



Dr. Larry Wallace Jr., Mayor
Emily Hill, Place 1
Maria Amezcua, Place 2
Dr. Christopher Harvey, Place 3
Danny Scarbrough, Place 4
Deja Hill, Mayor Pro Tem, Place 5
Valerie Dye, Place 6

**CITY COUNCIL
REGULAR MEETING
AGENDA**

Wednesday, December 18, 2019

7:00 p.m.

Manor City Hall – Council Chambers
105 E. Eggleston Street

CALL TO ORDER AND ANNOUNCE A QUORUM IS PRESENT

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Comments will be taken from the audience on non-agenda related topics for a length of time, not to exceed three (3) minutes per person. Comments on specific agenda items must be made when the item comes before the Council. To address the City Council, please complete the white card and present it to the City Secretary prior to the meeting. **No Action May be Taken by the City Council During Public Comments**

CONSENT AGENDA

All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless requested by the Mayor or a Council Member; in which event, the item will be removed from the consent agenda and considered separately.

1. Consideration, discussion, and possible action to approve the City Council Minutes of the December 4, 2019, Regular Meeting Lluvia T. Almaraz,
City Secretary

- | | |
|---|------------------------------|
| 2. Consideration, discussion, and possible action on the acceptance of the November 2019 Departmental Reports: | Thomas Bolt,
City Manager |
| <ul style="list-style-type: none">• Police – Ryan Phipps, Chief of Police• Development Services – Scott Dunlop, Assistant Dev. Services Director• Community Development – Debbie Charbonneau• Municipal Court – Sarah Friberg, Court Clerk• Public Works – Michael Tuley, Director of Public Works• Finance – Lydia Collins, Director of Finance | |

PUBLIC HEARINGS

- | | |
|---|--|
| 3. <u>Public Hearing</u> : Conduct a public hearing upon a Concept Plan for IDEA-Manor, one (1) lot on 13.19 acres more or less, located near N. FM 973 and Suncrest Road, Manor, TX. | Scott Dunlop,
Asst. Dev. Services
Director |
| 4. <u>Public Hearing</u> : Conduct a public hearing upon a Concept Plan for Las Entradas North, twenty-four (24) lots on 104.6 acres more or less, located near US Hwy 290 E and Gregg Manor Road, Manor, TX. | Scott Dunlop,
Asst. Dev. Services
Director |
| 5. <u>Public Hearing</u> : Discussion on the issuance of Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) | Thomas Bolt,
City Manager |

REGULAR AGENDA

- | | |
|--|--|
| 6. Consideration, discussion, and possible action upon a Concept Plan for IDEA-Manor, one (1) lot on 13.19 acres more or less, located near N. FM 973 and Suncrest Road, Manor, TX. Applicant: Pape-Dawson Engineers. Owner: IDEA Public Schools. | Scott Dunlop,
Asst. Dev. Services
Director |
| 7. Consideration, discussion, and possible action upon a Concept Plan for Las Entradas North, twenty-four (24) lots on 104.6 acres more or less, located near US Hwy 290 E and Gregg Manor Road, Manor, TX. Applicant: Kimley-Horn & Associates. Owner: Las Entradas Development Corp. | Scott Dunlop,
Asst. Dev. Services
Director |
| 8. Consideration, discussion, and possible action on an ordinance authorizing the issuance and sale of the City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project); approving and authorizing related agreements; and accepting and approving an update to the Service and Assessment Plan and Assessment Roll | Thomas Bolt,
City Manager |
| 9. Consideration, discussion and possible action on selecting an appraiser for the Manor Heights Public Improvement District (PID). | Thomas Bolt,
City Manager |
| 10. <u>First Reading</u> : Consideration, discussion and possible action on an ordinance rezoning 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1). Applicant: Rene Maruri Avilez Owner: Rene Maruri Avilez | Scott Dunlop,
Asst. Dev. Services
Director |

- | | |
|---|---|
| 11. Consideration, discussion and possible action on the Third Amendment to the Manor Commons Amended and Restated Project and Incentive Agreement. | Scott Dunlop,
Asst. Dev. Services
Director |
| 12. Consideration, discussion, and possible action upon a Concept Plan for the Manor Commons SE Commercial, nineteen (19) lots on 73 acres more or less, located near US Hwy 290 E and FM 973 N, Manor, TX. Applicant: ALM Engineering. Owner: Greenview Development 973, LP | Scott Dunlop,
Asst. Dev. Services
Director |
| 13. <u>First Reading</u> : Consideration, discussion, and possible action on an amendment to the Manor Code of Ordinances Chapter 14 Zoning to amend sections General including Application, and Definitions; Zoning District and Regulations including General Requirements and Limitations, Zoning of Annexed Areas, and Establishment of Zoning Districts; Construction Plans; Conditional Use Permits; Nonconforming Uses; Sexually Oriented Businesses; and other related matters. | Scott Dunlop,
Asst. Dev. Services
Director |
| 14. Consideration, discussion and possible action on an Interlocal Agreement between the City of Manor and the City of Austin for police graphics and decal services. | Ryan Phipps,
Chief of Police |
| 15. Consideration, discussion, and possible action on the appointment of two (2) Planning and Zoning Commissioners to the Tree Advisory Committee. | Scott Dunlop,
Asst. Dev. Services
Director. |
| 16. Acknowledge the resignation of Planning and Zoning Commissioner Keith Miller, Place No. 6 and declare a vacancy. | Scott Dunlop,
Asst. Dev. Services
Director |

EXECUTIVE SESSION

The City Council will now Convene into executive session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

Section 551.074 Personnel Matters – Interview Candidates for appointment to the Planning and Zoning Commission for Place No. 6; and Reappointments for Place No. 2 – Jacob Hammersmith and Place No. 4 Isaac Rowe.

OPEN SESSION

The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code and take action, if any, on item(s) discussed during Closed Executive Session.

ADJOURNMENT

In addition to any executive session already listed above, the City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section §551.071 (Consultation with Attorney), §551.072 (Deliberations regarding Real Property), §551.073 (Deliberations regarding Gifts and Donations), §551.074 (Personnel Matters), §551.076 (Deliberations regarding Security Devices) and §551.087 (Deliberations regarding Economic Development Negotiations).

POSTING CERTIFICATION

I, the undersigned authority do hereby certify that this Notice of Meeting was posted on the bulletin board, at the City Hall of the City of Manor, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: Friday, December 13, 2019, by 5:00 p.m. and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

/s/ Lluvia T. Almaraz, TRMC
City Secretary for the City of Manor, Texas

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS:

The City of Manor is committed to compliance with the Americans with Disabilities Act. Manor City Hall and the Council Chambers are wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary at 512.272.5555 or e-mail lalmaraz@cityofmanor.org



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Lluvia T. Almaraz, City Secretary

DEPARTMENT: Administration

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action to approve the City Council Minutes of the December 4, 2019, Regular Meeting

BACKGROUND/SUMMARY:

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

December 4, 2019, Regular Meeting

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve the City Council Minutes of the December 4, 2019, Regular Meeting.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



**CITY COUNCIL
REGULAR SESSION MINUTES
DECEMBER 4, 2019**

PRESENT:

Dr. Larry Wallace Jr., Mayor

COUNCIL MEMBERS:

Emily Hill, Place 1
Maria Amezcua, Place 2
Dr. Christopher Harvey, Place 3
Danny Scarbrough, Place 4
Deja Hill, Mayor Pro Tem, Place 5
Valerie Dye, Place 6

CITY STAFF:

Thomas Bolt, City Manager
Lluvia T. Almaraz, City Secretary
Scott Dunlop, Assistant Development Services Director
Pauline Gray, P.E., City Engineer
Veronica Rivera, City Attorney
Christina Lane, Finance Advisor

REGULAR SESSION – 7:00 P.M.

With a quorum of the Council Members present, the regular session of the Manor City Council was called to order by Mayor Dr. Larry Wallace Jr. at 7:00 p.m. on Wednesday, December 4, 2019, in the Council Chambers of the Manor City Hall, 105 E. Eggleston St., Manor, Texas.

PLEDGE OF ALLEGIANCE

At the request of Mayor Dr. Wallace Jr., Council Member Dye, led the Pledge of Allegiance.

PRESENTATIONS

Recognitions of outgoing Council Member Gil Burrell; and Council Member Anne Weir presented by Mayor Dr. Larry Wallace Jr.

Mayor Dr. Wallace Jr., presented the recognition awards to outgoing Council Member Gil Burrell; and Council Member Anne Weir. He thanked both for their services to the City of Manor.

Council Member Amezcua thanked both Council Members for their support and wisdom through the years.

Council Member Scarbrough thanked both Council Members for their services.

PUBLIC COMMENTS

LaShondra McVade, 546 Llano Street, Manor, Texas, spoke before City Council on behalf of her grandmother Cleora McVade. Ms. McVade expressed her family's concerns regarding the heavy traffic of trucks close to her grandmother's home. She stated they did not receive any notification regarding the new septic development. Ms. McVade requested city contact information to discuss matters.

Rachel Oswald, 11709 Amber Stream Lane, Manor, Texas, spoke before City Council regarding a city-funded library. Ms. Oswald introduced herself and stated, she volunteered at the Travis County Community Library located in Manor. She expressed her concerns regarding the lack of a public library in Manor. She discussed the benefits of a public library in the community. Ms. Oswald suggested a bond election for funding a city library as other surrounding cities have done.

Derrick Sorres, 546 Llano Street, Manor, Texas, spoke before City Council on behalf of his grandmother Cleora McVade. Mr. Sorres expressed his concerns regarding the new wastewater development and construction by his grandmother's home. He stated the construction site was not being watered frequently and causing a lot of dirt in the air that affects his grandmother's home and vision.

No one else appeared to speak at this time.

CONSENT AGENDA

1. Consideration, discussion, and possible action to approve the City Council Minutes:

- **November 18, 2019, Called Special Session**
- **November 20, 2019, Regular Meeting**

MOTION: Upon a motion made by Council Member Scarbrough and seconded by Council Member Amezcua Council voted seven (7) For and none (0) Against to approve and adopt all items on the Consent Agenda. The motion carried unanimously.

Mayor Dr. Wallace Jr. amended the motion and stated that the Council Member's name for Place 5 on the Oath-of-Office section was incorrect for November 18, 2019, Called Special Session Minutes.

MOTION: Upon a motion made by Mayor Dr. Wallace Jr. and seconded by Council Member Amezcua Council voted seven (7) For and none (0) Against to amend the motion with the name correction of Council Member, Place 5, Deja Hill. The motion carried unanimously.

PUBLIC HEARINGS

2. Conduct a public hearing on a rezoning request for 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1).

Mayor Dr. Wallace Jr. opened the public hearing.

The City staff recommended that the City Council conduct the public hearing.

Scott Dunlop, Asst. Development Services Director, was available to address any questions posed by the City Council.

City Manager Bolt discussed the rezoning request for 430 W. Parsons Street from Single Family (R-1) to Light Commercial (C-1).

The discussion was held regarding the planned uses for the property.

The discussion was held regarding the future commercial development on W. Parsons Street.

The discussion was held regarding the future road expansion on W. Parsons Street.

Property Owner on W. Parson Street expressed her concerns regarding additional heavy traffic on W. Parsons Street with new business development.

MOTION: Upon a motion made by Mayor Pro Tem Deja Hill and seconded by Council Member Scarbrough Council voted seven (7) For and none (0) Against to close the Public Hearing. The motion carried unanimously.

3. Conduct a public hearing regarding an amendment of the City's Wastewater Capital Improvement Plan to include the addition of improvement S-32.

Mayor Dr. Wallace Jr. opened the public hearing.

The City staff recommended that the City Council conduct the public hearing.

City Engineer Gray discussed the amendment of the City's Wastewater Capital Improvement Plan to include the addition of improvement S-32.

The discussion was held regarding the Impact Fee Program and the use of funding for the project.

The discussion was held regarding the capacity of the project and future development.

Mr. Sorres spoke to City Council regarding 546 Llano Street, Manor, Texas, and asked if the City would consider buying his grandmother's home. He expressed his concerns regarding the smell of the Septic Tank in the area. City Manager Bolt stated, unfortunately, the City could not buy the property.

MOTION: Upon a motion made by Council Member Scarbrough and seconded by Council Member Emily Hill the Council voted seven (7) For and none (0) Against to close the public hearing. The motion carried unanimously.

REGULAR AGENDA

4. First Reading: Consideration, discussion, and possible action on an ordinance rezoning for 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1). Owner: Rene Maruri Avilez. Applicant: Rene Maruri Avilez

The City staff recommended that the City Council postpone the first reading of an ordinance rezoning for 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1) to December 18, 2019, Regular Council Meeting.

Scott Dunlop, Asst. Development Services Director, was available to address any questions posed by the City Council.

Maricela Ponce, 430 W. Parsons Street, Manor, Texas, submitted a card in support of this item; however, she did not speak.

MOTION: Upon a motion made by Council Member Scarbrough and seconded by Council Member Emily Hill the Council voted seven (7) For and none (0) Against to postpone the first reading of an ordinance rezoning for 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1) to December 18, 2019, Regular Council Meeting. The motion carried unanimously.

5. Consideration, discussion, and possible action on a resolution approving the Tax Increment Reinvestment Zone Number One (TIRZ) Agreement regarding financing and reimbursement.

The City staff recommended that the City Council approve Resolution No. 2019-18 approving the Tax Increment Reinvestment Zone Number One (TIRZ) Agreement regarding financing and reimbursement.

MOTION: Upon a motion made by Council Member Dye and seconded by Council Member Scarbrough the Council voted seven (7) For and none (0) Against to approve Resolution No. 2019-18 approving the Tax Increment Reinvestment Zone Number One (TIRZ) Agreement regarding financing and reimbursement. The motion carried unanimously.

6. Consideration, discussion and possible action on a resolution approving and authorizing the distribution of a preliminary limited offering memorandum for City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project).

The City staff's recommendation was that the City Council approve Resolution No. 2019-19 approving and authorizing the distribution of a preliminary limited offering memorandum for City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) subject to any non-material revisions or scrivener's errors.

City Manager Bolt discussed the Lagos Public Improvement District Major Improvement Area Project.

Jon Snyder with P3 Works introduced himself and discussed the Preliminary Offering Memorandum for the City of Manor.

The discussion was held regarding the missing amounts on the Preliminary Offering Memorandum.

The discussion was held regarding the administrative corrections regarding the Mayor and Mayor Pro Tem.

The discussion was held regarding the Overlapping Taxes and Debt.

The discussion was held regarding the Additional Interest Reserve Account of the Reserve Fund.

The discussion was held regarding the Overlapping Jurisdictions Tax Rates.

The discussion was held regarding the Service and Assessment Plan for Phase 1.

Pete Dwyer with Dwyer Realty discussed the schedule of Development for Commercial, Retails, and Residential.

The discussion was held regarding the Assessment Rates for the PID.

The discussion was held regarding the master plan for Parks and Trails in the PID Development and surrounding areas.

The discussion was held regarding Office Market vs Retail Market.

The discussion was held regarding the Suburban Market for the City of Manor.

The discussion was held regarding Lexington and Blake Manor difference in neighborhoods.

The discussion was held regarding the PID Policy requirements for development.

The discussion was held regarding the appraisal of property within the District.

Mayor Pro Tem Deja Hill clarified this item was only to approve the Preliminary Limited offering Memorandum.

Robert Rivera with FMS Bonds spoke to City Council regarding the bond process.

The discussion was held regarding the amount of the bond.

Gregory Miller with Bickerstaff Heath Delgado Acosta, LLP explained the process for the marketing document.

Christina Lane, Financial Advisory clarified that the Developer was responsible for the payment of the Bond and not the City.

MOTION: Upon a motion made by Council Member Dye and seconded by Council Member Amezcua the Council voted seven (7) For and none (0) Against to approve Resolution No. 2019-19 approving and authorizing the distribution of a preliminary limited offering memorandum for City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) subject to any non-material revisions or scrivener's errors. The motion carried unanimously.

7. Consideration, discussion, and possible action on a License Agreement between the City of Manor and Greenbury Village Homeowners Association, Inc., for the construction, improvement, installation, and maintenance of cameras and monitoring equipment located at the Greenbury Village Subdivision. Applicant: Anthony Butler, HOA President

City Manager Bolt discussed the License Agreement between the City of Manor and Greenbury Village Homeowners Association, Inc.

Scott Dunlop, Asst. Development Services Director, was available to address any questions posed by the City Council.

Anthony Butler with Greenbury HOA spoke before City Council in support of this item.

Mr. Butler discussed the placement of the cameras for Greenbury Subdivision.

The discussion was held regarding the access of videos for the Manor Police Department.

The discussion was held regarding the number of cameras needed for the subdivision.

The discussion was held regarding other security measures that residents currently use.

Council Member Dr. Harvey requested a crime report for Greenbury Subdivision.

The discussion was held regarding the commencement and termination of the Lease Agreement.

MOTION: Upon a motion made by Council Member Scarbrough and seconded by Council Member Emily Hill the Council voted seven (7) For and none (0) Against to approve a License Agreement between the City of Manor and Greenbury Village Homeowners Association, Inc., for the construction, improvement, installation, and maintenance of cameras and monitoring equipment located at the Greenbury Village Subdivision. The motion carried unanimously.

8. Consideration, discussion, and possible action on approving the amended Wastewater Capital Improvement Plan to include the addition of Project S-32.

The City staff recommended that the City Council approve the amended Wastewater Capital Improvements Plan to include the addition of Project S-32.

City Engineer Gray discussed the amended Wastewater Capital Improvement Plan to include the addition of Project S-32.

The discussion was held regarding the Lift Station use.

The discussion was held regarding notifications to the residents that live near the development.

MOTION: Upon a motion made by Council Member Scarbrough and seconded by Council Member Amezcua the Council voted seven (7) For and none (0) Against to approve the amended Wastewater Capital Improvements Plan to include the addition of Project S-32. The motion carried unanimously.

9. Consideration, discussion, and possible action on an ordinance amending the Impact Fee Ordinance.

The City staff recommended that the City Council approve Ordinance No. 562 amending Ordinance No. 482; amending Chapter 10, Subdivision Regulations, Article 10.03, Impact Fees, Code of Ordinances of Manor; Adopting a Capital Improvements Plan; Establishing a Community Impact Fee Based upon Living Unit Equivalent.

City Engineer Gray discussed the Impact Fees.

The discussion was held regarding the current capacity of the current development.

Ordinance No. 562: An Ordinance of The City of Manor, Texas Amending Ordinance No. 482; Amending Chapter 10, Subdivision Regulation, Article 10.03, Impact Fees, Code of Ordinances of Manor; Adopting A Capital Improvements Plan; Establishing a Community Impact Fee Based Upon Living Unit Equivalents; Providing Severability, Open Meeting and Effective Date Provisions; and Providing For Related Matters.

MOTION: Upon a motion made by Council Member Scarbrough and seconded by Council Member Dye the Council voted seven (7) For and none (0) Against to approve Ordinance No. 562 amending Ordinance No. 482; amending Chapter 10, Subdivision Regulations, Article 10.03, Impact Fees, Code of Ordinances of Manor; Adopting a Capital Improvements Plan; Establishing a Community Impact Fee Based upon Living Unit Equivalent. The motion carried unanimously.

ADJOURNMENT

The Regular Session of the Manor City Council Adjourned at 8:59 p.m. on Wednesday, December 4, 2019.

These minutes approved by the Manor City Council on the 18th day of December 2019.

APPROVED:

Dr. Larry Wallace Jr.
Mayor

ATTEST:

Lluvia T. Almaraz, TRMC
City Secretary



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Thomas Bolt, City Manager

DEPARTMENT: Administration

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on the acceptance of the November 2019 Departmental Reports.

BACKGROUND/SUMMARY:

- Police – Ryan Phipps, Chief of Police
- Development Services – Scott Dunlop, Asst. Development Services Director
- Community Development - Debbie Charbonneau
- Municipal Court – Sarah Friberg, Court Clerk
- Public Works – Mike Tuley, Director of Public Works
- Finance – Lydia Collins, Director of Finance

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

November 2019 Departmental Reports

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve and accept the November 2019 Departmental Reports.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



Manor Police Department

Monthly Council Report

Ryan S. Phipps - Chief of Police

Date of Meeting: 12/18/2019

November 2019

Activity	Reported Month	Same month Prior year	Percentage difference	
Calls for Service	1993	1647	21↑	Patrol Car Rental Last Month \$ 2111.25 YTD \$ 36,835.50
Average CFS per day	66.4	54.9	20.9↑	
Open Cases	20	9	122↑	
Charges Filed	57	48	18.7↑	
Alarm Responses	51	31	64.5↑	
Drug Cases	8	9	11.1↓	
Family Violence	16	11	45.4↑	
Arrests FEL/MISD	17FEL/40MISD	10FEL/38MISD	70FEL↑/5.2MISD↑	
Animal Control	19	29	34.4↓	
Traffic Accidents	44	51	13.7↓	
Impounds	115	127	9.4↓	
Victim Services Cases	51	25	104↑	
Total Victims Served	52	34	53↑	
DWI Arrests	14	12	16.6↑	
Traffic Violations	740	682	8.5↑	
Ordinance Violations	14	52	73↓	
Laboratory Submissions	5	3	40↑	

Notes:

*DNA- DATA NOT AVAILABLE

**DEVELOPMENT SERVICES DEPARTMENT REPORT
PROJECT VALUATION AND FEE REPORT**

November 1-30, 2019

Description	Projects	Valuation	Fees	Detail
Commercial Accessory	1	\$3,200.00	\$129.00	
Commercial Driveway/Parking	1		\$0.00	TC ESD 12 Gregg Manor Rd.
Commercial Electrical	2	\$201,795.94	\$344.00	
Residential Deck/Patio	1	\$10,000.00	\$167.00	
Residential Electrical	9	\$52,276.76	\$963.00	
Residential Irrigation	28	\$36,631.54	\$2,996.00	
Residential Foundation	1		\$95.00	
Residential Plumbing	2	\$3,346.00	\$214.00	
Residential Remodel/Repair	3	\$187,000.00	\$996.00	
Residential New	60	\$16,857,061.47	\$393,554.20	
Residential Driveway	1		\$97.00	
Totals	109	\$17,351,311.71	\$399,555.20	

Total Certificate of Occupancies Issued: 34

Total Inspections(Comm & Res): 1,239

Tom Bolt, City Manager

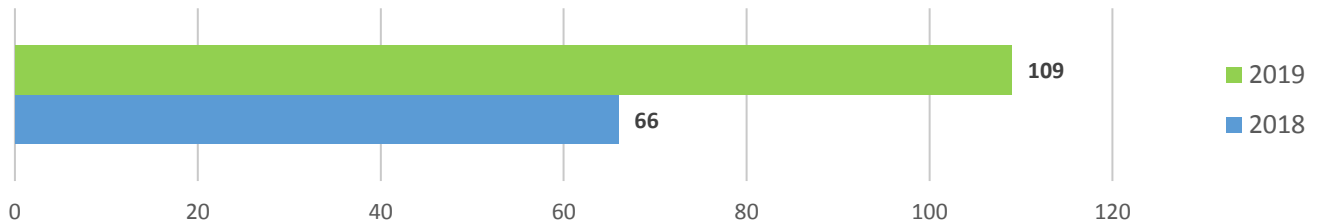




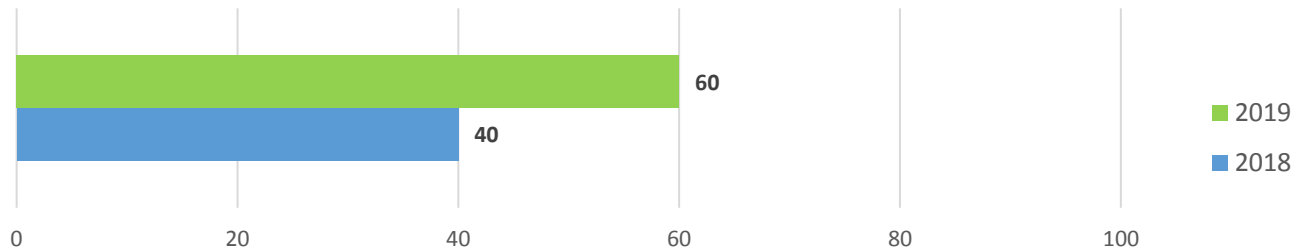
November 2019

DEPARTMENT OF DEVELOPMENT SERVICES
THOMAS BOLT, DIRECTOR

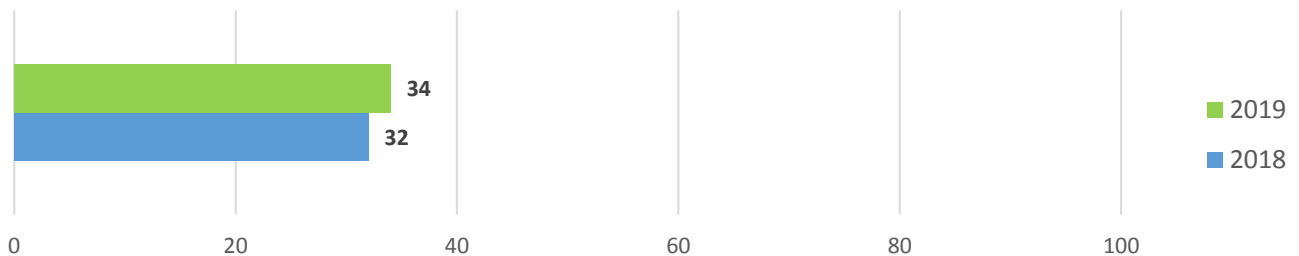
PERMITS ISSUED



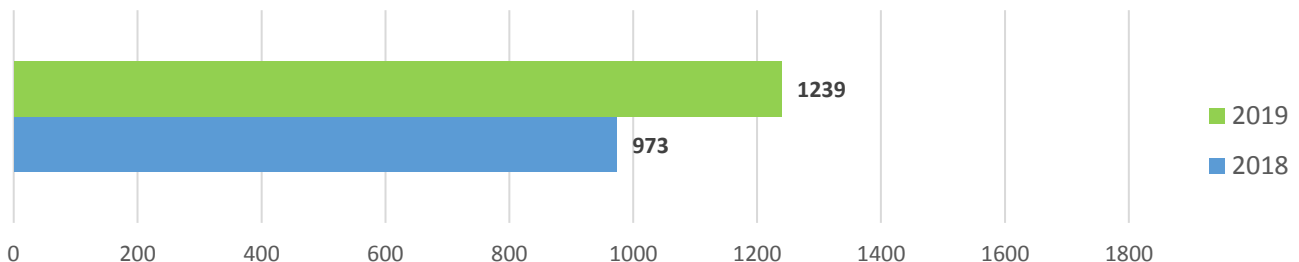
RESIDENTIAL NEW PERMITS



COs ISSUED



INSPECTIONS





MEMO

To: Mayor and City Council Members
From: Debbie Charbonneau, Community Development Manager
Date: December 18, 2019
RE: **November Monthly Report**

COMMUNITY MEETINGS

Attended the Chamber of Commerce Monthly Lunch Meeting

BUSINESS VISITS

Pho Yes
Good Luck Grill
Café 290
Maxine's Gumbo House
Wal-Mart
Panda Express

EVENTS

Mayor Retirement Reception Planning Meeting
Breakfast Bites Planning Meeting for December and January
Manor Palooza Planning Meeting

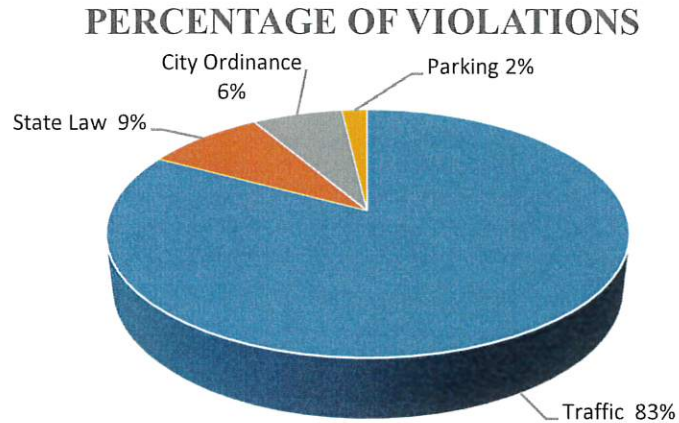
OTHER DUTIES

Texas Main Street Managers Planning Committee Conference Call regarding National Main Street Conference in Dallas from May 18 – 20, 2019
Texas Downtown Association Conference Call
Texas Downtown Association Executive Committee Conference Call
November City Council Meeting
Regional Partners Lunch in Hutto

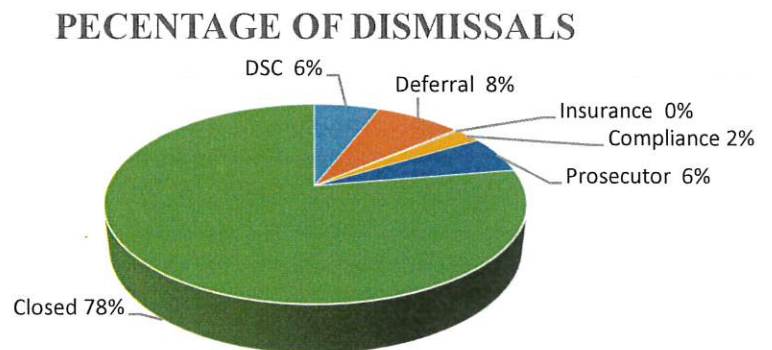
City of Manor Municipal Court

NOVEMBER 2019

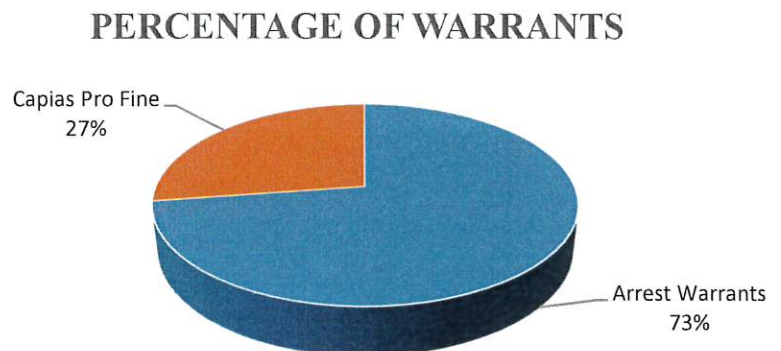
Violations Filed	Nov-19	Nov-18
Traffic	360	688
State Law	38	43
City Ord.	29	12
Parking	8	14
Total	435	757



Dismissals	Nov-19	Nov-18
DSC	23	21
Deferral	30	54
Insurance	1	8
Compliance	9	18
Prosecutor	23	34
Closed	298	381
Total	384	516



Warrants	Nov-19	Nov-18
Arrest Warrants	96	69
Capias Pro Fine	36	24
Total	132	93



Money Collected in November 2019

Kept By City	\$36,807.58
Kept By State	\$20,205.09
Total	\$57,012.67

Money Collected in November 2018

Kept By City	\$45,191.52
Kept By State	\$28,030.39
Total	\$73,221.91



MEMO

To: Mayor and City Council Members
From: Mike Tuley, Director of Public Works
Date: December 18, 2019
RE: November Monthly Report

Public Works Department

Street and Public, Parks, and Maintenance Department

In the month of November, the Public Parks and Maintenance Department mowed all city facilities, alleys, and right of ways. They cleaned and maintained all city's facilities and parks. They performed all maintenance on city vehicles and heavy equipment. In November, the Street Department repaired streets, curbs and signs.

Water and Wastewater Department

In November, the Water Department performed daily maintenance on the water system, repaired water mains, set water meters and tested the water daily. In November, the Wastewater Department performed daily maintenance on the wastewater plant. They cleaned and unstopped wastewater mains.

Water Production & Purchase

In the month of November 26% of the water we supplied to our residents were from our wells, and we purchased 74% from EPCOR and Manville WSC. In November, the estimated population of residents in the City of Manor is 13,194. Estimated population for ShadowGlen is 3,951 residents.

Subdivision Inspections

- Street Inspections- 7
- Water Inspections- 3
- Wastewater Inspections- 5

Streets and Parks Monthly Report November 2019

Daily Duties and Projects 11/1/2019-11/30/2019

- **11/1/2019-** Every first Friday of November, Texas has set a day aside to plant trees. That day is called Texas Arbor Day. Preparing for Arbor Day is not an easy or quick process. There are numerous items that need to be checked off the list before the day arrives. On this day some loose ends were done and prepared for Arbor Day which was held on November 2nd.
- **11/2/2019-** The morning started very early for public works on this day. Trees were unloaded from a trailer to their new homes. 2 bags of mulch were put by each tree for when the tree was planted and ready for its mulch blanket. 35 trees were planted inside of Timmermann Park and 6 trees were planted inside of Hamilton Point subdivision. Out of the 41 trees that were planted, 31 of the trees were 30-gallon trees. The remaining 10 trees were 5-gallon trees. The event started at 9 a.m. and lasted until 11:30 a.m. 78 volunteers attended the event. The event could not have gone any better. Thanks to all that attended and helped!
- **11/4/2019-** With a 3-month drought, granite trails in Bell Farms Park were in need of attention. 6" cracks began to form due to very dry conditions and to far out for irrigation to assist. The city took action on tilling over a half a mile of granite trails and adding where crushed granite was lacking. After tilling, all granite was rolled in to create a smooth walking surface. The trails are back up and running and are now a safe means of access.
- **11/5/2019-** Greenbury Park had the same issue that Bell Farms Park was having. Cracks forming along the walking granite trails. The granite trail that exist at Greenbury Park is only 300' but was held in by rusted and old steel edging. In order to properly till and add granite, all edging had to be removed and discarded. The granite was all tilled and rolled so park users can safely utilize the trail.
- **11/6-7/2019-** As you may know, part of S. Caldwell St. that neighbors Duett's Tire shop is a road base street. The traffic that primarily uses the street is from Duett's Tire shop and cut throughs during busy traffic times. Seeing that the street is road base, it does produce plenty of dust on hot dry days. The best solution for the dust is a product called AEP. It is an oil-based product that will protect the base from water penetration and keeps the dust down to almost nothing. Great product to have in inventory.
- **11/8/2019-** This is the time of the year that all summer flowers and or perennial plants will need to be trimmed back. All plants were trimmed back on this day and will be ready to come back up when the spring time arrives.
- **11/8/2019-** When cracks form inside streets that are too large to use surface sealant, this is when the streets have to use other innovative ideas. The streets department will use an asphalt planer that will mill the existing asphalt. The millings that comes from the planer will fall inside the crack and resolve the issue. This will leave all cracks filled in and level.

