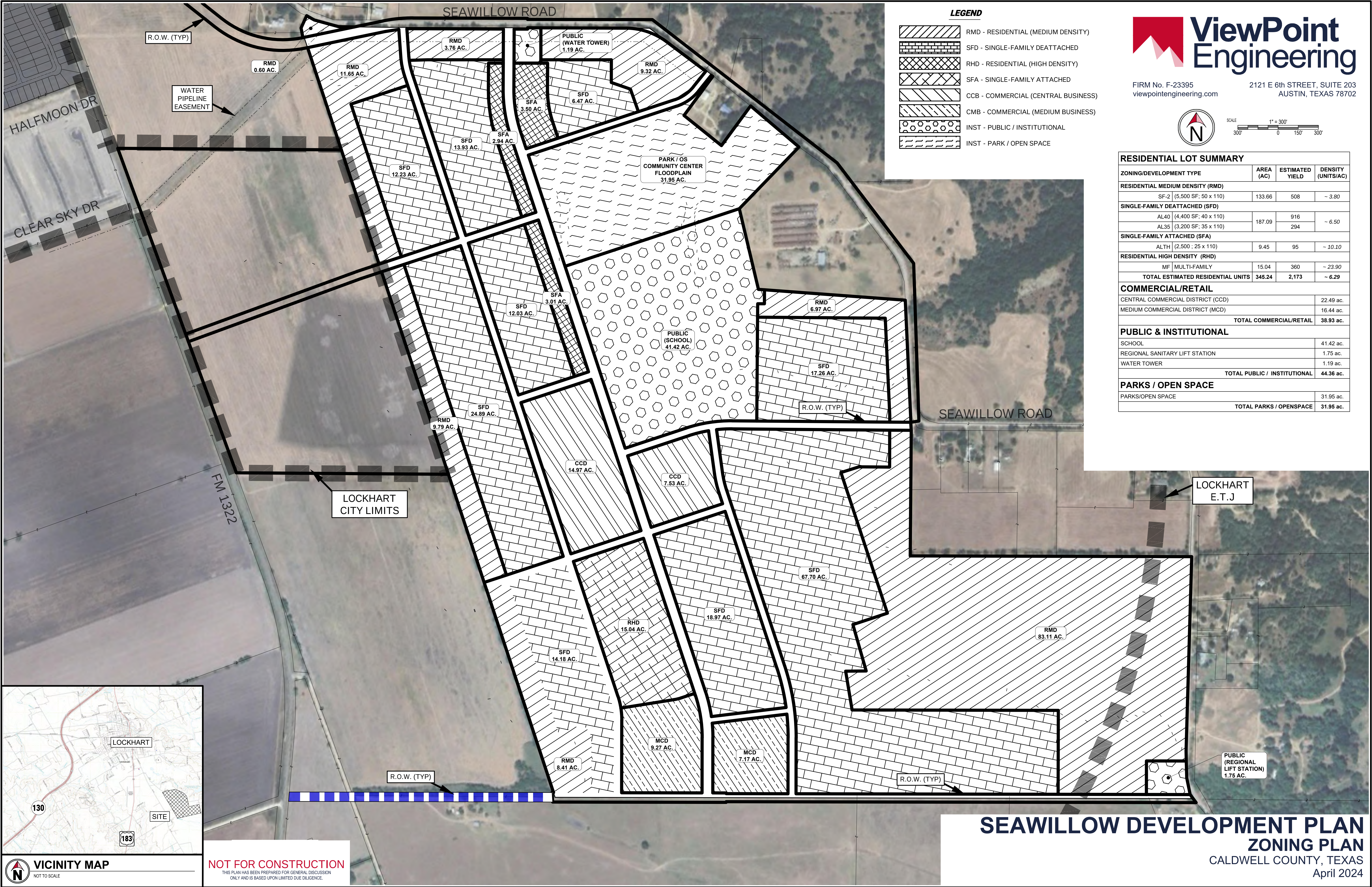
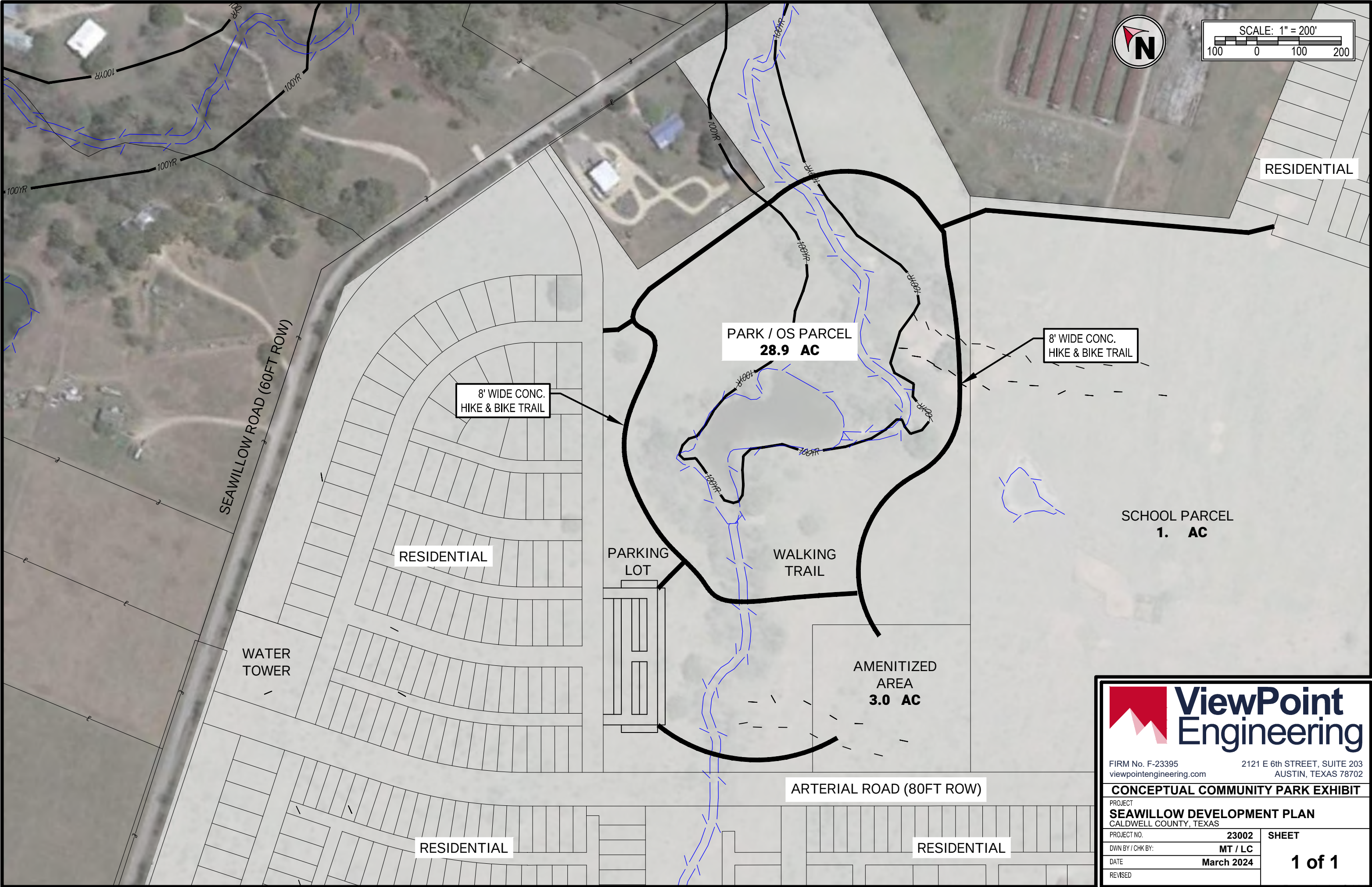


EXHIBIT D

PARK PLAN

The design representations and images provided within this exhibit D are provided strictly as a representation of what the development could look like. The images and design representation provided in this appendix in do not represent the final design and are not enforceable as design standards.





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AUSTIN, TEXAS 78702

CONCEPTUAL COMMUNITY PARK EXHIBIT

PROJECT
SEAWILLOW DEVELOPMENT PLAN
CALDWELL COUNTY, TEXAS

PROJECT NO. **23002**

DWN BY / CHK BY: **MT / LC**

DATE **March 2024**

REVISED

SHEET

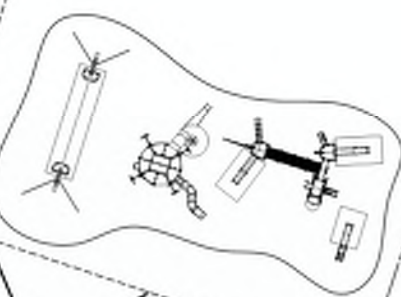
1 of 1

V:\HORIZ\23022 SEAWILLOW MASTER DEVELOPMENT\DRAWINGS\DEVELOPMENT AGREEMENT\23022 SW Master DA Exh II MARCT II 3/24/2024 2:03 PM

Page 373 of 420



GENERAL MASTER DEVELOPMENT
WALKING TRAIL (AS APPLICABLE)



RESIDENTIAL

CONC. WALK

LOCAL ROAD (50')

RIGHT-OF-WAY

RESIDENTIAL

RIGHT-OF-WAY

LOCAL ROAD (50' R.O.W.)



RESIDENTIAL

ViewPoint
Engineering

PROJECT NO. P-23095
2421 E 6th STREET, SUITE 200
AUSTIN, TEXAS 78702
www.viewpointengineering.com
CONCEPTUAL POCKET PARK EXHIBIT
SEAWILLOW MASTER DEVELOPMENT
CALDWELL COUNTY, TEXAS

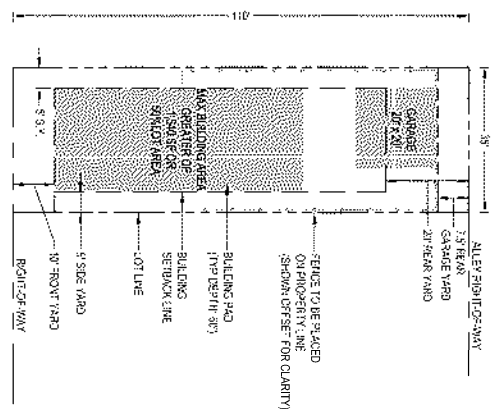
DATE: February 2024
SHEET: 1 of 1

EXHIBIT E

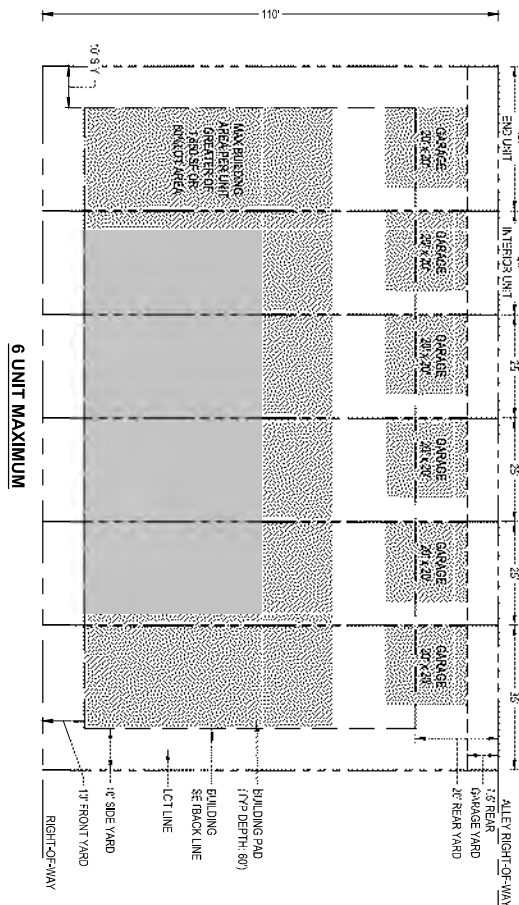
LOT DESIGN REQUIREMENTS W/ LOTTING

EXHIBITS

[illegible]