- **11/13/2019-** Pot holes will be ongoing issue as long as asphalt is the choice of street material. The streets department will always set days aside to fill as many potholes as they can. 1 ton of asphalt was used to fill potholes on this day.
- **11/13/2019-** Topdressing is essential when it comes to pristine turf. Timmermann Park has a 50,000 square foot area of hybrid Bermuda grass that the parks department maintains at a high level. 24 tons of river washed screened sand was laid down at an evenly 1" layer to help on creating a level surface. The sand will also help on creating a sand-based soil profile that will in return help on drainage. The green space in Timmermann Park is a very high foot traffic area and will demand a strict maintenance plan.
- **11/13-14/2019-** Getting a jump start on Christmas decorations is what we plan for every year. The goal is to have all decorations up before the Thanksgiving holidays. City staff will add decorations and lights at Jennie Lane park, City Hall and the Manor Police Department.
- **11/14/2019-** S. Lexington and 290 as we all know can get very busy. This does cause traffic to utilize the shoulders of the street more than a usual spot. This will also cause wear and tear on the road base shoulders. The streets crew will monitor these areas for safety and add when needed. This was done on this day.
- **11/14-15/2019-** 2500' of Bois'D Arc road belongs to the city. History shows that since Bois'D Arc road sits up high in between 2 steep bar ditches, the sides of the street tend to want to fall off towards the ditch. That creates an uneven transition and large cracks. On these 2 days, city staff planed and milled the uneven transitions and filled all cracks in the streets.
- **11/18/2019-** The Art Park downtown has been extremely exciting to be a part of. With minimum room for parking, it is looking like there will be enough parking for 1 handicap parking space with an 8' landing pad. There will also be an additional 6 parking spaces.
- **11/19/2019-** On this day, 11 yards of asphalt was used to complete the 60' X 18' parking lot. The project was paved with the city owned asphalt paver. Each asphalt project paved by the city staff has been an extremely educating learning experience. It is very safe to say we have some very passionate and knowledgeable staff.
- **11/19-22/2019-** 1800' of pipe was put underground on these days. 41 trees were put on an automatic irrigation system. City staff installed all the appropriate water safety devices and turn off valves. City staff pulled together as a team and completed the entire system in 3 days. Great job!
- **11/25-27/2019-** These are the last 3 business days of the month. City staff will ensure all Christmas lights are up and working. Ensure all parks are clean and ready for the extended weekend. The city will always have staff on call in case of any emergency

Inspections/Warranties/New subdivision Walkthroughs and Pre-Construction meetings.

Presidential Heights Phase 5- Excavation has begun on this phase. The city will continue on their regular site inspections to ensure all contractors are following the rules that are in place.

Presidential Heights Phase 3&4- Phase 3 is almost completely built out and closing on their amenity center. Phase 4 had some contractor issues along the way but seem to be back on track. Home building will begin here in the next month.

Stonewater North Phase 1&3- Homes are being built in phase 1. Phase 3 roads and utilities are in and awaiting home building.

Stonewater North Phase 2- The city had its first pre-construction meeting for phase 2. Ground-breaking has already began and moving along very fast.

Presidential Phase 7- Phase 7 is close to all homes being completed.

Lagos Phase 1- Homes are continuing to go up and regular inspections are done on a weekly basis. The subdivision has done a great job on keeping all sites clean.

Manor Commons- All roads are paved, and Timmermann Park is complete. Most of the open land is revegetated and on a weekly mowing schedule. The park is turning into a very nice area for the citizens of Manor to enjoy.

Water Monthly Report November 2019

For the month of November, the Water Department had 38 service calls, 4 repair jobs, 7 maintenance jobs, 3 inspections, and flushed all dead-end mains.

Service calls include: Low water pressure calls, meter leaks, line locates, brown water calls, disconnect water services, and connected water services.

Repairs:

801 North Caldwell - repaired a 3/4 service leak - replaced service from meter to main by FZ,CD,AM 11-1-19.

409 East Boyce St. - repaired a 3/4 service line leak and replaced the curb stop by FZ,AM,MO 11-8-19.

600 Samaripa St.-installed a new water tap and ran a new 3/4 service line, set new water meter Meter id- 39169717, Ecoder number -1564703316, Reading-0000, by FZ,CD,MO 11-18-19.

303 West Eggleston - repaired a 3/4 service line break by JT,RM,DD 11-20-19.

Maintenance

Aqua Tech Lab - dropped off first set of 5 monthly Bac T samples by RM 11-4-19.

Clearwell - changed out cl2 number 1 150 lb. cylinder by RM,DD 11-7-19.

Well Number 1 - repaired gate at well number 1 by FZ,MO 11-8-19.

Aqua Tech Lab - dropped off second set of 5 monthly Bac T samples by RM 11-18-19.

402 West Parsons at city mechanic shop - cleaned up west side of the building to make a parking area for public works by FZ,CD,DD 11-19-19.

11801 Bastrop, 18320 Maxa Dr, 13316 Nelson Houser and 16613 Trevin Cove- Bi yearly water samples with TCEQ by JT,RM 11-22-19.

109 North Burnet- customer requested to have utilities marked- marked water meter and city side service line with blue paint and notified customer by JT,RM 11-25-19.

Inspections

ShadowGlen Section 17 walk thru inspection with JL Gray and PG by JT,RM,AV 11-5-19

ShadowGlen Phase 2 Sections 21A/B Walk Through inspection by JT,RM,PG 11-15-19

Presidential Heights Phase 5- water main and services by JT,RM 11-4-19 thru 11-18-19

Wastewater Monthly Report November 2019

For the month of November, the Wastewater Department had 6 service calls, 53 repair jobs, 16 maintenance jobs and 5 inspections.

Service Calls

12805 Carillon Way - sewer clog- clog was on customer side notified customer that the city side was clear by RM 11-3-19.

18113 Canopy - sewer clog - cleared city side main and called locates to make repairs where city side meets customer side by FZ,MO 11-6-19.

13212 Pecan Hill Cove- sewer clog- city side was clear- called locates to make repairs where city side meets customer side due to roots visible where city side meets customer side by FZ,JT 11-8-19.

18128 Canopy - sewer clog - jetted city side and cleared called locates to make repairs by FZ,DD,MO 11-13-19.

12824 Carillon Way - sewer clog - jetted main and cleared by RM,CD 11-20-19.

13204 Nelson Houser- missing clean out cap and lid - replaced clean out cap and lid by RM,DD 11-21-19.

Repairs

Replaced 50 clean out cap and lids in Pecan Hill, High Sierra, Forest Sage, Pine Needle, Ring Dr., Hamilton Point, Jaron, Trevin Cove

18128 Canopy - repaired where the city side meets customer side and installed a new cleanout out cap and lid by FZ,DD,MO 11-12-19.

13212 Pecan Hill cove-repaired where the city side meets customer side and installed a new cleanout out cap and lid by FZ,DD,MO 11-13-19.

100 BLK North Lexington - repaired clean out that was ran over by a truck by FZ,CD,DD 11-19-19.

Maintenance

600 Samaripa St. - installed a new wastewater tap, ran the service line to the property line and installed a new clean out by FZ,CD,AM 11-6-19.

Carriage Hills Lift Station- Pump number 1 tripped out due to rags-pulled pump number 1 cleaned the rags out-all clear Pump number 1 is back in service by RM,DD 11-11-19.

Brenntag - ordered (2) 300-gallon totes of alum for wwtp to be delivered on 11-14-19 by JT 11-7-19.

Carriage Hills Lift Station - repaired gate at Carriage Hills Lift Station by FZ,AM,MO 11-8-19.

Carriage Hills Lift Station - replaced starter cylinoid on pump number 1 by PS,JT 11-12-19.

Brenntag - ordered (2) 300-gallon totes of Alum for WWTP by JT 11-12-19.

Presidential Glen, Stonewater, Wildhorse Creek, Bell Farms lift stations- had 300-gallon totes of hydrogen peroxide re-filled by JT,RM 11-15-19.

Hwy 290 and FM 973 - ran camera thru wastewater main - no breaks found in main by Wastewater Transport and JT,RM, 11-29-19.

100 BLK S. Caldwell-reset manhole flow view meter on manhole number 2 - it's back online and working by RM,CD 11-20-19.

FM 973 & HWY 290 SE corner 300 feet south of HWY 290-recement around manhole and installed a wastewater manhole sign by FZ,CD,MO 11-21-19.

WWTP- replaced effluent pump in sand filter by FZ,CD,MO 11-22-19.

109 North Burnet- customer requested to have utilities marked- marked wastewater main and city side service with green paint and flags notified customer by JT,RM 11-25-19.

Presidential Glen HWY 290, Stonewater, Las Entradas, Wildhorse Creek lift stations - replace suction and transfer hoses from pump to hydrogen peroxide totes yearly maintenance by CD,DD 11-26-19.

100 BLK east Parson from Lexington to Burnet St. - hydro jet main and manholes for Maintenance by JT,RM,CD 11-27-19.

Constellation Dr. from Canopy to Maxa Dr. -hydro jet main and manholes for Maintenance by JT,RM,CD 11-27-19.

Carillon way from Ship bell to Ring drive -hydro jet main and manholes for Maintenance by JT,RM,CD 11-27-19.

Inspections

HT Fitness HWY 290 East- pulled mandrels and did vacuum test on manholes for bore under HWY 290 by JT,RM 11-4-19.

ShadowGlen Section 17 walk through inspection with JL Gray and PG by JT,RM,AV 11-5-19.

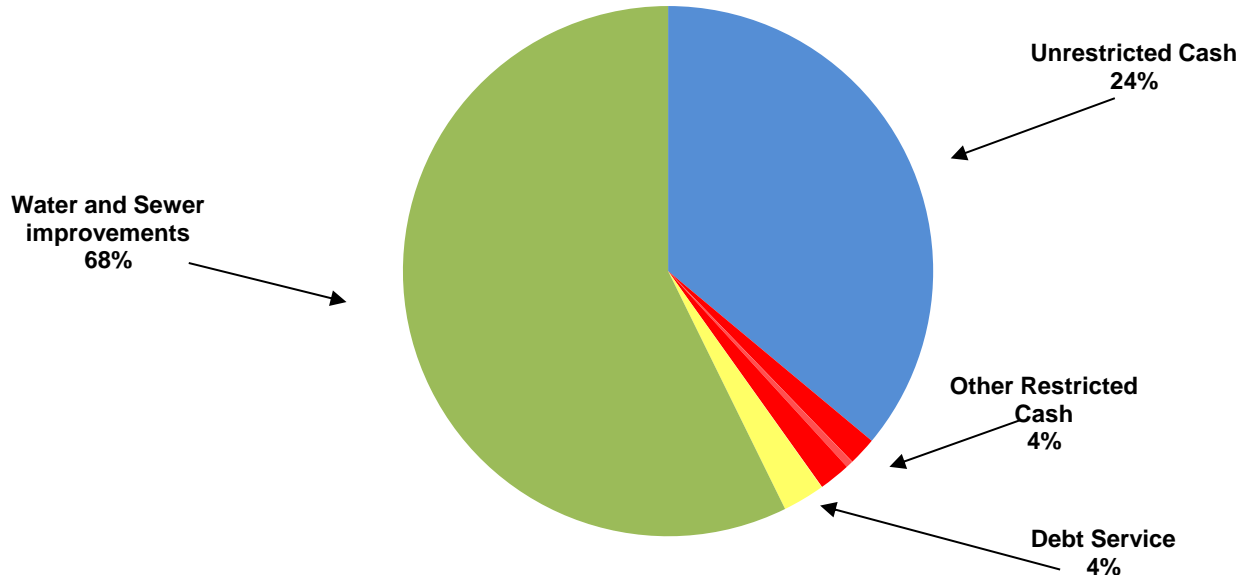
Stonewater Section 2 - Pulled mandrels with Liberty Civil construction all passed by JT,RM 11-13-19.

ShadowGlen Phase 2 Sections 21A/B walk through inspection by JT,RM,PG 11-15-19.

Presidential Heights Phase 5 - wastewater main and services by JT,RM 11-11-19 to 11-27-19.

**CITY OF MANOR, TEXAS
CASH AND INVESTMENTS
As Of November, 2019**

CASH AND INVESTMENTS	GENERAL FUND	UTILITY FUND	DEBT SERVICE FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUND	TOTAL
Unrestricted:						
Cash for operations	\$ 4,261,004	\$ 7,591,121			\$ -	\$ 11,852,125
Restricted:						
Tourism				563,153		563,153
Court security and technology	4,574					4,574
Rose Hill PID				142,932		142,932
Customer Deposits		632,398				632,398
Park	8,859					8,859
Debt service			840,047			840,047
Capital Projects						
Water and sewer improvements		10,956,458		7,871,429		18,827,886
TOTAL CASH AND INVESTMENTS	\$ 4,274,436	\$ 19,179,977	\$ 840,047	\$ 8,577,514	\$ -	\$ 32,871,974



Overview of funds:

\$168,389.87 sales tax collected
 GF is in a favorable status.
 UF is in a favorable status
 DSF is in a favorable status
 CIP Fund is in a favorable status



AGENDA ITEM NO. 3

AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Public Hearing: Conduct a public hearing upon a Concept Plan for IDEA- Manor, one (1) lot on 13.19 acres more or less, located near N. FM 973 and Suncrest Road, Manor, TX.

BACKGROUND/SUMMARY:

This is a 1 lot subdivision to plat the property the IDEA is proposed to locate. At the time of posting, this item has not been approved by our engineer.

1 notified property owner, Denise Martinez with Suncrest Farms calling on behalf of owner Stephanie Ward, called about this project to gather more information about the proposed project like access, setbacks, signs, and aesthetics. The did not provide any objections nor approvals of the concept plan or project.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☐ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

See Item 14 for backup.

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council conduct a public hearing.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☒ DISAPPROVAL ☐ NONE



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Public Hearing: Conduct a public hearing upon a Concept Plan for Las Entradas North, twenty-four (24) lots on 104.6 acres more or less, located near US Hwy 290 E and Gregg Manor Road, Manor, TX.

BACKGROUND/SUMMARY:

This is a concept plan to amend the concept plan for Las Entradas North that was approved in 2013. The property has been rezoned; removing the R-2 single family and expanding the C-1 light commercial and adding R-3 multi-family. This concept plan reflects the new zoning. It has been approved by our engineer.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☐ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

See Item 15 for backup.

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council conduct a public hearing.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



AGENDA ITEM NO. ⁵_____

AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Thomas Bolt, City Manager

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Public Hearing: Discussion on the issuance of Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)

BACKGROUND/SUMMARY:

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☐ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☒ NO

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council conduct the Public Hearing.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action upon a Concept Plan for IDEA- Manor, one (1) lot on 13.19 acres more or less, located near N. FM 973 and Suncrest Road, Manor, TX. Applicant: Pape-Dawson Engineers. Owner: IDEA Public Schools.

BACKGROUND/SUMMARY:

This is a 1 lot subdivision to plat the property the IDEA is proposed to locate. At the time of posting, this item has not been approved by our engineer.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Plan
TIA Determination form
Notice Letter
Mailing Labels

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council deny a Concept Plan for IDEA- Manor, one (1) lot on 13.19 acres more or less, located near N. FM 973 and Suncrest Road, Manor, TX.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☒ DISAPPROVAL ☐ NONE

OWNER:

IDEA PUBLIC SCHOOLS
2115 W. PIKE BLVD.
WESLACO, TEXAS 78596
CONTACT: WYATT TRUSCHETT
PH: (956) 377-8000

DEVELOPER:

PROJECT MANAGEMENT SERVICES, INC.
1822 W. BRAKER LANE, STE. 81734
AUSTIN, TEXAS 78758
CONTACT: PETER HAYES
PH: (512) 989-7045

ENGINEER:

PAPE-DAWSON ENGINEERS, INC.
2000 NW LOOP 410
SAN ANTONIO, TX 78213
CONTACT: SHAUNA WEAVER, P.E.
STACEY WEICHERT, P.E.
PH: (210) 375-9000

SURVEYOR:

PAPE-DAWSON ENGINEERS, INC.
10801 NORTH MOPAC EXPRESSWAY
BLDG. 3, SUITE 200
AUSTIN, TX 78759
CONTACT: VALERIE ZURCHER, R.P.L.S.
PH: (512) 454-8711

SITE INFORMATION:

1 LOT, K-12 SCHOOL

PHASE 1: ~80,300 SF
STUDENTS: 635
LUE: 16
TRAFFIC VOLUME (TRIPS PER DAY): 1,175
OPENING FALL 2021

PHASE 2: ~27,100 SF
STUDENTS: 696
LUE: 0
TRAFFIC VOLUME (TRIPS PER DAY): 1,657
OPENING FALL 2023

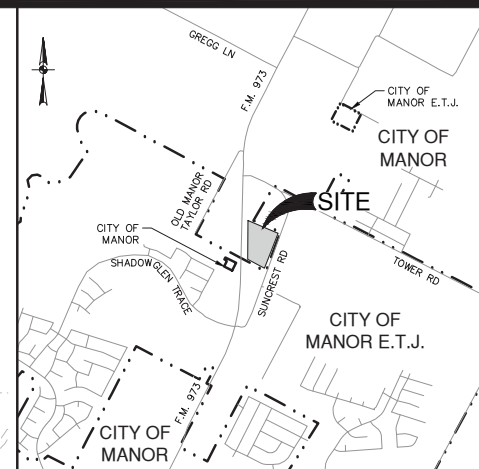
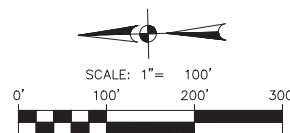
FULL BUILD: ~107,400 SF
TOTAL STUDENTS: 1,531
TOTAL TRAFFIC VOLUME (TRIPS PER DAY): 2,832

NOTES:

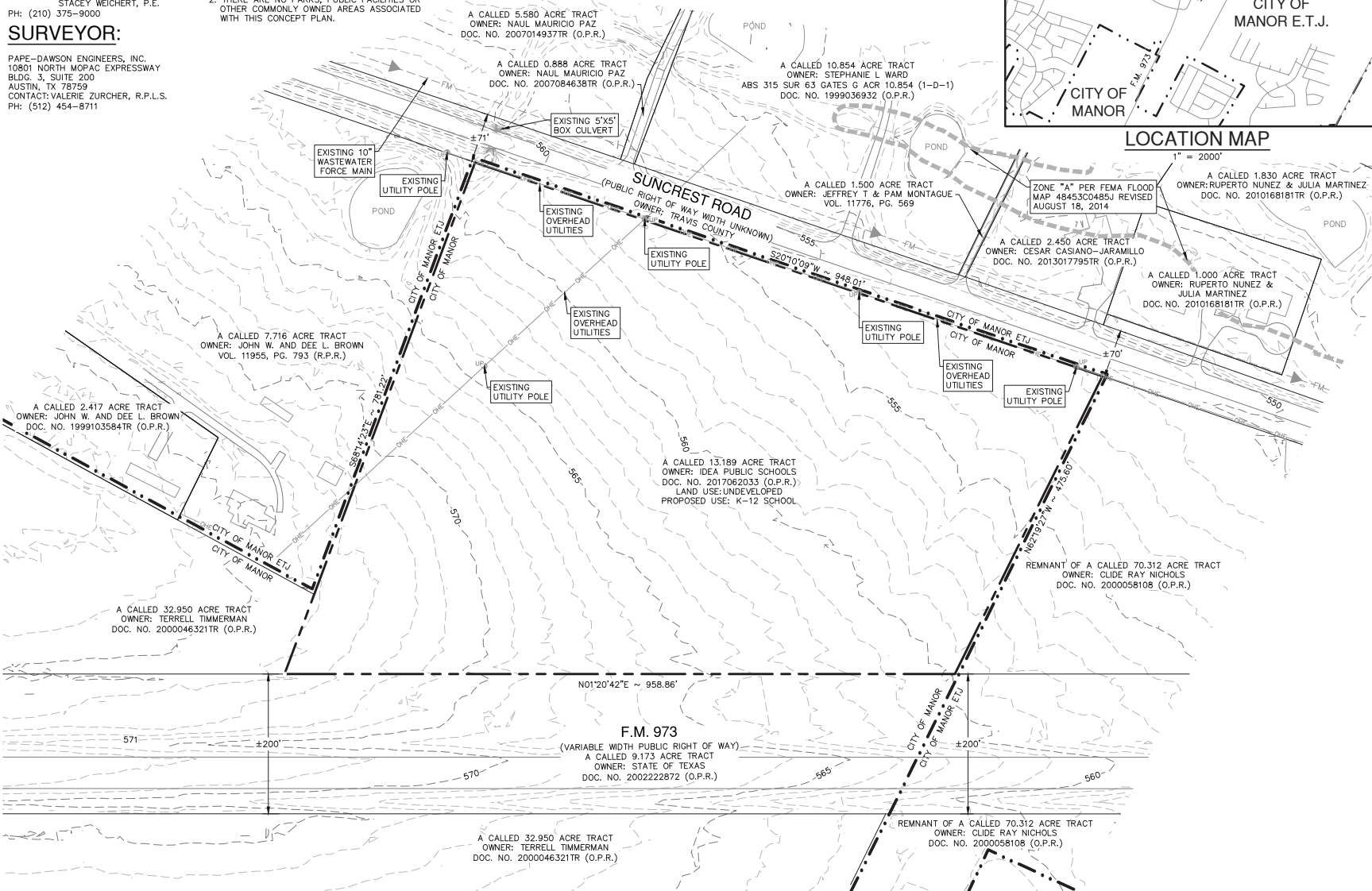
1. THE PROPERTY REFERENCED ON THIS CONCEPT PLAN IS CONSIDERED CITY OF MANOR.
2. THERE ARE NO PARKS, PUBLIC FACILITIES OR OTHER COMMONLY OWNED AREAS ASSOCIATED WITH THIS CONCEPT PLAN.

LEGEND:

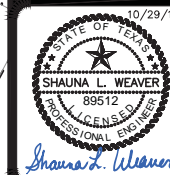
---	PROPERTY LINE
---	PROPERTY LINE (ADJACENT)
---	CITY LIMITS LINE
---	EXISTING WASTEWATER FORCE MAIN
---	EXISTING OVERHEAD ELECTRIC
---	EXISTING CONTOURS
---	FEMA FLOOD BOUNDARY



LOCATION MAP



NO.	REVISION	DATE
0	INITIAL SUBMITTAL	10/29/19



PAPE-DAWSON ENGINEERS

SAN ANTONIO | AUSTIN | HOUSTON | FORT WORTH | DALLAS
2000 NW LOOP 410 | SAN ANTONIO, TX 78213 | 210.375.9000
TYPE FPM REGISTRATION #270 | TYPE FPM REGISTRATION #1026880

IDEA - MANOR
MANOR, TEXAS
CONCEPT PLAN

PLAT NO.	
JOB NO.	11175-00
DATE	OCTOBER 29, 2019
DESIGNER	SW
CHECKED	SW
DRAWN	JF
SHEET	EXH



TRAFFIC IMPACT ANALYSIS (TIA) DETERMINATION WORKSHEET

APPLICANT MUST FILL IN WORKSHEET PRIOR TO SUBMITTING FOR TIA DETERMINATION

PROJECT NAME: IDEA - Manor

LOCATION: Along FM 973, between Shadowglen Trace and Suncrest Road

APPLICANT: Grant Wuebben, P.E. TELEPHONE NO: 210-375-9000

APPLICATION STATUS: DEVELOPMENT ASSESSMENT: ZONING: SITE PLAN: X

EXISTING:

FOR OFFICE USE ONLY

TRACT NUMBER	TRACT ACRES	BLDG SQ.FT.	ZONING	LAND USE	L.T.E CODE	TRIP RATE	TRIPS PER DAY
891268	13.189	N/A	Institutional	N/A	N/A	N/A	N/A

PROPOSED

FOR OFFICE USE ONLY

TRACT NUMBER	TRACT ACRES	BLDG SQ.FT.	ZONING	LAND USE	L.T.E CODE	TRIP RATE	TRIPS PER DAY
891268	13.189	635 Students	Institutional	Charter School (Phase 1)	537	1.85	1,175
		896 Students	Institutional	Charter School (Phase 2)	537	1.85	1,657
		1,531 Students			Total		2,832

ABUTTING ROADWAYS

FOR OFFICE USE ONLY

STREET NAME	PROPOSED ACCESS?	PAVEMENT WIDTH	CLASSIFICATION
FM 973	One Full-Access Driveway		
Suncrest Road	One Full-Access Driveway		

FOR OFFICE USE ONLY

- A traffic impact analysis is required. The consultant preparing the study must meet with a transportation planner to discuss the scope and requirements of the study before beginning the study.
- A traffic impact analysis is NOT required. The traffic generated by the proposal does not exceed the thresholds established in the Land Development Code.
- A neighborhood traffic analysis will be performed by the City for this project. The applicant may have to collect existing traffic counts. See a transportation planner for information.

REVIEWED BY: _____ DATE: _____

DISTRIBUTION: _____
 _____ FILE _____ CAP. METRO _____ TxDOT _____ Austin DSD _____ TRAVIS CO. _____ TOTAL COPIES: _____

NOTE: A TIA determination must be made prior to submittal of any preliminary plat or site plan application, therefore, this completed and reviewed form MUST ACCOMPANY any subsequent application for the IDENTICAL project. CHANGES to the proposed project will REQUIRE a new TIA determination to be made.



DEVELOPMENT SERVICES DEPARTMENT

November 18, 2019

RE: Notification for a Concept Plan

Dear Property Owner,

The City of Manor Planning and Zoning Commission and City Council will be conducting public hearings for the purpose of considering and acting upon on a concept plan. The request will be posted on the agenda as follows:

Public Hearing: Consideration, discussion, and possible action upon a Concept Plan for IDEA- Manor, one (1) lot on 13.19 acres more or less, located near N. FM 973 and Suncrest Road, Manor, TX.

The Planning and Zoning Commission will meet at 6:30PM on December 11, 2019 at 105 East Eggleston in the City Hall Council Chambers.

The City Council will meet at 7:00PM on December 18, 2019 at 105 East Eggleston in the City Hall Council Chambers.

You are being notified because you own property within 300 feet of the property for which this concept plan has been filed.

If you have no interest in the case there is no need for you to attend. You may address any comments to me at the address or phone number below. Any communications I receive will be made available to the Commissioners and Council during the discussion of this item.

Sincerely,


Scott Dunlop,
Assistant Development Director

sdunlop@cityofmanor.org
512-272-5555 ext. 5

Ruperto Nunez & Julia Martinez
13809 FM 973 N
Manor, Tx 78653-3896

John W. & Dee L. Brown
14200 Suncrest Rd.
Manor, Tx 78653-3902

Cesar Casiano-Jaramillo & Salvador
Casiano-Jaramillo
13901 Suncrest Rd.
Manor, Tx 78653-4156

Jeffrey T. & Pam Montague
13909 Suncrest Rd.
Manor, Tx 78653-3897

Stephaine L. Ward & Annette W. Klyberg
13915 Suncrest Rd.
Manor, Tx 78653-3897

Naul Mauricio Paz
14005 Suncrest Rd.
Manor, Tx 78653-3898

Naul Mauricio Paz & Francisco A. Chavez
1116 Canyon Maple Rd.
Pflugerville, Tx 78660-5808

Emehul & Maria G. Alvarado
12101 Tower Rd.
Manor, Tx 78653-4541

Clide R. Nichols
415 Honeycomb Cir.
Driftwood, Tx 78619-5706

Terrell Timmerman
PO Box 4784
Austin, Tx 78765-4784

Dee L. Brown
14200 Suncrest Rd.
Manor, Tx 78653-3902



AGENDA ITEM NO. 7

AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action upon a Concept Plan for Las Entradas North, twenty-four (24) lots on 104.6 acres more or less, located near US Hwy 290 E and Gregg Manor Road, Manor, TX. Applicant: Kimley-Horn & Associates. Owner: Las Entradas Development Corp.

BACKGROUND/SUMMARY:

This is a concept plan to amend the concept plan for Las Entradas North that was approved in 2013. The property has been rezoned; removing the R-2 single family and expanding the C-1 light commercial and adding R-3 multi-family. This concept plan reflects the new zoning. It has been approved by our engineer.

Planning Commission voted 4-0 to approve.

PRESENTATION: ☐ YES ☒ NO

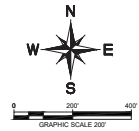
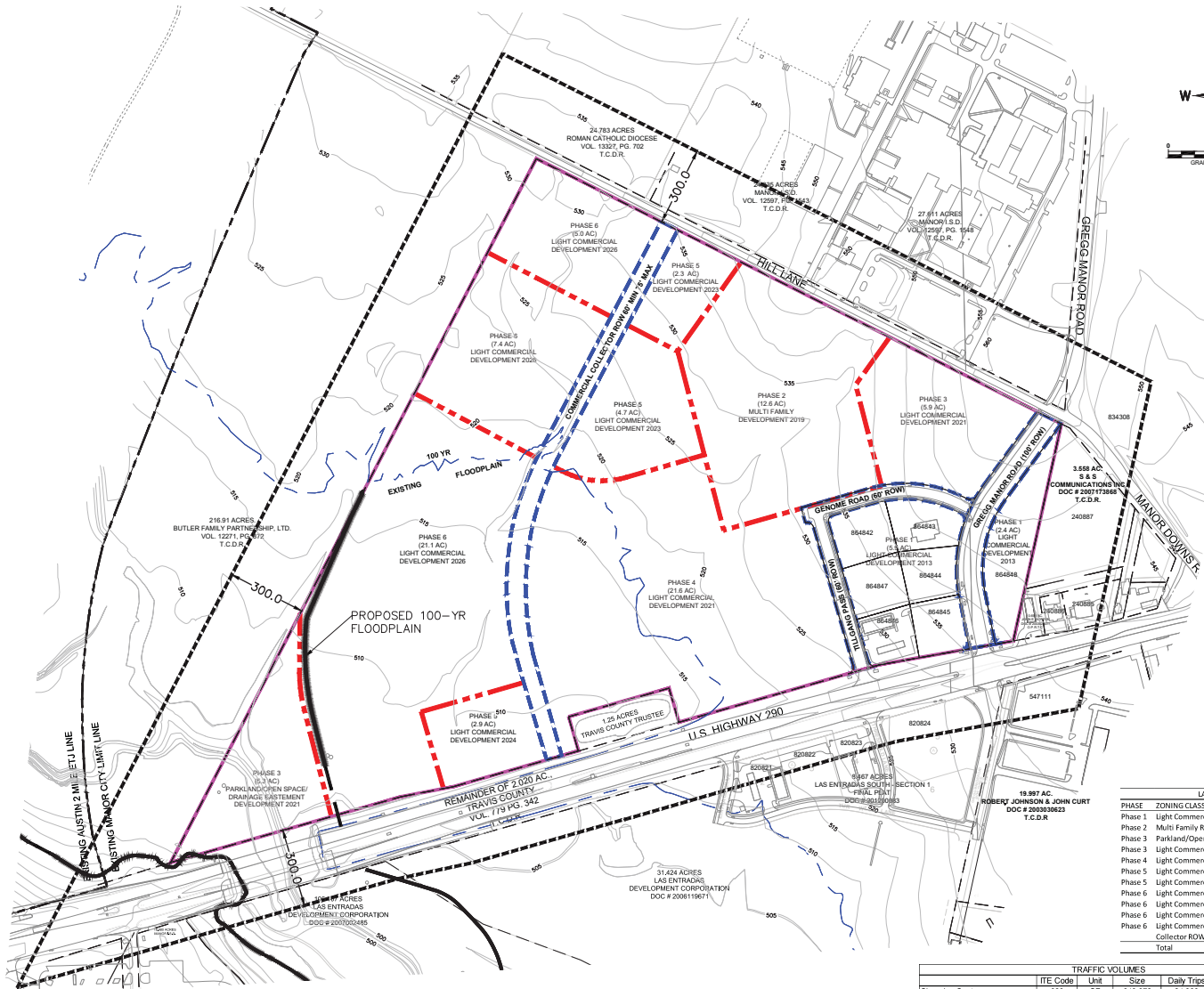
ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Plan
Engineer Comments and Responses
Approval Letter
Notice Letter
Mailing Labels

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve a Concept Plan for Las Entradas North, twenty-four (24) lots on 104.6 acres more or less, located near US Hwy 290 E and Gregg Manor Road, Manor, TX.

PLANNING & ZONING COMMISSION: ☒ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE

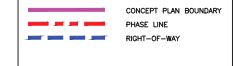


LOCATION MAP
1" = 2000'

SITE SUMMARY

PROJECT NAME: LAS ENTRADAS NORTH
SITE ADDRESS: NORTHWEST OF THE INTERSECTION OF
US HIGHWAY 290 AND GREGG MANOR ROAD, MANOR, TX.
CURRENT ZONING: C-1 (LIGHT COMMERCIAL) AND R-1 (R-1) (SINGLE FAMILY RESIDENTIAL)
PROPOSED ZONING: C-1 (LIGHT COMMERCIAL), R-3 (MULTI FAMILY)
RECORD OWNER: LAS ENTRADAS DEVELOPMENT CORPORATION
9000 HIGHWAY 290, EAST
MANOR, TEXAS 78603
PHONE: (512) 327-7415
FAX: (512) 327-5819
OWNER'S AGENT: DANNY BURNETT
ENGINEER: KIMLEY-HORN
10814 JOLLYVILLE ROAD BUILDING 4 SUITE 300
AUSTIN, TEXAS 78759
PHONE: (512) 782-0587
SURVEYOR: KIMLEY-HORN
10814 JOLLYVILLE ROAD BUILDING 4 SUITE 300
AUSTIN, TEXAS 78759
PHONE: (512) 782-0587
LEGAL DESCRIPTION: 104.80 TOTAL ACRES OUT OF JAMES MANOR
SURVEY NO. 40, ABSTRACT 546
FLOODPLAIN: 100 YEAR FLOODPLAIN BASED ON FEMA
FLOODPLAIN MAP 484520480N DATED
SEPTEMBER 26, 2006, COMMUNITY #481027
PROPOSED 100 YEAR FLOODPLAIN SHOWN
PER APPROVED CLOMR (CASE NO.
08-06-0480R).

LEGEND



LAS ENTRADAS NORTH CONCEPT PLAN				
PHASE	ZONING CLASSIFICATION	ACRES	NO. LOTS	
Phase 1	Light Commercial (C-1)	8.3	9	
Phase 2	Multi Family Residential (R-3)	12.6	1	
Phase 3	Parkland/Open Space/Drainage Easement (R-1)	5.3	1	
Phase 4	Light Commercial (C-1)	5.9	1	
Phase 4	Light Commercial (C-1)	21.6	4	
Phase 5	Light Commercial (C-1)	2.3	1	
Phase 5	Light Commercial (C-1)	4.7	1	
Phase 6	Light Commercial (C-1)	21.1	4	
Phase 6	Light Commercial (C-1)	2.9	1	
Phase 6	Light Commercial (C-1)	7.4	1	
Phase 6	Light Commercial (C-1)	5	2	
Collector ROW		7.5		
Total		104.6	24	

TRAFFIC VOLUMES						
ITE Code	Unit	Size	Daily Trips	AM Trips	PM Trips	
Shopping Center	820	SF	643,872	24,308	605	2,453
Warehousing	150	SF	65,000	354	34	39
Hotel	310	RM	350	2,926	165	210
Multifamily Housing (Mid-Rise)	221	DU	267	1,454	96	117
Total			29,042	900	2,819	

LUE BREAKDOWN				
ZONING CLASSIFICATION	ACRES	NO. LOTS	NO. UNITS	LUEs
Light Commercial (C-1)*	79.2	22	-	1267
Multi Family Residential (R-3)**	12.6	1	267	134
Parkland/Open Space/Drainage Easement (R-1)	5.3	-	-	2
Collector ROW	7.5	-	-	-
TOTALS	104.6	24	267	1403

*16 LUE/Acre
**0.5 LUE/Unit

DATE	REVISION #	DESCRIPTION	APPROVAL
9/27/2019	1	ADDED R-3 USE; DELETED R-2 USE; INCREASED C-1 USE	

Kimley-Horn

10814 Jollyville Road
Building IV, Suite 300
Austin, Texas 78759
512-418-1771
State of Texas Registration No. F-928

LAS ENTRADAS NORTH - CONCEPT PLAN AMENDMENT
ORIGINAL PLAN APPROVED 08/14/13
Manor, Texas
April 19



Date: Friday, May 31, 2019

Brandon Hammann
Kimley-Horn and Associates, Inc.
10814 Jollyville Road, Campus IV, Suite 300
Austin TX
brandon.hammann@kimley-horn.com

Permit Number 2019-P-1192-CP
Job Address: Las Entradas North Concept Plan Amendment, Manor, TX. 78653

Dear Brandon Hammann,

The first submittal of the Las Entradas North Concept Plan Amendment (*Concept Plan*) submitted by Kimley-Horn and Associates, Inc. and received on October 23, 2019, have been reviewed for compliance with the City of Manor Subdivision Ordinance 263B.

Engineer Review

The review of the submittal package has resulted in the following comments. Should you have any questions or require additional information regarding any of these comments, please contact Pauline Gray, P.E. by telephone at (512) 259-3882 or by email at pgray@jaeco.net.

1. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(2), the revision date should be shown on the Concept Plan.
2. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(i), the number of LUEs required for each category of lots should be listed on the Concept Plan.
3. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(ii), the traffic volume to be generated by all proposed development other than single-family residential should be shown on the Concept Plan.
4. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(12), significant existing features on, or within 200 feet of, the property, such as railroads, roads, buildings, utilities and drainage structures should be shown on the Concept Plan.
5. An existing 100-year floodplain and proposed 100-year floodplain are shown on the Concept Plan. Has a LOMR/CLOMR been approved for the site?
6. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(f)(5), zoning of the tract(s) shall permit the uses proposed by the Concept Plan, or a zoning amendment necessary to permit the proposed uses shall be required prior to approval of the Concept Plan. The zoning shown on the Concept Plan has not been approved yet.

Please revise the project plans to address the comments noted above. Following revision, please upload one full set of the revised drawings in PDF format. Please include a comment response narrative indicating how comments have been addressed with your plan resubmittal. To access your project online, please go to www.mygovernmentonline.org and use the online portal to upload your drawings in PDF format.

Additional comments may be generated as requested information is provided. Review of this submittal does not constitute verification that all data, information and calculations supplied by the applicant are accurate, complete, or adequate for the intended purpose. The engineer of record is solely responsible for the completeness, accuracy, and adequacy of his/her submittal, whether or not City Engineers review the application for Ordinance compliance.

Thank you,

A handwritten signature in blue ink, reading "Pauline M. Gray". The signature is cursive and fluid, with the first name "Pauline" and last name "Gray" clearly legible, and "M." as a middle initial.

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.

July 29, 2019

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.
P.O. Box 1220
Leander, Texas 78646-1220

**RE: Permit Number 2019-P-1192-CP
Las Entradas North Concept Plan Amendment
Manor, TX 78653**

Dear Ms. Gray,

Please accept this *Comment Response Letter* in reply to Jay Engineering Company Inc.'s review dated, Friday, May 31, 2019. Original comments have been included below for reference. All Kimley-Horn responses are listed in blue.

Engineer Review

1. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(2), the revision date should be shown on the Concept Plan.
Response: Revision Table, including Revision Date, has been added to the title block.
2. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(i), the number of LUEs required for each category of lots should be listed on the Concept Plan.
Response: LUE's are now broken out for each category.
3. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(ii), the traffic volume to be generated by all proposed development other than single-family residential should be shown on the Concept Plan.
Response: Traffic volumes have been added to the plan.
4. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(12), significant existing features on, or within 200 feet of, the property, such as railroads, roads, buildings, utilities and drainage structures should be shown on the Concept Plan.
Response: Existing features have been added to the plan.
5. An existing 100-year floodplain and proposed 100-year floodplain are shown on the Concept Plan. Has a LOMR/CLOMR been approved for the site?
Response: Yes, a CLOMR has been approved for the site. Approved CLOMR letter and a PDF of the CLOMR have been uploaded to the MGN portal.
6. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(f)(5), zoning of the tract(s) shall permit the uses proposed by

the Concept Plan, or a zoning amendment necessary to permit the proposed uses shall be required prior to approval of the Concept Plan. The zoning shown on the Concept Plan has not been approved yet.

Response: Noted. Rezoning application was submitted concurrently with the Concept Plan Amendment.

In addition to addressing the comments above, the following changes were made to the Concept Plan Amendment:

- 1. Added Genome Road and Tillgang Pass ROW.*
- 2. Revise land areas of uses to account for ROW.*
- 3. Revised phasing and associated start dates.*
- 4. Replace Single Family Residential with Light Commercial.*

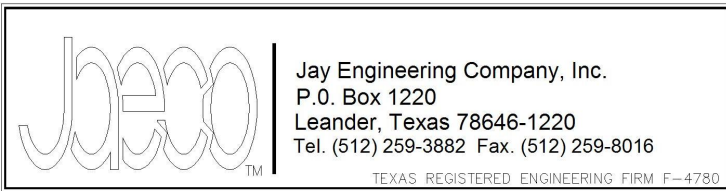
Please contact me for further information or should you need clarification. I can be reached directly at brandon.hammann@kimley-horn.com or by telephone at (512) 271-6314.

Sincerely,

KIMLEY-HORN & ASSOCIATES, INC.



Brandon Hammann, P.E.



Date: Friday, August 23, 2019

Brandon Hammann
Kimley-Horn and Associates, Inc.
10814 Jollyville Road, Campus IV, Suite 300
Austin TX
brandon.hammann@kimley-horn.com

Permit Number 2019-P-1192-CP
Job Address: Las Entradas North Concept Plan Amendment, Manor 78653

Dear Brandon Hammann,

The subsequent submittal of the Las Entradas North Concept Plan Amendment submitted by Kimley-Horn and Associates, Inc. and received on October 23, 2019, have been reviewed for compliance with the City of Manor Subdivision Ordinance 263B. We can offer the following comments based upon our review (satisfied comments stricken, new or outstanding comments in bold):

Engineer Review

The following comments have been provided by Pauline Gray, P.E.. Should you have any questions or require additional information regarding any of these comments, please contact Pauline Gray, P.E. by telephone at (512) 259-3882 or by email at pgray@jaeco.net.

~~1. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(2), the revision date should be shown on the Concept Plan.~~

2. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(i), the number of LUEs required for each category of lots should be listed on the Concept Plan. The LUEs for multifamily are listed as per unit but the number of units is not provided. Provide background as to why 16 LUEs/Acre was used for Light Commercial. The traffic volume categories are different than what is listed for the LUE Breakdown.

~~3. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(ii), the traffic volume to be generated by all proposed development other than single family residential should be shown on the Concept Plan.~~

4. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(12), significant existing features on, or within 200 feet of, the property, such as railroads, roads, buildings, utilities and drainage structures should be shown on the Concept Plan. There are buildings in Phase 1 that are not shown.

5. An existing 100-year floodplain and proposed 100-year floodplain are shown on the Concept Plan. Has a LOMR/CLOMR been approved for the site? The comment response letter stated that the approved CLOMR letter and a PDF of the CLOMR was submitted with the update, but it was not provided.

6. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(f)(5), zoning of the tract(s) shall permit the uses proposed by the Concept Plan, or a zoning amendment necessary to permit the proposed uses shall be required prior to approval of the Concept Plan. The zoning shown on the Concept Plan has not been approved yet.

Please revise the project plans to address the comments noted above. Following revision, please upload one full set of the revised drawings in PDF format. To access your project online, please go to www.mygovernmentonline.org and use the online portal to upload your drawings in PDF format.

Should you have questions regarding specific comments, please contact the staff member referenced under the section in which the comment occurs. Should you have questions or require additional information regarding the plan review process itself, please feel free to contact me directly. I can be reached by telephone at (512) 259-3882 ex. 307, or by e-mail at pgray@jaeco.net.

Review of this submittal does not constitute verification that all data, information and calculations supplied by the applicant are accurate, complete, or adequate for the intended purpose. The engineer of record is solely responsible for the completeness, accuracy, and adequacy of his/her submittal, whether or not City Engineers review the application for Ordinance compliance.

Thank you,

A handwritten signature in blue ink that reads "Pauline M. Gray". The signature is fluid and cursive, with the first name "Pauline" being more prominent than the last name "Gray".

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.

September 27, 2019

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.
P.O. Box 1220
Leander, Texas 78646-1220

**RE: Permit Number 2019-P-1192-CP
Las Entradas North Concept Plan Amendment
Manor, TX 78653**

Dear Ms. Gray,

Please accept this *Comment Response Letter* in reply to Jay Engineering Company Inc.'s review dated, Friday, August 23, 2019. Original comments have been included below for reference. All Kimley-Horn responses are listed in blue.

Engineer Review

2. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8)(i), the number of LUEs required for each category of lots should be listed on the Concept Plan. The LUEs for multifamily are listed as per unit but the number of units is not provided. Provide background as to why 16 LUEs/Acre was used for Light Commercial. The traffic volume categories are different than what is listed for the LUE Breakdown.

Response: Multifamily units added to LUE Breakdown table (number of multifamily units revised to match current land plan for multi-family lot).

16 LUEs/commercial acre is a conservative conversion factor and is based on the previously approved Concept Plan.

LUEs are based on zoning classification/category (per the original approved Concept Plan) whereas traffic volumes are based on potential uses within the zoning classifications. Specific uses are necessary to determine estimated traffic volumes.

4. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(12), significant existing features on, or within 200 feet of, the property, such as railroads, roads, buildings, utilities and drainage structures should be shown on the Concept Plan. There are buildings in Phase 1 that are not shown.

Response: Phase 1 buildings added.

5. An existing 100-year floodplain and proposed 100-year floodplain are shown on the Concept Plan. Has a LOMR/CLOMR been approved for the site? The comment response letter stated that the approved CLOMR letter and a PDF of the CLOMR was submitted with the update, but it was not provided.

Response: Documentation uploaded via MGN.

6. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(f)(5), zoning of the tract(s) shall permit the uses proposed by the Concept Plan, or a zoning amendment necessary to permit the proposed uses shall be required prior to approval of the Concept Plan. The zoning shown on the Concept Plan has not been approved yet.

Response: Acknowledged. R-3 zoning has been approved. R-2>C-1 zoning is pending approval.

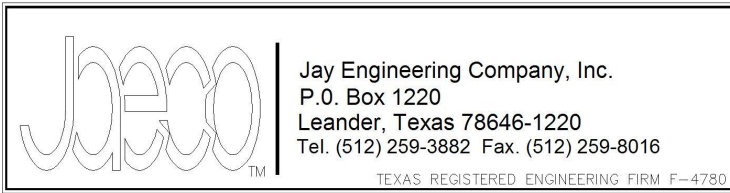
Please contact me for further information or should you need clarification. I can be reached directly at brandon.hammann@kimley-horn.com or by telephone at (512) 271-6314.

Sincerely,

KIMLEY-HORN & ASSOCIATES, INC.



Brandon Hammann, P.E.



Date: Thursday, October 24, 2019

Brandon Hammann
Kimley-Horn and Associates, Inc.
10814 Jollyville Road, Campus IV, Suite 300
Austin TX
brandon.hammann@kimley-horn.com

Permit Number 2019-P-1192-CP

Job Address: Las Entradas North Concept Plan Amendment, Manor 78653

Dear Brandon Hammann,

We have conducted a review of the concept plan for the above-referenced project, submitted by Brandon Hammann and received by our office on October 23, 2019, for conformance with the City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B. The Plans appear to be in general compliance with City Ordinance requirements and we therefore take no exception to their approval as presented.

Please submit a hard copy of the Concept Plan to Scott Dunlop at the City of Manor for signatures. A copy of the signed Concept Plan will be uploaded under project files on the my permit now website.

Review of this submittal does not constitute verification that all data, information and calculations supplied by the applicant are accurate, complete or adequate for the intended purpose. The engineer of record is solely responsible for the completeness, accuracy and adequacy of his/her submittal, whether or not City Engineers review the application for Ordinance compliance. Please call if you have any questions or need additional information.

Sincerely,

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.



DEVELOPMENT SERVICES DEPARTMENT

November 18, 2019

RE: Notification for a Concept Plan – Las Entradas North Amendment

Dear Property Owner,

The City of Manor Planning and Zoning Commission and City Council will be conducting public hearings for the purpose of considering and acting upon on a concept plan. The request will be posted on the agenda as follows:

Public Hearing: Consideration, discussion, and possible action upon a Concept Plan for Las Entradas North, twenty-four (24) lots on 104.6 acres more or less, located near US Hwy 290 E and Gregg Manor Road, Manor, TX.

The Planning and Zoning Commission will meet at 6:30PM on December 11, 2019 at 105 East Eggleston in the City Hall Council Chambers.

The City Council will meet at 7:00PM on December 18, 2019 at 105 East Eggleston in the City Hall Council Chambers.

You are being notified because you own property within 300 feet of the property for which this concept plan has been filed.

If you have no interest in the case there is no need for you to attend. You may address any comments to me at the address or phone number below. Any communications I receive will be made available to the Commissioners and Council during the discussion of this item.

Sincerely,

Scott Dunlop,
Assistant Development Director

sdunlop@cityofmanor.org
512-272-5555 ext. 5

Manor Independent School District
P.O. Box 359
Manor, Texas 78653-0359

Roman Catholic Diocese of Austin Texas
6225 Hwy 290 E
Austin, Texas 78723-1028

Butler Family Partnership Ltd.
P.O. Box 9190
Austin, Texas 78766-9190

Travis County
P.O. Box 1748
Austin, Texas 78767-1748

Kaslik Bay LLC
c/o George Faddou
407 Talkeetna Lane
Cedar Park, Texas 78613-2532

Randolph-Brooks Federal Credit Union
1 Randolph Brooks Parkway
Live Oak, Texas 78233-2416

Auto Zone Texas LP
123 S Front Street
Memphis, TN 38103-3607

CVS Pharmacy Inc.
c/o CVS Caremark Corp.
1 CVS Dr. #10029-01
Woonsocket, RI 02895-6146

Johnson Robert J & Curt D Johnson
501 W Koenig Lane
Austin, TX 78751

Horton John E
5201 Rain Creek Pkwy
Austin, TX 78759-5641

Cottonwood Holdings Ltd.
c/o Dwyer Realty Companies
9900 US Highway 290 E
Manor, TX 78653-9720

Protestant Episcopal Church of Diocese TX
c/o Cottonwood Holdings Ltd.
9900 US Highway 290 E
Manor, TX 78653-9720

Scott Baylor & White Health
MS-20-D642
2401 S 31st Street
Temple, TX 76508-0001

Frontier Bank of Texas
P.O. Box 551
Elgin, TX 78621-0551

GABS Inc.
407 Talkeetna Lane
Cedar Park, TX 78613-2532



AGENDA ITEM NO. ⁸_____

AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Thomas Bolt, City Manager

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on an ordinance authorizing the issuance and sale of the City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project); approving and authorizing related agreements; and accepting and approving an update to the Service and Assessment Plan and Assessment Roll

BACKGROUND/SUMMARY:

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Ordinance No. 563

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve Ordinance No. 563 authorizing the issuance and sale of the City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project); approving and authorizing related agreements; and accepting and approving an update to the Service and Assessment Plan and Assessment Roll

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE

ORDINANCE NO. 563

AN ORDINANCE OF THE CITY OF MANOR, TEXAS AUTHORIZING THE ISSUANCE OF THE CITY OF MANOR, TEXAS SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019 (LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA PROJECT); APPROVING AND AUTHORIZING AN INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, A LIMITED OFFERING MEMORANDUM, A CONTINUING DISCLOSURE AGREEMENT, AND OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS; PROVIDING AN EFFECTIVE DATE; AND ACCEPTING AND APPROVING AN UPDATE TO THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL

WHEREAS, the City of Manor, Texas (the “City”), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”), has previously established the “Lagos Public Improvement District” (the “District”), pursuant to Resolution No. 2019-02 adopted by the City Council of the City (the “City Council”) on March 20, 2019; and

WHEREAS, the authorization creating the District became effective on March 29, 2019 upon publication of Resolution No. 2019-02 in the *Manor Journal*, a newspaper of general circulation in the City; and

WHEREAS, pursuant to the PID Act, the City Council published notice and held a public hearing on October 2, 2019 regarding the levy of special assessments within the District and on October 2, 2019 adopted Ordinance No. 556 (the “Assessment Ordinance”); and

WHEREAS, in the Assessment Ordinance, the City Council approved and accepted the “Service and Assessment Plan” (as defined and described in the Assessment Ordinance, the “Service and Assessment Plan”) relating to the District and levied the “Assessments” (as defined in the Service and Assessment Plan, the “Assessments”) against the “Major Improvement Area Assessment Roll” (as defined and described in the Service and Assessment Plan, the “Major Improvement Area Assessment Roll”). Capitalized terms used in this preamble and not otherwise defined shall have the meaning assigned thereto in the Service and Assessment Plan; and

WHEREAS, the City authorized and approved in substantially final form that certain Lagos Public Improvement District Financing Agreement (the “Financing Agreement”) between the City and 706 Investment Partnership, Ltd., a Texas limited partnership, and 706 Development Corporation, a Texas corporation (collectively, the “Project Owners”), on September 18, 2019, pursuant to which the City has agreed to issue revenue bonds payable from Assessments to pay for the costs of constructing authorized improvements as identified in the Service and Assessment Plan (the “Major Improvements”); and

WHEREAS, the City Council has found and determined that it is in the best interests of the City to issue its bonds to be designated “City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)” (the “Bonds”), such series to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined below); and

WHEREAS, the City is authorized by the PID Act to issue the Bonds for the purposes of (i) paying or reimbursing a portion of the Actual Costs of the Major Improvements, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying the costs of issuance of the Bonds; and

WHEREAS, in connection with the issuance of the Bonds for the purposes of paying the costs of the Major Improvements, the City has determined such improvements confer a special benefit on the District, as provided in Section III of the Service and Assessment Plan and further depicted on Exhibit I of the Service and Assessment Plan; and

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

WHEREAS, after conducting the duly noticed public hearing on the issuance of the Bonds, the City Council, as set out in this Ordinance, hereby approves the: (i) issuance of the Bonds to finance the Major Improvements as identified in the Service and Assessment Plan, (ii) form, terms and provisions of the Indenture of Trust securing the Bonds authorized hereby (defined below), (iii) form, terms and provisions of the Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) the Limited Offering Memorandum (defined below), and (v) the Continuing Disclosure Agreement (defined below); and

WHEREAS, pursuant to the PID Act and to the terms of the Service and Assessment Plan, the City Council now desires to update the Service and Assessment Plan, including the Major Improvement Area Assessment Roll, in the form attached hereto as Exhibit D to reflect the issuance of the Bonds, the interest rates thereon, and updates to other terms of the Service and Assessment Plan.

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

SECTION 1. Findings. The findings and determinations set forth in the preamble hereof are hereby incorporated by reference for all purposes as if set forth in full herein.

SECTION 2. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of \$3,120,000 for the purposes of (i) paying or reimbursing a portion of the Actual Costs of the Major Improvements, (ii) funding a reserve fund for payment of principal and interest on the

Bonds, (iii) paying a portion of the costs incidental to the organization and administration of the District, and (iv) paying the costs of issuance of the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the “Indenture”) dated as of December 1, 2019, between the City and UMB Bank, N.A., as trustee (the “Trustee”), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the Mayor or Mayor Pro Tem of the City, such approval to be evidenced by the execution and delivery of the Indenture, which Indenture is hereby approved in substantially final form attached hereto as Exhibit A and incorporated herein for all purposes. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem.

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

SECTION 3. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to FMSbonds, Inc. (the “Underwriter”) at the price and on the terms and provisions set forth in that certain Bond Purchase Agreement (the “Bond Purchase Agreement”), dated the date hereof, between the City and the Underwriter, attached hereto as Exhibit B and incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interest of the City. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved and the Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement. The Mayor’s or Mayor Pro Tem’s signature on the Bond Purchase Agreement may be attested by the City Secretary.

SECTION 4. Approval of Limited Offering Memorandum. The City Council, at a regular called meeting on December 4, 2019, adopted Resolution No. 2019-19, whereby it found and determined that the Preliminary Limited Offering Memorandum for the Bonds, dated December 5, 2019 (the “Preliminary Limited Offering Memorandum”) was “deemed final” as that term is defined in 17 C.F.R. Section 240.15c2-12. The final Limited Offering Memorandum (the “Limited Offering Memorandum”) is hereby approved and adopted with such changes and alteration therein as the City Manager may approve, such approval to be conclusively evidenced by the delivery thereof. The Limited Offering Memorandum as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem, City Manager, and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of

the meeting. The use and distribution of the Preliminary Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the execution, approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Mayor or Mayor Pro Tem, the Mayor or Mayor Pro Tem and this City Council are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum pertaining to the Lagos Public Improvement District, the Project Owners or its financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 5. Approval of Continuing Disclosure Agreement of the Issuer. That certain Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) between the City, P3Works, LLC (the “Administrator”), and UMB Bank, N.A. (the “Dissemination Agent”) is hereby authorized and approved in substantially final form attached hereto as Exhibit C and incorporated herein for all purposes and the City Manager of the City is hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager, such approval to be evidenced by the execution thereof.

SECTION 6. Update to the Service and Assessment Plan. The Update to the Service and Assessment Plan attached hereto as Exhibit D is hereby accepted and approved pursuant to the PID Act.

SECTION 7. Additional Actions. The Mayor, the Mayor Pro Tem, the Finance Director, the City Manager, and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, the Mayor Pro Tem, the Finance Director, the City Manager, and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

SECTION 8. Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

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

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

SECTION 11. Construction of Terms. If appropriate in the context of this Ordinance, words of the plural shall be considered to include the singular, and words of the masculine, feminine or neutral gender shall be considered to include the other genders.

SECTION 12. Effective Date. This Ordinance is passed on one reading as authorized by Texas Government Code, Section 1201.028, as amended, and shall be effective immediately upon its passage and adoption.

SECTION 13. Open Meetings. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

[The remainder of this page left blank intentionally]

**PASSED, APPROVED AND EFFECTIVE THIS 18TH DAY OF DECEMBER
2019.**

Dr. Larry Wallace Jr., Mayor
City of Manor, Texas

ATTEST:

Lluvia T. Almaraz, City Secretary
City of Manor, Texas

EXHIBIT A
INDENTURE OF TRUST

INDENTURE OF TRUST

By and Between

CITY OF MANOR, TEXAS

and

**UMB BANK, N.A.,
as Trustee**

DATED AS OF DECEMBER 1, 2019

SECURING

**\$ _____
CITY OF MANOR, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019
(LAGOS PUBLIC IMPROVEMENT DISTRICT
MAJOR IMPROVEMENT AREA PROJECT)**

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS, FINDINGS AND INTERPRETATION	4
Section 1.1. Definitions.....	4
Section 1.2. Findings.....	14
Section 1.3. Table of Contents, Titles and Headings.	14
Section 1.4. Interpretation.	14
ARTICLE II THE BONDS.....	15
Section 2.1. Security for the Bonds.....	15
Section 2.2. Limited Obligations.....	15
Section 2.3. Authorization for Indenture.....	15
Section 2.4. Contract with Owners and Trustee.	15
ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS	16
Section 3.1. Authorization.....	16
Section 3.2. Date, Denomination, Maturities, Numbers and Interest.....	16
Section 3.3. Conditions Precedent to Delivery of Bonds.	17
Section 3.4. Medium, Method and Place of Payment.	18
Section 3.5. Execution and Registration of Bonds.	19
Section 3.6. Refunding Bonds.....	20
Section 3.7. Ownership.	20
Section 3.8. Registration, Transfer and Exchange.	21
Section 3.9. Cancellation.....	22
Section 3.10. Temporary Bonds.	22
Section 3.11. Replacement Bonds.....	23
Section 3.12. Book-Entry Only System.	24
Section 3.13. Successor Securities Depository: Transfer Outside Book-Entry-Only System.	24
Section 3.14. Payments to Cede & Co.	25
Section 3.15. Use of Book-Entry-Only System Not Required.....	25
ARTICLE IV REDEMPTION OF BONDS BEFORE MATURITY.....	25
Section 4.1. Limitation on Redemption.....	25
Section 4.2. Mandatory Sinking Fund Redemption.	25
Section 4.3. Optional Redemption.	26
Section 4.4. Extraordinary Optional Redemption.	26
Section 4.5. Partial Redemption.	27
Section 4.6. Notice of Redemption to Owners.	27
Section 4.7. Purchase Price for Bonds.	28
Section 4.8. Payment Upon Redemption.....	28
Section 4.9. Effect of Redemption.	28
ARTICLE V FORM OF THE BONDS	29
Section 5.1. Form Generally.....	29
Section 5.2. CUSIP Registration.	29
Section 5.3. Legal Opinion.....	29

Section 5.4.	Statement of Insurance.	30
ARTICLE VI FUNDS AND ACCOUNTS		30
Section 6.1.	Establishment of Funds and Accounts.	30
Section 6.2.	Initial Deposits to Funds and Accounts.....	31
Section 6.3.	Pledged Revenue Fund.	31
Section 6.4.	Bond Fund.	32
Section 6.5.	Project Fund.	32
Section 6.6.	Redemption Fund.	34
Section 6.7.	Reserve Fund.....	34
Section 6.8.	Rebate Fund: Rebate Amount.	36
Section 6.9.	Administrative Fund.....	36
Section 6.10.	Investment of Funds.	36
Section 6.11.	Advances from Available Funds.	37
Section 6.12.	Reimbursement Fund.	38
Section 6.13.	Security of Funds.....	38
ARTICLE VII COVENANTS.....		38
Section 7.1.	Confirmation of Major Improvement Area Assessments.....	38
Section 7.2.	Collection and Enforcement of Major Improvement Area Assessments.	38
Section 7.3.	Against Encumbrances.	39
Section 7.4.	Records, Accounts, Accounting Reports.....	39
Section 7.5.	Covenants to Maintain Tax-Exempt Status.....	40
ARTICLE VIII LIABILITY OF CITY.....		43
ARTICLE IX THE TRUSTEE		45
Section 9.1.	Trustee as Registrar and Paying Agent.	45
Section 9.2.	Trustee Entitled to Indemnity.....	45
Section 9.3.	Responsibilities of the Trustee.	45
Section 9.4.	Property Held in Trust.	47
Section 9.5.	Trustee Protected in Relying on Certain Documents.	47
Section 9.6.	Compensation.....	48
Section 9.7.	Permitted Acts.	48
Section 9.8.	Resignation of Trustee.....	49
Section 9.9.	Removal of Trustee.	49
Section 9.10.	Successor Trustee.	49
Section 9.11.	Transfer of Rights and Property to Successor Trustee.	50
Section 9.12.	Merger, Conversion or Consolidation of Trustee.....	51
Section 9.13.	Security Interest in Trust Estate.	51
Section 9.14.	Accounts, Periodic Reports and Certificates.....	51
Section 9.15.	Construction of Indenture.....	51
Section 9.16.	Offering Documentation.....	51
Section 9.17.	Expenditure of Funds and Risk.	52
Section 9.18.	Environmental Hazards.	52
ARTICLE X MODIFICATION OR AMENDMENT OF THIS INDENTURE.....		52
Section 10.1.	Amendments Permitted.	52
Section 10.2.	Owners' Meetings.	53
Section 10.3.	Procedure for Amendment with Written Consent of Owners.	53

Section 10.4.	Effect of Supplemental Indenture.....	54
Section 10.5.	Endorsement or Replacement of Bonds Issued After Amendments.	54
Section 10.6.	Amendatory Endorsement of Bonds.	55
Section 10.7.	Waiver of Default.	55
Section 10.8.	Execution of Supplemental Indenture.	55
ARTICLE X I DEFAULT AND REMEDIES.....		55
Section 11.1.	Events of Default.....	55
Section 11.2.	Immediate Remedies for Default.	56
Section 11.3.	Restriction on Owner’s Action.....	57
Section 11.4.	Application of Revenues and Other Moneys After Default.	57
Section 11.5.	Effect of Waiver.	58
Section 11.6.	Evidence of Ownership of Bonds.....	59
Section 11.7.	No Acceleration.....	59
Section 11.8.	Mailing of Notice.	59
Section 11.9.	Exclusion of Bonds.	59
Section 11.10.	Remedies Not Exclusive.	60
Section 11.11.	Direction by Owners.	60
ARTICLE XII I GENERAL COVENANTS AND REPRESENTATIONS		60
Section 12.1.	Representations as to Trust Estate.....	60
Section 12.2.	Accounts, Periodic Reports and Certificates.	61
Section 12.3.	General.	61
Section 12.4.	No Israel Boycott.....	61
Section 12.5.	No Terrorist Organization.	61
ARTICLE XII I SPECIAL COVENANTS		62
Section 13.1.	Further Assurances; Due Performance.....	62
Section 13.2.	Additional Obligations or Other Liens; Future Improvement Area Bonds.....	62
Section 13.3.	Books of Record.....	63
ARTICLE XIV PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE.....		64
Section 14.1.	Trust Irrevocable.	64
Section 14.2.	Satisfaction of Indenture.	64
Section 14.3.	Bonds Deemed Paid.	64
ARTICLE XV MISCELLANEOUS.....		65
Section 15.1.	Benefits of Indenture Limited to Parties.	65
Section 15.2.	Successor is Deemed Included in All References to Predecessor.....	65
Section 15.3.	Execution of Documents and Proof of Ownership by Owners.	65
Section 15.4.	Waiver of Personal Liability.	66
Section 15.5.	Notices to and Demands on City and Trustee.	66
Section 15.6.	Partial Invalidity.....	67
Section 15.7.	Applicable Laws.....	67
Section 15.8.	Counterparts.	67
EXHIBIT A	Form of Bond.....	A-1
EXHIBIT B	Form of City Certificate.....	B-1

INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of December 1, 2019 is by and between the CITY OF MANOR, TEXAS (the “City”), and UMB BANK, N.A., as trustee (together with its successors, the “Trustee”). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition (the “*Petition*”) was submitted by the Project Owner (defined herein) and filed with the City Secretary of the City (the “*City Secretary*”) on January 31, 2019, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the “*PID Act*”), requesting the creation of a public improvement district located in the City to be known as the Lagos Public Improvement District (the “*District*”); and

WHEREAS, the Petition contained the signatures of the owners of taxable property representing more than fifty-percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of the Travis Central Appraisal District, and the signatures of property owners who own taxable real property that constitutes more than fifty-percent of the area of all taxable property that is liable for assessment by the District; and

WHEREAS, on March 20, 2019 after due notice, the City Council of the City (“*City Council*”) held a public hearing in the manner required by law on the advisability of the improvement projects and services described in the Petition as required by Section 372.009 of the PID Act; and

WHEREAS, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2019-02 adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, on March 29, 2019, the City published notice of its authorization of the creation of the District in the *Manor Community News*, a newspaper of general circulation in the City; and

WHEREAS, no written protests of the creation of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after March 29, 2019; and

WHEREAS, the City Council, pursuant to Section 372.016 of the PID Act, filed a proposed “Assessment Roll” for the District with the City Secretary and made the proposed Assessment Roll subject to public inspection, and also directed and caused the City Secretary to publish notice of a public hearing on September 20, 2019, in the *Manor Journal*, a newspaper of general circulation in the City, for the consideration of the proposed assessments and the “Service and Assessment Plan,” and to, on the same date, mail notice of the public hearing to the last known address of each property owner liable for assessments; and

WHEREAS, on October 2, 2019, the City Council convened the public hearing, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney,

were given the opportunity to make any objection to the proposed Assessment Roll and the Assessments; and

WHEREAS, at the October 2, 2019, public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Actual Costs, the Assessment Roll, or the levy of the Assessments; and

WHEREAS, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City Secretary or the City, the City Council closed the hearing; and

WHEREAS, on October 2, 2019, the City approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted Ordinance No. 556 (the “*Assessment Ordinance*”) and therein levied the Major Improvement Area Assessments; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Major Improvement Area Assessments for the purposes of (i) paying or reimbursing a portion of the Actual Costs of the Major Improvements, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds; and

WHEREAS, the City Council now desires to issue revenue bonds, in accordance with the PID Act, such series of Bonds to be entitled “City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)” (the “*Bonds*”), such Bonds being payable solely from the Major Improvement Area Assessment Revenue and other funds pledged under this Indenture to the payment of Bonds and for the purposes set forth in the preamble of this Indenture; and

WHEREAS, the Trustee has agreed to accept the trusts herein created and to serve as Trustee upon the terms set forth in this Indenture.