SFD/AL35 (35' x 110')



6 UNIT MAXIMUM

February 2024

EXHIBIT F

DESIGN VISUALS

The design representations and images provided within this exhibit F are provided strictly as a representation of what the development could look like. The images and design representation provided in this appendix in do not represent the final design and are not enforceable as design standards

35' Lot Plum Creek- Street View



35' Lot Plum Creek- Alley View



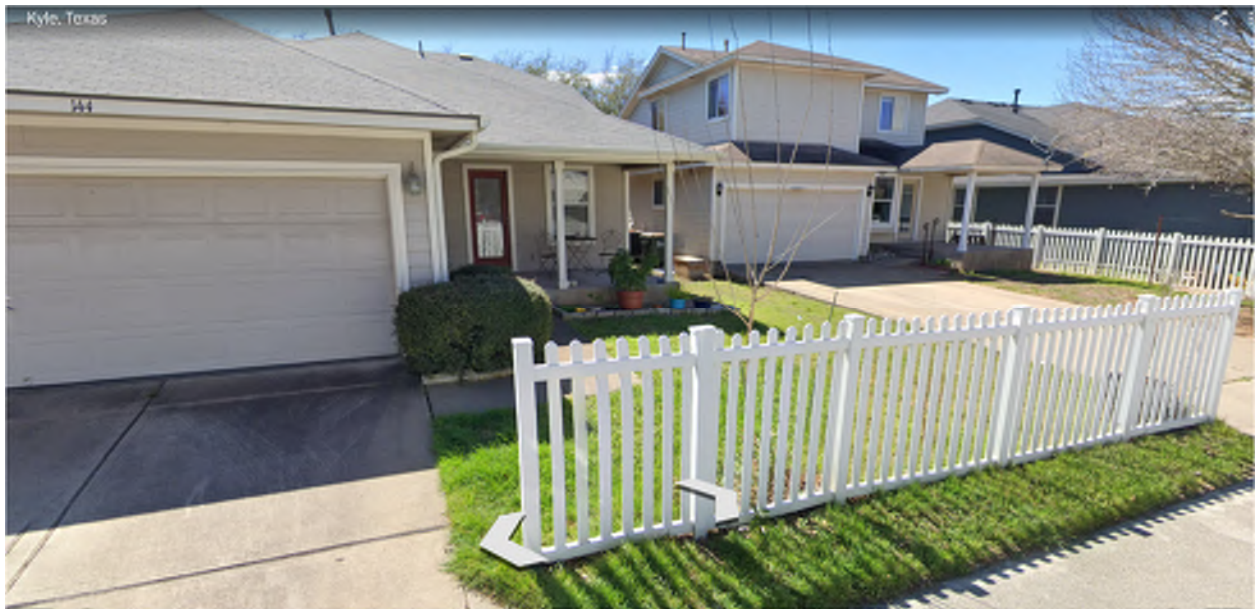
Goodnight Ranch 40' Lot- Street View



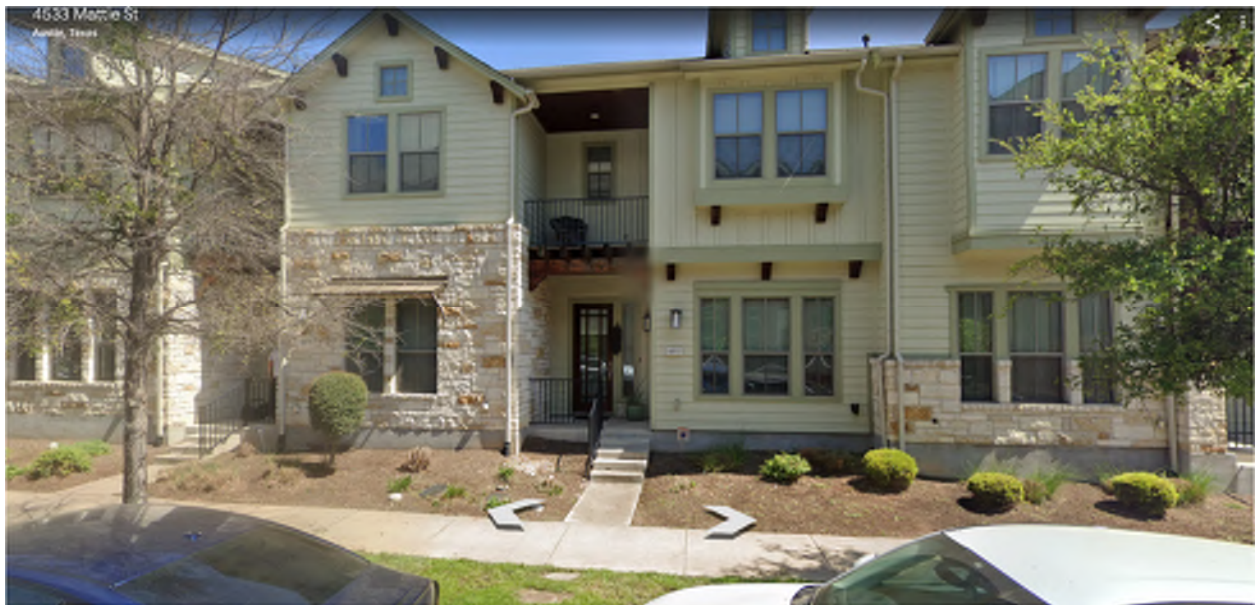
Plum Creek 45' Lot-Street View