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the “*Trust Estate*”):

FIRST GRANTING CLAUSE

The Pledged Revenues and all moneys and investments held in the Pledged Funds, including any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof; and

THIRD GRANTING CLAUSE

Any and all proceeds and products of the foregoing property described in the above granting clauses;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and ratable benefit of all present and future Owners of the Bonds from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, if and to the extent that Major Improvement Area Assessments have been prepaid, the lien on the real property associated with such Prepayment shall be released and the rights of the Trustee and Owners under this Indenture to proceed against the City for the purpose of protecting and enforcing the rights of the Owners with respect to such released real property shall terminate;

FURTHER PROVIDED, HOWEVER, if the City or its assigns shall well and truly pay, or cause to be paid, the principal or redemption price of and the interest on all the Bonds at the times and in the manner stated in the Bonds, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect; and

IN ADDITION, the Bonds are special obligations of the City payable solely from the Trust Estate, as and to the extent provided in this Indenture. The Bonds do not give rise to a charge against the general credit or taxing powers of the City and are not payable except as provided in this Indenture. Notwithstanding anything to the contrary herein, the Owners shall never have the right to demand payment thereof out of any funds of the City other than the Trust Estate. The City shall have no legal or moral obligation to pay for the Bonds out of any funds of the City other than the Trust Estate.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and

covenant, with the Trustee and with the respective Owners from time to time of the Bonds as follows:

ARTICLE I DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Indenture, the following terms shall have the meanings specified below:

“Account” means any of the accounts established pursuant to Section 6.1 of this Indenture.

“Actual Costs” means, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Project Owner: (1) to plan, finance, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities. Actual Costs shall not include general contractor’s fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

“Additional Interest” means the amount collected by application of the Additional Interest Rate.

“Additional Interest Rate” means the incremental interest rate charged on the Major Improvement Area Assessments securing the Bonds, in excess of the interest rate charged on the Bonds, in the amount of one-half of one percent (0.50%) as authorized pursuant to the PID Act.

“Additional Interest Reserve Account” means the Account established pursuant to Section 6.1 hereof.

“Additional Interest Reserve Requirement” means, initially, an amount equal to 5.5% of the par amount of the Bonds which will be funded from the payment of the Additional Interest deposited to the Pledged Revenue Fund.

“Additional Obligations” means any bonds or obligations, including specifically, any installment contracts, reimbursement agreements, temporary note or time warrant secured in whole or in part by an assessment, other than the Major Improvement Area Assessments securing the Bonds and the Major Improvement Area Reimbursement Obligation, levied against property within the District in accordance with the PID Act.

“Administrative Fund” means that Fund established by Section 6.1 and administered pursuant to Section 6.9 hereof.

“Administrator” means P3Works, LLC, unless and until a different Administrator is designated by the City, and if no Administrator is designated, the City.

“Annual Collection Costs” means the actual or budgeted costs and expenses related to the creation and operation of the District, the issuance and sale of the Bonds, and the construction, operation and maintenance of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) issuing, paying, and redeeming the Bonds; (6) investing or depositing Major Improvement Area Assessments and Annual Installments; (7) complying with the Service and Assessment Plan and the PID Act with respect to the administration of a reimbursement agreement and the issuance and sale of the Bonds, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with the Bonds, including their respective legal counsel. Amounts collected for Annual Collection Costs but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

“Annual Installment” means, with respect to the Major Improvement Area Assessments, the annual installment payments of a Major Improvement Area Assessment calculated by the Administrator and approved by the City Council, including: (i) principal; (ii) interest; (iii) Annual Collection Costs; and (iv) Additional Interest.

“Annual Service Plan Update” means an update to the Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Applicable Laws” means the PID Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State of Texas or of the United States, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

“Assessed Property” means for any year, any Parcel within the District against which an Assessment is levied.

“Assessment Ordinance” means Ordinance No. 556 adopted by the City Council on October 2, 2019, that levied the Assessments on the Assessed Properties.

“Assessment Roll” or *“Assessment Rolls”* means collectively or separately as applicable, the Assessment Rolls for the Assessed Properties within the District, included in the Service and

Assessment Plan as Exhibit F for the Major Improvement Area, or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessments, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Assessments” means the aggregate assessments shown on the Assessment Rolls. The singular of such term means the assessment levied against an Assessed Property, as shown on an Assessment Roll, subject to reallocation upon the subdivision of an Assessed Property or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

“Authorized Denomination” means \$25,000 and any integral multiple of \$5,000 in excess thereof, or such smaller amount authorized by Section 4.5(c); *provided, however*, that upon receipt by the Paying Agent/Registrar of written evidence that the Bonds have received an Investment Grade Rating, Authorized Denomination shall mean \$5,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension or withdrawal of such rating.

“Authorized Improvements” means those public improvements authorized by Section 372.003 of the PID Act including those listed in Section III, and depicted in Exhibit I, of the Service and Assessment Plan.

“Bond Counsel” means Bickerstaff Heath Delgado Acosta LLP or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Date” means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

“Bond Fund” means the Fund established pursuant to Section 6.1 and administered as provided in Section 6.4 hereof.

“Bond Year” means the one-year period beginning on September 15 in each year and ending on September 14 in the following year.

“Bonds” means those certain “City of Manor, Texas, Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) that are secured by actual revenues received by or on behalf of the City from the collection of Major Improvement Area Assessments levied against Major Improvement Area Assessed Property, or the Annual Installments thereof, for the Major Improvement Area.

“Business Day” means any day other than a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close.

“Certification for Payment” means a certification for payment substantially in the forms of Exhibit E attached to the Financing Agreement executed by the Project Owner and submitted to the City and approved by the City Representative, specifying the amount of work performed and

the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in accounts of the Project Fund as further described in the Financing Agreement and Section 6.5 herein. The form of Certification for Payment is attached hereto as *Exhibit B*.

“*City*” means the City of Manor, Texas.

“*City Certificate*” means a certificate signed by the City Representative and delivered to the Trustee certifying that the Trustee is authorized to take the action specified in the City Certificate, and a form of City Certificate is included as *Exhibit B* to this Indenture.

“*City Council*” shall have the meaning ascribed to such term in the recitals hereof.

“*City Engineer*” means the civil engineer or firm of civil engineers selected by the City to perform the duties set forth herein and in the Financing Agreement.

“*City Representative*” means any official or agent of the City authorized by the City Council to undertake the action referenced herein, as evidenced by an incumbency certificate provided to the Trustee.

“*Closing Date*” means the date of the initial delivery of and payment for the applicable Series of Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

“*Continuing Disclosure Agreements*” or “*Continuing Disclosure Agreement*” means both, or either, of the Continuing Disclosure Agreements by and between the City and the Dissemination Agent with respect to the Bonds, and by and between the Project Owner, P3Works, LLC and the Dissemination Agent, with respect to the Bonds.

“*County*” means Travis County, Texas.

“*Defeasance Securities*” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

“*Delinquent Collection Costs*” means for a Major Improvement Area Assessed Property, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Major Improvement Area Assessments, delinquent Annual Installments, or any other delinquent amounts due under the Service and Assessment Plan, including costs and expenses to foreclose liens.

“*Designated Payment/Transfer Office*” means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in Austin, Texas, or such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“Development Agreement” means the agreement titled the “Development Agreement (Lagos)” and which was entered into by and between the City and the Project Owner on August 21, 2019.

“Dissemination Agent” means UMB Bank, N.A. and its successors.

“District” shall have the meaning set forth in the first recital.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions.

“Event of Default” shall have the meaning with respect to this Indenture set forth in Section 11.1 hereof.

“Excess Additional Interest Reserve Amount” shall have the meaning set forth in Section 6.7(e) hereof.

“Financing Agreement” means the “*Lagos Public Improvement District Financing Agreement*” between the City and the Project Owner, dated as of September 18, 2019, which provides, in part, for the deposit of proceeds from the issuance and sale of the Bonds and the payment of Actual Costs of Authorized Improvements within in the District, the issuance of bonds, the reimbursement of Actual Costs to the Project Owner from the proceeds of the Bonds for funds advanced by the Project Owner and used to pay Actual Costs of Authorized Improvements and other matters related thereto.

“Foreclosure Proceeds” mean the proceeds, including interest and penalty interest, received by the City from the enforcement of the Major Improvement Area Assessments against any Major Improvement Area Assessed Property or Major Improvement Area Assessed Properties, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

“Fund” means any of the funds established pursuant to Section 6.1 of this Indenture.

“Future Bonds Test” means the additional investment and underwriting criteria which must be met prior to the issuance of PID Bonds (other than the PID Bonds that are being issued concurrently herewith) which are more particularly described in Section 13.2 herein.

“Future Improvement Area Bonds” means bonds issued to fund Authorized Improvements (or a portion thereof) in a Future Improvement Area. In connection with the Future Improvement Area Bonds, Assessments will be levied only on Parcels located within the Future Improvement Area in question.

“Future Improvement Area Improvements” means the Authorized Improvements in one or both of the Future Improvement Areas.

“Future Improvement Areas” means the property within Improvement Areas #1 and #2 of the District, as depicted on the map on Exhibit C of the Financing Agreement, consisting of approximately 120.582 acres within the District. Future Improvement Areas may be developed in phases after Phase 1 of the Project, as generally depicted in Exhibit C of the Financing Agreement. The Future Improvement Areas are subject to adjustment and are shown for example only.

“Improvement Area #1” means the area within the District consisting of approximately 59.852 acres within the District, in the “Lagos Phases II and IV Final Plat” recorded in the official public records of Travis County on March 16, 2018, and as depicted in Exhibit C to the Financing Agreement.

“Improvement Area #2” means the area to be developed within the PID consisting of approximately 60.73 acres within the District, in the “Lagos Phases III and V Final Plat” recorded in the official public records of Travis County on March 16, 2018, and as depicted in Exhibit C of the Financing Agreement.

“Independent Financial Consultant” means any consultant or firm of such consultants appointed by the City who, or each of whom: (i) is judged by the City, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City or related by consanguinity or affinity to any such officer or employee, but who may be regularly retained to make reports to the City.

“Initial Bond” means the Initial Series Bond as set forth in *Exhibit A* to this Indenture.

“Interest Payment Date” means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 15 and September 15 of each year, commencing March 15, 2020.

“Investment Grade Rating” means a rating on the Bonds, assigned by a Rating Agency in one of such Rating Agency's four highest categories for long-term debt instruments (without regard for gradation within a rating category and without regard for credit enhancement unless such credit enhancement extends through the final maturity date of the Bonds) or otherwise designated as investment grade by a Rating Agency.

“Investment Securities” mean those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and that at the time made are included in and authorized by the City's official investment policy as approved by the City Council from time to time.

“Major Improvement Area” means the area in the District to be developed that is described by metes and bounds in Exhibit A of the Service and Assessment Plan and generally depicted on the map in Exhibit B to the Service and Assessment Plan.

“Major Improvement Area Assessed Property” means each respective Parcel of land located within Major Improvement Area of the District, other than Non-Benefited Property,

against which an Major Improvement Area Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

“Major Improvement Area Assessment Revenue” means monies collected by or on behalf of the City from any one or more of the following: (i) a Major Improvement Area Assessment levied against a Major Improvement Area Assessed Property, or Annual Installment payment thereof, including any interest on such Major Improvement Area Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

“Major Improvement Area Assessment Roll” means the Assessment Roll attached as Exhibit F 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 Service Plan Update, showing the total amount of the Major Improvement Area Assessment against each Major Improvement Area Assessed Property related to the Bonds and the Major Improvements, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

“Major Improvement Area Assessments” mean the aggregate assessments shown on the Major Improvement Area Assessment Roll. The singular of such term means the assessment levied against a Major Improvement Area Assessed Property, as shown on the Major Improvement Area Assessment Roll, subject to reallocation upon the subdivision of a Major Improvement Area Assessed Property or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

“Major Improvement Area Bond Ordinance” means Ordinance No. ____ adopted by the City Council on December 18, 2019 authorizing the issuance of the Bonds pursuant to this Indenture.

“Major Improvement Area Bonds” means bonds issued to fund Major Improvements or to refund the Major Improvement Area Reimbursement Obligation, in whole or in part, that are secured by the Major Improvement Area Assessments.

“Major Improvements” means (i) the pro rata portion of the Major Improvements allocable to the Major Improvement Area, and (ii) the Authorized Improvements that only benefit the Major Improvement Area Assessed Property and are described in Section III.A. of the Service and Assessment Plan, and which are to be financed with the Bonds.

“Major Improvement Area Reimbursement Agreement” means the Lagos Public Improvement District Acquisition and Reimbursement Agreement, effective as of October 2, 2019, by and between the City and the Project Owner that provides for reimbursement of a portion of the Actual Costs of the Major Improvements, plus interest, not paid to the Project Owner from the Bonds, but to be paid to the Project Owner from Major Improvement Area Assessments.

“Major Improvement Area Reimbursement Obligation” means the amount of money that is secured on a subordinate basis to the Bonds, by the Assessments levied against Assessed Properties to be paid to the Project Owner to reimburse the Project Owner for advancing Actual

Costs of the Major Improvements pursuant to the Major Improvement Area Reimbursement Agreement.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“MIA Costs of Issuance Account” means the Account established pursuant to Section 6.1 hereof.

“MIA Improvements Account” means the Account of such name established pursuant to Section 6.1 hereof.

“Non-Benefited Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property is identified as Non-Benefited Property at the time the Assessments (1) are imposed or (2) are reallocated pursuant to a subdivision of a Parcel that is not assessed.

“Outstanding” means, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in Article IV, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Section 3.11 herein.

“Owner” or “Holder” means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.13 herein.

“Parcel” means a property identified by either a tax map identification number assigned by the Travis Central Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of Travis County, or by any other means determined by the City.

“Paying Agent/Registrar” means initially the Trustee, or any successor thereto as provided in this Indenture.

“Person” or “Persons” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“PID Act” means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

“PID Bonds” mean the Bonds and any other bonds issued by the City and secured by Assessments levied on Assessed Properties within the District.

“Pledged Funds” means the Pledged Revenue Fund, the Bond Fund, the Project Fund (but only with respect to such accounts of the Project Fund created pursuant to the terms of this Indenture), the Reserve Fund, and the Redemption Fund.

“Pledged Revenue Fund” means that fund established pursuant to Section 6.1 hereof and administered pursuant to Section 6.3 herein.

“Pledged Revenues” means the sum of (i) Major Improvement Area Assessment Revenue (other than Delinquent Collection Costs); (ii) the moneys held in any of the Pledged Funds; and (iii) any additional revenues that the City may pledge to the payment of Bonds.

“Prepayment” means the payment of all or a portion of a Major Improvement Area Assessment, with interest that has accrued to the date of prepayment, before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest or penalties on a delinquent installment of a Major Improvement Area Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Major Improvement Area Assessment.

“Project” means the approximately 173.212 acres comprising the District which will be developed as a mixed-use master planned community development.

“Project Fund” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

“Project Owner” means, collectively, 706 Development Corporation, a Texas corporation, 706 Investment Partnership, Ltd., a Texas limited partnership, and their designated successors and assigns.

“Purchaser” means, with respect to a Series of Bonds, the initial underwriter of such Bonds.

“Quarter in Interest” means as of any particular date of calculation, the Owners of no less than twenty-five percent (25%) of the principal amount of the then Outstanding Bonds. In the event that two or more groups of Owners satisfy the percentage requirement set forth in the immediately preceding sentence and act (or direct the Trustee in writing to act) in a conflicting manner, only the group of Owners with the greatest percentage of Outstanding Bonds (as measured in accordance with the immediately preceding sentence) shall, to the extent of such conflict, be deemed to satisfy such requirement.

“Rating Agency” means each of Moody's Investors Service, Inc., S&P Global Ratings, Fitch Ratings Inc., Kroll Bond Rating Agency, Inc., and any other nationally recognized statistical rating organization recognized as such by the SEC.

“Rebate Amount” has the meaning ascribed to such term in section 1.148-1(b) of the Regulations.

“Rebate Fund” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

“*Record Date*” means the close of business on the last calendar day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

“*Redemption Fund*” means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

“*Redemption Price*” means 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption.

“*Refunding Bonds*” means Bonds secured by a parity lien, with the Outstanding Bonds, on the Trust Estate issued pursuant to Section 3.6 hereof, as more specifically described in a Supplemental Indenture, authorizing the refunding of all or any portion of the Outstanding Bonds.

“*Register*” means the register specified in Article III of this Indenture.

“*Regulations*” shall have the meaning set forth in Section 7.5(a) hereof.

“*Reimbursement Fund*” means that fund established pursuant to Section 6.1 and administered in Section 6.12 herein

“*Reserve Account*” means the Account of such name established pursuant to Section 6.1 hereof.

“*Reserve Account Requirement*” means the least of: (i) Maximum Annual Debt Service on the Bonds as of the Closing Date therefor, (ii) 125% of average Annual Debt Service on the Bonds as of the Closing Date therefor, or (iii) 10% of the par amount of the Bonds; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to subsections (c) and (d) of Section 6.7; and provided further that as a result of an optional redemption pursuant to Section 4.3, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such optional redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the Closing Date for the Bonds, the Reserve Account Requirement is \$[], which is an amount equal to Maximum Annual Debt Service on the Bonds as of the Closing Date therefor.

“*Reserve Fund*” means that fund established pursuant to Section 6.1 and administered in Section 6.7 herein.

“*SEC*” means the United States Securities and Exchange Commission.

“*Series*” means any designated series of Bonds issued under this Indenture.

“*Service and Assessment Plan*” means the document, including the Assessment Roll, as amended, which is attached as Exhibit A to the Assessment Ordinance, as same is amended and updated from time to time.

“*Sinking Fund Installment*” means the amount of money to redeem or pay at maturity the principal of Bonds payable from such installments at the times and in the amounts provided in Section 4.2 herein.

“*Stated Maturity*” means the date the Bonds, or any portion of the Bonds, as applicable are scheduled to mature without regard to any redemption or prepayment.

“*Supplemental Indenture*” means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council and which indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

“*Tax Certificate*” means the Certificate as to Tax Exemption delivered by the City on the Closing Date for the Bonds setting forth the facts, estimates and circumstances in existence on the Closing Date for the Bonds which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the interest on such Bonds to be included in the gross income of the Owners thereof for Federal income tax purposes.

“*Trust Estate*” means the Trust Estate described in the granting clauses of this Indenture.

“*Trustee*” means UMB Bank, N.A., Austin, Texas, a national banking association duly organized and validly existing under the laws of the United States of America, solely in its capacity as Trustee hereunder and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds.

Section 1.2. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Indenture are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.3. Table of Contents, Titles and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Words importing persons include any legal person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization and government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

(d) This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture.

ARTICLE II THE BONDS

Section 2.1. Security for the Bonds.

The Bonds, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date for the applicable Series of Bonds or each series of Bonds issued under this Indenture, without physical delivery or transfer of control of the Trust Estate, the filing of this Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under this Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.2. Limited Obligations.

The Bonds are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged Funds; and the Bonds shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the preambles of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and is a contract or agreement necessary, useful and convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution and delivery of, the Bonds and to prescribe the rights of the Owners, and the rights and duties of the City and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the City with the Owners, and shall be deemed to be and shall constitute a contract among the City, the Owners, and the Trustee.

ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and general laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of \$_____ for the purposes of (i) paying or reimbursing a portion of the Actual Costs of the Major Improvements, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall be dated December 15, 2019 (the “*Bond Date*”) and shall be issued in Authorized Denominations. Upon the receipt of an Investment Grade Rating on the Bonds, the City shall promptly notify the Dissemination Agent in writing of such rating change and shall provide written direction to the Dissemination Agent to file a notice of such occurrence with the Municipal Securities Rulemaking Board and to forward such notice to the Paying Agent/Registrar and to the Trustee. The Dissemination Agent shall file such notice and forward the same to the Paying Agent/Registrar and to the Trustee immediately following the day on which it receives written notice of such occurrence from the City. Any such notice is required to be filed within ten (10) Business Days of the occurrence of the receipt of the Investment Grade Rating. Upon receipt by the Paying Agent/Registrar of written evidence that the Bonds have received an Investment Grade Rating, beneficial ownership in the Bonds may be acquired in principal denominations of \$5,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension or withdrawal of such rating. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the date of initial delivery of the Bonds or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 15 and September 15 of each year, commencing March 15, 2020 computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 15 in the years and in the principal amounts and shall bear interest as set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-----------------------------	----------------------

[INSERT TABLE]

(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV herein, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in *Exhibit A* to this Indenture.

Section 3.3. Conditions Precedent to Delivery of Bonds.

(a) The Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (1) a certified copy of the Assessment Ordinance;
- (2) a certified copy of the Bond Ordinance;
- (3) a copy of the executed Financing Agreement;
- (4) a copy of the executed Major Improvement Area Reimbursement Agreement;
- (5) a copy of this Indenture executed by the Trustee and the City;
- (6) a City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City;
- (7) a copy of the executed opinion of Bond Counsel; and
- (8) the approving opinion of the Attorney General of the State and the State Comptroller's registration certificate.

(b) This Section applies only to the Bonds, if any, issued after the Bonds. Each Series of Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate such Bonds and, upon payment of the purchase price of such Series of Bonds, shall deliver such Series of Bonds upon the order of the City, but only upon delivery to the Trustee of:

- (1) the items described in Section 3.3(a)(1), (3), (4), and (5) above;
- (2) a certified copy of the ordinance of the City Council authorizing the issuance of such Series of Bonds and all actions necessary therefor;

(3) an original executed counterpart of the Supplemental Indenture for such Series of Bonds that establishes, among other things, the date, rate or rates of interest on, interest payment dates, maturity dates, redemption and all other terms and provisions of such Bonds, which such terms shall include a deposit into the Reserve Account of an amount equal to the Reserve Account Requirement taking into account the then Outstanding Bonds and the Bonds then proposed to be issued;

(4) a copy of the opinion of Bond Counsel required by Section 10.1 hereof;

(5) a City Certificate, including the requisite information as set forth in Section 3.3(a)(6) above, to the effect that the issuance of such Series of Bonds complies with the requirements contained herein and in each Supplemental Indenture, including the requirements contained in Section 13.2 below;

(6) the City Representative shall certify to the Trustee in writing that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained herein or in any Supplemental Indenture;

(7) the principal (including sinking fund installments) of such Bonds must be scheduled to mature on September 15 of the years in which principal is scheduled to mature; and

(8) the interest on such Bonds must be scheduled to be paid on March 15 and September 15 of the years in which interest is scheduled to be paid.

Section 3.4. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, that continues for thirty (30) days or more thereafter, a new record date for such interest payment (a "*Special Record Date*") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "*Special Payment Date*," which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is not a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem of the City and the City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, each Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence

that each Initial Bond has been duly approved by the Attorney General of the State of Texas, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

(d) On each Closing Date, one Initial Bond representing the entire principal amount of all of the Bonds of such Series, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor or Mayor Pro Tem of the City and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Purchaser or its designee. Upon payment for such Initial Bond, the Trustee shall cancel the Initial Bond and upon City Certificate deliver to DTC on behalf of the Purchaser one registered definitive Bond for each year of maturity of the applicable Series of Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Refunding Bonds.

(a) Except in accordance with the provisions of this Indenture, including Section 13.2, the City shall not issue additional bonds, notes or other obligations payable from any portion of the Trust Estate, other than Refunding Bonds. The City reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State of Texas. Except as limited by the terms of this Indenture, including Section 13.2, the City reserves the right to incur debt payable solely from sources other than the Trust Estate, including revenue derived from contracts with other entities, including private corporations, municipalities and political subdivisions issued particularly for the purchase, construction, improvement, extension, replacement, enlargement or repair of the facilities needed in performing any such contract.

(b) The principal of all Refunding Bonds must be scheduled to be paid, be subject to mandatory sinking fund redemption or mature on September 15 of the years in which such principal is scheduled to be paid. All Refunding Bonds must bear interest at a fixed rate and any interest payment dates for Refunding Bonds must be March 15 and September 15. The date, rate or rates of interest on, interest payment dates, maturity dates, redemption and all other terms and provisions of Refunding Bonds shall be set forth in a Supplemental Indenture.

(c) Upon their authorization by the City, the Refunding Bonds of a Series issued under this Section 3.6 shall be issued and shall be delivered to the purchasers or owners thereof, but before, or concurrently with, the delivery of said Refunding Bonds to such purchasers or owners there shall have been filed with the Trustee the items required by Section 3.3(b) above.

Section 3.7. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the relevant Record Date) and for all other

purposes, whether or not such Bond is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of any Bond shall be valid and effectual and shall discharge the liability of the City, the Trustee and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.8. Registration, Transfer and Exchange.

(a) So long as any Bond remains Outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will maintain a copy of the Register, and, upon written request from the City, file with the City, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register. If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the City to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Indenture, or with respect to, said Bond. If any Bond shall not be presented for payment within one year following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall return to the City such funds theretofore held by it for payment of such Bonds. Thereafter, the registered Owner of that Bond shall look only to the City for payment and then only to amounts so received by the City. The obligations of the Trustee under this Section shall be subject, however, to any law applicable to the unclaimed funds or the Trustee providing other requirements for the disposition of unclaimed property.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. The Trustee is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first class, postage prepaid, to the Owner or his designee. Each transferred Bond delivered by the Paying Agent/Registrar in accordance

with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such transferred Bond is delivered.

(e) Each exchange Bond delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different Authorized Denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within 45 days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 3.9. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the records retention requirements of the Trustee.

Section 3.10. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond of a given Series and pending the preparation of definitive Bonds for such Series of Bonds, the proper officers of the City may execute and, upon the City's written request, the Trustee shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Indenture.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Trustee the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and the Trustee shall authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the Authorized Denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary

form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.11. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the City shall issue and the Trustee, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the Trustee to save them and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Trustee.

(c) After the delivery of such replacement Bond, if a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the City, the Paying Agent/Registrar or the Trustee in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and

security of this Indenture to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.12. Book-Entry Only System.

The Bonds shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from the City to DTC. On the Closing Date for the applicable Series of Bonds, the definitive Bonds of such Series of Bonds shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.13. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the

appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

Section 3.14. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

Section 3.15. Use of Book-Entry-Only System Not Required.

Notwithstanding any provision of this Indenture to the contrary, any Supplemental Indenture may provide that a Series of Bonds will not be issued in book-entry-only form and that Sections 3.12 – 3.14 of this Indenture will not apply to such Series of Bonds.

ARTICLE IV
REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV. Each Series of Bonds other than the Bonds shall be subject to redemption as provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 4.2. Mandatory Sinking Fund Redemption.

(a) The Bonds are subject to mandatory sinking fund redemption prior to their maturity and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

Term Bonds Maturing September 15, 20

[INSERT TABLE]

Term Bonds Maturing September 15, 20

[INSERT TABLE]

(b) At least 45 days prior to each sinking fund redemption date, the Trustee shall select in accordance with Section 4.5 a principal amount of Bonds of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Bonds of a Stated Maturity required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date, shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least 45 days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, in amounts equal to Authorized Denominations, on or after September 15, 20[], such redemption date or dates to be fixed by the City, at the Redemption Price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

Section 4.4. Extraordinary Optional Redemption.

(a) The City reserves the right and option to redeem the Bonds before their respective scheduled maturity dates, in whole or in part, on the fifteenth day of any month, at the Redemption Price from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)), transfers to the Redemption Fund made pursuant to Section 6.3(d), 6.3(e), 6.7(a), 6.7(c), 6.7(e), or 6.7(i) hereof, or as a result of unexpended amounts transferred from the MIA Improvements Account of the Project Fund as provided in Section 6.5(d).

Notwithstanding the foregoing, the Trustee will not be required to make an extraordinary optional redemption pursuant to this Section 4.4 unless it has at least \$5,000 available in the Redemption Fund with which to redeem the Bonds.

(b) In lieu of redeeming the Bonds with the funds described in this Section, the City may purchase the Bonds in the open market of the maturity to be redeemed at the price not in excess of that provided in Section 4.7.

Section 4.5. Partial Redemption.

(a) Unless otherwise provided herein, if less than all of the Bonds are to be redeemed at any time pursuant to either Section 4.2, 4.3 or 4.4, the particular maturities and amounts of Bonds to be redeemed shall be selected by the City. If less than all of the Bonds of a particular maturity are to be redeemed, the Trustee shall select the Bonds of such maturity to be redeemed by lot. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by the smallest Authorized Denomination for such Bond.

(b) A portion of a single Bond may be redeemed, but only in a principal amount equal to: (i) for redemptions made pursuant to Section 4.3, an Authorized Denomination or any integral of \$5,000 in excess thereof, or (ii) for redemptions made pursuant to Section 4.2 or 4.4, \$5,000 or any integral multiple thereof. The Trustee shall treat each \$5,000 portion of such Bond as though it were a single bond for purposes of selection for redemption.

(c) Notwithstanding any provision of this Indenture to the contrary, including Section 4.5(b) above, if any Bonds are to be redeemed pursuant to Section 4.2, 4.3 or 4.4 above and such redemption results in the unredeemed portion of a single Bond in an amount less than the Authorized Denomination, a Bond in the principal amount equal to the unredeemed portion, but not less than \$5,000, may be issued (unless the Owners of such Bond owns other Bonds of the same maturity which could be combined with such Bond to form an Authorized Denomination, as herein set forth).

(d) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.8 of this Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, which shall be an Authorized Denomination. A new Bond representing the unredeemed balance of such Bond shall be issued to the Owner thereof, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) Upon written notification by the City to the Trustee of the exercise of any redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date

fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner as the notice of redemption was originally provided.

(e) With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

Section 4.7. Purchase Price for Bonds.

Upon receipt of written notice from the City specifying the Bonds to be purchased, the Trustee shall apply moneys available for redemption to the purchase of Bonds which were otherwise to be redeemed in such order or priority and subject to such restrictions as may be prescribed in this Indenture in the manner provided in this Section. The purchase price paid (excluding accrued and unpaid interest but including any brokerage and other charges) for any Bond purchased by the City pursuant to this Section shall not exceed the principal amount of such Bond.

Section 4.8. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee (initially, Austin, Texas) on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.9. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price of such Bonds or the principal of and interest on such Bonds, as applicable, to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

(e) The form of each Series of Bonds other than the Bonds shall be set forth in the applicable Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of S&P Global Market Intelligence on behalf of the American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof; and, none of the City, the Trustee, or the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners of the Bonds and that neither the City nor the Trustee shall be liable for any inaccuracies of such numbers.

Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 5.4. Statement of Insurance.

A statement relating to municipal bond insurance policy, if any, to be issued for the Bonds may be printed on or attached to each Bond.

ARTICLE VI
FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

- (i) Pledged Revenue Fund;
- (ii) Bond Fund;
- (iii) Project Fund;
- (iv) Redemption Fund;
- (v) Reserve Fund;
- (vi) Rebate Fund;
- (vii) Reimbursement Fund; and
- (viii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Account(s) are hereby created and established under the Project Fund:

- (A) MIA Improvements Account; and
- (B) MIA Costs of Issuance Account.

(ii) The following Account(s) are hereby created and established under the Reserve Fund:

- (A) Reserve Account; and
- (B) Additional Interest Reserve Account.

(c) Each Fund (and each Account and each subaccount, if any) created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

(d) Except as otherwise provided herein, interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

- (i) to the Reserve Account of the Reserve Fund: \$_____ which is equal to the initial Reserve Account Requirement;
- (ii) to the Administrative Fund: \$_____;
- (iii) to the MIA Costs of Issuance Account of the Project Fund: \$_____ (which includes underwriter's discount of \$_____); and
- (iv) to the MIA Improvements Account of the Project Fund: \$_____.

Section 6.3. Pledged Revenue Fund.

(a) On or before March 15, 2020 and on or before the fifteenth (15th) day of each month thereafter, the City shall deposit or cause to be deposited all Pledged Revenues with the Trustee. Upon the Trustee's receipt of the Pledged Revenues, the Trustee shall deposit or cause to be deposited the Pledged Revenues to be applied in the following order of priority:

- (i) first, to the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due in such calendar year;
- (ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement;
- (iii) third, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest;
- (iv) fourth, to the Reimbursement Fund in an amount determined by the City to pay the Major Improvement Area Reimbursement Obligation pursuant to the terms of the Major Improvement Area Reimbursement Agreement;
- (v) fifth, to pay other Actual Costs of the Major Improvements; and
- (vi) sixth, to pay other costs permitted by the PID Act.

(b) From time to time as needed to pay the obligations relating to the Bonds, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Pledged Revenue Fund and transfer to the Bond Fund an amount, taking into account any amounts then on deposit in such Bond Fund, such that the amount on deposit in the Bond Fund

equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Bond Fund first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds in the same manner described by Section 11.4(a) below.

(d) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit within two business days Prepayments to the Pledged Revenue Fund and after such deposit shall transfer such Prepayments to the Redemption Fund.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit within two business days Foreclosure Proceeds to the Pledged Revenue Fund and after such deposit shall transfer Foreclosure Proceeds, as directed by the City pursuant to a City Certificate, first to the Reserve Fund to restore any transfers from the accounts within the Reserve Fund made with respect to the Major Improvement Area Assessed Property or Major Improvement Area Assessed Properties to which the Foreclosure Proceeds relate (*first*, to replenish the Reserve Account Requirement, and *second*, to replenish the Additional Interest Reserve Requirement), and second, to the Redemption Fund.

(f) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in any Account of the Reserve Fund and transfer of funds pursuant to Section 6.3(a)(i) – (iv) above, the City may direct the Trustee by City Certificate to apply Major Improvement Area Assessments for any Actual Costs and any other lawful purposes permitted by the PID Act for which Major Improvement Area Assessments may be applied. The Trustee may rely on such written direction of the City and shall have no obligation to determine the lawful purposes permitted under the PID Act.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Bond Fund and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds.

(b) If amounts in the Bond Fund are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in Section 6.7(f) hereof. Amounts so withdrawn from the Reserve Fund shall be deposited in the Bond Fund and transferred to the Paying Agent/Registrar.

Section 6.5. Project Fund.

(a) Money on deposit in the MIA Improvements Account and the MIA Costs of Issuance Account of the Project Fund shall be used for the purposes specified herein.

(b) Disbursements from the MIA Improvements Account of the Project Fund to pay Actual Costs of the Major Improvements shall be made by the Trustee upon receipt by the Trustee

of one or more City Certificates, in the form attached hereto as *Exhibit B*, containing a properly executed and completed Certification for Payment. The disbursement of funds from the MIA Improvements Account of the Project Fund pursuant to a City Certificate delivered under this Section 6.5 shall be pursuant to and in accordance with the disbursement procedures described in the Financing Agreement, the Major Improvement Area Reimbursement Agreement (if applicable) and this Section 6.5 of the Indenture. Such provisions and procedures related to such disbursement contained in the Major Improvement Area Reimbursement Agreement are herein incorporated by reference and deemed set forth herein in full.

(c) Disbursements from the MIA Costs of Issuance Account of the Project Fund shall be made by the Trustee pursuant to and in accordance with a City Certificate providing for the application of such funds to be disbursed (with the exception of fees and expenses initially incurred by the Trustee, which may be withdrawn by the Trustee).

(d) If the City Representative reasonably determines that amounts then on deposit in the MIA Improvements Account of the Project Fund are not expected to be expended for purposes of the MIA Improvements Account due to the completion, abandonment, or constructive abandonment, of the Major Improvements, as the case may be, such that, in the opinion of the City Representative, it is unlikely that the amounts in the MIA Improvements Account of the Project Fund will ever be expended for the purposes of the MIA Improvements Account, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the MIA Improvements Account that are not expected to be used for purposes of the MIA Improvements Account. If such City Certificate is so filed, the amounts on deposit in the MIA Improvements Account shall be transferred to the Redemption Fund to redeem Bonds on the earliest practical date after notice of redemption has been provided in accordance with this Indenture, and the MIA Improvements Account shall be closed.

(e) Upon the Trustee's receipt of a written determination by the City Representative that all costs of issuance of the Bonds have been paid and the appropriate portion of the costs incidental to the organization of the District have been paid, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the MIA Costs of Issuance Account of the Project Fund that are not expected to be used for purposes of the MIA Costs of Issuance Account. If such City Certificate is so filed, the amounts on deposit in the MIA Costs of Issuance Account of the Project Fund shall be transferred to the MIA Improvements Account of the Project Fund as directed by the City in a City Certificate filed with the Trustee, and the MIA Costs of Issuance Account of the Project Fund shall be closed.

(f) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a report issued by the City Engineer or a certificate of an Independent Financial Consultant.

In providing any disbursement under this Section, the Trustee may conclusively rely as to the completeness and accuracy of all statements in such City Certificate if such certificate is signed by a City Representative, and the Trustee shall not be required to make any independent investigation in connection therewith. The execution of any City Certificate by a City Representative shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed.

(g) The Trustee shall disburse and deplete the funds on deposit in the MIA Improvements Account of the Project Fund prior to disbursing funds from the Reimbursement Fund.

Section 6.6. Redemption Fund.

Subject to adequate amounts on deposit in the Pledged Revenue Fund, the Trustee, as directed by City Certificate, shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The Reserve Account will be initially funded with a deposit of \$_____ from the proceeds of the Bonds and the City agrees with the Owners of the Bonds to accumulate from the deposits outlined in Section 6.3(a) hereof, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Bond Fund as provided in this Indenture. The Trustee will transfer from the Pledged Revenue Fund to the Additional Interest Reserve Account, to the extent that the Reserve Account contains the Reserve Account Requirement and funds are available after application of the deposit priority in Section 6.3(a) hereof, an amount equal to the Additional Interest in the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that at any time the amount on deposit in the Additional Interest Reserve Account is less than Additional Interest Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has accumulated in the Additional Interest Reserve Account.

(b) Whenever a transfer is made from an account of the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds.

(c) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to an amount representing the difference between (i) the lesser of (A) the Reserve Account Requirement prior to redemption and (B) the amount actually on deposit in the Reserve Account prior to redemption, and (ii) the Reserve Account Requirement after such redemption; provided, however, no such transfer from the Reserve Account shall cause the amount on deposit therein to be less than the Reserve Account Requirement to be in effect after such redemption. If after such transfer, and after applying investment earnings on the Redemption Fund toward payment of accrued and unpaid interest to the date of redemption on the Bonds to be redeemed, there are insufficient funds to pay the principal amount plus accrued and unpaid interest

on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(d) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Bond Fund to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within 45 days of such notice to the City Representative, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, or (iii) to the MIA Improvements Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount on deposit in the Additional Interest Reserve Account exceeds the Additional Interest Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the “*Excess Additional Interest Reserve Amount*”). Such excess on deposit in the Additional Interest Reserve Account shall be transferred, at the direction of the City pursuant to a City Certificate, to the Administrative Fund for the payment of Annual Collection Costs or to the Redemption Fund in order to effect the redemption of Bonds pursuant to Section 4.4. In the event that the Trustee does not receive a City Certificate directing the transfer of the Excess Additional Interest Reserve Amount to the Administrative Fund within forty-five (45) days of providing notice to the City of such Excess Additional Interest Reserve Amount, the Trustee shall transfer the Excess Additional Interest Reserve Amount to the Redemption Fund and redeem Bonds pursuant to Section 4.4 hereof.

(f) Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer first from the Additional Interest Reserve Account of the Reserve Fund and second from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(g) At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Additional Interest Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.3.

(i) If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds on the next Interest Payment Date, together with the unpaid interest accrued on such Bonds as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds as of such Interest Payment Date.

Section 6.8. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of the City to be designated “City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area) Rebate Fund” (the “Rebate Fund”) to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government related to the Bonds in accordance with the Code. The Trustee shall transfer from the Pledged Revenue Fund to the credit of the Rebate Fund each amount instructed by City Certificate to be transferred thereto.

(b) In order to assure that the Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate. The Trustee shall withdraw from the Rebate Fund and pay to the United States the amounts instructed by City Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) hereof and shall not be liable or responsible if it follows the written instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) hereof in the absence of written instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the City may direct the Trustee, pursuant to a City Certificate, to transfer the amount in excess of the Rebate Amount to the Bond Fund.

Section 6.9. Administrative Fund.

(a) Notwithstanding Section 6.3(a) hereof, the City shall deposit or cause to be deposited to the Administrative Fund the amounts collected each year to pay Annual Collection Costs and Delinquent Collection Costs. Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Certificate solely for the purposes set forth in the Service and Assessment Plan.

(b) The Administrative Fund is not a Pledged Fund.

Section 6.10. Investment of Funds.

(a) Money in any Fund established pursuant to this Indenture shall be invested by the Trustee only as directed by the City pursuant to a City Certificate filed with the Trustee at least two (2) days in advance of the making of such investment (or as directed below) in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; the City Certificate shall direct investment in such deposits and investments (which may include repurchase agreements for such investment with any primary dealer of such agreements) so that the money required to be expended from any Fund will be available at the proper time or

times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investments which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold in order to make disbursements required or permitted by this Indenture and to prevent any default. In the event the City does not provide written investment directions, the Trustee is instructed to invest funds into the Fidelity Treasury Money Market Fund #2016 (CUSIP 31607A406).

(b) Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred by the City to the Trustee, such transfer shall be accomplished by transferring a like amount of Investment Securities unless the City instructs the Trustee otherwise by written direction.

(c) The Trustee and its affiliates may act as sponsor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments or whether investments comply with Section 6.10(a) above.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish the City monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

Section 6.11. Advances from Available Funds.

In the event of a delinquency in the payment of any installment of the Major Improvement Area Assessment levied upon any property for the payment of the principal portion of an Annual Installment, the City may, but is not obligated to, be the purchaser of the delinquent property upon which any of said Major Improvement Area Assessments are levied in like manner in which it may become the purchaser of property sold for the nonpayment of general ad valorem property taxes, and in the event the City does so become the purchaser of such property, shall pay and transfer and deposit into the Pledged Revenue Fund the amount of any remaining amount of unpaid Major Improvement Area Assessment, delinquent Major Improvement Area Assessment installments and interest thereon. The City may also pay and transfer from available funds and deposit into the

Pledged Revenue Fund, but shall not be so obligated, the amount of any such Major Improvement Area Assessment pending redemption or sale. Any amounts so advanced by the City shall be recoverable upon sale or redemption of the property. The City shall not be obligated to advance available funds to cure any deficiency in the Pledged Revenue Fund, or any other Fund created hereunder, and has determined that it would not obligate itself to advance available funds from other funds of the City to cure any such deficiency.

Section 6.12. Reimbursement Fund.

(a) Money on deposit in the Reimbursement Fund shall be used to reimburse the Project Owner for Actual Costs paid for the Major Improvement Area in accordance with the Major Improvement Area Reimbursement Agreement. The Trustee shall disburse funds from the Reimbursement Fund upon receipt of and in accordance with a City Certificate. When the City notifies the Trustee in writing that all amounts due to the Project Owner under the Major Improvement Area Reimbursement Agreement have been paid to the Project Owner, whether through Major Improvement Area Assessments received and applied in accordance with the Service and Assessment Plan or an Annual Service Plan Update or through the proceeds of additional bonds, no further deposits shall be made to the Reimbursement Fund and the Reimbursement Fund shall be closed.

(b) The Trustee shall disburse and deplete the funds on deposit in the MIA Improvements Account of the Project Fund prior to disbursing funds from the Reimbursement Fund.

(c) The Reimbursement Fund is not a Pledged Fund.

Section 6.13. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

ARTICLE VII
COVENANTS

Section 7.1. Confirmation of Major Improvement Area Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Major Improvement Area Assessments against the respective Major Improvement Area Assessed Properties from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Major Improvement Area Assessments.

(a) For so long as any Bonds are Outstanding and amounts are due to the Project Owner under the Financing Agreement and the Major Improvement Area Reimbursement Agreement to reimburse it for its funds it has contributed to pay Actual Costs of the Major Improvements, the City covenants, agrees and warrants that it will take and pursue all actions permissible under

Applicable Laws to cause the Major Improvement Area Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Major Improvement Area Assessments; provided that the City is not required to expend any funds for collection and enforcement of Major Improvement Area Assessments other than funds on deposit in the Administrative Fund.

(b) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Major Improvement Area Assessment or the corresponding Major Improvement Area Assessed Property.

Section 7.3. Against Encumbrances.

Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Pledged Revenues, the Trust Estate, or any other property pledged under this Indenture, except any pledge created for the equal and ratable security of the Bonds, except that the City may issue Refunding Bonds in accordance with the terms of this Indenture.

So long as Bonds are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness secured by any pledge of or other lien or charge on any portion of the Pledged Revenues, the Trust Estate or any other property pledged under this Indenture, except that the City may issue Refunding Bonds in accordance with the terms of this Indenture.

Section 7.4. Records, Accounts, Accounting Reports.

The City hereby covenants and agrees that so long as any of the Bonds or any interest thereon remain outstanding and unpaid, and the obligation to the Project Owner to reimburse it under the Financing Agreement and the Major Improvement Area Reimbursement Agreement for funds it has contributed to pay Actual Costs of the Major Improvements remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Major Improvement Area Assessments. The Trustee and holder or holders of any Bonds or any duly authorized agent or agents of such holders shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Issue Date.

“*Computation Date*” has the meaning set forth in section 1.148-1(b) of the Regulations.

“*Gross Proceeds*” means any proceeds as defined in section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in section 1.148-1(c) of the Regulations, of the Bonds.

“*Investment*” has the meaning set forth in section 1.148-1(b) of the Regulations.

“*Issue Date*” for the tax-exempt Bonds or other obligations of the City is the respective date on which such bonds or other obligations of the City is delivered against payment therefor.

“*Net Sale Proceeds*” has the meaning stated in section 1.148-1(b) of the Regulations.

“*Nonpurpose Investment*” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“*Proceeds*” has the meaning stated in section 1.148-1(b) of the Regulations.

“*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Regulations*” means any proposed, temporary or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“*Yield*” of (1) any Investment has the meaning set forth in section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof

for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan.

(i) Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(ii) The City covenants and agrees that the levied Major Improvement Area Assessments will meet the requirements of the “tax assessment loan exception” within the meaning of section 1.141-5(d) of the Regulations on the date the Bonds are delivered and will ensure that the Major Improvement Area Assessments

continue to meet such requirements for so long as the Bonds are outstanding hereunder.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested) if, as a result of such investment, the Yield from the Issue Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the final Computation Date. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Certificate, pay to the United States the amount described in paragraph (2) above at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by section 148(f) of the Code and the regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if

an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) *Not to Divert Arbitrage Profits.* Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) *Not Hedge Bonds.* The City will not invest more than 50 percent of the Proceeds of each series of the Bonds in Nonpurpose Investments having a substantially guaranteed yield for four years or more. On the Issue Date of each series of the Bonds, the City reasonably expects that at least 85 percent of the Net Sale Proceeds of each series of the Bonds will be used to carry out the governmental purpose of such series within three years after the respective Issue Date of such series.

(k) *Elections.* The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

ARTICLE VIII LIABILITY OF CITY

Neither the full faith and credit nor the general taxing power of the City is pledged to the payment of the Bonds, and except for the Trust Estate, no City taxes, fee or revenues from any source are pledged to the payment of, or available to pay any portion of, the Bonds or any other obligations relating to the District. The City shall never be liable for any obligations relating to the Bonds or other obligations relating to the District, other than as specifically provided for in this Indenture.

The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or event of default thereunder.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to

the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (collectively, the “*Bond Documents*”), shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Trust Estate and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City’s failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from the Trust Estate or the amounts collected to pay Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or the City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled

to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX THE TRUSTEE

Section 9.1. Trustee as Registrar and Paying Agent.

The Trustee is hereby designated and agrees to act as Registrar and Paying Agent for and in respect to the Bonds. The Trustee hereby accepts and agrees to execute the respective trusts imposed upon it by this Indenture, but only upon the express terms and conditions, and subject to the provisions of this Indenture to all of which the parties hereto and the Owners of the Bonds agree. No implied covenants or obligations shall be read into this Indenture against the Trustee.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, that absent an Event of Default, the Trustee shall not request or require indemnification as a condition to making any deposits, payments or transfers when required hereunder, or to deliver any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Administrative Fund to pay all costs, fees, and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Outstanding hereunder on amounts held in the Administrative Fund.

Section 9.3. Responsibilities of the Trustee.

(a) The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code.

(b) The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture. The Trustee will, prior to any

Event of Default and after curing of any Event of Default, perform such duties and only such duties as are specifically set forth herein. The Trustee will, during the existence of an Event of Default, exercise such rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the Major Improvement Area.

(d) The Trustee, before the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default shall have occurred and be continuing, the Trustee shall exercise such rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs in exercising any rights or remedies or performing any of its duties hereunder.

(e) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys, or receivers, and shall not be responsible for any misconduct or negligence on the part of any agent, attorney, or receiver appointed or chosen by it with due care, and the Trustee shall be entitled to rely and act upon the opinion or advice of counsel, who may be counsel to the City, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys, and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel.

(f) The Trustee shall not be responsible for any recital herein (except with respect to the authentication certificate of the Trustee endorsed on the Bonds) or for the recording, filing, or refiling of this Indenture in connection therewith, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency or security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Indenture.

(g) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application of any Bonds or the proceeds thereof or of any money paid to or upon the order of the City under any provision of this Indenture.

(h) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a Quarter in Interest of the Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(i) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the City or by the Owners of a Quarter in Interest of the Bonds. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no Event of Default, except as noted above.

(j) Before taking any action under this Indenture (other than making any payment of principal, premium, or interest on the Bonds), the Trustee may require that a satisfactory indemnity be furnished to it for the payment or reimbursement of all costs and expenses (including, without limitation, attorney's fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which it adjudicated to have resulted from its negligence or willful misconduct.

(k) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may conclusively rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, the Financing Agreement, and the Development Agreement, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry and shall not be deemed to have knowledge into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request, or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor and upon transfer or in place thereof.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the Administrative Fund, upon written direction from the City compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, upon delivery of an invoice therefor to the City and the Trustee shall have a lien therefor on any and all funds at any time held by it within the Administrative Fund prior to any Bonds Outstanding. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys held in the Administrative Fund and shall be entitled to a preference therefor over any Bonds Outstanding hereunder on amounts held in the Administrative Fund under any provisions hereof for the foregoing reasonable advances, fees, costs and expenses incurred. The right of the Trustee to fees, expenses and indemnification shall survive the release, discharge and satisfaction of the Indenture.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the holders of a majority in aggregate outstanding principal amount of the Bonds. The permissive right of the Trustee to do

things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' written notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by the Owners of a Quarter in Interest of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Owners of not less than 10% of the aggregate outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed after any such vacancy shall have occurred by the Owners of a Quarter in Interest of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

Until such successor Trustee shall have been appointed by the Owners a Quarter in Interest of the Bonds, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or

consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee pursuant to the provisions set forth herein, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process. Any duties and obligations of such predecessor Trustee shall thereafter cease and terminate, and the payment of the fees and expenses owed to the predecessor Trustee shall be paid in full.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to any Rating Agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and upon receipt of its outstanding charges, do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Security Interest in Trust Estate.

Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the Trust Estate provided for herein, and such pledge is, under current law, valid, effective and perfected. The City shall cause to be filed all appropriate initial financing statements to ensure that the Trustee (for the benefit of the Owners of the Bonds) is granted a valid and perfected first priority lien on the entire Trust Estate. Nothing herein shall obligate the Trustee to file any initial financing statements. Upon the City's timely delivery of a copy of such filed initial financing statement, if any, to the Trustee, the Trustee shall file continuation statements of such initial financing statement(s) in the same jurisdictions as the initial financing statement(s) previously provided to the Trustee.

Section 9.14. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of any Bonds then Outstanding or their representatives duly authorized in writing.

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds.

Section 9.16. Offering Documentation.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum, or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any State or federal securities laws in connection with the Bonds.

Section 9.17. Expenditure of Funds and Risk.

None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of its rights or powers if the Trustee shall have reasonable grounds for believing that the repayment of such funds or indemnity against such risk or liability is not assured.

Section 9.18. Environmental Hazards.

The Trustee may inform any Holder of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and in such event, no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not been adequately indemnified.

The Trustee shall not be responsible or liable for the environmental condition related to the improvements to any real property or for diminution in value of the same, or for any claims by or on behalf of the owners thereof as the result of any contamination by a hazardous substance, hazardous material, pollutant, or contaminant. The Trustee assumes no duty or obligation to assess the environmental condition of any improvements or with respect to compliance thereof under State or federal laws pertaining to the transport, storage, treatment, or disposal of hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits, or licenses issued under such laws.

ARTICLE X
MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of more than fifty percent (50%) of the aggregate principal amount of the Bonds then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the principal of or interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, (ii) permit the creation by the City of any pledge or lien upon the Trust Estate superior to the pledge and lien created for the benefit of the Bonds, (iii) except as otherwise permitted by this Indenture, permit the creation by the City of any pledge or lien upon the Trust Estate on a parity with the pledge and lien created for the benefit of the Bonds, or (iv) reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

- (i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

- (i) to make modifications not adversely affecting any Outstanding Bonds in any respect;

- (ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds;

- (iii) to authorize a Series of Refunding Bonds in accordance with the provisions of this Indenture; and

- (iv) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Notwithstanding the above, no Supplemental Indenture under this Section shall be effective unless the City first delivers to the Trustee an opinion of Bond Counsel to the effect that such amendment will not adversely affect the: (i) interests of the Owners in any respect, and (ii) exclusion of interest on any Bond from gross income for purposes of federal income taxation.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof

shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of forty-five (45) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such forty-five-day period; provided however that the Trustee during such forty-five day period and any such further period during which any such action or proceeding may be pending shall be entitled, in its sole discretion, to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as it may deem expedient.

Section 10.4. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then

Outstanding, such new Bonds shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.6. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.7. Waiver of Default.

Subject to the second and third sentences of Section 10.1 above, with the written consent of more than fifty percent (50%) in aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners. For the avoidance of doubt, any waiver given pursuant to this Section shall be subject to Section 11.5 below.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of Bond Counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

Any such amendment shall not modify any of the rights or obligations of the Trustee without its written consent. In executing or accepting any Supplemental Indenture, the Trustee shall be fully protected in relying upon an opinion of qualified counsel addressed and delivered to the Trustee stating that (a) the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture, (b) the execution and delivery of will not adversely affect the exclusion from federal gross income of the interest on the Bonds, and (c) such Supplemental Indenture will, upon the execution and delivery thereof, to be a valid and binding obligation of the City.

ARTICLE XI DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

- (i) The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of the Major Improvement Area Assessments including the prosecution of foreclosure proceedings;

(iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; and

(iv) Default in the performance or observance of any other covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of a Quarter in Interest of the Bonds with a copy to the Trustee, specifying such default by the Owners of a Quarter in Interest of the Bonds requesting that the failure be remedied.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any one or more of the Events of Default described in Section 11.1, the Trustee may, and at the written direction of the Owners of a Quarter in Interest of the Bonds and its receipt of indemnity satisfactory to it shall, proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by this Indenture or by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that any action for money damages against the City shall be limited in recovery to the assets of the Trust Estate, including the Pledged Revenues. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies for default.

(b) THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Certificate, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Certificate, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale. The Trustee shall have no liability for its selection of Trust Estate assets to liquidate or sell.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the

purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of a Quarter in Interest of the Bonds have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for sixty (60) days after such notice failed or refused to exercise the powers granted, or to institute such action, suit, or proceeding in its own name, (v) no written direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee in writing; however, all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee as advised by counsel, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds.

(c) In case the Trustee or any Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues or other assets of the Trust Estate and the income therefrom received by the Trustee pursuant to any right given or action taken

under the provisions of this Article, together with all amounts held by the Trustee hereunder as part of the Trust Estate, shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel fees, costs, and expenses), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 hereof, be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds, as follows:

FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due and to the Owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may and, if previously directed in writing by Owners of a Quarter in Interest of the Bonds, shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest, if any on the Bonds.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same Bonds in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of the City shall be promptly delivered to the Trustee and cancelled. Such Bonds will not be deemed Outstanding for any purpose, including without limitation, the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

Section 11.10. Remedies Not Exclusive.

No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity, by statute or by contract.

Section 11.11. Direction by Owners.

Anything herein to the contrary notwithstanding, the Owners of a Quarter in Interest of the Bonds shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the choice of remedies and the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, under each Supplemental Indenture or otherwise, or exercising any trust or power conferred upon the Trustee, including the power to direct or withhold directions with respect to any remedy available to the Trustee or the Owners, provided, (i) such direction shall not be otherwise than in accordance with law and the provisions hereof, (ii) that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and (iii) that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction.

ARTICLE XII
GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Trust Estate.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds, to execute and deliver this Indenture and to pledge the Trust Estate in the manner and to the extent provided in this Indenture, and that the Trust Estate are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided herein.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) The City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to collect all delinquencies in the collection of the Major Improvement Area Assessments and any other amounts pledged to the payment of the Bonds to the fullest extent permitted by the PID Act and other Applicable Laws.

(d) To the extent permitted by law, statements for the Annual Installments shall be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

Section 12.2. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City during the Trustee's regular business hours and each Owner or their representatives duly authorized in writing providing reasonable notice to the Trustee.

Section 12.3. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

Section 12.4. No Israel Boycott.

The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Indenture with the City is a contract for goods or services, will not boycott Israel during the term thereof. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

Section 12.5. No Terrorist Organization.

The Trustee 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, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made to solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such section does not contravene applicable State or federal law and excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Trustee understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

ARTICLE XIII
SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Additional Obligations or Other Liens; Future Improvement Area Bonds

(a) The City reserves the right, subject to the provisions contained in this Section 13.2, to issue Additional Obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from the Trust Estate.

(b) The City reserves the right to issue or incur Future Improvement Area Bonds, but shall be under no obligation to issue or incur Future Improvement Area Bonds, subject to the conditions set forth below:

(i) The City Representative shall certify that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained in the Indenture;

(ii) The Project Owner, through an authorized representative, shall certify that the Project Owner is not in default beyond any applicable notice and cure period in the performance and observance of any of the PID-related terms, provisions and conditions applicable to the Project Owner contained in the Development Agreement, or in the performance and observance of any provisions and conditions applicable to the Project Owner contained in this Agreement, any Acquisition and Reimbursement Agreement applicable to an Improvement Area, or any continuing disclosure agreement entered into by the Project Owner relating to PID Bonds, unless any defaults under the foregoing agreements (except for disagreements under any continuing disclosure agreements entered into by the Project Owner, which shall be cured) are disclosed in a certificate from the Project Owner to the City, acting by and through its City Council, elects to proceed with the issuance of Future Improvement Area Bonds regardless of the existence of such default or defaults;

(iii) The ratio of the appraised value of all property in the Future Improvement Area for which such Future Improvement Area Bonds are issued or incurred (the "Future Improvement Bonded Area") based on an Independent Appraisal, to the sum of (x) the principal amount of the Future Improvement Area Bonds being issued or incurred to

finance the Future Improvement Area Improvements applicable to the Future Improvement Bonded Area and (y) the portion of the outstanding principal amount of any prior bonds issued to finance the portion of the Major Improvements allocable to such Future Improvement Bonded Area, must be at least 3.0:1. In establishing such appraised value, an “Independent Appraisal” means (1) the appraised value of all property in the Future Improvement Bonded Area as established by publicly available data from the county appraisal district or (2) an “As-Complete” appraisal delivered by an independent appraiser licensed in the State of Texas, which appraisal shall assume completion of the specific Future Improvement Area Improvements allocable to the Future Improvement Bonded Area;

(iv) Certificates of occupancy must have been issued by the City for at least 40 homes in Phase 1 of the Project;

(v) The Future Improvement Bonds may be issued or incurred only for the purposes of financing Future Improvement Area Improvements;

(vi) Either (1) contracts for the purchase of 100% of the lots in the Future Improvement Bonded Area must be executed with a merchant builder or (2) 100% of the land in such Future Improvement Bonded Area shall be held by a merchant builder; and

(vii) The Project Owner, through an authorized representative, shall certify that the Owner is in compliance with any further conditions established by the City, its advisors, or the underwriter(s).

(c) Other than Refunding Bonds issued to refund all or a portion of the Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on any portion of the Trust Estate, and will not cause or allow any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee’s document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to

review such information, is not considered to have notice of the contents of such information or a default based on such contents, and has no duty to verify the accuracy of such information.

ARTICLE XIV PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that the City may determine if the Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the Funds and Accounts held hereunder as directed in writing by the City.

Section 14.3. Bonds Deemed Paid.

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each Rating Agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds, and (v) the Trustee shall have received an opinion of Bond Counsel to the effect that (A) any Bond having been deemed to have been paid as provided in this Section is no longer Outstanding hereunder and is no longer secured by or entitled to the benefits of this Indenture, (B) such defeasance is in accordance with the terms hereof and (C) such defeasance will not adversely affect the exclusion of interest on such Bond from gross income for purposes of federal income taxation. Neither Defeasance Securities nor moneys

deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

ARTICLE XV MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

Except as otherwise expressly provided in this Indenture, all notices or other instruments required or permitted under this Indenture, including any City Certificate, shall be in writing and shall be delivered by hand, mailed by first class mail, postage prepaid, or transmitted by facsimile or e-mail and addressed as follows:

If to the City:

City of Manor, Texas
105 E. Eggleston Street
P.O. Box 387
Manor, Texas 78653
Attn: City Manager
Fax No.: 512.272.8792
Email: tbolt@cityofmanor.org

With copy to:

The Knight Law Firm, LLP
Attn: Veronica Rivera, City Attorney
223 West Anderson Lane, Suite A-105
Austin, Texas 78752
Fax No.: 512.922.3004
Email: vrivera@cityattorneytexas.com

If to the Trustee
or the Paying Agent/Registrar:

UMB Bank, N.A.
Attn: Jose A. Gaytan, Jr.
6034 West Courtyard Drive, Suite 370
Austin, Texas 78730
Fax No.: 512.582.5855
Email: jose.gaytan@umb.com

Any such notice, demand, or request may also be transmitted to the appropriate party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(d) The Trustee shall mail to each Owner of a Bond notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Bonds Outstanding.

The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

(e) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods; provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas.

Section 15.8. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed all as of the date hereof.

CITY OF MANOR, TEXAS

By: _____
Mayor

Attest:

City Secretary

[CITY SEAL]

UMB BANK, N.A.,
as Trustee

By: _____
Authorized Officer

EXHIBIT A

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

THIS BOND MAY BE SOLD OR TRANSFERRED ONLY TO AN "ACCREDITED INVESTOR" WITHIN THE MEANING SET FORTH IN RULE 501(A) PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING SET FORTH IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. ANY TRANSFER MADE IN VIOLATION OF THE INDENTURE SHALL BE VOID AND OF NO EFFECT.

REGISTERED

REGISTERED

No. _____

\$ _____

United States of America
State of Texas

CITY OF MANOR, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2019
(LAGOS PUBLIC IMPROVEMENT DISTRICT
MAJOR IMPROVEMENT AREA PROJECT)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP NUMBER</u>
----------------------	----------------------	-------------------------	---------------------

_____ %	September 15, 20____	_____	_____
---------	----------------------	-------	-------

The City of Manor, Texas (the "*City*"), for value received, hereby promises to pay, solely from the Trust Estate, to

or registered assigns, on the Maturity Date, as specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest

on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 15 and September 15 of each year, commencing March 15, 2020, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Austin, Texas (the “*Designated Payment/Transfer Office*”), of UMB Bank, N.A., as trustee and paying agent/registrar (the “*Trustee*”, which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the “*Record Date*,” which shall be the last calendar day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, that continues for 30 days or more thereafter, a new record date for such interest payment (a “*Special Record Date*”) will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “*Special Payment Date*,” which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the “*Bonds*”), dated December 15, 2019 and issued in the aggregate principal amount of \$_____, and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of December 1, 2019 (the “*Indenture*”), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued

under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purposes of (i) paying or reimbursing a portion of the Actual Costs of the Major Improvements, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds.

The Bonds are limited obligations of the City payable solely from the Trust Estate as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in Authorized Denominations.

The Bonds are subject to sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at a price equal to 100% of the principal amount thereof, or portions thereof, to be redeemed plus accrued interest thereon to the date set for redemption from moneys available for such purpose in the Bond Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

Term Bonds Maturing September 15, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 15, 20__	\$_____
September 15, 20__	_____
September 15, 20__	_____
September 15, 20__	_____
September 15, 20__*	_____

* Stated Maturity

Term Bonds Maturing September 15, 20__

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
September 15, 20__	\$_____
September 15, 20__	_____
September 15, 20__	_____
September 15, 20__	_____
September 15, 20__	_____

* Stated Maturity

At least 45 days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or such random method as Trustee shall deem fair and appropriate, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption and not previously credited to a sinking fund redemption.

The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, in amounts equal to Authorized Denominations, on or after September 15, 20[], such redemption date or dates to be fixed by the City, at 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on the fifteenth day of any month, at a Redemption Price equal to at 100% of the principal amount of such Bonds called for redemption, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

Upon surrender of any Bond for redemption in part, the Trustee in accordance with the Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, which shall be an Authorized Denomination. A new Bond representing the unredeemed balance of such Bond shall be issued to

the Owner thereof, such exchange being without charge. If any Bonds are to be redeemed and such redemption results in the unredeemed portion of a single Bond in an amount less than the Authorized Denomination, a Bond in the principal amount equal to the unredeemed portion, but not less than \$5,000, may be issued.

The Trustee shall give notice of any redemption of the Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF MANOR, TEXAS, TRAVIS COUNTY, TEXAS, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

Mayor, City of Manor, Texas

City Secretary, City of Manor, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §

OF PUBLIC ACCOUNTS § REGISTER NO. _____

§

THE STATE OF TEXAS §

I HEREBY CERTIFY THAT there is on file and of record in my office an opinion to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

UMB Bank, N.A.,
Austin, Texas, as Trustee

DATED: _____

By: _____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

(Social Security or other identifying number: _____) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed By:

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee

Authorized Signatory

(e) The Initial Bond shall be in the form set forth in paragraphs (a), (b), (d) and (e) of this Exhibit A, except for the following alterations:

(i) immediately under the name of the Bond the heading “INTEREST RATE” and “MATURITY DATE” shall both be completed with the expression “As Shown Below,” and the reference to the “CUSIP NUMBER” shall be deleted;

(ii) in the first paragraph of the Bond, the words “on the Maturity Date as specified above, the sum of _____ DOLLARS” shall be deleted and the following will be inserted: “on September 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate”</u>
-------------	------------------------------	-----------------------

(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

[City Letterhead]

EXHIBIT B
BOND PURCHASE AGREEMENT

\$3,120,000
CITY OF MANOR, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019
(LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA PROJECT)

BOND PURCHASE AGREEMENT

December 18, 2019

City of Manor, Texas
105 E. Eggleston St.
Manor, Texas 78653

Ladies and Gentlemen:

The undersigned, FMSbonds, Inc. (the “Underwriter”), offers to enter into this Bond Purchase Agreement (this “Agreement”) with the City of Manor, Texas (the “City”), which will be binding upon the City and the Underwriter upon the acceptance of this Agreement by the City. This offer is made subject to its acceptance by the City by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (defined herein) between the City and UMB Bank, N.A., as trustee (the “Trustee”), authorizing the issuance of the Bonds (defined herein), and in the Limited Offering Memorandum (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$_____ aggregate principal amount of the “City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)” (the “Bonds”), at a purchase price of \$_____ (representing the aggregate principal amount of the Bonds, less an Underwriter’s discount of \$_____. Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City, but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm’s length commercial transaction between the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering

described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and the Underwriter has no obligation to the City with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, (v) the Underwriter has financial and other interests that differ from those of the City and (vi) the Underwriter has provided to the City prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board (“MSRB”), which have been received by the City. The City further acknowledges and agrees that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City and the Developer regarding the expenditure of Bond proceeds and the construction of the projects financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City or the Developer.