Plum Creek 45' Lot- Alley View



Mueller Townhome Lot- Street View



Mueller Townhome Lot- Alley View



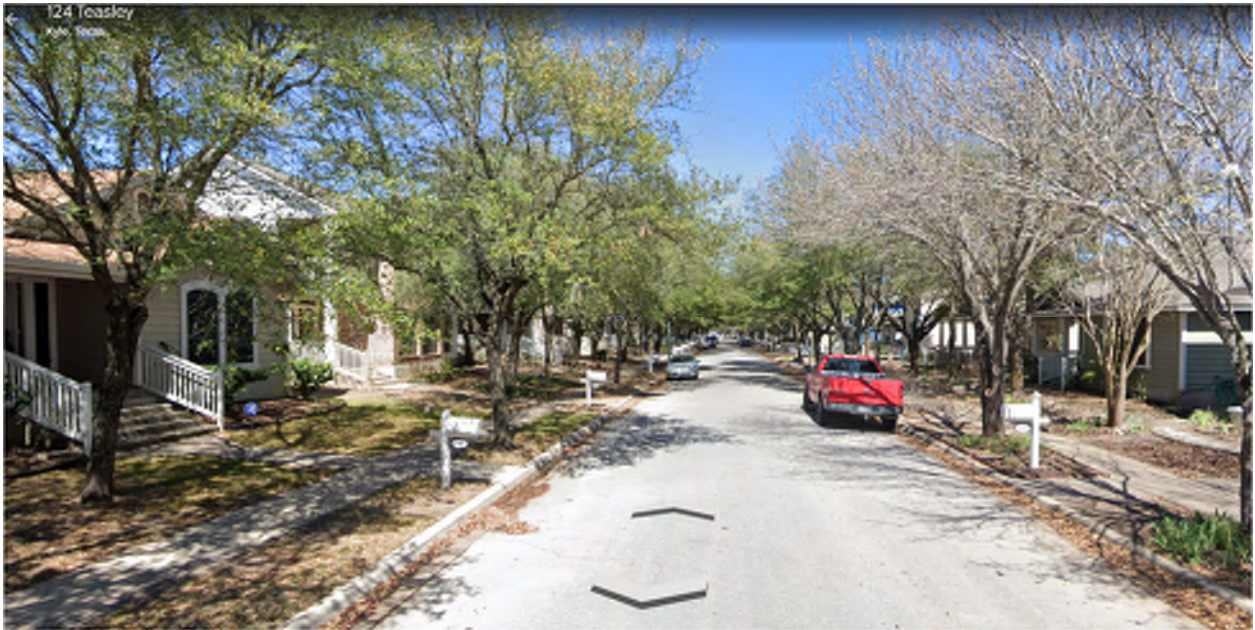
Mueller Street View



Mueller Townhome- Aerial View



Plum Creek- Street View



Taylor Morrison 50' Product



Brightland 50' Product



Commercial Retail Elevation Rendering



Commercial Retail Actual



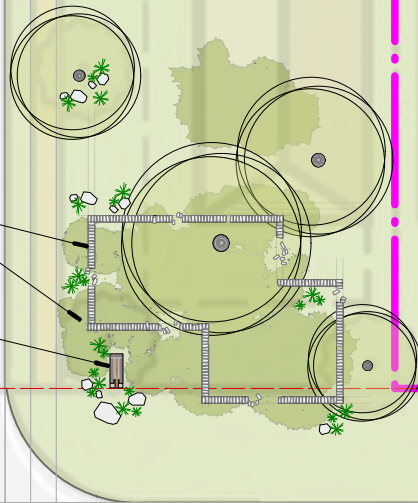
Multi-Family Elevation

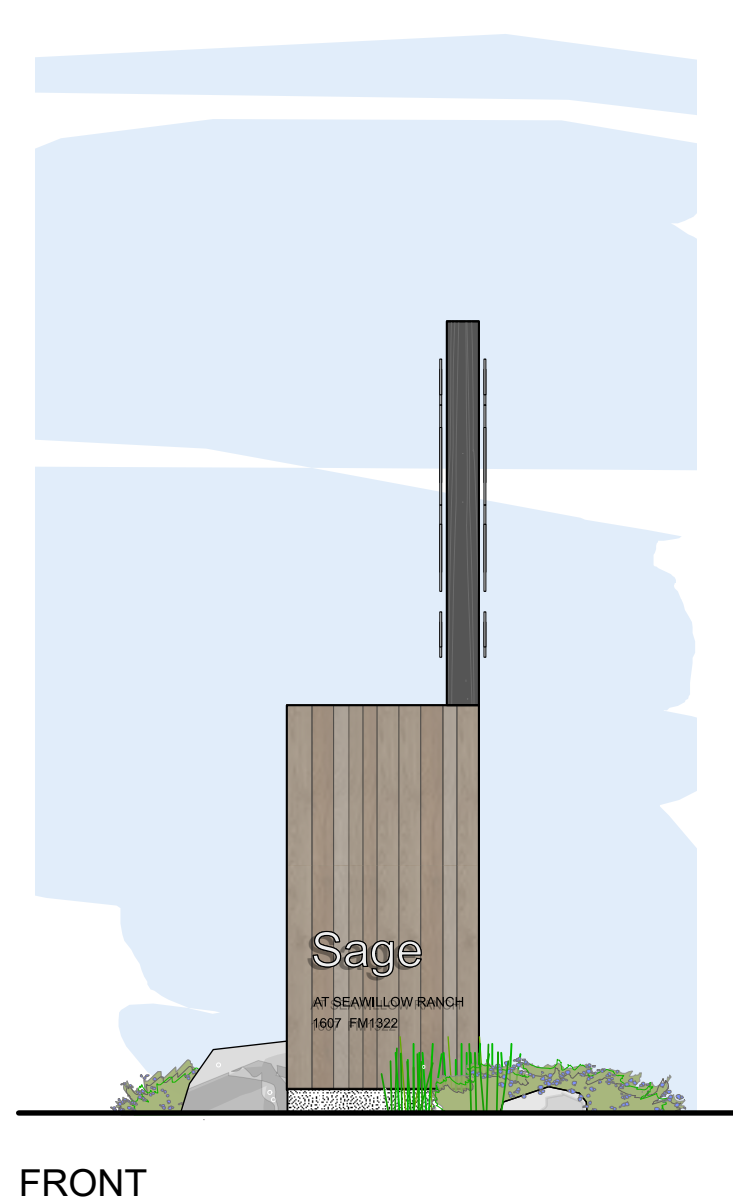
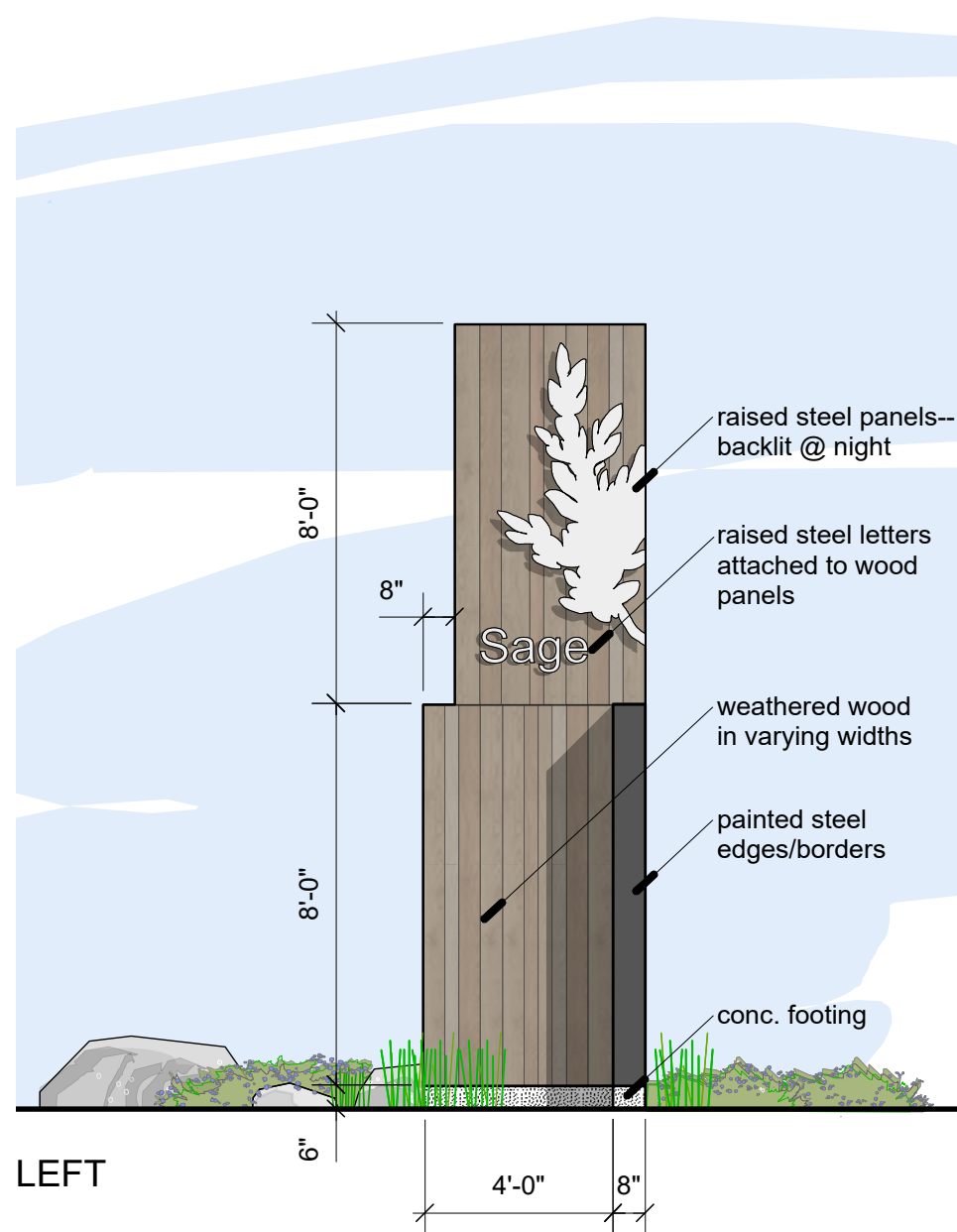
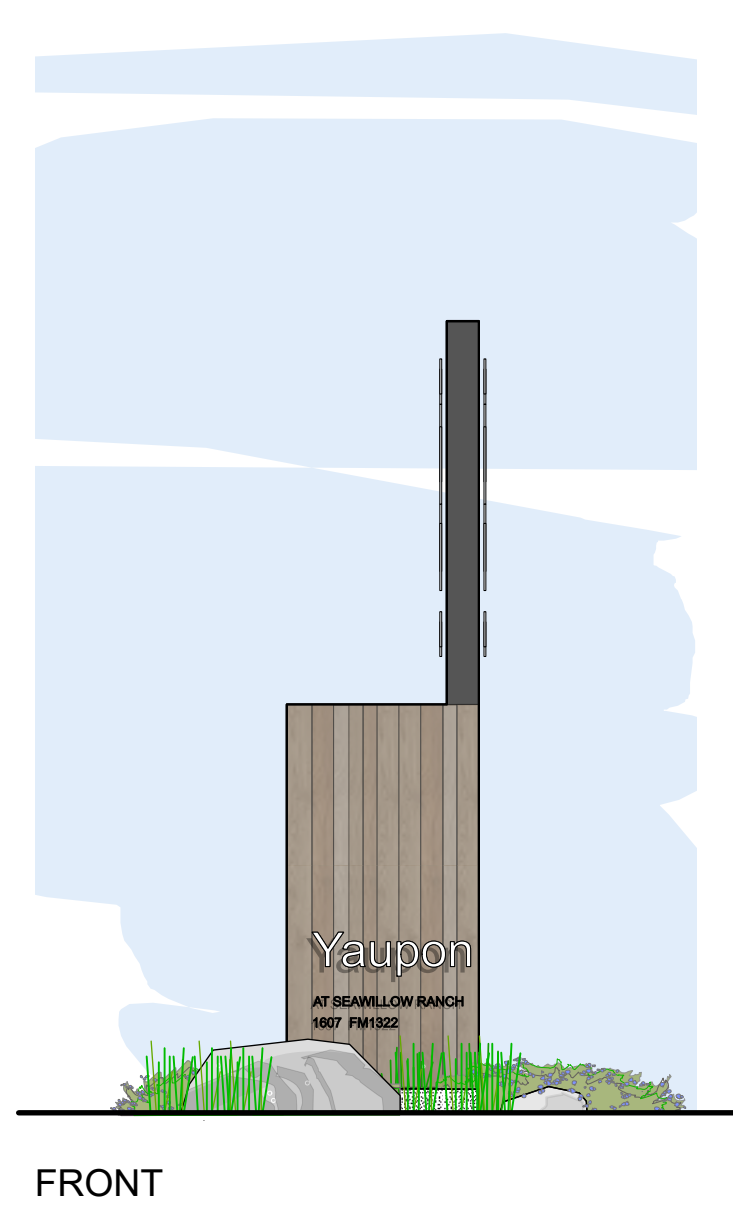
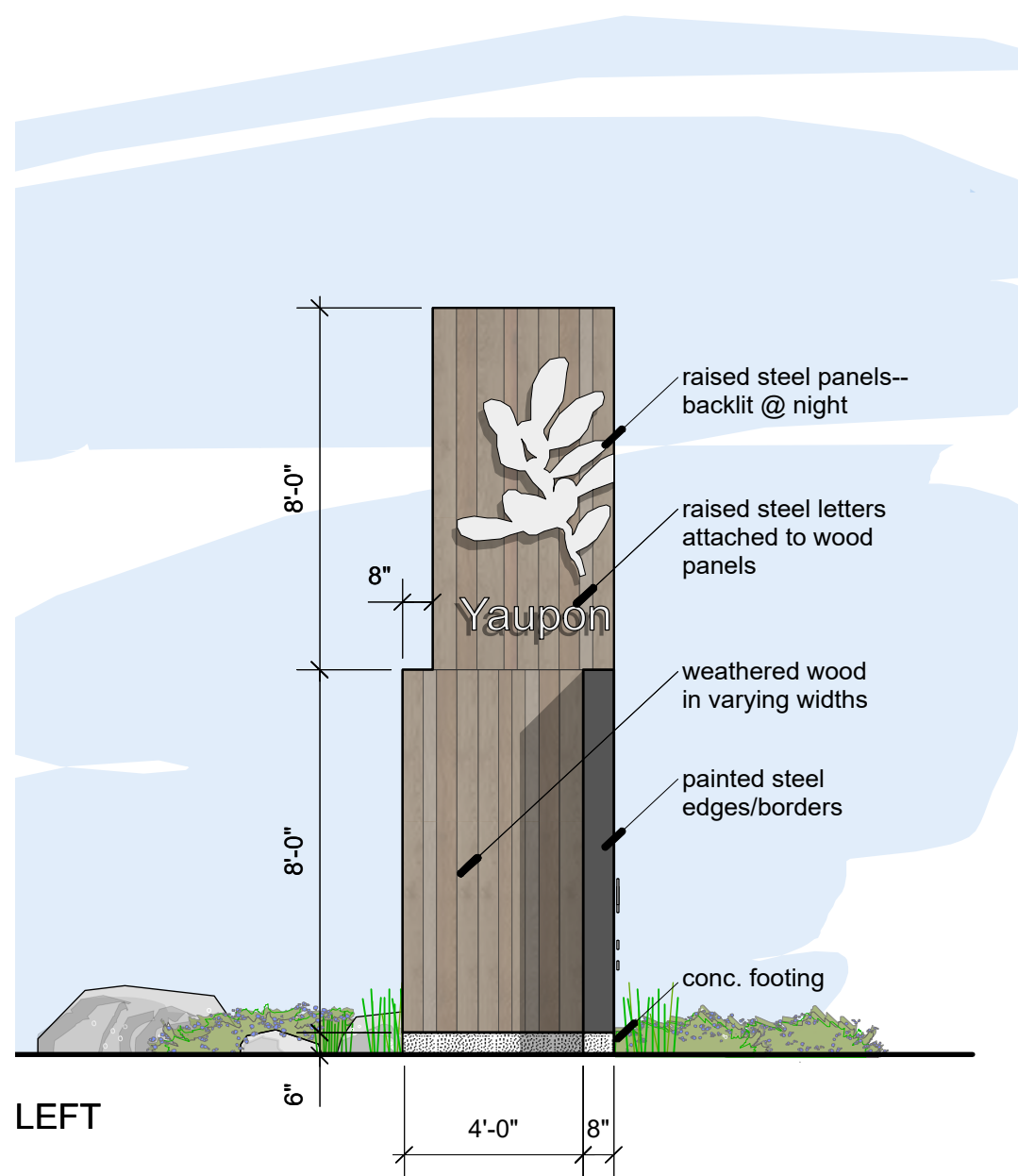