The Bonds shall be dated December 15, 2019 and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on January 22, 2020 (or such other date as may be agreed to by the City and the Underwriter) (the “Closing Date”).

2. Authorization Instruments and Law. The Bonds were authorized by Ordinance No. _____ enacted by the City Council of the City (the “City Council”) on December 18, 2019 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended, (the “Act”), and the Indenture of Trust, dated as of December 1, 2019 between the City and the Trustee, authorizing the issuance of the Bonds (the “Indenture”). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the Pledged Revenues, consisting primarily of the proceeds of special assessments (the “Assessments”) levied on the assessable parcels within the Lagos Public Improvement District (the “PID”) pursuant to an ordinance adopted by the City Council on October 2, 2019 (the “Assessment Ordinance”). The PID was established by Resolution No. 2019-02 (the “Creation Resolution”), enacted by the City Council on March 20, 2019, in accordance with the Act. The Assessment Ordinance also approved a Service and Assessment Plan, dated October 2, 2019 as updated, amended, supplemented, or restated, which sets forth the costs of the Major Improvements (as defined in the Indenture) and the method of payment of the Assessments (the “Service and Assessment Plan,” and together with the Creation Resolution, the Assessment Ordinance, the Indenture, and the Bond Ordinance, the “Authorizing Documents”), and the Service and Assessment Plan was updated by the City Council in the Bond Ordinance. The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Schedule I, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used to provide funds for (i) paying or reimbursing a portion of the Actual Costs of the Improvements, (ii) funding a reserve fund for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying the costs of issuance of the

Bonds. OTHER THAN THE SOURCES PLEDGED UNDER THE INDENTURE, NO OTHER FUNDS OF THE CITY WILL BE AVAILABLE TO PAY THE DEBT SERVICE ON THE BONDS.

3. Limited Public Offering. The Underwriter agrees to make a bona fide limited public offering of all of the Bonds in accordance with Section 4 herein and to no more than thirty-five (35) persons that qualify as “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act (as defined herein)) or “Qualified Institutional Buyers” (within the meaning of Rule 144A under the Securities Act). On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel (as defined herein), the Issue Price Certificate, in substantially the form attached hereto as Appendix A.

4. Establishment of Issue Price. Notwithstanding any provision of this Agreement to the contrary, the following provisions related to the establishment of the issue price of the Bonds apply:

(a) Definitions. For purposes of this Section 4, the following definitions apply:

(i) “*Public*” means any person (including an individual, trust, estate, partnership, association, company or corporation) other than a Participating Underwriter or a Related Party to a Participating Underwriter.

(ii) “*Participating Underwriter*” means (A) any person that agrees pursuant to a written contract with the City (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public).

(iii) “*Related Party*” means any two or more persons who are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another) or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(iv) “*Sale Date*” means the date of execution of this Agreement by all parties.

(b) Issue Price Certificate. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and to execute and deliver to the City on or before the third (3rd) business day prior to Closing (as defined herein) an Issue Price Certificate,

together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the initial offering price (the “Initial Offering Price”) or prices or the sales price or prices to the Public of the Bonds. As applicable, all actions to be taken by the City under the section to establish the issue price of the Bonds may be taken on behalf of the City by the City's financial advisor and any notice or report to be provided to the City may be provided to the City's financial advisor.

(c) *Substantial Amount Test.* The City will treat the Initial Offering Price at which at least ten percent (a “Substantial Amount”) in principal amount of each maturity of the Bonds is sold to the Public as of the Sale Date (the “Substantial Amount Test”) as the issue price of that maturity (or each separate CUSIP number within that maturity). Those maturities of the Bonds which do not satisfy the Substantial Amount Test (the “Hold-the-Price Maturities”) will be identified in the Issue Price Certificate and will be subject to the Hold-the-Price Restriction (as hereinafter defined). At or promptly after the execution of this Agreement, the Underwriter will report to the City the price or prices at which the Underwriter has offered and sold to the Public each maturity of the Bonds.

(d) *Hold-The-Price Restriction.* The Underwriter agrees, that it will neither offer nor sell any of the Hold-the-Price Maturities to any person at a price that is higher than the applicable Initial Offering Price for such maturity during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the Underwriter has sold a Substantial Amount of such Hold-the-Price Maturity to the Public at a price that is no higher than the Initial Offering Price of such Hold-the-Price Maturity (the “Hold-the-Price Restriction”). The Initial Offering Price of the Hold-the-Price Maturities shall be the issue price for such maturities.

The Underwriter shall promptly advise the City when the Underwriter has sold a Substantial Amount of each such Hold-the-Price Maturity to the Public at a price that is no higher than the applicable Initial Offering Price of such Hold-the-Price Maturity, if that occurs prior to the close of the fifth business day after the Sale Date.

The City acknowledges that, in making the representation set forth in this subparagraph (4), the Underwriter will rely on (A) the agreement of each Participating Underwriter to comply with the Hold-the-Price Restriction, as set forth in an agreement among underwriters and the related pricing wires, (B) in the event a selling group has been created in connection with the sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the Hold-the-Price Restriction, as set forth in a selling group agreement and the related pricing wires, and (C) in the event that a Participating Underwriter is a party to a third-party distribution agreement that was employed in connection with the sale of the Bonds, the agreement of each such underwriter, dealer or broker-dealer that is a party to such agreement to comply with the Hold-the-Price Restriction, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each Participating Underwriter will be solely liable for its failure to comply with its agreement regarding the Hold-the-Price Restriction and that no Participating Underwriter will be liable for the failure of any

other Participating Underwriter to comply with its corresponding agreement regarding the Hold-the-Price Restrictions as applicable to the Bonds.

(e) *Agreements Among Participating Underwriters.* The Underwriter confirms that (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement to which the Underwriter is a party relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Participating Underwriter, each dealer who is a member of any selling group, and each broker-dealer that is a party to any such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it until it is notified by the Underwriter that either the Substantial Amount Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, (B) comply with the Hold-the-Price Restriction, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the relating pricing wires, and (C) acknowledge that, unless otherwise advised by the Participating Underwriter, the Underwriter will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Participating Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each underwriter or broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter or the applicable Participating Underwriter that either the Substantial Amount Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Price Restriction, if applicable, in each case if and for so long as directed by the Underwriter or the applicable Participating Underwriter and as set forth in the relating pricing wires.

(f) *Sale to Related Party not a Sale to the Public.* The Underwriter acknowledges that sales of any Bonds to any person that is a Related Party to the Underwriter do not constitute sales to the Public for purposes of this Section. If a Related Party to the Underwriter purchases during the initial offering period all of a Hold-the-Price Maturity, the related Participating Underwriter will notify the Underwriter and will take steps to confirm in writing that such Related Party will either (i) hold such Bonds for its own account, without present intention to sell, reoffer or otherwise dispose of such Bonds for at least five business days from the Sale Date, or (ii) comply with the Hold-The-Price Restriction.

5. Limited Offering Memorandum.

(a) Delivery of Limited Offering Memorandum. The City has previously delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering Memorandum for the Bonds dated _____, 2019 (the “Preliminary Limited Offering Memorandum”), in a “designated electronic format,” as defined in MSRB Rule G-32 (“Rule G-32”). The City will prepare, or cause to be prepared, a final Limited

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

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

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

(d) Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the 25th

day after the “end of the underwriting period” for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at the City’s own expense, in a form and manner approved by the Underwriter, either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City in accordance herewith, the City makes no representations with respect to (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, or the information under the caption “BOOK-ENTRY ONLY SYSTEM,” and (ii) the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum under the captions and subcaptions “PLAN OF FINANCE — Development Plan,” “APPRAISAL OF PROPERTY WITHIN THE DISTRICT,” “THE DEVELOPMENT,” “THE DEVELOPER,” “CONTINUING DISCLOSURE — Compliance with Prior Undertakings – the Developer,” “THE PID ADMINISTRATOR,” “LEGAL MATTERS — Litigation – The Developer,” “UNDERWRITING,” “INFORMATION RELATING TO THE TRUSTEE,” “APPENDIX D-2 – Form of Disclosure Agreement of the Developer,” “APPENDIX G – Appraisal Report and “APPENDIX H – Market Study” (such information described in clauses (i) and (ii) above is referred to collectively herein as the “Excluded Information.”) If such notification shall be subsequent to the Closing (as defined herein), the City, at the City’s own expense, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

(e) Filing with MSRB. The Underwriter hereby agrees to timely file, or cause to be filed, the Limited Offering Memorandum (and any amendment or supplement thereto prepared in accordance with Section 5(d) above) with the MSRB through its Electronic Municipal Market Access (“EMMA”) system. Unless otherwise notified in

writing by the Underwriter, the City can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 is the Closing Date.

(f) Limited Offering. The Underwriter hereby represents, warrants and covenants that the Bonds were initially sold pursuant to a limited offering. The Bonds were sold to not more than thirty-five persons that qualify as "Accredited Investors" (as defined in Rule 501(A) of Regulation D under the Securities Act) or "Qualified Institutional Buyers" (within the meaning of Rule 144A under the Securities Act).

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

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

(i) to enter into:

(1) this Agreement;

(2) the Indenture;

(3) the Development Agreement (Lagos), effective as of August 21, 2019, executed and delivered by 706 Development Corporation, a Texas corporation, and 706 Investment Partnership, Ltd., a Texas limited partnership (collectively, the “Developer”) and the City (the “Development Agreement”);

(4) The Lagos Public Improvement District Financing Agreement dated as of September 18, 2019 (the “Financing Agreement”) by and among the City and the Developer;

(5) the Acquisition and Reimbursement Agreement relating to the PID, dated as of October 2, 2019 (the “Reimbursement Agreement”), between the City and the Developer;

(6) the Continuing Disclosure Agreement with respect to the Bonds, dated as of December 18, 2019 (the “Continuing Disclosure Agreement”), between the City, P3Works, LLC, as Administrator, and UMB Bank, N.A., as Dissemination Agent; and

(7) the Landowner Agreement dated October 2, 2019 between the City and the Developer.

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the Development Agreement, (4) the Continuing Disclosure Agreement, (5) the Limited Offering Memorandum, (6) the Financing Agreement, (7) the Reimbursement Agreement, and (8) any other documents and certificates described in any of the foregoing (the documents described by subclauses (iii)(1) through (8) being referred to collectively herein as, the “City Documents”).

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

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

(d) No Breach or Default. As of the time of acceptance hereof, and to its knowledge, the City is not, and as of the Closing Date the City will not be, in material breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument related to the Bonds and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City’s ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a material breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any

applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties securing the Bonds or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

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

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

(g) Assessments. The Assessments, a portion of which are pledged to the Trust Estate and constitute the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Assessment Roll. According to the Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for State, county, school district, or municipality ad valorem taxes.

(h) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required

by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

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

(j) Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Excluded Information.

(k) Limited Offering Memorandum. At the time of the City's acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to Section 5(d) of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the "end of the underwriting period," the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however that the City makes no representations with respect to the Excluded Information. Notwithstanding the foregoing, if the City notifies the Underwriter of any fact or events as required by Section 5(d) hereof and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its current form shall be conclusively deemed to be complete and correct in all material respects.

(l) Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the "end of the underwriting period," the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not

require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(m) Compliance with Rule 15c2-12. The City has not previously entered into any continuing disclosure undertakings.

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

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

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

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

(r) Financial Advisor and PID Administrator. The City has engaged SAMCO Capital Markets, Inc. as its financial advisor in connection with its offering and issuance of the Bonds. The City has engaged P3Works, LLC, as its PID administrator in connection with the levy of Assessments and administration of the PID.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties and covenants set forth above with respect to the Preliminary Limited Offering Memorandum.

7. Developer Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer, an executed Developer Letter of Representations (the “Developer Letter of Representations”) in the form of Appendix B hereto, and at the Closing, a certificate signed by the Developer as set forth in Section 10(f) hereof.

8. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its “FAST” System, the definitive Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Bickerstaff Heath Delgado Acosta LLP (“Bond Counsel”), or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the “Closing.” The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

9. Underwriter’s Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer Letter of Representations and the performance by the City of its obligations under this Agreement both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions, unless waived by the Underwriter in writing:

(a) Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of Closing, as if made on the Closing Date.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, Bracewell LLP (“Underwriter’s Counsel”), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and in the City Documents; (iii) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinion of Armbrust and Brown, PLLC (“Developer’s Counsel”), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the Limited Offering Memorandum, the Developer Letter of Representations, and the Continuing Disclosure Agreement of the Developer with respect to the Bonds, dated as of December 18, 2019, executed and delivered by the Developer, the Administrator and the Dissemination Agent (the “Continuing Disclosure Agreement of the Developer,” and together with the Financing

Agreement, Acquisition and Reimbursement Agreement and the Development Agreement and any other documents to which Developer is a party described in the Preliminary Limited Offering Memorandum, the “Developer Documents”), and (iv) the City shall perform or have performed their respective obligations required or specified in the City Documents to be performed at or prior to Closing.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under any City Document, the Developer Documents or other documents relating to the financing and construction of the Major Improvements and the Development (as defined in the Limited Offering Memorandum), and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of the Developer to pay the Assessments when due.

(d) Developer Financial Condition. There shall not have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Developer or any of the Developer’s affiliates, except for changes which the Limited Offering Memorandum discloses are expected to occur.

(e) Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 10 below.

(f) Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter’s sole and reasonable judgment, the market price or marketability of the Bonds shall be materially adversely affected by the occurrence of any of the following:

(i) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which

would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof; or

(ii) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

(iii) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(iv) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof; or

(v) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Limited Offering Memorandum; or

(vi) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(vii) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Assessments to pay principal of and interest on the Bonds; or

(viii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(ix) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(x) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Limited Offering Memorandum; or

(xi) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(xii) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(xiii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (viii) and (xiii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

10. Closing Documents. At or prior to the Closing, the Underwriter (or Underwriter's Counsel on behalf of the Underwriter) shall receive the following documents:

(a) Bond Opinion. The opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix C to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Limited Offering Memorandum but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions “PLAN OF FINANCE — The Bonds” (excluding the last paragraph thereunder), “DESCRIPTION OF THE BONDS,” “SECURITY FOR THE BONDS,” “ASSESSMENT PROCEDURES” (except for the subcaptions “Assessment Methodology” and “Assessment Amounts”), “TAX MATTERS,” “LEGAL MATTERS — Legal Proceedings” (first paragraph only), “LEGAL MATTERS — Legal Opinions,” “CONTINUING DISCLOSURE – The City,” “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS,” and “APPENDIX A” and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance, and the Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance, and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the “City Actions”) and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and the City Documents have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors’ rights, or by the application of equitable principles if equitable remedies are sought and to the application of Texas law relating to governmental immunity applicable to governmental entities.

(c) City Legal Opinion. An opinion of The Knight Law Firm, LLP, Counsel for the City, dated the Closing Date and addressed to the City, the Underwriter, Bond Counsel and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by Underwriter’s counsel.

(d) Developer's Counsel Opinion. An opinion of Armbrust & Brown PLLC, Developer's Counsel, dated the Closing Date and addressed to the Developer, the City, Bond Counsel, Counsel for the City, the Underwriter and the Trustee, with respect to matters relating to the Developer and the Development (as defined in the Limited Offering Memorandum), substantially in the form of Appendix D hereto or in form otherwise agreed upon by the City and Underwriter's Counsel.

(e) City Certificate. A certificate of the City, executed by an authorized City official and dated the Closing Date, to the effect that, to the best of such City official's knowledge:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date;

(ii) the City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the knowledge of such person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

(f) Developer Certificate. The certificate of the Developer dated the Closing Date, signed by authorized officers of Developer in substantially the form of Appendix E hereto.

(g) Trustee's Certificate. A certificate of the Trustee, dated the Closing Date, in form and substance acceptable to Underwriter's Counsel to the following effect:

(i) The Trustee is duly organized and validly existing as a national banking association organized under the laws of the United States, having the full power and authority, including trust powers, to accept and perform its duties under the Indenture; and

(ii) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been

obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

(h) Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Underwriter's Counsel, in substantially the form attached as Appendix G hereto.

(i) Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

(j) Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to Underwriter's Counsel.

(k) Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(l) Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and Underwriter's Counsel setting forth the facts, estimates and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" or "private activity bonds" within the meaning of Sections 148 and 141, respectively, of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed) issued pursuant to the Code.

(m) Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

(n) Continuing Disclosure Agreements. The Continuing Disclosure Agreement of the Issuer and the Continuing Disclosure Agreement of the Developer in substantially the form attached to the Limited Offering Memorandum as Appendix D-1 and Appendix D-2.

(o) Letter of Representation of PID Administrator. Letter of Representation of Administrator, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, and the Underwriter, or in form otherwise agreed upon by the Underwriter.

(p) Letter of Representation of the Appraiser. (i) Letter of Representation of the Appraiser, substantially in the form of Appendix H hereto, addressed to the City, Bond Counsel, the Underwriter and the Trustee, or in form otherwise agreed upon by the Underwriter and (ii) a copy of the real estate appraisal of the property in the District dated June 7, 2019.

(q) Evidence of Filing of Creation Resolution, Assessment Ordinance, and Landowner Agreement. Evidence that (i) the Creation Resolution, including legal

description of the District by metes and bounds, (ii) the Landowner Agreement and (iii) the Assessment Ordinance, including the assessment rolls and a statement indicating the contact for and address of where a copy of the Service and Assessment Plan, and any updates thereto, may be obtained or viewed, have been filed or recorded in the real property records of Travis County, Texas.

(r) [Reserved]

(s) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or Underwriter's Counsel may reasonably deem necessary.

11. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of:

(a) the purchase price set forth in Section 1 hereof;

(b) the opinion of Bond Counsel described in Section 10(a) hereof; and the Attorney General Opinion; and

(c) all of the Developer Documents.

12. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the City shall have any further obligation hereunder, except as further set forth in Sections 13 and 15 hereof.

13. Costs and Expenses.

(a) The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds and/or other lawfully available City funds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto, and any rating fees, if any; (iii) the fees and disbursements of the City's financial advisor, the Trustee's counsel, Bond Counsel, Counsel to the City, Developer's Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General's review fees, (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City, including but not limited to the fees and expenses of the Administrator, and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

(b) The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the offering of the Bonds; (ii) fees of Underwriter's Counsel; (iii) fees of the market analyst; and (iv) all other expenses, including CUSIP fees

(including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 13(a) above.

(c) The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities.

14. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Manor, Texas, 105 E. Eggleston St., Manor, Texas 78653, Attention: City Manager.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 5 Cowboys Way, Suite 300-V, Frisco, Texas 75034, Attention: Tripp Davenport.

15. Entire Agreement. This Agreement, including all attachments, exhibits and documents incorporated by reference herein, whether in whole or in part, represents the entire Agreement between the City and the Underwriter with respect to the offering and issuance of the Bonds.

16. Parties in Interest; Survival of Representations. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and agreements contained in this Agreement shall survive the execution and delivery of this Agreement and remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of and payment for the Bonds pursuant to this Agreement. All statements contained in any certificate, instrument or other writing delivered by a party to this Agreement or in connection with the transactions described in this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question. The covenants contained in this Section 16 and Section 17 shall survive any termination of this Agreement.

17. Counterparts; Electronic Signature. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same

extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an email message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other parties hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Anti-Boycott Verification. The Underwriter represents that, to the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2271 of the Texas Government Code, and subject to applicable federal law, neither the Underwriter, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Underwriter (i) boycotts Israel or (ii) will boycott Israel through the term of this Agreement. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended.

23. Anti-Terror Verification. Solely for purposes of compliance with Subchapter F, Chapter 2252, Texas Government Code, to the extent applicable to this Indenture, the Underwriter represents that it is not a company (as defined in Section 2270.0001(2), Texas Government Code) engaged in business with Iran, Sudan or a foreign terrorist organization, and that as of the date of this Agreement, it is not on a list prepared and maintained by the Comptroller of Public Accounts of the State under Section 2270.0201 or 2252.153, Texas Government Code. The term “foreign terrorist organization” means an organization designated as a foreign terrorist organization by the United States Secretary of State as authorized by 8 U.S.C. Section 1189.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

FMSbonds, Inc.
as Underwriter

By: _____
Name:
Title:

Accepted at _____ a.m./p.m. central time on the
date first stated above.

City of Manor, Texas

By: _____
Mayor

SCHEDULE I
\$3,120,000
CITY OF MANOR, TEXAS
(a municipal corporation of the State of Texas located in Travis County)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019
(LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA PROJECT)

\$_____ % Term Bonds, Due _____, 20__, Priced to Yield _____%; CUSIP NO. 31189 _____ (a) (b) (c)

\$_____ % Term Bonds, Due _____, 20__, Priced to Yield _____%; CUSIP NO. 31189 _____ (a) (b) (c)

\$_____ % Term Bonds, Due _____, 20__, Priced to Yield _____%; CUSIP NO. 31189 _____ (a) (b) (c)

-
- (a) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. None of the City, the City's Financial Advisor or the Underwriter takes any responsibility for the accuracy of such numbers.
- (b) The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, as set forth in the Indenture
- (c) The Bonds are also subject to mandatory sinking fund redemption and extraordinary optional redemption as described in the Indenture

APPENDIX A

ISSUE PRICE CERTIFICATE

The undersigned, as the duly authorized representative of FMSbonds, Inc. (the “Purchaser”), with respect to the Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) issued by the City of Manor, Texas (the “Issuer”) in the principal amount of \$3,120,000 (the “Bonds”), hereby certifies, based on its records and information, as follows:

(a) [Other than the Bonds maturing in _____ (the “Hold-the-Price Maturities”), the] The first price at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Bonds having the same credit and payment terms (a “Maturity”) was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (the “Public”) is set forth in the final Limited Offering Memorandum relating to the Bonds.

(Add (b) and (c) only if there are Hold-the-Price Maturities)

(b) On or before the first day on which there is a binding contract (“Purchase Contract”) in writing for the sale of the Bonds (the “Sale Date”), the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective initial offering prices (the “Initial Offering Prices”), as listed in the final Limited Offering Memorandum relating to the Bonds.

(c) As set forth in the Purchase Contract, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the respective Initial Offering Price for such Hold-the-Price Maturities until a date that is the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Hold-the-Price Maturities of the Bonds to the Public at no higher price than the Initial Offering Price for such Hold-the-Price Maturity.

A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule A.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

[Signature Page Follows]

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bickerstaff Heath Delgado Acosta LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____.

FMSBONDS, INC.

By: _____

Name: _____

Schedule A

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

Schedule A

APPENDIX B

FORM OF DEVELOPER LETTER OF REPRESENTATIONS

\$3,120,000

CITY OF MANOR, TEXAS

(a municipal corporation of the State of Texas located in Travis County)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019

(LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA PROJECT)

DEVELOPER LETTER OF REPRESENTATIONS

December 18, 2019

City of Manor, Texas
105 E. Eggleston St.
Manor, Texas 78653

FMSbonds, Inc.
5 Cowboys Way
Suite 300-V
Frisco, Texas 75034

Ladies and Gentlemen:

This letter is being delivered to the City of Manor, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the “Bond Purchase Agreement”) for the sale and purchase of the \$_____, “City of Manor, Texas, Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)” (the “Bonds”). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, the undersigned, 706 Development Corporation, a Texas corporation and 706 Investment Partnership, Ltd., a Texas limited partnership (collectively, the “Developer”), makes the representations, warranties, and covenants contained in this Developer Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the

Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer Letter of Representations, up to and including the date the Underwriter is no longer required to provide an Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer Letter of Representations and any certificate delivered by the Developer in accordance with the Bond Purchase Agreement, the Developer makes no representations with respect to (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York, or its book-entry-only system and (ii) the information in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions “THE CITY,” “THE DISTRICT,” “BONDHOLDERS’ RISKS” (except as it pertains to the Developer, the Major Improvements, and the Development, as defined in the Limited Offering Memorandum), “LEGAL MATTERS — Litigation — The City,” “CONTINUING DISCLOSURE — The City” and “ — Compliance with Prior Undertakings — City,” “THE PID ADMINISTRATOR” and “INFORMATION RELATING TO THE TRUSTEE.”

3. Developer Documents. Developer has executed and delivered each of the below listed documents (individually, a “Developer Document” and collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of Developer, enforceable against Developer in accordance with its terms:

- a. this Developer Letter of Representations;
- b. the Development Agreement, effective as of August 21, 2019, executed and delivered by the Developer and the City;
- c. the Acquisition and Reimbursement Agreement;
- d. the Financing Agreement;
- e. the Landowner Agreement;
- f. any other documents to which Developer is a party described in the Preliminary Limited Offering Memorandum; and

g. that certain Continuing Disclosure Agreement of the Developer, dated as of December 18, 2019 made by and among the Developer, P3Works, LLC, as PID administrator and UMB Bank, N.A., as dissemination agent.

The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

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

a. Due Organization and Existence. 706 Development Corporation is duly formed and validly existing as a corporation under the laws of the State of Texas. 706 Investment Partnership, Ltd., is a duly formed and validly existing as a limited partnership under the laws of the State of Texas. Both entities have the full power, rights and authority to execute, deliver and perform their obligations under the Developer Documents.

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

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

d. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against Developer that are either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the Development in accordance with the description thereof in the Preliminary Limited Offering Memorandum.

e. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

f. Preliminary Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Preliminary Limited Offering Memorandum under the captions “PLAN OF FINANCE — Development Plan,” “THE MAJOR IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER” and “CONTINUING DISCLOSURE — The Developer,” any information provided by the Developer for inclusion in any appendix to the Preliminary Limited Offering Memorandum, and, to the best of the Developer’s knowledge after due inquiry, under the captions “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Major Improvements, and the Development) and “LEGAL MATTERS — Litigation — The Developer” is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum. Notwithstanding the foregoing, if the Developer notifies the Underwriter of any fact or event as required by Section 2 hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

g. Events of Default. No “Event of Default” or “event of default” by the Developer under any of the Developer Documents or under any material documents relating to the financing and construction of the Major Improvements to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such “Event of Default” or “event of default,” by the Developer has occurred and is continuing.

h. Taxes. All ad valorem taxes and assessments are current on the property which the Developer or any of its affiliates owns within the City.

i. Consent. The Developer hereby consents to the issuance of the Bonds, and to all of the terms and conditions contained in the Indenture.

j. Agreement. The Developer covenants that, while the Bonds are outstanding, it will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body which in any way seeks to challenge or overturn the PID, the validity of the Developer Documents, the levy or collection of the Assessments or the validity of the Bonds or the proceedings relating to their issuance.

k. Financing. Other than the Bonds, no additional debt will be issued nor will any additional liens be placed on the property within the District in order to complete the construction of the Major Improvements, and the City will not otherwise be responsible for any shortfalls in the funds available to pay the costs of the Major Improvements.

5. Indemnification.

(a) The Developer, including any successors or assigns, will indemnify and hold harmless the (i) City, the elected or appointed officials, officers, directors, employees and agents of the City, respectively, and any “controlling person” (as such term is defined in Section 15 of the 1933 Securities Act, or Section 20 of the 1934 Securities Exchange Act) of the City (collectively, the “City Indemnitees”) and (ii) Underwriter and any officer, director, employee or agent of the Underwriter and each person, if any, who controls the Underwriter within the meaning of Section 15 of the 1933 Securities Act, or Section 20 of the 1934 Securities Exchange Act (collectively, the “Underwriter Indemnitees” and collectively with the City Indemnitees, the “Indemnitees”) against any losses, claims, damages or liabilities or expenses (collectively, “Loss”) to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions “PLAN OF FINANCE — Development Plan,” “THE MAJOR IMPROVEMENTS,” “THE DEVELOPMENT,” “THE DEVELOPER,” “BONDHOLDERS’ RISKS” (only as it pertains to the Developer, the Improvements, and the Development), “LEGAL MATTERS — Litigation — The Developer,” “CONTINUING DISCLOSURE — The Developer,” any information provided by the Developer (or their affiliates) and included in any appendix to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

(b) Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in

each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer Letter of Representations.

DEVELOPER:

**706 Development Corporation, a Texas
corporation**

By: _____
Name: _____
Its: _____

**706 Investment Partnership, Ltd., a Texas
limited partnership**

By: _____
Name: _____
Its: _____

APPENDIX C

[LETTERHEAD OF THE KNIGHT LAW FIRM, LLP]

_____, 2020

FMSbonds, Inc.
5 Cowboys Way
Suite 300-V
Frisco, Texas 75034

UMB Bank, N.A.
6034 W. Courtyard Drive
Suite 370
Austin, Texas 78730

City of Manor, Texas
105 E. Eggleston St.
Manor, Texas 78653

Bickerstaff Heath Delgado Acosta LLP
3711 S. MoPac Expy, Bldg One,
Ste 300
Austin, Texas 78746

\$ _____

CITY OF MANOR, TEXAS

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019

(LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA PROJECT)

Ladies and Gentlemen:

We are Counsel to the City of Manor, Texas (the “City”) for limited purposes, and are rendering this opinion in connection with the issuance and sale of \$_____, “City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)” (the “Bonds”), by the City, a political subdivision of the State of Texas (the “State”).

The Bonds are authorized pursuant to Ordinance No. _____ enacted by the City Council of the City (the “City Council”) on December 18, 2019 (the “Bond Ordinance”) and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “Act”) and the Indenture of Trust dated as of December 1, 2019 (the “Indenture”) by and between the City and UMB Bank, N.A., as trustee (the “Trustee”). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2019-02 (the “Creation Resolution”), enacted by the City Council on March 20, 2019;

(b) The ordinance accepted and approved by City Council on October 2, 2019 (the “Assessment Ordinance”);

(c) The Service and Assessment Plan, dated October 2, 2019, adopted by the City Council on October 2, 2019, pursuant to the Assessment Ordinance (as updated, amended, supplemented, or restated, the “Service and Assessment Plan”);

(d) The Bond Ordinance;

(e) The Indenture;

(f) The Development Agreement (Lagos), effective as of August 21, 2019, executed and delivered by 706 Development Corporation, a Texas corporation, and 706 Investment Partnership, Ltd. a Texas limited partnership (collectively, the “Developer”) and the City (the “Development Agreement”);

(g) The Bond Purchase Agreement between the City and FMSbonds, Inc., as Underwriter, dated December 18, 2019 (the “Bond Purchase Agreement”);

(h) The Lagos Public Improvement District Financing Agreement dated as of September 18, 2019 (the “Financing Agreement”) among the City and the Developer;

(i) The Acquisition and Reimbursement Agreement relating to the District, dated as of October 2, 2019, between the City and the Developer (the “Reimbursement Agreement”);

(j) The Continuing Disclosure Agreement, dated as of December 18, 2019, between the City and P3Works LLC (the “Administrator”) and UMB Bank, N.A., (the “Dissemination Agent”)(the “Continuing Disclosure Agreement”).

The Creation Resolution, the Assessment Ordinance, the Service and Assessment Plan, the Bond Ordinance, and the Indenture shall herein after be referred to as the “Authorizing Documents” and the remaining documents shall herein after be collectively referred to as the “City Documents.”

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a duly created, organized and existing political subdivision organized and operating under the Constitution and the laws of the State of Texas. The Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement and the Bonds have been duly authorized, executed and delivered, and assuming due execution by the other party(ies) thereto, if applicable, the Authorizing Documents, the City Documents, and the Bonds constitute legal, valid and binding obligations of the City, enforceable in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency, and similar laws affecting creditors’ rights generally and general principles of equity.

2. To the best of our knowledge, there is no litigation or other proceeding now pending of which the City or its registered agent has received notice or service of process, or to our best knowledge, threatened against the City: (a) contesting the existence or powers of the City or the titles of the respective officers of the City Council to their respective offices; (b) affecting or seeking to prohibit, restrain or enjoin the sale, issuance, or delivery of the Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memorandum or the collection of Assessments or the pledge of and lien on the Pledged Revenues pursuant to the Indenture; (c) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the City relating to authorization for the issuance of the Bonds, the Authorizing Documents, or the City Documents, or the application of the proceeds of the Bonds for the purposes set forth in the Limited Offering Memorandum; (d) specifically contesting the federal or State tax status of the Bonds; or (e) contesting the completeness or accuracy of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or any supplement or amendment thereto.

3. The City has duly authorized, executed, and delivered the Limited Offering Memorandum.

4. Based upon our participation in the preparation of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum, as counsel to the City, the statements contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum as they relate to the City under the caption "LEGAL MATTERS — Litigation — The City" are fair and accurate. The information set forth under the captions "INTRODUCTION," "PLAN OF FINANCE," "ASSESSMENT PROCEDURES," "THE CITY," "THE DISTRICT," and "CONTINUING DISCLOSURE" is fair and accurate.

5. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof. The City Documents have been duly authorized, executed, and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of State law relating to governmental immunity applicable to governmental entities.

6. The performance by the City of the obligations under the City Documents will not violate any provision of any federal or State constitutional or statutory provision.

7. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the City Documents.

8. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any

material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order, or consent decree to which the City is subject.

9. All proceedings undertaken by the City with respect to the Pledged Revenues securing the Bonds, including adoption of the Bond Ordinance, were undertaken in accordance with State law, and the City has taken all necessary action as of the date hereof to levy and impose the Assessments. The Assessments are a first and prior lien against the property which such Assessments are assessed, superior to all other liens or claims, except liens and claims by State of Texas, county, municipality, school district or other political subdivisions, until paid.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very Truly Yours,

[Signature Block of City Attorney]

APPENDIX D

[LETTERHEAD OF ARMBRUST AND BROWN, PLLC, DEVELOPER'S COUNSEL]

_____, 2020

City of Manor, Texas
105 E. Eggleston St.
Manor, Texas 78653

Bickerstaff Heath Delgado Acosta LLP
3711 S. MoPac Expy, Bldg One
Suite 300
Austin, Texas 78746

FMSbonds, Inc.
5 Cowboys Way
Suite 300-V
Frisco, Texas 75034

UMB Bank, N.A., Trustee
6034 W. Courtyard Drive
Suite 370
Austin, Texas 78730

[City Attorney]

[Developer]

\$ _____

CITY OF MANOR TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019
(LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA
PROJECT)

Ladies & Gentlemen:

We have acted as special counsel to 706 Development Corporation, a Texas corporation and 706 Investment Partnership, Ltd., a Texas limited partnership (collectively, the "*Developer*") in connection with the issuance and sale by the City of Manor, Texas (the "*Issuer*"), of \$ _____ City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) (the "*Bonds*"), pursuant to the Indenture of Trust dated as of December 1, 2019 (the "*Indenture*"), by and between the Issuer and UMB, Bank, N.A., as trustee (the "*Trustee*"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Lagos Manor" (the "*Development*") located in the Issuer.

The Bonds are being sold to FMSbonds, Inc. (the “*Underwriter*”), pursuant to that certain Bond Purchase Agreement dated December 18, 2019 (the “*Bond Purchase Agreement*”), between the Issuer and the Underwriter. This opinion is being delivered pursuant to Section 10(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents (collectively, the “*Material Documents*”):

(1) The Lagos Public Improvement District Financing Agreement dated as of September 18, 2019 (the “*Financing Agreement*”) among the City and the Developer;

(2) Acquisition and Reimbursement Agreement, effective as of October 2, 2019, between Developer and Issuer;

(3) Continuing Disclosure Agreement of the Developer, dated as of December 18, 2019, by and between Developer, Issuer, P3Works LLC (the “*Administrator*”) and UMB Bank, N.A. (the “*Dissemination Agent*”);

(4) The Development Agreement, effective as of August 21, 2019, executed and delivered by the Developer and the City;

(5) The Bond Purchase Agreement;

(6) The Developer Letter of Representations dated the Closing Date.

(7) The Landowner Agreement, dated October 2, 2019.

(b) The [General Certificate and] Closing Certificate of the Developer, dated as of the date hereof (the “*Developer Certificate*”);

(c) The Preliminary Limited Offering Memorandum, dated December 5, 2019 relating to the issuance of the Bonds (the “*Preliminary Limited Offering Memorandum*”);

(d) The final Limited Offering Memorandum, dated December 18, 2019, relating to the issuance of the Bonds (collectively with the Preliminary Limited Offering Memorandum, the “*Limited Offering Memorandum*”); and

(e) Such other documents, records, agreements and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In basing the opinions and other matters set forth herein on “our knowledge,” the words “our knowledge” signify that, in the course of our representation of the Developer, the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or

actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports, and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words “our knowledge” and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation (other than the Developer),: (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto (other than the Developer) and that each such document constitutes a valid, binding, and enforceable obligation of each party thereto (other than the Developer), (ii) that all of the parties (other than the Developer) to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) that each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any governmental authority of any jurisdiction not expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party (other than the Developer) of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts, or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction or decree of any court applicable to such party.

In addition, we have assumed that the Material Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Material Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Material Documents.

We assume that none of the parties to the Material Documents (other than the Developer) is a party to any court or regulatory proceeding relating to or otherwise affecting the Material Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Material Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Material Documents (other than the Developer) has full authority to close this transaction in accordance with the terms and provisions of the Material Documents.

We assume that neither the Underwriter nor the Issuer nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Material Documents (and the transactions contemplated in the Material Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The Developer is qualified to do business in and in good standing under the laws of the State of Texas.

2. The Developer has the full legal right, power, and authority to execute, deliver, and perform their obligations, as applicable, under each of the Material Documents to which it is a party and has taken all necessary actions to authorize the execution, distribution, and delivery by the Developer of such Material Documents and the performance by the Developer of such obligations.

3. The execution and delivery by the Developer of the Material Documents and the performance by the Developer of its obligations under the Material Documents will not (i) violate any applicable law; or (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Developer Certificate or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party.

4. To our knowledge, no governmental approval which has not been obtained or taken is required to be obtained or taken by the Developer on or before the date hereof as a condition to the performance by the Developer of its obligations under the Material Documents to which it is a party, except for governmental approvals that may be required to comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

5. The Developer has duly executed and delivered each of the Material Documents to which it is a party, and each of the Material Documents constitutes the legal, valid, and binding obligation of the Developer, enforceable against the Developer in accordance with its respective terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally, (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part. The execution, delivery, and performance by the Developer of

its obligations under the Material Documents do not violate any existing laws of the State of Texas applicable to the Developer or any ordinances of the Issuer applicable to the Developer.

6. To our knowledge after reasonable inquiry, there are no actions, suits, or proceedings pending or threatened against the Developer identified in the Developer Certificate or otherwise actually known to us in any court of law or equity, or before or by any governmental instrumentality with respect to (i) its organization or existence or qualification to do business in the State of Texas; (ii) its authority to execute or deliver the Material Documents to which it is a party; (iii) the validity or enforceability against it of such Documents or the transactions contemplated thereby; (iv) the titles of its officers executing the Material Documents; (v) the execution and delivery of the Material Documents on behalf of the Developer; or (vi) the operations or financial condition of the Developer that would materially adversely affect those operations or the financial condition of the Developer.

7. To our knowledge, no taxes or other charges, including, without limitation, intangible or documentary stamp taxes, mortgage or recording taxes, transfer taxes or similar charges, are payable to the State of Texas by the Developer on account of its execution or delivery of any of the Material Documents or the creation of the indebtedness evidenced or secured by any of the Material Documents or the recording or filing of any of the Material Documents, except for normal filing or recording fees.

8. The execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, trust agreement, bond note, resolution, agreement, or other instrument to which the Developer is a party or is otherwise subject and which have been identified in the Developer Certificate which violation, breach or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under applicable law, or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

9. The information set forth in the Limited Offering Memorandum under the captions “*PLAN OF FINANCE —Development Plan,*” “*THE MAJOR IMPROVEMENTS,*” “*THE DEVELOPMENT,*” “*THE DEVELOPER,*” “*BONDHOLDERS’ RISKS*”(only as it pertains to the Developer, the Major Improvements, and the Development),” “*CONTINUING DISCLOSURE – The Developer*” “*LEGAL MATTERS – Litigation – The Developer*”, and any information provided by the Developer for inclusion in the Appendices attached thereto adequately and fairly describe the information summarized under such captions and are correct as to matters of law.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files, or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations, or litigation.

(b) We have relied upon the Developer Certificate, as well as the representations of the Developer contained in the Material Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 3 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Material Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer is a party or by which the Developer is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) The opinions expressed herein regarding the enforceability of the Material Documents are subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Material Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Material Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(i) The opinion expressed herein as to the enforceability of the Material Documents is specifically subject to the qualification that enforceability of the Material Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the

availability of certain remedies; (iii) bankruptcy, insolvency, reorganization, fraudulent conveyance, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(j) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Material Documents.

(k) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisal, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(l) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(m) We express no opinion as to the enforceability of any provisions in the Material Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to those parties addressed in this letter solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon for any other purpose or by any other person in any manner or for any purpose.

Subject to the above qualifications and based upon our participation in the preparation of the Limited Offering Memorandum and our participation at conferences with representatives of the Issuer and its counsel, and with representatives of the Developer at which the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Limited Offering Memorandum and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph 9 as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Very truly yours,

APPENDIX E

DEVELOPER CERTIFICATE

706 Development Corporation, a Texas corporation and 706 Investment Partnership, Ltd., a Texas limited partnership (collectively, the “Developer”), DO HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. 706 Investment Partnership, Ltd. is a duly formed Texas limited partnership, validly existing and in good standing under the laws of the State of Texas.

2. 706 Development Corporation is a duly formed Texas corporation, validly existing and in good standing under the laws of the state of Texas.

3. Representatives of the Developer have provided information to the City of Manor, Texas (the “City”) and FMSbonds, Inc. (the “Underwriter”) to be used in connection with the offering by the City of its \$3,120,000 aggregate principal amount of “City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project)” (the “Bonds”) pursuant to the City’s Preliminary Limited Offering Memorandum, dated December 5, 2019, and Limited Offering Memorandum dated December 18, 2019 (together, the “Limited Offering Memorandum”).

4. Developer has executed and delivered (i) that certain Developer Letter of Representations dated the Closing Date, (ii) the Continuing Disclosure Agreement of the Developer with respect to the Bonds, dated as of December 18, 2019, executed and delivered by the Developer, P3Works, LLC, and UMB Bank, N.A., as dissemination agent, (iii) the Reimbursement Agreement, (iv) the Development Agreement, (v) the Financing Agreement, and (vi) the Landowner Agreement to the levy of Assessments, and any other documents to which the Developer is a party described in the Limited Offering Memorandum (collectively, the “Developer Documents”) in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms.

5. The Developer has complied in all material respects with all of the Developer’s agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

6. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction, or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory body, public board or body pending, or, to the best knowledge of the Developer, threatened against or affecting the Developer wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Developer or its officers or would have a Material Adverse Effect.

7. There has not occurred since the date of the Bond Purchase Agreement any materially adverse change in the affairs or financial condition of the Developer or any of the

Developer's affiliates, except for changes which the Limited Offering Memorandum discloses are expected to occur.

8. The Developer has reviewed and approved the information contained in the Limited Offering Memorandum under the captions "PLAN OF FINANCE — Development Plan", "THE MAJOR IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Major Improvements, and the Development, as defined in the Limited Offering Memorandum), "LEGAL MATTERS — Litigation — The Developer," "CONTINUING DISCLOSURE — The Developer," and the information supplied by the Developer for inclusion in the appendices to the Limited Offering Memorandum, and certifies that, as of the date of the Limited Offering Memorandum and as of the date hereof, the same does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading in respect of such Developer; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

9. Except as may otherwise be described in the Limited Offering Memorandum: (a) to the best of our knowledge, Developer is not in violation of, or in default with respect to, any law, zoning condition, land use permit, or development agreement binding upon the Developer or the Development that would materially and adversely affect the Developer's ability to complete development of the Development as described in the Limited Offering Memorandum; (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received; and (c) we have no reason to believe that any additional permits, consents, and licenses required to complete the Development as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

10. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed or consented to a petition in bankruptcy, petitioned or applied (or consented to any third party petition or application) to any tribunal for the appointment of a custodian, receiver, or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

11. The levy of the Assessments (as defined in the Limited Offering Memorandum) on property in the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, indenture, or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

12. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the development of the Development.

13. The Developer has no knowledge of any physical condition of the Development owned or to be developed by the Developer that currently requires, or currently is reasonably expected to require in the process of development investigation, or remediation under any applicable federal, state or local governmental laws or regulations relating to the environment in any material and adverse respect.

14. On the date that the Assessment Ordinance was adopted that the ownership of property within the District as set forth in the Preliminary Limited Offering Memorandum was true and correct including the identification of property for which homestead rights have been claimed.

Dated: _____, 2020

DEVELOPER:

**706 Investment Partnership, Ltd., a Texas
limited partnership**

By: _____
Name: _____
Its: _____

**706 Development Corporation, a Texas
corporation**

By: _____
Name: _____
Its: _____

APPENDIX F

[LETTERHEAD OF PID ADMINISTRATOR]

_____, 2020

City of Manor, Texas
105 E. Eggleston St.
Manor, Texas 78653

FMSbonds, Inc.
5 Cowboys Way
Suite 300-V
Frisco, Texas 75034

Bickerstaff Heath Delgado Acosta LLP
3711 S. MoPac Expy, Bldg One
Suite 300
Austin, Texas 78746

UMB Bank, N.A., Trustee
60234 W. Courtyard Drive, Ste 370
Austin, Texas 78730

Re: City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, of P3Works, LLC, consultant in connection with the administration by the City of Manor, Texas (the “City”), of Lagos Public Improvement District Major Improvement Area Project (the “District”), does hereby represent the following:

1. On behalf of P3Works, LLC, I have supplied certain information contained in the Preliminary Limited Offering Memorandum, dated _____, 2019 (the “Preliminary Limited Offering Memorandum”), and the final Limited Offering Memorandum, dated on or about December 18, 2019, (the “Limited Offering Memorandum”), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information I provided for the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is located under the captions “ASSESSMENT PROCEDURES” “THE PID ADMINISTRATOR,” and in the Service and Assessment Plan (the “SAP”) for the City located in APPENDIX B to the Limited Offering Memorandum.

2. To the best of my professional knowledge and belief, the portions of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum described above, as of the date of the Preliminary Limited Offering Memorandum, and the Limited Offering Memorandum, respectively, and as of the date hereof, do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the SAP in the Limited Offering Memorandum and to the use of the name of my firm in the Limited Offering Memorandum for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about January 22, 2020) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

P3WORKS, LLC

By: _____
Its: _____

APPENDIX G

[LETTERHEAD OF BRACEWELL]

_____, 2020

FMSbonds, Inc.
5 Cowboys Way
Suite 300-V
Frisco, Texas 75034

Re: \$3,120,000 City of Manor, Texas Special Assessment Revenue Bonds, Series 2019
(Lagos Public Improvement District Major Improvement Area Project)

Ladies and Gentlemen:

We have acted as counsel to you as Underwriter in connection with your purchase of \$3,120,000 City of Manor, Texas Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) (the “Bonds”), pursuant to that certain Bond Purchase Agreement (the “Bond Purchase Agreement”), dated as of December 18, 2019, by and between you and the City. The Bonds were issued under and pursuant to an ordinance (the “Bond Ordinance”) adopted by the City Council of the City of Manor (the “City”) on December 18, 2019, and an Indenture of Trust, dated as of December 1, 2019 (the “Indenture”), entered into by and between the City and UMB Bank, N.A., as the trustee (the “Trustee”). Unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Agreement.

Based on (1) our review of the Bond Ordinance, the Indenture and the Limited Offering Memorandum, (2) our discussions with Bond Counsel and with you, (3) our review of the documents, certificates, opinions and other instruments delivered at the closing of the sale of the Bonds on the date hereof, and (4) such other matters as we deem relevant, we are of the opinion that the Bonds are exempt securities under the Securities Act of 1933, as amended (the “1933 Act”), and the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”), and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act and Indenture is not required to be qualified under the Trust Indenture Act.

Based upon (1) our review of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (the “Rule”) and interpretive guidance published by the United States Securities and Exchange Commission relating thereto; (2) our review of the continuing disclosure undertaking of the City contained in the Continuing Disclosure Agreement of the City with respect to the Bonds; and (3) the inclusion in the Limited Offering Memorandum of a description of the specifics of such undertaking, and assuming that the Bond Ordinance, the Indenture, and the Continuing Disclosure Agreement of the City with respect to the Bonds have been duly adopted by the City and are in full force and effect, such undertaking provides a suitable basis for the Underwriter to make a reasonable determination that the City has met the qualifications of paragraph (b)(5)(i) of the Rule.

Although we have not verified and are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the information contained in the Limited Offering Memorandum, we have participated in the preparation of the Limited Offering Memorandum and without independent verification, no facts have come to our attention that have caused us to believe that the Limited Offering Memorandum (except as to (i) any financial, forecast, technical and statistical statements and data included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, (ii) the information regarding DTC and its book-entry system, and (iii) [“APPENDIX A – Form of Indenture,” “APPENDIX B – Service and Assessment Plan,” “APPENDIX C – Form of Opinion of Bond Counsel,” “APPENDIX E – Financing Agreement,” “APPENDIX F – Reimbursement Agreement,” “APPENDIX G – Appraisal Report,” and “APPENDIX H – Market Study,” in each case, as to which we are not called upon to express any opinion or belief) as of its date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

In conducting the review upon which the opinions expressed above have been based, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of copies of such documents submitted to us as certified or mechanically reproduced copies.

The opinions expressed herein are expressed only insofar as the laws of the State of Texas and the United States of America may be applicable.

The opinions expressed herein are for the sole benefit of you, and may only be relied upon by you in connection with your purchase of the Bonds from the City. This opinion may not be used or relied upon by any other person for any purpose whatsoever without, in each instance, our prior written consent.

RESPECTFULLY SUBMITTED,

APPENDIX H

[Letterhead of FLATO Realty Advisors, LLC]

[Date]

City of Manor, Texas
105 E. Eggleston St.
Manor, Texas 78653

FMSbonds, Inc.
5 Cowboys Way
Suite 300-V
Frisco, Texas 75034

UMB Bank, N.A., Trustee
6034 W. Courtyard Drive
Suite 370
Austin, Texas 78730

Bickerstaff Heath Delgado Acosta LLP
3711 S. MoPac Expy, Bldg One
Suite 300
Austin, Texas 78746

Re: \$_____ City of Manor, Texas, Special Assessment Revenue Bonds,
 Series 2019 (Lagos Public Improvement District Major Improvement Area Project)
 (the “Bonds”)

Ladies and Gentlemen:

The undersigned, _____, of FLATO Realty Advisors, LLC, appraiser of the property contained in the Lagos Public Improvement District (the “District”), does hereby represent the following:

1. On behalf of FLATO Realty Advisors, LLC, I have supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated _____ and the Limited Offering Memorandum for the Bonds, dated December 18, 2019 (together, the “Limited Offering Memorandum”), relating to the issuance of the Bonds by the City of Manor, Texas, as described above. The information I have provided is the real estate appraisal of the property in the District, located in Appendix G to the Limited Offering Memorandum, and the description thereof, set forth under the caption “APPRAISAL OF PROPERTY WITHIN THE DISTRICT – The Appraisal.”

2. To the best of my professional knowledge and belief, as of the date of my report, the portion of the Limited Offering Memorandum described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to

state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

3. I agree to the use of the name of my firm in the Limited Offering Memorandum for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about January 22, 2020) which would render any such information in the Limited Offering Memorandum untrue, incomplete, or incorrect, in any material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

FLATO REALTY ADVISORS, LLC

By: _____
Its: _____

EXHIBIT C
CONTINUING DISCLOSURE AGREEMENT
OF THE ISSUER

**CITY OF MANOR, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2019
(LAGOS PUBLIC IMPROVEMENT DISTRICT MAJOR IMPROVEMENT AREA
PROJECT)**

CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

This Continuing Disclosure Agreement of the Issuer dated as of December 18, 2019 (this “Disclosure Agreement”) is executed and delivered by and between the City of Manor, Texas (the “Issuer”), P3Works, LLC (the “Administrator”) and UMB Bank, N.A., Austin, Texas, acting solely in its capacity as dissemination agent (the “Dissemination Agent”) with respect to the Issuer’s “Special Assessment Revenue Bonds, Series 2019 (Lagos Public Improvement District Major Improvement Area Project) (the “Bonds”). The Issuer and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Agreement shall be filed with the MSRB through EMMA (defined below).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of December 1, 2019 between the Issuer and the Trustee relating to the Bonds (the “Indenture”), which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrator” shall mean P3Works, LLC, or an officer or employee of the City or third party designee of the City who is not an officer or employee thereof, identified in any indenture of trust relating to the Bonds or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District.

“Affiliate” shall mean an entity that owns property within the District and is controlled by, controls, or is under common control with the Developer, including any Subsequent Third Party Owner.

“Annual Collection Costs” shall have the meaning assigned to such term in the Indenture.

“Annual Financial Information” shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

“Annual Installment” shall have the meaning assigned to such term in the Indenture.

“Annual Issuer Report” shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Assessments” shall have the meaning assigned to such term in the Indenture.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

“Developer” shall mean 706 Development Corporation, a Texas corporation, 706 Investment Partnership, Ltd., a Texas limited partnership, and their successors and assigns, including any Affiliate of the Developer.

“Disclosure Agreement of the Developer” shall mean the Continuing Disclosure Agreement of the Developer dated as of the date hereof, executed and delivered by the Developer, the Administrator and the Dissemination Agent.

“Disclosure Representative” shall mean such officer or employee of the Issuer as the Issuer may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean UMB Bank, N.A., Austin, Texas, a national banking association duly organized and existing under the laws of the United States in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Lagos Public Improvement District.

“EMMA” shall mean the Electronic Municipal Market Access System administered by the MSRB which, as of the date of this Disclosure Agreement, is available on the internet at <http://emma.msrb.org>.

“Fiscal Year” shall mean the calendar year from October 1 through September 30.

“Foreclosure Proceeds” shall have the meaning assigned to such term in the Indenture.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

“Outstanding” shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under the Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture.

“Owner” shall mean the registered owner of any Bonds, as shown on the register maintained by the Trustee.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall have the meaning assigned to such term in the Indenture.

“Tax-exempt” shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax liability.

“Trustee” shall mean UMB Bank, N.A., Austin, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as Trustee, or any successor trustee pursuant to the Indenture.

Section 3. Provision of Annual Issuer Reports.

(a) The Issuer shall cause and hereby directs the Administrator to compile and prepare the Annual Issuer Report. The Administrator shall provide such Annual Issuer Report to the Issuer and the Dissemination Agent no later than 10 Business Days before the expiration of six months after the end of each Fiscal Year.

(b) The Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other form required by the MSRB, commencing with the Fiscal Year ended September 30, 2019, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer, if prepared and available, may be submitted separately from the Annual Issuer Report, and later than the date required in this paragraph for the filing of the Annual Issuer Report if audited financial statements are not available by that date; provided further, however, that the Annual Financial Information must be submitted not later than six months after the end of the Issuer’s Fiscal Year. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a). All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(c) The Issuer shall or shall cause the Dissemination Agent to:

(1) determine the filing address or other filing location of the MSRB each year within ten (10) Business Days prior to filing the Annual Issuer Report on the date required in subsection (a);

(2) file the Annual Issuer Report (excluding the audited financial statements of the Issuer, if any, which shall be filed by the Issuer or the Dissemination Agent upon receipt

from the Issuer) containing or incorporating by reference the information set forth in Section 4 hereof;

(3) file audited financial statements of the Issuer pursuant to Section 4(b) herein; and

(4) if the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB.

Section 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) Within six months after the end of each Fiscal Year (any or all of which may be unaudited),

(1) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding; and

(B) The amounts in the funds and accounts securing the Bonds.

(2) The principal and interest paid on the Bonds during such Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

(3) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Assessments.

(4) The individual and aggregate taxable assessed valuation for parcels or lots within the District, based on the most recent certified tax roll available to the Issuer.

(5) Listing of any District property of property owners representing more than five percent (5%) of the levy of Assessments, the amount of the levy of Assessments against such property owners, and the percentage of such Assessments relative to the entire levy of Assessments within the District, based on the most recent certified tax roll available to the Issuer.

(6) The current or delinquent status of the payment of the Assessments for each parcel or lot in the District as of March 1 of the calendar year immediately succeeding such Fiscal Year.

(7) The total amount of (A) Annual Installments invoiced, (B) Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator), (C) delinquent Annual Installments and the length of time of such delinquency, (D) delinquent Assessments collected, (E) Foreclosure Proceeds collected, and (F) prepaid Assessments collected, as of the March 1 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).

(8) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer.

The Issuer has designated P3Works, LLC as the initial Administrator. The Administrator, or the Issuer's staff if no Administrator is designated, shall prepare the Annual Financial Information.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Nonpayment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

- (7) Modifications to rights of Owners, if material.

- (8) Bond calls, if material.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of bonds, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the Issuer.
- (13) The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreements to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

The Issuer does not intend for any sale by the Developer of real property within Major Improvement Area to be considered a significant event for the purposes of paragraph (10) above.

For these purposes, “financial obligation” means (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule. The Issuer intends the words used in paragraphs (15) and (16) and the definition of “financial obligation” to have the meanings ascribed to them in SEC Release No. 34-83885 (August 20, 2018).

For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental

authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice within ten (10) Business Days of the occurrence of such Listed Event; provided that the Dissemination Agent shall not be liable for the filing of notice of any Listed Event more than ten (10) Business Days after the occurrence of such Listed Event if notice of such Listed Event is received from the Issuer more than ten (10) Business Days after the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide annual audited financial statements or Annual Financial Information as required under this Disclosure Agreement. The form for submitting such notice is attached hereto as **Exhibit A**.

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. The Issuer acknowledges the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8, 10, 13, 14 or 15 of subsection (a) above is not material under applicable federal securities laws, the Issuer shall promptly notify the

Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

Section 6. Termination of Reporting Obligations. The obligations of the Issuer and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to such series of Bonds under Section 5(a).

Section 7. Dissemination Agent. The Dissemination Agent agrees to perform the duties set forth in this Agreement. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder is set forth in Section 2.

Section 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Bond Disclosure Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Indenture), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of the Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent and Administrator. The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be

read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Assessments collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

The Administrator shall not have any responsibility for the (1) accuracy of any information provided by third parties or the Issuer for the disclosures made pursuant to the terms hereof, or (2) the untimeliness of any information provided by third parties or the Issuer for the disclosures made pursuant to the terms hereof, except where such untimeliness is attributable to the actions or inactions of the Administrator. The Administrator shall have only such duties as are specifically set forth in Sections 3 and 4 of this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Assessments collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability resulting from information provided to the Administrator by the Issuer, but excluding liabilities due to the Administrator's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties or the Developer, or the failure of any third party or the Developer to provide information to the Administrator as and when required under this Agreement. The obligations of the Issuer under this Section shall survive

resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an “obligated person” under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, THE ADMINISTRATOR OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. NEITHER THE DISSEMINATION AGENT NOR THE ADMINISTRATOR ARE UNDER ANY OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

Section 12. Assessment Timeline. The basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit B which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments.

Section 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator or the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer, the Administrator or the Dissemination Agent in other than that person's official capacity.

Section 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application

thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 15. Sovereign Immunity. The Dissemination Agent agrees that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

Section 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

Section 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Dissemination Agent has entered into a separate agreement with the Issuer, which agreement provides for the payment of fees and expenses of the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement.

Section 18. Administrator Compensation. The fees and expenses incurred by the Administrator for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of the District, including the payment of the fees and expenses of the Administrator for its services rendered in accordance with this Disclosure Agreement.

Section 19. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

Section 20. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 22. Anti-Boycott Verification. Pursuant to Section 2271.002, Texas Government Code, the Dissemination Agent and the Administrator hereby verify that neither the Dissemination Agent, the Administrator nor any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator, if any, boycott Israel and, to the extent this Disclosure Agreement is a contract for goods or services, will not boycott Israel during the term of this Disclosure Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable federal or State law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with

Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Dissemination Agent and the Administrator understand “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator and exists to make a profit.

Section 23. Iran, Sudan, and Foreign Terrorist Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, the Dissemination Agent and the Administrator represent that neither the Dissemination Agent, the Administrator nor any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.1 53 or Section 2270.020, Texas Government Code, and posted on any of the following pages of such officer’s Internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable federal or State law and excludes the Dissemination Agent, the Administrator and each parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Dissemination Agent or the Administrator, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Dissemination Agent and the Administrator understand "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator and exists to make a profit.

Section 24. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement.

[remainder of page left blank intentionally]

CITY OF MANOR, TEXAS

By: _____
Thomas Bolt, City Manager

UMB Bank, N.A.
(as Dissemination Agent)

By: _____
Authorized Officer

ADMINISTRATOR:

P3Works, LLC a Texas limited liability
company

By: _____
Name: _____
Title: _____

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO FILE
ANNUAL ISSUER REPORT**

Name of Issuer: City of Manor, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2019
(Lagos Public Improvement District Major Improvement Area Project)
Date of Delivery: _____

NOTICE IS HEREBY GIVEN that the City of Manor, Texas, has not provided [an Annual Issuer Report][annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement dated December 18, 2019, between the Issuer and UMB Bank, N.A. as Dissemination Agent. The Issuer anticipates that [the Annual Issuer Report][annual audited financial statements] will be filed by _____.

Dated: _____

UMB Bank, N.A.
(as Dissemination Agent)

By: _____
Title: _____

cc: City of Manor, Texas

EXHIBIT B

BASIC TIMELINE FOR SPECIAL ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Assessments are due.
February 1	1	Assessments Delinquent if not received
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter.
		Issuer and/or Administrator should be aware if Reserve Fund needs to be utilized for debt service payment on March 15. If there is to be a shortfall, the Trustee and Dissemination Agent should be immediately notified.
		Issuer and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment
		At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for commencement of foreclosure.
		If there are over 5% delinquencies or if there is inadequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will proceed against all delinquent properties.
February 15	15	Issuer and/or Administrator should be aware of actual and specific delinquencies
March 15		Trustee pays bond interest payments to bondholders.
		Reserve Fund payment to Bond Fund may be required if Assessments are below approximately 50% collection rate.

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
		Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or Fund for debt service.
		Use of Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties.
		Issuer determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments.
March 31	59/60	Issuer and/or Administrator to notify Dissemination Agent for disclosure to MSRB of all delinquencies in the form of the Annual Issuer Report or otherwise.
		If any property owner with ownership of property responsible for more than \$10,000 of the Assessments is delinquent or if a total of delinquencies is over 5%, or if it is expected that Reserve Fund moneys will need to be utilized for either the March or September bond payments, the Disclosure Representative shall work with City Attorney's office, or the appropriate designee, to satisfy payment of all delinquent Assessments.
April 15	74/75	Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent of the commencement of preliminary foreclosure activity.
		If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer.
May 1	89/90	If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the bondholders under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
May 15	103/104	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those bondholders who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than June 1 (day 120/121).
June 1	120/121	Foreclosure action to be filed with the court.

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
June 15	134/135	Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status. Dissemination Agent notifies bondholders.
July 1	150/151	If bondholders and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

EXHIBIT D

**UPDATED SERVICE AND ASSESSMENT PLAN
WITH UPDATED ASSESSMENT ROLL**

OCTOBER 2, 2019



AUSTIN, TX | KELLER, TX

TABLE OF CONTENTS

Table of Contents	1
Introduction	2
Section I: Definitions	2
Section II: The District	8
Section III: Authorized Improvements	8
Section IV: Service Plan	10
Section V: Assessment Plan	10
Section VI: Terms of the Assessments	12
Section VII: Assessment Roll	16
Section VIII: Additional Provisions	16
List of Exhibits	18
Exhibit A – District Legal Description	19
Exhibit B – District Boundary Map	21
Exhibit C – Authorized Improvements	23
Exhibit D – Service Plan	24
Exhibit E – Sources and Uses	25
Exhibit F – Major Improvement Area Assessment Roll	26
Exhibit G-1 – Major Improvement Area Annual Installments	29
Exhibit G-2 – Lot Type 1 Annual Installments	30
Exhibit G-3 – Lot Type 2 Annual Installments	31
Exhibit H – Major Improvements Allocation	32
Exhibit I – Maps of Major Improvements	33
Exhibit J – Notice of PID Assessment Termination	34
Exhibit K-1 – Phase 1 Commercial Legal Description	37
Exhibit K-2 – Phase 1 Plat	39
Exhibit L – Concept and Phasing Plan	43

INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in Section I unless otherwise defined in this Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section” or an “Exhibit” shall be a reference to a Section of this Service and Assessment Plan or an Exhibit attached to and made a part of this Service and Assessment Plan for all purposes.

On March 20, 2019, the City passed and approved a resolution authorizing the creation of the District in accordance with the PID Act, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 173 acres located within the City, as described by metes and bounds on **Exhibit A** and depicted on **Exhibit B**.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the service plan include an assessment plan that assesses the actual costs of the authorized improvements against the District based on the special benefits conferred on the District by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an assessment roll that states the assessment against each parcel determined by the method chosen by the City. The assessment against each assessed property must be sufficient to pay its share of the actual costs apportioned to the assessed property and cannot exceed the special benefit conferred on the assessed property by the authorized improvements. The Major Improvement Area Assessment Roll is included as **Exhibit F**.

SECTION I: DEFINITIONS

“Actual Costs” means, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner: (1) to plan, finance, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities. Actual Costs shall not include general contractor’s fees in an amount that exceeds a

percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsections (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

“Additional Interest” means the amount collected by application of the Additional Interest Rate.

“Additional Interest Rate” means the 0.50% additional interest charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

“Administrator” means the City or the person or firm designated by the City who shall have the responsibility provided in this Service and Assessment Plan, an Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District.

“Annual Collection Costs” means the actual or budgeted costs and expenses related to the creation and operation of the District, the issuance and sale of PID Bonds, and the construction, operation, and maintenance of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) issuing, paying, and redeeming PID Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with this Service and Assessment Plan and the PID Act with respect to the administration of a reimbursement agreement and the issuance and sale of PID Bonds, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“Annual Installment” means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

“Annual Service Plan Update” means an update to the Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Assessed Property” means any Parcel against which an Assessment is levied.

“Assessment” means an assessment levied against a Parcel and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, subject to

reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

“Assessment Ordinance” means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment.

“Assessment Plan” means the methodology employed to assess the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements, more specifically described in **Section V**.

“Assessment Roll” means the Assessment Roll for the Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein, and in the PID Act, including any Annual Service Plan Updates. The Major Improvement Area Assessment Roll is included in this Service and Assessment Plan as **Exhibit F**.

“Authorized Improvements” means improvements authorized by Section 372.003 of the PID Act, including Major Improvements and District Formation and Bond Issuance Costs, as described in **Section III**.

“City” means the City of Manor, Texas.

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

“County” means Travis County, Texas.

“Delinquent Collection Costs” means, for a Parcel, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan, including costs and expenses to foreclose liens.

“District” means this Lagos Public Improvement District containing approximately 173 acres located within the City and shown on **Exhibit B** and more specifically described in **Exhibit A**.