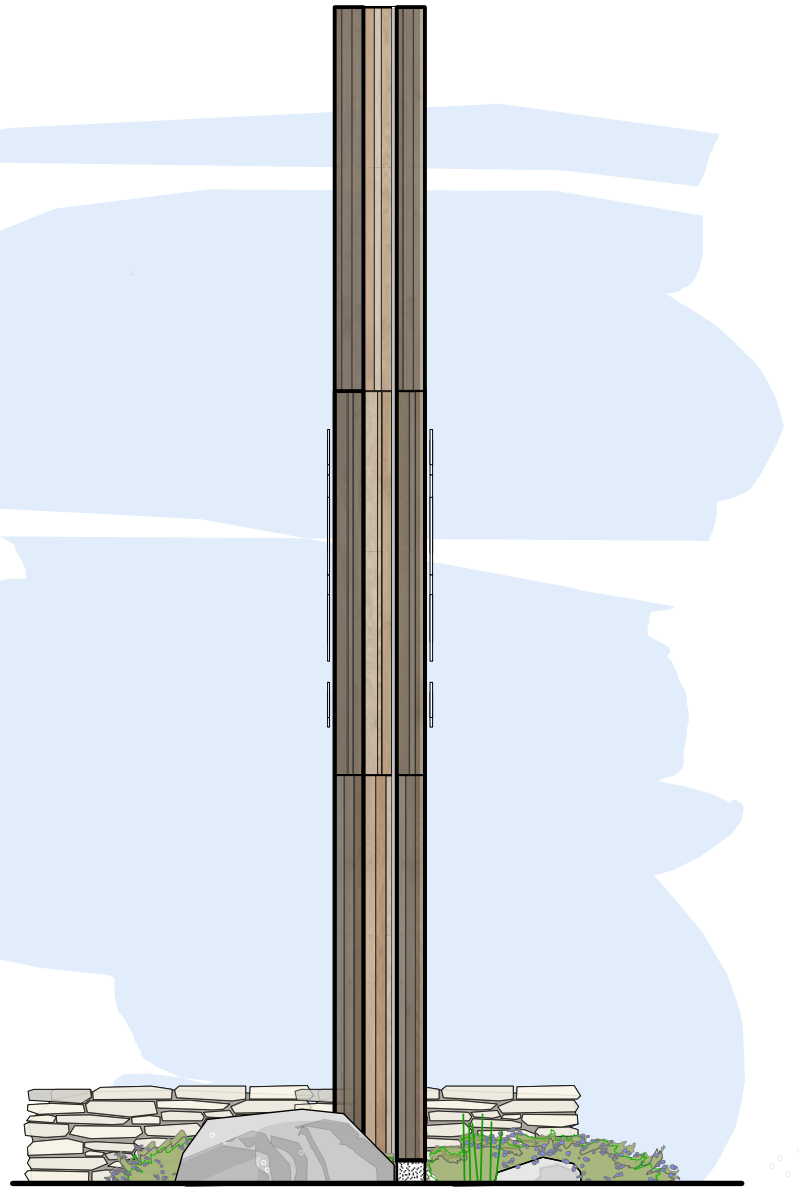
LOW STONE
WALLS

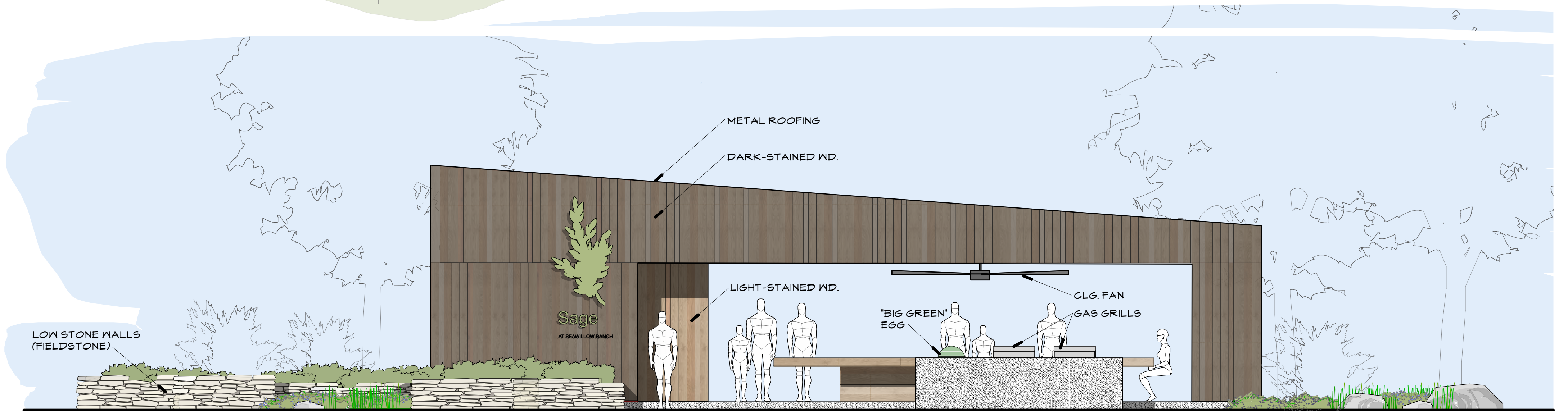
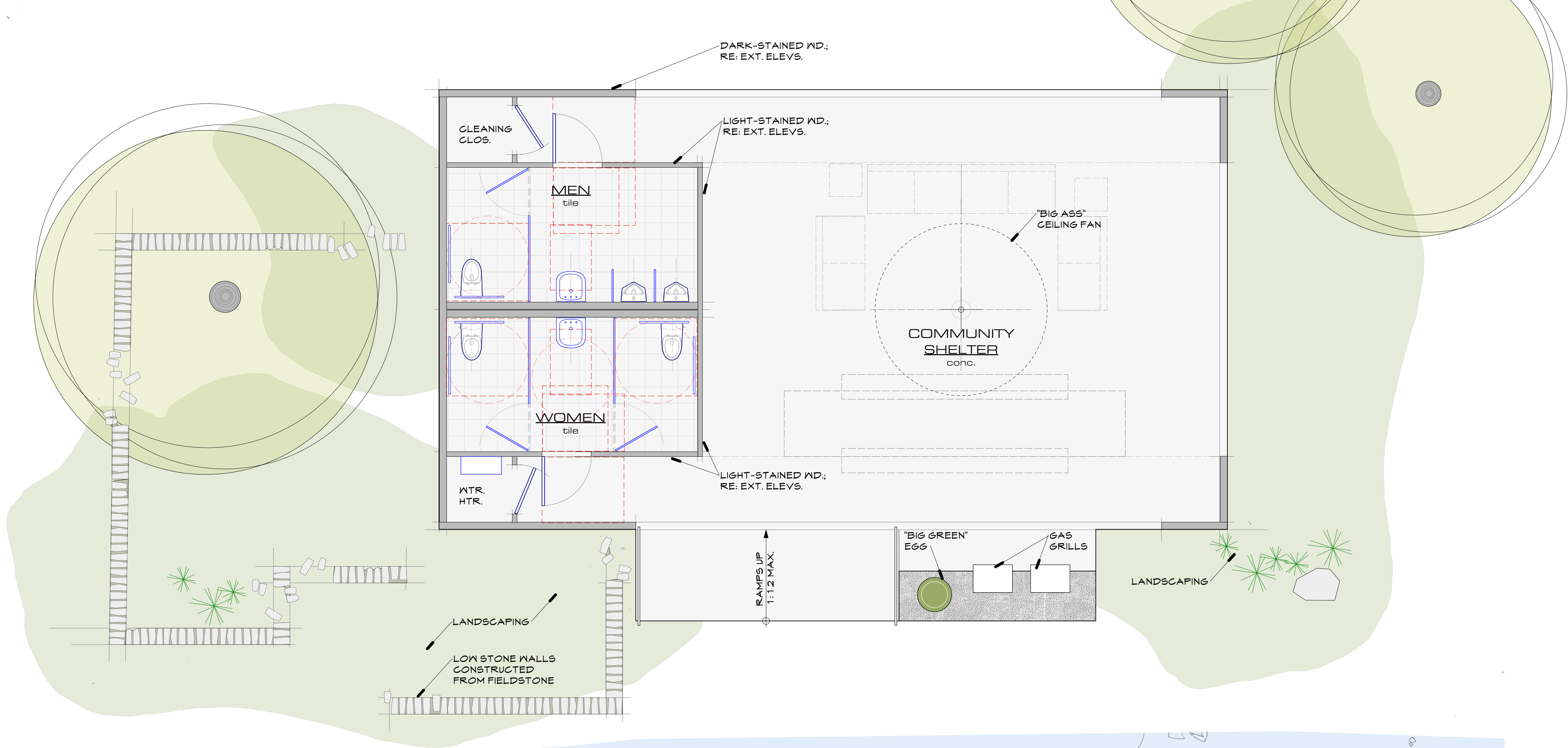
LANDSCAPING

MONUMENT
SIGN









COMMUNITY SHELTER

EXHIBIT G

STREET DESIGN REQUIREMENTS

Street Dimension Requirements for Seawillow PDD						
Street Type	ROW Required (ft.)	Pavement Width Required (ft.)	ROW Provided (ft.)	Pavement Width Provided(ft.)	Sidewalk (ft.)	Planting Zone (ft.)
Arterial	80	N/A	80	54	6	7
Collector/Commercial Local	60	41	60	36	5	7
Residential Local (50' Lots)	50	31	50	30	5	5
Residential Local (Less than 50' Lots)	50	31	54	30	5	7
Commercial/Park Facing Alley	25	20	30	25	5	2.5
Residential Alley	20	15	20	15	5	2.5

EXHIBIT H

PARKLAND SUMMARY FOR SEAWILLOW PDD

Parkland Summary for Seawillow PDD		
Per Acre Appraisal Value of Land	\$50,000	
Acreage Zoned As Residential	269.54	
	Required	Proposed
Land Dedication Acreage (8% of Land Zoned Residential up to 7 units per acre)	21.56	146.6
Community Facility Improvement Cost (15% Land Market Value Up to 5 acres)	\$250,000.00	\$1,650,000
Notes		
Community facility improvement cost proposed by developer was calculated by assuming a 7,000 LF 8' concrete Hike and Bike trail around the main park and the commitment of a 1/4 acre pocket park for every 200 units with a minimum of \$75,000 in playscape improvements.		

EXHIBIT I

DESIGN STANDARDS FOR SEAWILLOW PDD

Design Standards for Seawillow PDD

1. Block Length

- Applicable Districts: All Zoning Districts
- Land Use: All Land Uses
- Requirement: Maximum allowable block length for the Seawillow development is 600 feet. The Central Commercial District (CCD) can contain a block length up to 1200 feet if the developer provides internal public access for both pedestrian and bicycle traffic. Additionally, City staff must approval an internal circulation plan to ensure compliance with the character of the CCD.

2. Public Road Frontage for Park Facing Lots

- Applicable Districts: Single-Family Detached and Attached
- Land Use: ALTH/AL35/AL40/AL45
- Requirement: Alley loaded lots with 30' alley right-of-way that provides the appropriate signage and naming convention as a private street shall not be required to have public street frontage.

3. Street Tree Planting Requirements

- Applicable Zoning Districts: Single-Family Detached and Single-Family Attached Districts (SFD and SFA) and Collector/Arterial Street Sections
- Land Use: ALTH/AL35/AL40/AL45/Collector/Arterial Streets
- Requirement: Street trees will be required to be planted for all residential street sections within SFD and SFA zoning, as well as for proposed internal collector and arterial streets. These trees will be required to be 3 caliper inches and will be planted at 30' increments with the SFD and SFA district and at 50' increments for arterials and collectors. Collector and arterial medians will be planted with a minimum 4.5" caliper tree at 50' increments. All street tree species will be limited to the recommendation of the Texas A&M Forestry Service. Within SFD and SFA zoning districts street trees planted within the frontage of a single-family lot will count towards the City's shade tree requirement found in section 64-197(h.1) of the City of Lockhart Zoning Code.

4. Commercial Landscaping Requirements

- Applicable Zoning Districts: Medium Commercial District (MCD) and Central Commercial District (CCD)
- Land Use: MCD and CCD
- Requirements: All developments within Seawillow Ranch non-residential zoning districts shall abide by the following landscape standards:
 - Landscaping Along Perimeter. All nonresidential uses shall comply with the following streetscape requirements:

- Perimeter Landscaping. Perimeter Landscaping shall be provided adjacent to all streets. This section is only applicable where building facades aren't located within the required perimeter landscaping widths.
- The Perimeter Landscaping shall be the following minimum widths, exclusive of street Right-of-Way.
 - Adjacent to Arterial Street: Ten (10) feet.
 - Adjacent to Collector Street: Five (5) feet.
 - Adjacent to Local Street: Five (5) feet.
- Plantings within the Perimeter Landscaping shall be determined by the following:
 - Along all Freeways, Parkway Streets, Arterial Streets, and Collector Streets at least one (1) Shade Tree for every forty (40) feet of frontage shall be installed. One existing tree may be substituted for each new tree provided the existing tree is in good health and form. New trees must be planted within five (5) feet of the front lot line along the street and in line with other trees but not in conflict with utilities. The Director of Planning may permit additional minor setbacks or other adjustments to the planting strip to accommodate future right-of-way expansions, sidewalks, and utility lines.
 - Complete coverage of natural landscape materials shall be provided with Shrubs, Groundcover, Ornamental Grasses with a Rock/Crushed Rock Landscape Base, or Ornamental Grasses with a Mulch Base. The use of Turf Grass as a landscape material is prohibited in fulfilling the requirements of this subsection.
 - Shrub Buffer. Where parking lots, drives, and access easements abut the Perimeter Landscaping, Shrubs (5 gallon minimum) shall be planted to form a contiguous buffer along the common boundary line.
 - Shrubs shall be planted in planting beds with a Rock/Crushed Rock Landscape Base or Mulch Base.
 - A berm may be placed within the Perimeter Landscaping in lieu of the required Shrubs unless needed for a headlight screen. See 2.09.06. Residential Adjacency for possible additional landscaping requirements.
 - The berm must be 18 to 40 inches above the average grade of the street and parking lot curbs.
 - The slope of the berm shall not exceed a thirty-three (33) percent grade.
 - If the parking lot is located fifty (50) feet or more from the street Right-of-Way line, no Shrubs or berms will be required unless needed for a headlight screen.
- Internal Landscaping.
 - Internal Landscaping refers to all areas within the paved boundaries of the parking lot.
 - Any nonresidential parking area that contains more than ten (10) parking spaces shall provide Internal Landscaping in addition to the required Perimeter Landscaping.

- Only landscaped areas within the parking lot shall be used to meet the Internal Landscaping requirement.
- Plantings within the Internal Landscaping shall be determined by the following:
 - Ten (10) square feet of Internal Landscaping for each parking space or fraction thereof.
 - One (1) Shade Tree or two (2) Ornamental Trees for every fifteen (15) parking spaces or fraction thereof.
 - All parking spaces must be within eighty (80) feet of a Shade Tree.
 - Complete coverage of natural landscape materials, such Groundcover, or Ornamental Grasses with a Rock/Crushed Rock Landscape Base or Mulch Base. The use of Turf Grass as a landscape material is prohibited in fulfilling the requirements of this subsection.

5. Commercial Design Requirements

- Applicable Zoning Districts: Medium Commercial District (MCD) and Central Commercial District (CCD)
- Land Use: MCD and CCD
- Requirements:
 - **Parking Lot Setback:** For all commercial districts located along the frontage of an arterial roadway, parking is prohibited within 100' of the arterial right of way line that fronts the tract.
 - **Building Articulation:**
 - **Depth Articulation:** Depth articulation of at least three (3) feet shall be required for every thirty (30) feet of building facade length. Depth articulation applies only below the roofline.
 - **Height Articulation:** Height articulation for flat roofs of at least five (5) feet shall be required for every fifty (50) feet of building facade length. Pitched roofs do not require height articulation.

6. Architectural Residential Design Standards

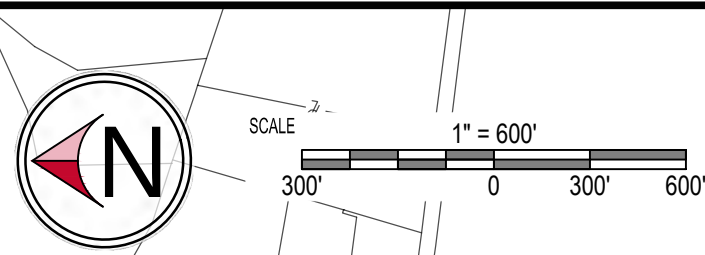
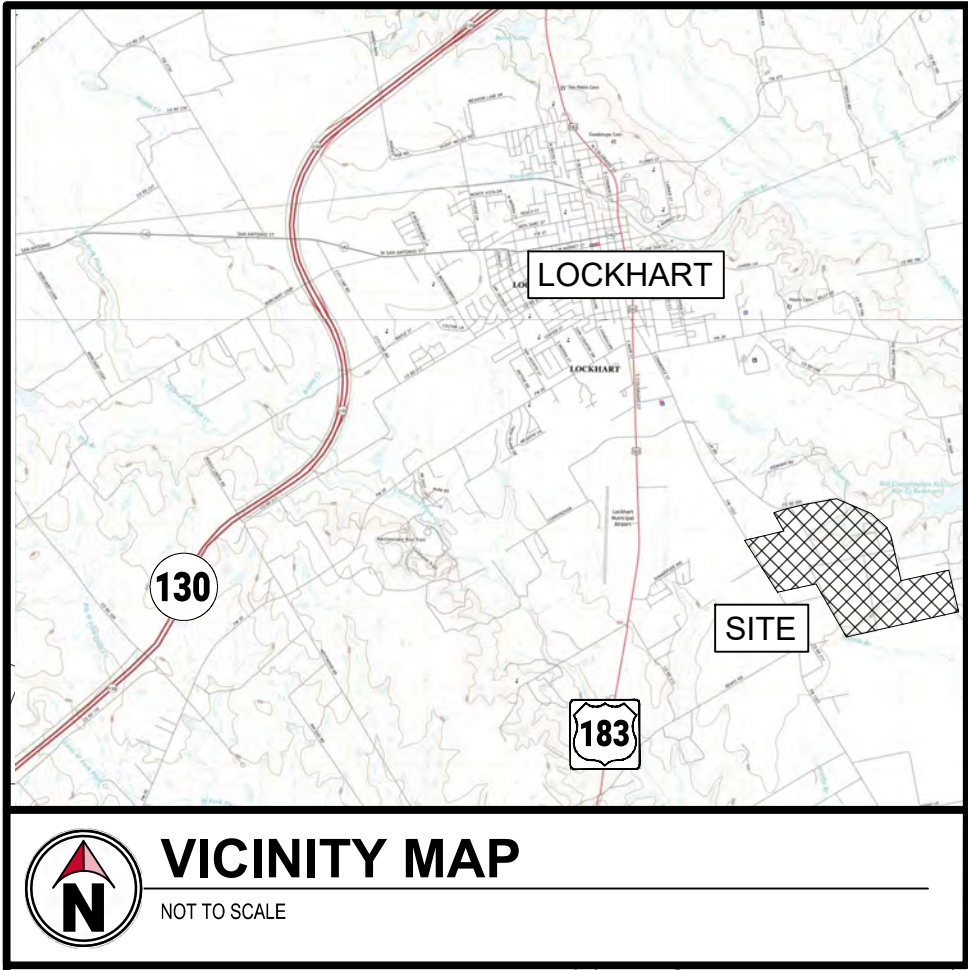
- Applicable Districts: Single-Family Detached
- Land Use: ALTH/AL35/AL40/AL45
- Front Porches for Alley Loaded Product. Front porches will need to be at least 80 square feet and 8 feet deep to meet to qualify as a design feature under the City of Lockhart's single-family architectural standards.
 - Garages. Each residence shall have a garage suitable for parking at least two (2) standard size automobiles. The height of each garage door may not exceed 10 feet in height, calculated from the surface of the driveway to the bottom of the header. Rear

detached garages are permitted provided they are constructed in compliance with the requirements of this PDD. Every garage and accessory building (except a greenhouse) shall correspond in style and architectural and exterior building materials with the dwelling to which it is appurtenant. Accessory structures, including a greenhouse, shall not exceed one (1) story in height, nor shall the total floor area of any accessory structure, exceed ten percent (10%), individually or in the aggregate, of the floor area of the main Dwelling.