“District Formation and Bond Issuance Costs” means the costs associated with forming the District and issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, first year Annual Collection Costs, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the establishment of the District and/or the issuance of PID Bonds.

“Indenture” means an Indenture of Trust entered into in connection with the issuance of PID Bonds, as amended or supplemented from time to time, between the City and a Trustee setting forth terms and conditions related to PID Bonds.

“Landowner” means, collectively, 706 Investment Partnership, Ltd., a Texas limited partnership, 706 Development Corporation, a Texas corporation and Ashton Austin Residential, LLC, a Texas limited liability company, and any successor and assigns.

“Lot” means (1) for any portion of the District for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a “lot” in such subdivision plat, and (2) for any portion of the District for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. commercial, light industrial, multi-family, single-family residential, etc.), as determined by the Administrator and confirmed and approved by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the estimated buildout value of the Lot as determined by the Administrator and confirmed and approved by the City Council.

“Lot Type 1” means a Lot in the Phase 1 Plat of the Master Improvement Area designated as such on the Master Improvement Area Assessment Roll, marketed or sold to homebuilders as a 50’ Lot. The Annual Installments for Lot Type 1 Lots are attached as **Exhibit G-2**.

“Lot Type 2” means a Lot in the Phase 1 Plat of the Master Improvement Area designated as such on the Master Improvement Area Assessment Roll, marketed or sold to homebuilders as a 60’ Lot. The Annual Installments for Lot Type 2 Lots are attached as **Exhibit G-3**.

“Major Improvement Area” means all of the Parcels within District, as shown on **Exhibit B** and more specifically described in **Exhibit A**.

“Major Improvement Area Annual Installment” means the annual installment payment of the Major Improvement Area Assessment as calculated by the Administrator and approved by the City Council that includes: (1) principal, (2) interest, (3) Annual Collection Costs, and (4) Additional Interest.

“Major Improvement Area Assessed Property” means any Parcel within the Major Improvement Area against which a Major Improvement Area Assessment is levied.

“Major Improvement Area Assessment” means an Assessment levied against the Major Improvement Area Assessed Property and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Major Improvement Area Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

“Major Improvement Area Assessment Roll” means the Assessment Roll for the Major Improvement Area Assessed Property and included in this Service and Assessment Plan as **Exhibit F**, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in connection with any Annual Service Plan Update.

“Major Improvement Area Bonds” mean those certain “City of Manor, Texas, Special Assessment Revenue Bonds, Series 2019 (Lagos – City of Manor Public Improvement District Major Improvement Area)”.

“Major Improvements” mean the public improvements authorized the PID Act that provide a special benefit to all of the Major Improvement Area Assessed Property.

“Maximum Assessment” means, for each Lot Type, \$3.26 per \$100 of estimated buildout value, inclusive of all other taxing entities. The estimated buildout value for a Lot Type shall be determined by the Administrator and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other information that may help determine assessed value. The Maximum Assessment shall be calculated for Parcels at the time a final plat is filed and recorded. **Exhibit H** shows the equivalent tax rate per \$100 of estimated buildout value for the Major Improvement Area Assessment.

“Non-Benefited Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property is identified as Non-Benefited Property at the time the Assessments (1) are levied or (2) are reallocated pursuant to a subdivision of a Parcel that receives no benefit.

“Owner” means, collectively, 706 Development Corporation, a Texas corporation, 706 Investment Partnership, Ltd., a Texas limited partnership, and, where applicable, their designated successors and assigns under the Acquisition and Reimbursement Agreement.

“Parcel(s)” means a property, within the District, identified by either a tax map identification number assigned by the Travis Central Appraisal District for real property tax purposes, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the City.

“Phase 1 Commercial” means the 4.120 acres of commercial area described by metes and bounds in **Exhibit K-1**.

“Phase 1 Plat” means the “Lagos Phase 1 Final Plat” recorded in the official public records of Travis County on March 16, 2018, attached hereto as **Exhibit K-2**.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“PID Bonds” mean bonds issued by the City to finance the Actual Costs of the Authorized Improvements including the Major Improvement Area Bonds.

“Prepayment” means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment of the Assessment.

“Prepayment Costs” mean interest and Annual Collection Costs incurred up to the date of Prepayment.

“Remainder Parcel” means the property located within the Major Improvement Area save and except any property contained within the Phase 1 Plat and the Phase 1 Commercial.

“Service and Assessment Plan” means this Service and Assessment Plan as amended.

“Service Plan” means the plan that defines the annual indebtedness and projected costs of the Authorized Improvements, and covers a period of at least five years, more specifically described in **Section IV**.

“Trustee” means a trustee (or successor trustee) under the applicable Indenture.

SECTION II: THE DISTRICT

The District includes approximately 173 contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit A** and depicted on **Exhibit B**. The Major Improvement Area includes all the Parcels within the District and is anticipated to be developed as 497 single-family residential units, 124 Village Cluster residential units, and 313,768 square feet of commercial use.

SECTION III: AUTHORIZED IMPROVEMENTS

The City Council, based on information provided by the Landowner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the Authorized Improvements confer a special benefit on the Assessed Property. The budget for the Authorized Improvements is shown on **Exhibit C**, and a map depicting the Major Improvements is shown on **Exhibit I**.

A. Major Improvements

- *Amenity Pond*

Includes one gazebo, trailhead monument, 3,000 LF lake trail system, site landscaping, site sod and revegetation. Irrigation, fishing points and habitat for waterfowl and picnic spots.

- *Murchison Street*

Includes entry landscape improvements, lighting allowance, water, wastewater, storm water management, erosion control/clearing/rough cut, pavement and appurtenances and miscellaneous items

- *Lapoynor Street*

Includes entry landscape improvements, lighting allowance, water, wastewater, storm water management, erosion control/clearing/rough cut, pavement and appurtenances and miscellaneous items

- *S. San Marcos Street*

Includes entry landscape improvements, lighting allowance, water, wastewater, storm water management, erosion control/clearing/rough cut, pavement and appurtenances and miscellaneous items

- *Lagos Grandes Way*

Includes entry landscape improvements, lighting allowance, water, wastewater, storm water management, erosion control/clearing/rough cut, pavement and appurtenances and miscellaneous items

- *FM 973*

Includes sidewalks and striping improvements

- *Brenham Street*

Includes paving associated with turn lanes

- *Soft Costs*

Include engineering services; development fees including design, and other professional services, and a construction management fee of 4% of hard cost; and performance and payment bonds.

B. District Formation and Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount required to fund a reserve under an applicable Indenture.

- *Capitalized Interest*

Equals the amount of capitalized interest available for payment of interest on PID Bonds as reflected in an applicable Indenture.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds and includes a fee for underwriter's counsel.

- *Cost of Issuance*

Costs associated with issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, County costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

- *District Formation*

First year Annual Collection Costs and other costs and expenses directly associated with forming the District.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan must be reviewed and updated, at least annually, and approved by the City Council. **Exhibit D** summarizes the Service Plan for the District.

Exhibit E summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit E** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance reasonable classifications and formulas for the apportionment of the cost between the municipality or the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Landowner and all future owners and developers of the Assessed Property.

A. Assessment Methodology

The City Council, acting in its legislative capacity based on information provided by the Landowner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the Major Improvements shall be allocated to the Major Improvement Area Assessed Property pro rata based on estimated buildout value of each Parcel, as shown on **Exhibit H**.

B. Assessments

Major Improvement Area Assessments will be levied on the Major Improvement Area Assessed Property as shown on the Major Improvement Area Assessment Roll, attached hereto as **Exhibit F**. The projected Major Improvement Area Annual Installments are shown on **Exhibit G-1**, Lot Type 1 Annual Installments are shown on **Exhibit G-2** and Lot Type 2 Annual Installments are shown on **Exhibit G-3**.

C. Findings of Special Benefit

The City Council, acting in its legislative capacity based on information provided by the Landowner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has found and determined:

▪ Major Improvement Area

1. Major Improvement Area's allocable share of the Authorized Improvements equal \$3,123,396, as shown on **Exhibit C**; and
2. The Major Improvement Area Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Costs of the Authorized Improvements; and
3. The Major Improvement Area Assessed Property will be allocated 100% of the Major Improvement Area Assessments, which equal \$3,120,000, as shown on the Major Improvement Area Assessment Roll attached hereto as **Exhibit F**; and
4. The special benefit ($\geq \$3,123,396$) received by the Major Improvement Area Assessed Property from the Authorized Improvements is equal to or greater than the amount of the Major Improvement Area Assessments (\$3,120,000) levied on the Major Improvement Area Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Assessed Property. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Interest on Assessments Securing PID Bonds

The interest rate on Assessments levied on the Assessed Property may exceed the interest rate on the PID Bonds by the Additional Interest Rate. Interest at the rate of the PID Bonds and the Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

A. Reallocation of Assessments

1. *Upon Division Prior to Recording of Subdivision Plat*

Upon the division of any Assessed Property (without the recording of subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the estimated buildout value of the newly divided Assessed Property

D = the sum of the estimated buildout value for all of the newly divided Assessed Properties

The calculation of the buildout value of an Assessed Property shall be performed by the Administrator based on information from the Landowner, homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The calculation as confirmed by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

2. *Upon Subdivision by a Recorded Subdivision Plat*

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on buildout value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the estimated average buildout value of all newly subdivided Lots with same Lot Type

D = the sum of the estimated average buildout value for all of the newly subdivided Lots excluding Non-Benefited Property

E = the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Landowner shall provide the City an estimated buildout value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat considering factors such as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, discussions with homebuilders, and any other factors that may impact value. The calculation of the estimated average buildout value for a Lot shall be performed by the Administrator and confirmed by the City Council based on information provided by the Landowner, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update.

B. True-Up of Assessments if Maximum Assessment Exceeded

Prior to the approval of a final subdivision plat, the Administrator shall certify that the final plat will not cause the Assessment for any Lot Type to exceed the Maximum Assessment. If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the applicable Maximum Assessment for such Lot Type, the Landowner shall partially prepay the Assessment for each Assessed Property that exceeds the applicable Maximum Assessment for such Lot Type in an amount sufficient to reduce the Assessment to the applicable Maximum Assessment for such Lot Type. The City's approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such Assessments.

C. Mandatory Prepayment of Assessments

If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the owner transferring the Assessed Property shall pay to the Administrator the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the transfer. If the owner of the Assessed Property causes the Assessed Property to become Non-Benefited Property, the owner causing the change in status shall pay the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

D. Reduction of Assessments

If as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, City Council, upon review and approval, shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. Excess PID Bond proceeds shall be applied to redeem outstanding PID Bonds. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Interest costs from the date of prepayment to the date of redemption of the applicable PID Bonds, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is paid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the owner with a recordable "Notice of PID Assessment Termination," a form of which is attached hereto as **Exhibit J**.

If an Assessment is paid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit to the City Council for review and approval

as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent of the prepayment made.

F. Payment of Assessment in Annual Installments

Exhibit G-1 shows the projected Major Improvement Area Annual Installments, **Exhibit G-2** shows the Lot Type 1 Annual Installments and **Exhibit G-3** shows the Lot Type 2 Annual Installments. Assessments that are not paid in full shall be due and payable in Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. Annual Collection Costs shall be allocated pro rata among Parcels for which the Assessments remain unpaid based on the amount of outstanding Assessment on each Parcel. Annual Installments shall be collected in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay the Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments shall be due when billed and shall be delinquent if not paid prior to February 1, 2020.

G. Allocating Annual Installments if Assessed Property is Sold

If Assessed Property is sold, the Annual Installment shall be allocated between the buyer and seller in the same methodology as property taxes.

SECTION VII: ASSESSMENT ROLL

The Major Improvement Area Assessment Roll is attached as **Exhibit F**. The Administrator shall prepare and submit to the City Council for review and approval, proposed revisions to the Major Improvement Area Assessment Roll and Major Improvement Area Annual Installments for each Parcel within the Major Improvement Area Assessed Property as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of each year following City Council approval of the calculation; otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an owner the Administrator shall provide a written response to the City Council and the owner within 30 days of such referral. The City Council shall consider the owner's notice of error and the Administrator's response at a City Council meeting, and within 30 days after closing such meeting, the City Council shall make a final determination as to whether or not an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the Bond Order, or the Trust Indenture, or is otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners or developers adversely affected by the interpretation. Appeals shall be decided at a meeting of the City Council during which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners and developers and their successors and assigns.

D. Severability

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

LIST OF EXHIBITS

Exhibit A	District Legal Description
Exhibit B	District Boundary Map
Exhibit C	Authorized Improvements
Exhibit D	Service Plan
Exhibit E	Sources and Uses
Exhibit F	Major Improvement Area Assessment Roll
Exhibit G-1	Major Improvement Area Annual Installments
Exhibit G-2	Lot Type 1 Annual Installments
Exhibit G-3	Lot Type 2 Annual Installments
Exhibit H	Major Improvements Allocation
Exhibit I	Maps of Major Improvements
Exhibit J	Notice of PID Assessment Termination
Exhibit K-1	Phase 1 Commercial Legal Description
Exhibit K-2	Phase 1 Plat
Exhibit L	Concept and Phasing Plan

EXHIBIT A – DISTRICT LEGAL DESCRIPTION

LEGAL DESCRIPTION 173.212 ACRES OF LAND

173.212 acres of land located in James Manor Survey No. 40, Abstract No. 546, the Calvin Barker Survey No. 38, Abstract No. 58, the James Manor Survey No. 39, Abstract No. 528, the James H. Manor Survey No. 37, Abstract No. 520 Travis County, Texas and being a portion of that certain tract of land conveyed to 706 Investment Partnership, LTD., a Texas limited partnership, as described in Document Number 2005114143, Official Public Records of Travis County, Texas; said 173.212 acres being more particularly described as follows:

BEGINNING, at a set ½ inch iron rod with KHA cap, marking the intersection of the southerly right of way line of Blake Manor Road (variable right of way), with the easterly right of way line of F.M. 973, same being the northwesterly corner of said 706 Investment Partnership, LTD. Tract;

THENCE, along the southerly line of said Blake Manor Road, the following courses:

South 79deg 43' 00" East, a distance of 1399.04 feet, to a found ½ inch iron rod with cap;
North 27deg 58' 57" East, a distance of 1.64 feet, to a found ½ inch iron rod with cap;
Southeasterly, along the arc of a curve to the right having a radius of 785.51 feet, a central angle of 12deg 02' 09", an arc length of 165.01 feet and a chord bearing: South 64deg 48' 28" East, 164.70 feet, to a found ½ inch iron rod with cap;
South 58deg 53' 38" East, a distance of 851.34 feet, to a found ½ inch iron rod with cap;
Southeasterly, along the arc of a curve to the right having a radius of 785.51 feet, a central angle of 29deg 49' 04", an arc length of 408.79 feet and a chord bearing: South 44deg 01' 37" East, 404.20 feet, to a found ½ inch iron rod with cap;
South 29deg 04' 06" East, a distance of 1115.99 feet, to a set ½ inch iron rod with "KHA" cap;

THENCE, leaving the southerly line of Blake Manor Road and across the said 706 Investment Partnership, LTD. tract, the following courses:

South 61deg 50' 31" West, a distance of 2766.50 feet, to a set ½ inch iron rod with "KHA" cap;
Southwesterly, along the arc of a curve to the right having a radius of 1000.00 feet, a central angle of 36deg 16' 07", an arc length of 633.01 feet and a chord bearing: South 80deg 00' 08" West, 622.49 feet, to a found ½ inch iron rod with cap;
North 81deg 51' 49" West, a distance of 626.86 feet, to a set ½ inch iron rod with "KHA" cap located in the easterly right of way line of said F.M. 973;

THENCE, along the easterly line of said F.M. 973, the following courses:

North 4°17'10" East, 131.97 feet to a point of for corner;
Northeasterly, along the arc of a curve to the right having a radius of 5679.58 feet, a central angle of 6deg 07' 33", an arc length of 607.25 feet and a chord bearing: North 7deg 22' 34" West, 606.96 feet, to a found ½ inch iron rod with cap marking the southwestern-most corner of that certain 13.34 acre tract of land conveyed to the Board of Trustees of the Manor Independent School District, as described in Document Number 2015151286, Official Public Records of Travis County, Texas;

THENCE, departing the easterly line of said F.M. 973 and along the boundary of said 13.34 acre tract, the following courses:

South 76°23'26" East, a distance of 256.24 feet to a found ½ inch iron rod with cap for corner;
South 80°30'13" East, a distance of 398.47 feet to a found ½ inch iron rod with cap for corner;
South 87°44'52" East, a distance of 225.56 feet to a found ½ inch iron rod with cap for corner;
North 48°03'21" East, a distance of 396.94 feet to a found ½ inch iron rod with cap of for corner;
Northwesterly, along the arc of a curve to the left having a radius of 1365.00 feet, a central angle of 37deg 04' 43", an arc length of 883.35 feet and a chord bearing: North 60deg 29' 01" East, 868.02 feet, to a found ½ inch iron rod with cap;
North 79°01'23" West, a distance of 268.98 feet to a found ½ inch iron rod with cap of curvature;

Lagos PID – 173.212 acres

Job No. 069241738 – February 22, 2019- Page 1 of 3

JGM
2-22-2019

Southwesterly, along the arc of a curve to the left having a radius of 25.00 feet, a central angle of 90deg 00' 48", an arc length of 39.28 feet and a chord bearing: South 55deg 58' 13" West, 35.36 feet, to a found ½ inch iron rod with cap located in the easterly right of way line of said F.M. 973;

THENCE, North 10°57'49" East, a distance of 2063.79 feet along the easterly right of way line of said F.M. 973 to the **POINT OF BEGINNING**, and containing 173.212 acres of land in Travis County, Texas, as shown in the document saved in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.

Basis of Bearings are based on the Texas State Plane Coordinate System (Central Zone, NAD83) which is based GPS observation.

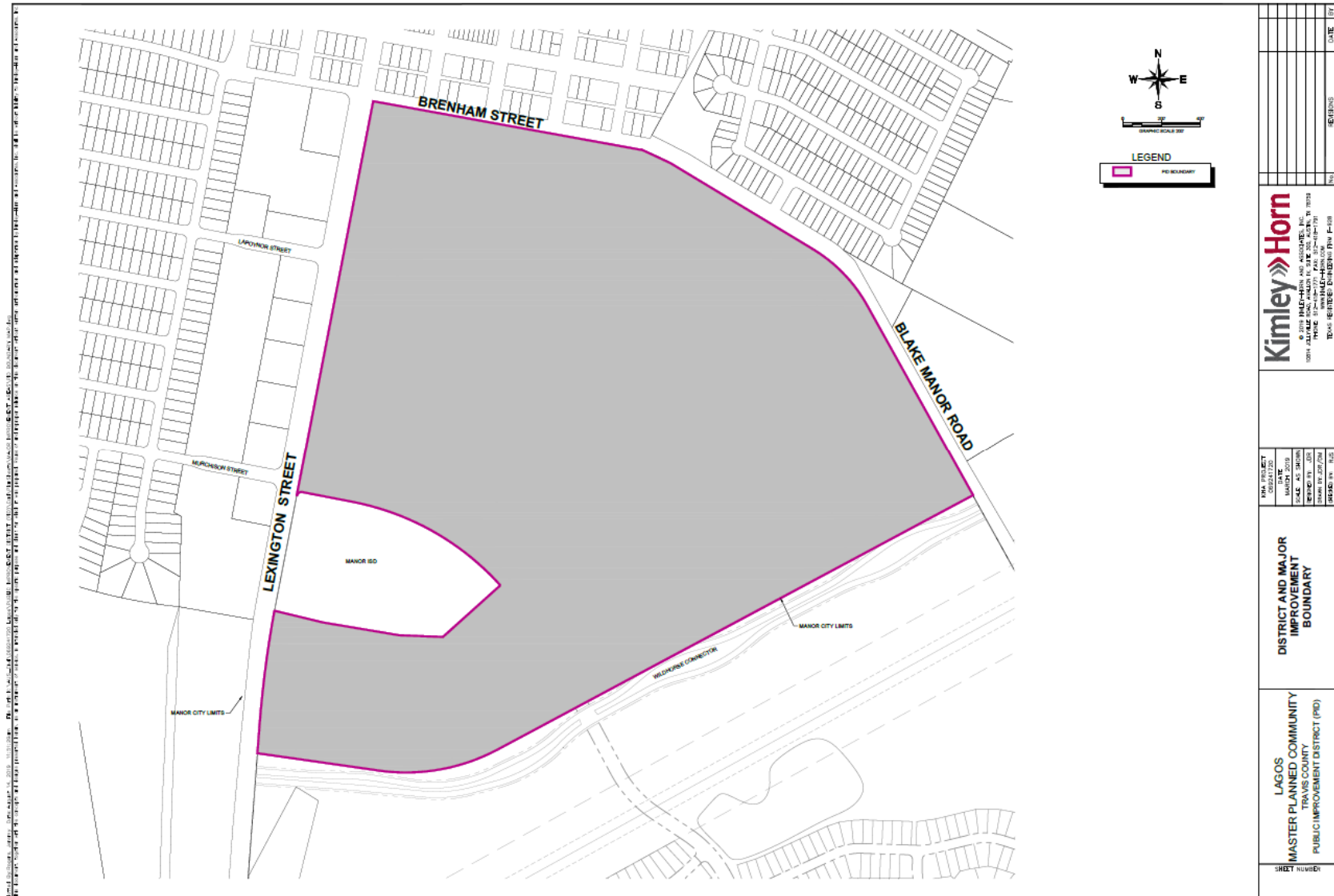
This document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

John G. Mosier 2-22-2019

John G. Mosier
Registered Professional Land Surveyor No. 6330
Kimley-Horn and Associates, Inc.
601 NW Loop 410, Suite 350
San Antonio, Texas 78216
Ph. 210-541-9166



EXHIBIT B – DISTRICT BOUNDARY MAP





Kimley»Horn <small>© 2014 KIMLEY-HORN AND ASSOCIATES, INC. 10001 N. MICHIGAN AVE., SUITE 1000, DALLAS, TEXAS 75243 PHONE: 972-440-1000 FAX: 972-440-1001 TEXAS LICENSED ENGINEER BY #108</small>	REMAINING PARCEL MAP (PHASES 2-5)		LAGOS MASTER PLANNED COMMUNITY TRAVIS COUNTY PUBLIC IMPROVEMENT DISTRICT (PID)		SHEET NUMBER
	DATE MARCH 2015	SCALE AS SHOWN	PROJECT NO. 15-001	DATE 03/11/15	DATE 03/11/15

EXHIBIT C – AUTHORIZED IMPROVEMENTS

	Total Costs	Phase 1		Phase 2		Phase 3		Phase 4		Phase 5	
		%	Cost	%	Cost	%	Cost	%	Cost	%	Cost
<i>Major Improvements</i>											
Amenity Pond	\$ 1,194,440	27.60%	\$ 329,616	17.86%	\$ 213,327	18.34%	\$ 219,085	17.86%	\$ 213,327	18.34%	\$ 219,085
Murchison Street	230,300	27.60%	63,553	17.86%	41,132	18.34%	42,242	17.86%	41,132	18.34%	42,242
Lapoynor Street	143,350	27.60%	39,559	17.86%	25,602	18.34%	26,293	17.86%	25,602	18.34%	26,293
S. San Marcos Street	126,900	27.60%	35,019	17.86%	22,664	18.34%	23,276	17.86%	22,664	18.34%	23,276
Lagos Grandes Way	204,450	27.60%	56,420	17.86%	36,515	18.34%	37,500	17.86%	36,515	18.34%	37,500
FM 973	100,000	27.60%	27,596	17.86%	17,860	18.34%	18,342	17.86%	17,860	18.34%	18,342
Brenham Street	226,379	27.60%	62,471	17.86%	40,431	18.34%	41,523	17.86%	40,431	18.34%	41,523
Soft Costs	411,777	27.60%	113,633	17.86%	73,543	18.34%	75,528	17.86%	73,543	18.34%	75,528
	<u>\$ 2,637,596</u>		<u>\$ 727,866</u>		<u>\$ 471,075</u>		<u>\$ 483,790</u>		<u>\$ 471,075</u>		<u>\$ 483,790</u>
<i>PID Formation and Bond Issuance Costs</i>											
Debt Service Reserve Fund	\$ 205,000	27.60%	\$ 56,571	17.86%	\$ 36,613	18.34%	\$ 37,601	17.86%	\$ 36,613	18.34%	\$ 37,601
Capitalized Interest	-	27.60%	-	17.86%	-	18.34%	-	17.86%	-	18.34%	-
Underwriter Discount	93,600	27.60%	25,830	17.86%	16,717	18.34%	17,168	17.86%	16,717	18.34%	17,168
Cost of Issuance	187,200	27.60%	51,659	17.86%	33,434	18.34%	34,336	17.86%	33,434	18.34%	34,336
	<u>\$ 485,800</u>		<u>\$ 134,061</u>		<u>\$ 86,764</u>		<u>\$ 89,106</u>		<u>\$ 86,764</u>		<u>\$ 89,106</u>
Total	\$ 3,123,396		\$ 861,927		\$ 557,839		\$ 572,895		\$ 557,839		\$ 572,895

EXHIBIT D – SERVICE PLAN

Major Improvement Area						
Installments Due		1/31/2020	1/31/2021	1/31/2022	1/31/2023	1/31/2024
Principal		\$ 50,000	\$ 50,000	\$ 50,000	\$ 55,000	\$ 55,000
Interest		153,500	153,500	151,000	148,500	145,750
	(1)	\$ 203,500	\$ 203,500	\$ 201,000	\$ 203,500	\$ 200,750
Annual Collection Costs	(2)	\$ 35,000	\$ 35,700	\$ 36,414	\$ 37,142	\$ 37,885
Additional Interest	(3)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Installment	(4) = (1) + (2) + (3)	\$ 238,500	\$ 239,200	\$ 237,414	\$ 240,642	\$ 238,635

EXHIBIT E – SOURCES AND USES

Sources of Funds		
Major Improvement Area Bond Par	\$	3,120,000
Owner Contribution		3,396
Total Sources	\$	3,123,396
Uses of Funds		
Major Improvements	\$	2,637,596
<i>District Formation and Bond Issuance Costs</i>		
Debt Service Reserve Fund	\$	205,000
Capitalized Interest		-
Underwriter's Discount		93,600
Cost of Issuance		187,200
	\$	485,800
Total Uses	\$	3,123,396

EXHIBIT F – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Property ID	Geographic ID	Lot Type	Outstanding Assessment	Installment Due 1/31/2020
906078	02316201010000	Non-Benefited	\$ -	\$ -
906079	02316201020000	1	\$ 3,591.53	\$ 274.54
906080	02316201030000	1	\$ 3,591.53	\$ 274.54
906081	02316201040000	1	\$ 3,591.53	\$ 274.54
906082	02316201050000	1	\$ 3,591.53	\$ 274.54
906083	02316201060000	1	\$ 3,591.53	\$ 274.54
906084	02316201070000	1	\$ 3,591.53	\$ 274.54
906085	02316201080000	1	\$ 3,591.53	\$ 274.54
906086	02316201090000	1	\$ 3,591.53	\$ 274.54
906087	02316201100000	1	\$ 3,591.53	\$ 274.54
906088	02316201110000	1	\$ 3,591.53	\$ 274.54
906089	02316201120000	1	\$ 3,591.53	\$ 274.54
906090	02316201130000	1	\$ 3,591.53	\$ 274.54
906091	02316201140000	1	\$ 3,591.53	\$ 274.54
906092	02316201150000	1	\$ 3,591.53	\$ 274.54
906093	02316201160000	1	\$ 3,591.53	\$ 274.54
906094	02316201170000	1	\$ 3,591.53	\$ 274.54
906095	02316201180000	1	\$ 3,591.53	\$ 274.54
906096	02316201190000	1	\$ 3,591.53	\$ 274.54
906097	02316201200000	1	\$ 3,591.53	\$ 274.54
906098	02316201210000	1	\$ 3,591.53	\$ 274.54
906099	02335923010000	N/A	\$ 147,093.60	\$ 11,244.17
906100	02336221010000	N/A	\$ 141,119.94	\$ 10,787.53
906101	02336221020000	Non-Benefited	\$ -	\$ -
906102	02336221030000	1	\$ 3,591.53	\$ 274.54
906103	02336221040000	1	\$ 3,591.53	\$ 274.54
906104	02336221050000	1	\$ 3,591.53	\$ 274.54
906105	02336221060000	1	\$ 3,591.53	\$ 274.54
906106	02336221070000	1	\$ 3,591.53	\$ 274.54
906107	02316202010000	1	\$ 3,591.53	\$ 274.54
906108	02316202020000	1	\$ 3,591.53	\$ 274.54
906109	02316202030000	1	\$ 3,591.53	\$ 274.54
906110	02316202040000	1	\$ 3,591.53	\$ 274.54
906111	02316202050000	1	\$ 3,591.53	\$ 274.54
906112	02316202060000	1	\$ 3,591.53	\$ 274.54
906113	02316202070000	1	\$ 3,591.53	\$ 274.54
906114	02316202080000	1	\$ 3,591.53	\$ 274.54
906115	02316202090000	1	\$ 3,591.53	\$ 274.54
906116	02316202100000	1	\$ 3,591.53	\$ 274.54
906117	02316202110000	1	\$ 3,591.53	\$ 274.54
906118	02315908010000	1	\$ 3,591.53	\$ 274.54
906119	02315908020000	1	\$ 3,591.53	\$ 274.54
906120	02315908030000	1	\$ 3,591.53	\$ 274.54
906121	02315908040000	1	\$ 3,591.53	\$ 274.54
906122	02315908050000	1	\$ 3,591.53	\$ 274.54

Property ID	Geographic ID	Lot Type	Outstanding Assessment	Installment Due 1/31/2020
906123	02315908060000	1	\$ 3,591.53	\$ 274.54
906124	02315908070000	1	\$ 3,591.53	\$ 274.54
906125	02315908080000	1	\$ 3,591.53	\$ 274.54
906126	02315908090000	1	\$ 3,591.53	\$ 274.54
906127	02315908100000	1	\$ 3,591.53	\$ 274.54
906128	02315908110000	1	\$ 3,591.53	\$ 274.54
906129	02315908120000	1	\$ 3,591.53	\$ 274.54
906130	02315908130000	1	\$ 3,591.53	\$ 274.54
906131	02315908140000	1	\$ 3,591.53	\$ 274.54
906132	02315908150000	1	\$ 3,591.53	\$ 274.54
906133	02315908160000	1	\$ 3,591.53	\$ 274.54
906134	02315908170000	1	\$ 3,591.53	\$ 274.54
906135	02315908180000	1	\$ 3,591.53	\$ 274.54
906136	02315908190000	1	\$ 3,591.53	\$ 274.54
906137	02315908200000	Non-Benefited	\$ -	\$ -
906138	02315908210000	1	\$ 3,591.53	\$ 274.54
906139	02315908220000	1	\$ 3,591.53	\$ 274.54
906140	02315908230000	1	\$ 3,591.53	\$ 274.54
906141	02315908240000	1	\$ 3,591.53	\$ 274.54
906142	02315908250000	1	\$ 3,591.53	\$ 274.54
906143	02315908260000	1	\$ 3,591.53	\$ 274.54
906144	02315908270000	1	\$ 3,591.53	\$ 274.54
906145	02336222010000	1	\$ 3,591.53	\$ 274.54
906146	02336222020000	1	\$ 3,591.53	\$ 274.54
906147	02336222030000	1	\$ 3,591.53	\$ 274.54
906148	02336222040000	1	\$ 3,591.53	\$ 274.54
906149	02336222050000	1	\$ 3,591.53	\$ 274.54
906150	02336222060000	1	\$ 3,591.53	\$ 274.54
906151	02336222070000	1	\$ 3,591.53	\$ 274.54
906152	02336222080000	1	\$ 3,591.53	\$ 274.54
906153	02336222090000	1	\$ 3,591.53	\$ 274.54
906154	02316203010000	1	\$ 3,591.53	\$ 274.54
906155	02316203020000	1	\$ 3,591.53	\$ 274.54
906156	02316203030000	1	\$ 3,591.53	\$ 274.54
906157	02316203040000	1	\$ 3,591.53	\$ 274.54
906158	02316203050000	1	\$ 3,591.53	\$ 274.54
906159	02316203060000	1	\$ 3,591.53	\$ 274.54
906160	02316203070000	1	\$ 3,591.53	\$ 274.54
906161	02316203080000	1	\$ 3,591.53	\$ 274.54
906162	02316203090000	1	\$ 3,591.53	\$ 274.54
906163	02316203100000	1	\$ 3,591.53	\$ 274.54
906164	02316203110000	1	\$ 3,591.53	\$ 274.54
906165	02316203120000	1	\$ 3,591.53	\$ 274.54
906166	02316203130000	1	\$ 3,591.53	\$ 274.54
906167	02316203140000	1	\$ 3,591.53	\$ 274.54

Property ID	Geographic ID	Lot Type	Outstanding Assessment	Installment Due 1/31/2020
906168	02316203150000	2	\$ 3,791.06	\$ 289.80
906169	02316203160000	2	\$ 3,791.06	\$ 289.80
906170	02316203170000	2	\$ 3,791.06	\$ 289.80
906171	02316203180000	1	\$ 3,591.53	\$ 274.54
906172	02316203190000	1	\$ 3,591.53	\$ 274.54
906173	02316203200000	1	\$ 3,591.53	\$ 274.54
906174	02316203210000	1	\$ 3,591.53	\$ 274.54
906175	02316203220000	1	\$ 3,591.53	\$ 274.54
906176	02316203230000	1	\$ 3,591.53	\$ 274.54
906177	02316203240000	1	\$ 3,591.53	\$ 274.54
906178	02316203250000	1	\$ 3,591.53	\$ 274.54
906179	02316203260000	1	\$ 3,591.53	\$ 274.54
906180	02316203270000	1	\$ 3,591.53	\$ 274.54
906181	02316203280000	1	\$ 3,591.53	\$ 274.54
906182	02315909010000	1	\$ 3,591.53	\$ 274.54
906183	02315909020000	1	\$ 3,591.53	\$ 274.54
906184	02315909030000