- Exterior materials, which must cover not less than eighty percent (80%) of the exterior, shall be masonry, stone, stucco, plaster, cementitious siding or Hardie-plank equivalent, or wood siding on all first-floor walls (to the top of plate line of first story) visible from any street and on each remaining side and rear elevations. No exterior building walls erected or constructed shall be clad or covered with materials other than brick, brick veneer, stucco, concrete siding in plank form, stone or stone veneer.
- Roof pitches must be a minimum of 8/12 front to back, 8/12 side to side, and any porch or decorative extension must be a minimum of 4/12.
- All house plans must provide a minimum of three (3) of the following design elements:
 - Porches, stoops, or covered entries at a minimum of thirty (30) square feet;
 - Bay or box windows;
 - Dormers and/or gables;
 - Use of accent materials such as brick, stone, or stucco with banding highlights;
 - Ornamental or decorative windows and/or shutters, including, but not limited to, divided light windows;
 - Driveways with enhanced paving treatment consisting of salt finished concrete and/or brick borders;
 - Garage doors with one (1) of the following enhancements: (1) Cedar/Wood clad doors; (2) Double doors; (3) Decorative windows; or (4) Stamped reveals/texture and carriage style hardware; or
 - Two (2) or more coach lights
 - Front Wall Articulation. An offset in plane shall be provided every fifteen (15) feet along any front facade of the dwelling unit
 - Varying Front Setbacks. Variations of the front setback of at least five (5) feet shall be required, however buildings shall not be within the required front setback
- Architectural Focal Point. Include one (1) of the following architectural focal points:
 - Chimney. The exterior veneer of a chimney constructed as part of or an

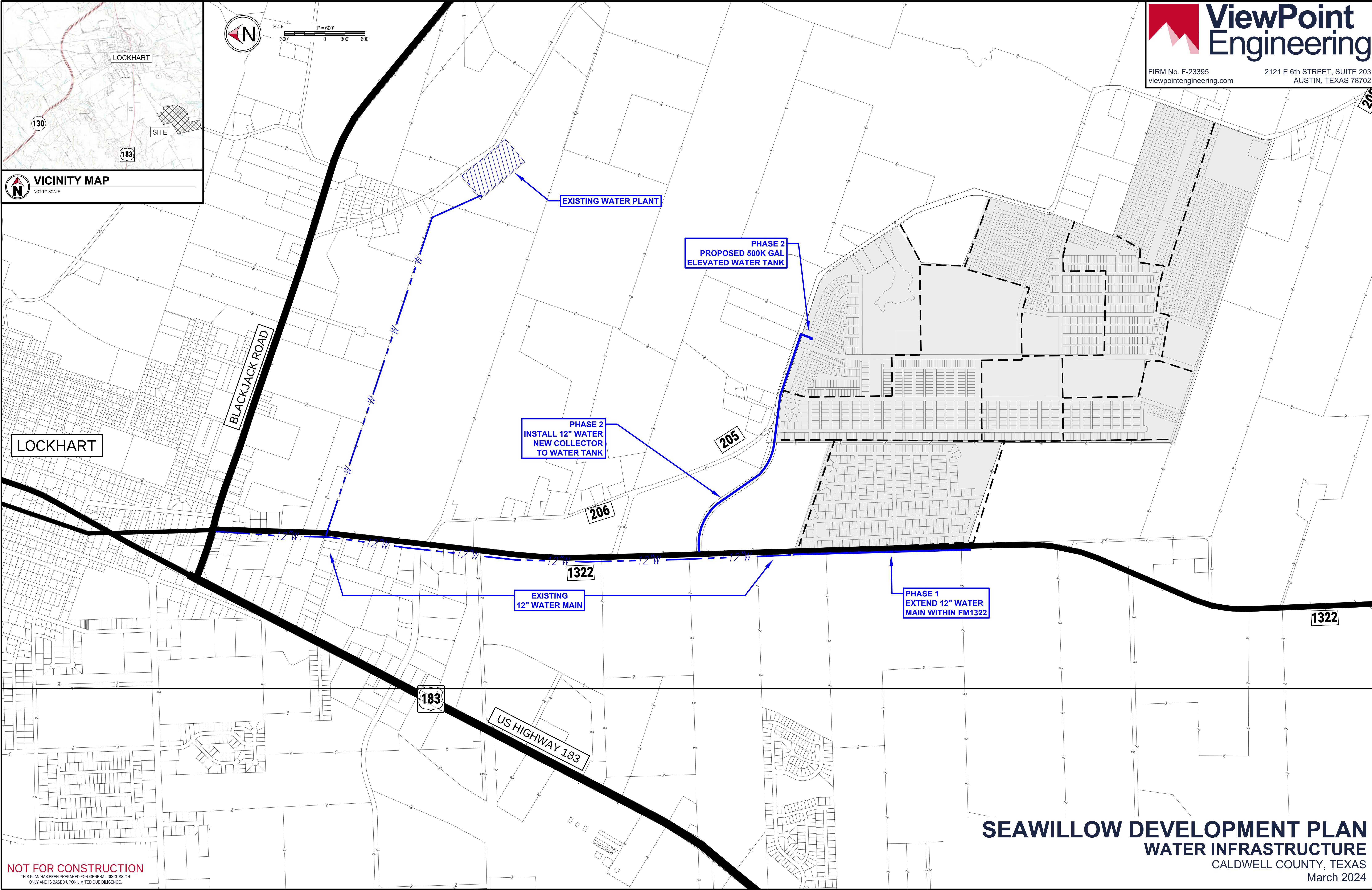
extension to the exterior wall of a residential structure must be constructed of like or similar brick or other masonry material to that of the primary structure. The exterior veneer of chimneys shall not be constructed of wood or lumber products.

- Window Enhancements. The use of transoms, bay windows, shutters, or other similar window enhancements.



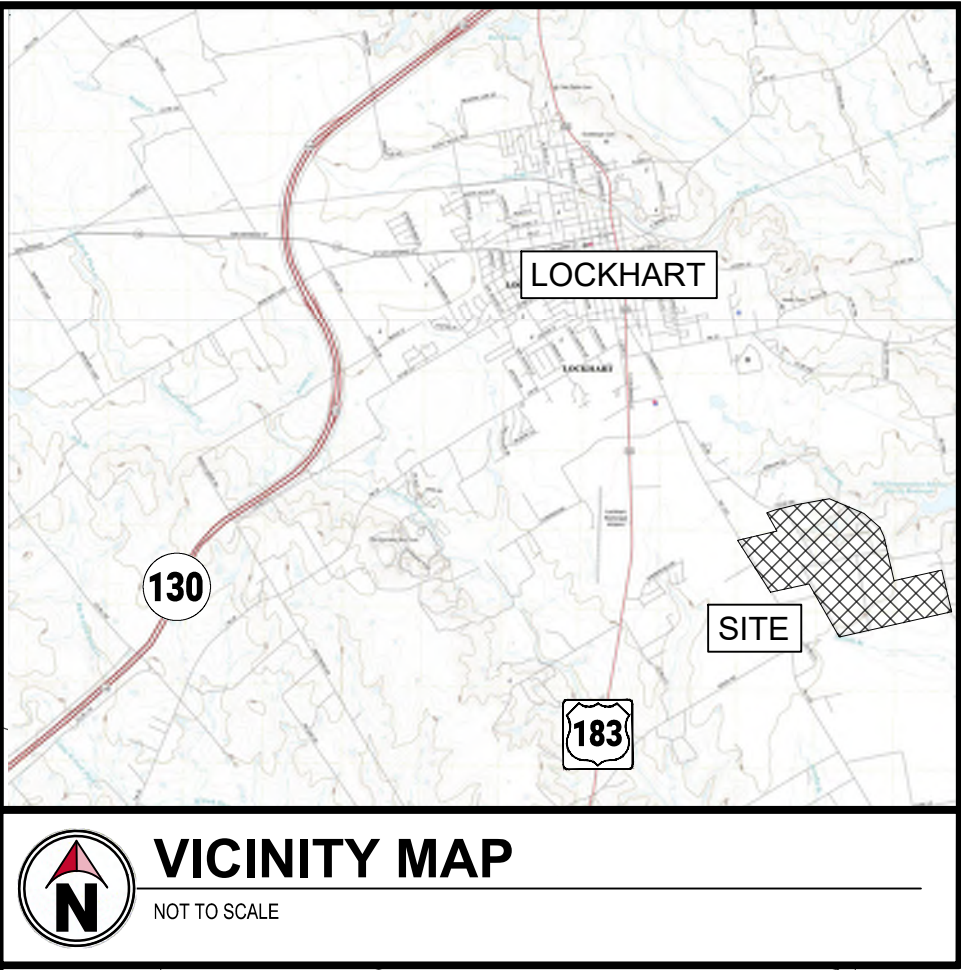
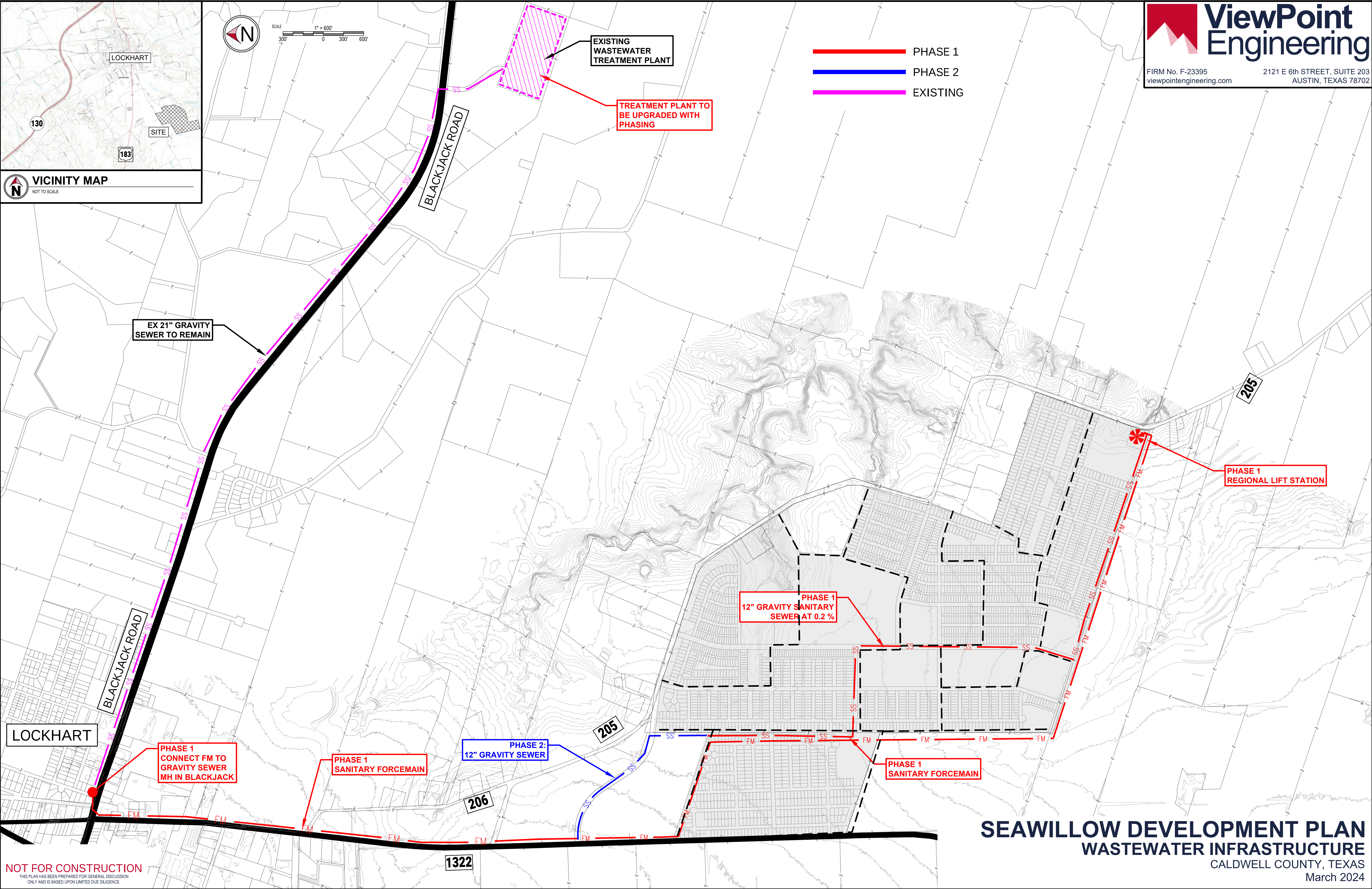
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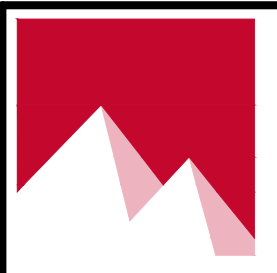
2121 E 6th STREET, SUITE 203
AUSTIN, TEXAS 78702



NOT FOR CONSTRUCTION
THIS PLAN HAS BEEN PREPARED FOR GENERAL DISCUSSION
ONLY AND IS BASED UPON LIMITED DUE DILIGENCE.

SEAWILLOW DEVELOPMENT PLAN
WATER INFRASTRUCTURE
CALDWELL COUNTY, TEXAS
March 2024





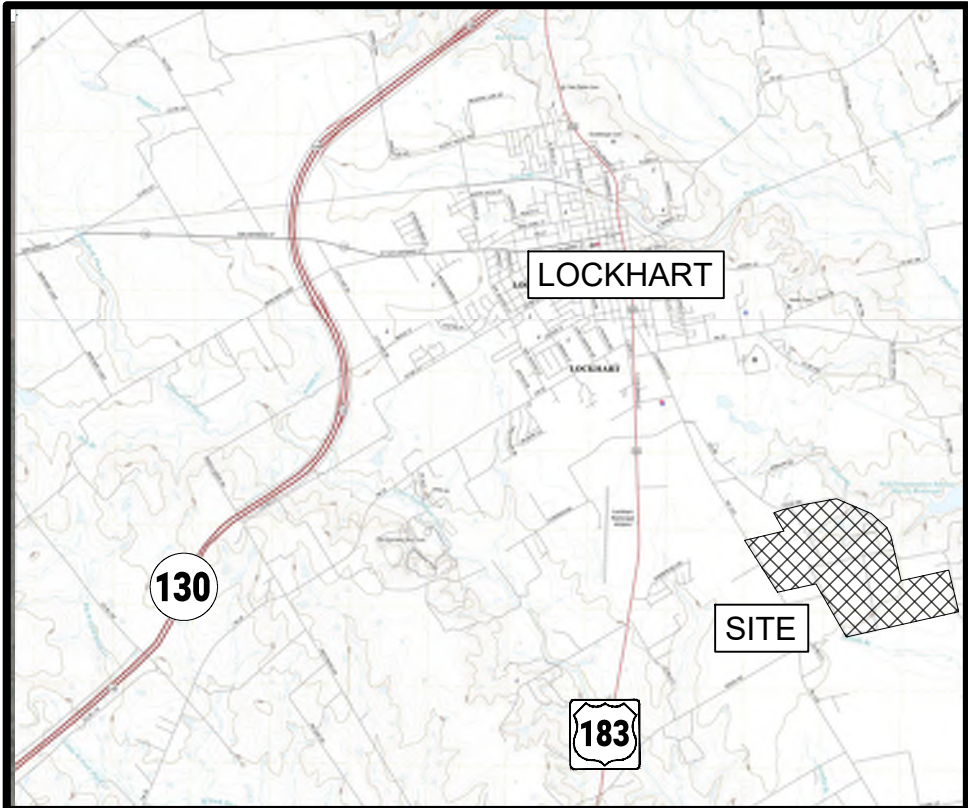
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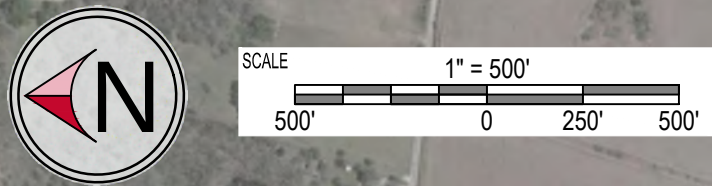
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SEAWILLOW DEVELOPMENT PLAN
WASTEWATER INFRASTRUCTURE
CALDWELL COUNTY, TEXAS
March 2024



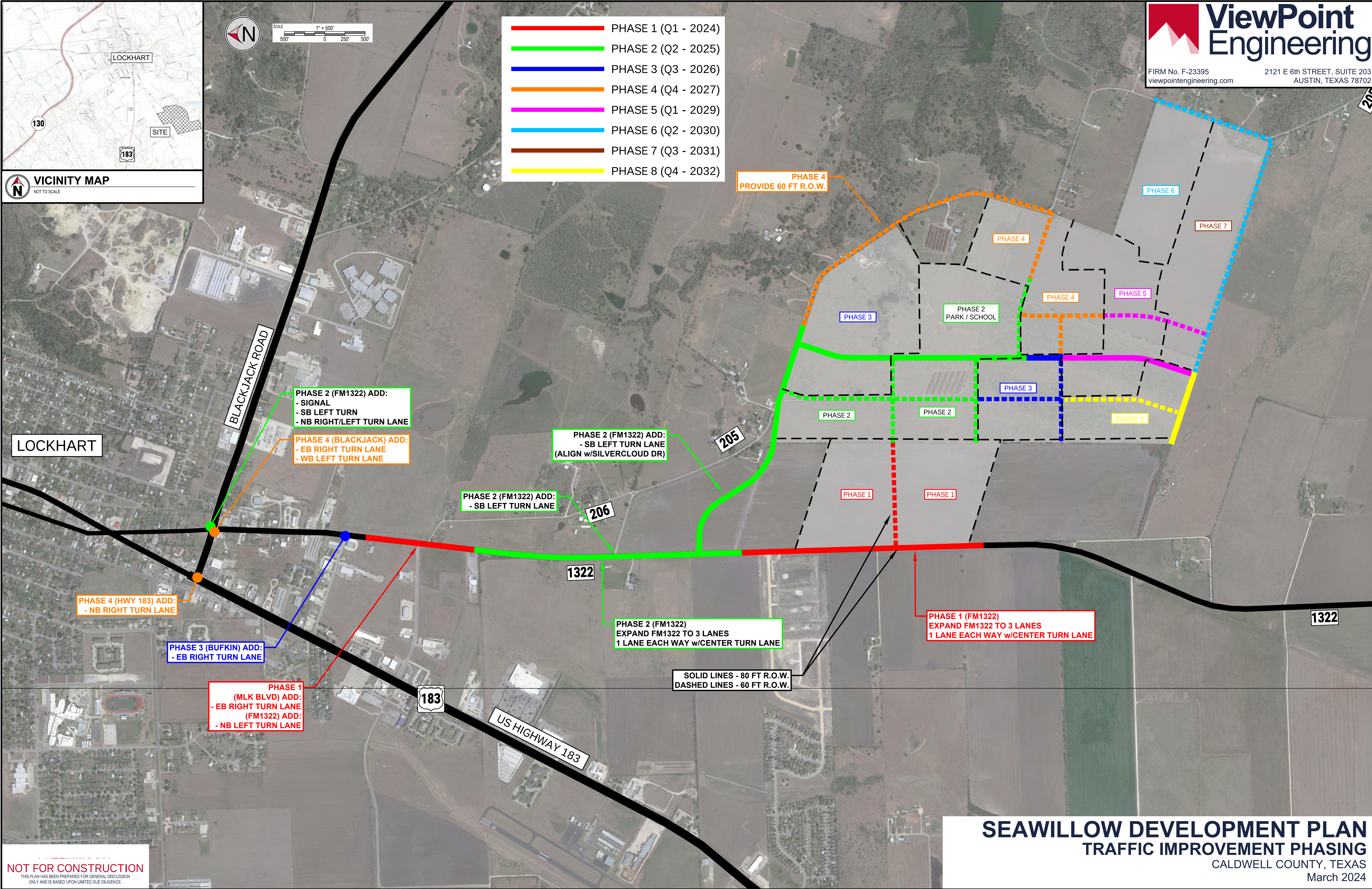
VICINITY MAP
NOT TO SCALE



- PHASE 1 (Q1 - 2024)
- PHASE 2 (Q2 - 2025)
- PHASE 3 (Q3 - 2026)
- PHASE 4 (Q4 - 2027)
- PHASE 5 (Q1 - 2029)
- PHASE 6 (Q2 - 2030)
- PHASE 7 (Q3 - 2031)
- PHASE 8 (Q4 - 2032)

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SEAWILLOW DEVELOPMENT PLAN

TRAFFIC IMPROVEMENT PHASING

CALDWELL COUNTY, TEXAS
March 2024



Lockhart

T E X A S

2022-2023 Strategic Work Plan



The Strategic Planning Process

From January through April 2022, the City of Lockhart embarked on a strategic planning process to create strategic priorities for 2022-2023. The following is the process used to reach the conclusions for the plan:

The process kicked off with a preliminary Zoom between the City Manager, Steve Lewis, Mayor Lew White, and professional facilitator Alysia A. Cook, PCED, IOM with Opportunity Strategies LLC. The three met to review key issues facing the city, understand the programs and projects currently underway, and to prepare the process and format for the planning session.

On April 8, 2022, the City of Lockhart Management Team met at the Library for Part 1 of the Strategic Work Planning Session for 2022-2023.

On April 9, 2022, the City of Lockhart City Council and City Manager met at the Library for Part 2 of the Strategic Work Planning Session for 2022-2023.



Day One – Management Team

Day One began with City Manager Steve Lewis reviewing with the Management Team the City of Lockhart's accomplishments and success stories of 2021.

Following that, the City Manager and the facilitator shared some leadership concepts and considerations with the Lockhart Management Team. This led to some group discussions about the importance of continuous learning and leadership development.

The City Manager discussed with the participants that when goals are adopted by the City Council, they provide a positive impact for the Management Team in at least 4 different ways:

- a) Direction is clearly set by City Council
- b) Once that direction is established, differences can be discussed in a more open, less polarizing manner
- c) Saves time in decision making on projects/programs
- d) City Manager's recommendations can be better aligned with ultimate objectives

Mission of Lockhart Management Team

To promote and influence the alignment of organizational resources by focusing on:

- a) Organizational planning and issues
- b) Open communication with elected officials, staff, boards, commissions, and citizens
- c) Ensuring City of Lockhart is a leader in Central Texas regarding issues with community relevance
- d) Implementing programs that derive from the City Council and community's goals

Start – Stop – Continue

The facilitator then engaged the Management Team in a group exercise called *Start – Stop – Continue* which divides participants into small groups and has them offer feedback on what the City needs to start doing, stop doing, and continue doing.

These are individual manager recommendations and not necessarily agreed to by all managers or by City Council members. The responses are as follows:

Start

- Long-term capital planning
- Increasing non-emergency communications
- Administering annual customer service surveys that are statistically valid
- Developing recreation programs
- Indoor community recreation center
- City facilities and community infrastructure improvements
- New spaces for city facilities
- Modernize Human Resources policies including technology
- A vehicle acquisition fund
- Decreasing steps in the hiring process
- Staff planning for future growth
- Modernizing our contracts, best practices, attorney, etc. including reviewing for mutually beneficial language and avoiding one-sided contracts

Stop

- Ineffective/outdated contracts
- Thinking small
- Six-month probationary period for personnel
- Reconnecting customers after 10pm
- Providing free services (such as banners and road closures) and establish a fee schedule for these special requests
- Requiring utility inspections for every change of occupant

Continue

- Longevity pay
- Forward-looking planning for quality growth
- Law enforcement outreach with community
- Contracting (sending RFPs) for solid waste collection
- Supporting tourism
- Modernizing technology, e.g. paperless, Go Green
- Enhancing community investment
- Planning our wayfinding and signage
- Growing events that enhance overnight stays in Lockhart and maximize HOT \$ collections
- Economic growth including considering developing a 4th industrial park
- Striving for improved customer service
- Community engagement including public open houses and social media



Next, the Management Team embarked on a discussion around the following topics which also included some departmental reports on the status of various projects:

- Growth Trends
- Land Development
- Economic Development
- Service Delivery
- Workforce Development
- Long Range Financial Outlook

Following those discussions, the facilitator led the Management Team through a discussion of what they each thought should be the 2022-2023 goals City Council would establish the following day. She recorded those recommendations, then the group reached consensus on what would be put forth to the Council to consider.

The final decisions for 2022-2023 were made by City Council the following day and are listed below.

Day Two – City Council

Day Two began with City Manager Steve Lewis reviewing with City Council the City of Lockhart's accomplishments and success stories of 2021.

Expectations – City Council

Following that, the facilitator asked City Council to share any expectations for the day. Responses were as follows:

- TxDOT – Wayfinding and Signage
- Summerside Subdivision turn lane and traffic light
- Urgent Care facility
- Comprehensive mental health care for first responders
- Keeping City Staff wages competitive
- Need for an Assistant City Manager
- Need for a grantwriter
- Regional animal shelter
- Next industrial park and/or property

The following is the City of Lockhart 2022-2023 Strategic Work Plan.

City of Lockhart Vision:

- To be a first-class community that has maintained its integrity and sense of community characterized by livable neighborhoods and quality schools.
- To be a City that focuses on family by ensuring quality recreational and cultural activities, services, housing, economic, and educational opportunities that promote a well-rounded productive member of the community.
- To be a City that is friendly to visitors and future residents with a spirit of fellowship and cooperation by accommodating their needs and recognizing the wealth in cultural, ethnic and age diversity.
- To be a City committed to sustainability by diligently balancing community needs with available resources and managing growth in a smart and fiscally responsible manner.
- To be a City that celebrates and embraces its long and rich history by reinvesting in neighborhoods, preserving areas and buildings of historic significance and returning the Central Business District to an economically viable and lively activity center.
- To be a City recognized for the quality of its built environment and the integration of the natural landscape throughout the community.
- To be a City that ensures a good balance between residential, commercial, industrial, and public/institutional uses supported by quality infrastructure and transportation systems.
- To be a City known for its innovative solutions to managing growth, progressiveness of City government, and responsiveness to the needs of citizens and businesses.

Source: Lockhart 2020 Comprehensive Plan

Goal #1:

**City
Facilities**

Goal #2:

**Human Resources/
Staffing**

Goal #3:

**Parks &
Recreation**

Goal #4:

Infrastructure

Goal #5:

**Modernization &
Communications**

Goal #6:

**Development &
Quality of Life**

Goal #7:

**Revenue
Sustainability**

2022-2023 Goals:

Each of the following seven goals is guided by the values of diversity and inclusion. Diversity and inclusion are a tapestry that is woven through every goal, every service, and every program.

Goal #1: City Facilities

To begin planning for new city facilities and offices.

Goal #2: Human Resources/Staffing

To enhance our HR services to ensure Lockhart remains a competitive employer.

Goal #3: Parks & Recreation

To develop the Parks & Recreation program and services.

Goal #4: Infrastructure

To enhance physical infrastructure and branded wayfinding throughout Lockhart.

Goal #5: Modernization & Communications

To modernize our in-house and online technology, systems, and communications to serve residents more efficiently and tell the Lockhart story.

Goal #6: Development & Quality of Life

To continually improve the quality of life and employment opportunities of the people of Lockhart.

Goal #7: Revenue Sustainability

To ensure the long-term financial health and sustainability of the City of Lockhart.

Goal #1: City Facilities

To begin planning for new city facilities and offices.

- 1.1 Consider which facilities improvements should be funded by certificates of obligation vs. bonds
- 1.2 Begin plans to replace/update City Hall
- 1.3 Begin plans to replace/update Police/Fire/Training facilities
- 1.4 Begin plans to replace/update Maintenance/City Barn Utilities
- 1.5 Reclaim old space at the hospital
- 1.6 Lease additional space at the EDC building
- 1.7 Conduct a Facilities Study with architects and engineers
- 1.8 Consider Airport improvements (TxDOT Aviation) in the study

Goal #2: Human Resources/Staffing

To enhance our HR services to ensure Lockhart remains a competitive employer.

- 2.1 Hire ACM (Assistant City Manager) immediately
- 2.2 Hire City Manager Support Staff (Executive Assistant or Administrative Assistant)
- 2.3 Once new ACM is hired, assign him/her with developing a Staffing Plan
- 2.4 Once new ACM is hired, assign him/her with developing a Succession Plan
- 2.5 Consider adding additional staff city-wide as needed
- 2.6 Retain law enforcement officers by ensuring compensation competitiveness
- 2.7 Implement a formal EAP (Employee Assistance Program)
- 2.8 Secure a grantwriter (explore opportunities for hiring one vs. contractor)

Goal #3: Parks & Recreation

To develop the Parks & Recreation program and services.

- 3.1 Develop adult and youth programming that utilize existing facilities
- 3.2 Conduct successful outreach to sports leagues across Texas and neighboring states
- 3.3 Consider new Parks & Rec facilities such as pickleball, volleyball, and frisbee golf
- 3.4 Plan for and implement safety improvements of existing facilities
- 3.5 Plan for and implement aesthetic improvements of existing facilities
- 3.6 City Council requests to meet with Parks & Rec Director and City Manager to discuss ideas and brainstorm next steps in the Parks Plan including:
 - Work session, then tour Parks facilities with Parks & Rec Director
 - Discuss short-term vs. long-term Parks & Rec needs
 - Develop plan to survey citizens including bond exploration

Goal #4: Infrastructure

To enhance physical infrastructure and branded wayfinding throughout Lockhart.

- 4.1 Conduct public open houses to determine public wishes for Downtown
- 4.2 Council to approve a final Downtown Conceptual Design and authorize staff to implement
- 4.3 Consider an additional commercial district with retail and mixed-use offerings
- 4.4 Issue the RFP for a Comprehensive Plan update (hire firm by January 2023, then CIP (capital improvement plan) to follow
- 4.5 Explore downtown WiFi options including geofencing

Goal #5: Modernization & Communications

To modernize our in-house and online technology, systems, and communications to serve residents more efficiently and tell the Lockhart story.

- 5.1 PIO (Public Information Officer) to secure proposals for a new website design including:
 - Online forms and application portals (permitting, employment, variance requests, etc.)
 - Must be mobile responsive platform
 - Ensure ease of use and innovative utility of site
 - Include a portal to the Lockhart Economic Development Corporation website
- 5.2 Hire a consultant to 1) build a survey to ask the public what information they seek to find on the City of Lockhart website and 2) compare Lockhart website to other communities with high utilization of an innovative website
- 5.3 Streamline application processes of permits, developer proposals, engineering, employment, etc. to be placed on website (see 5.1)
- 5.4 Verify internet access at all City facilities



Goal #6: Development & Quality of Life

To continually improve the quality of life and employment opportunities of the people of Lockhart.

- 6.1 Consider proposed sidewalk ordinance
- 6.2 Facilitate/incentivize more housing options including:
 - Rental housing options
 - Workforce housing options
 - Higher-income housing
 - Infill/revitalized housing within centers of commerce (existing or planned)
 - Senior/retiree housing
- 6.3 Continue to promote family-friendly events in Downtown
- 6.4 Encourage higher development standards (within state legislature constraints) to research modernization techniques and make recommendations to City Manager for consideration
- 6.5 Continue to implement Animal Control Audit recommendations
- 6.6 Continue to provide concerts on the square

Goal #7: Revenue Sustainability

To ensure the long-term financial health and sustainability of the City of Lockhart.

- 7.1 Explore and increase film production permitting fees
- 7.2 Create and implement fees for banners, road closures, event special requests
- 7.3 Use grantwriter (see 2.8) to find and write grants that benefit the City of Lockhart and its residents
- 7.4 Conduct discussions between City Council and Staff regarding which items can/should be funded by certificates of obligation vs. bonds
- 7.5 Update/increase construction permit fees and impact fees
- 7.6 Explore a bond vote for the items proposed by Parks & Rec and Council from Goal #3
- 7.7 Explore the concept of a Community Foundation with community benefactor options including other communities who have successfully created and implemented a Community Foundation

City of Lockhart Leadership

The 2022 City Council and Management Team participating:

City Council:

Lew White, Mayor
Angie Gonzales-Sanchez, Mayor Pro-Tem
Brad Westmoreland, Councilmember At-Large
Juan Mendoza, Councilmember District 1
David Bryant, Councilmember District 2
Kara McGregor, Councilmember District 3
Jeffrey Michelson, Councilmember District 4

Management Team:

Steve Lewis, City Manager
Julie Bowermon, Director of Human Resources
Connie Constancio, City Secretary
Travis Hughes, Director of Parks & Recreation
Randy Jenkins, Fire Chief
Mike Kamerlander, Economic Development Director
Sean Kelley, Public Works Director
Pam Larison, Director of Finance
Bobby Leos, Electric Superintendent
Victoria Maranan, Public Information Officer
Bertha Martinez, Director of Library Services
Ernest Pedraza, Chief of Police





City of Lockhart

2020-2021 Strategic Priorities

Prepared by:

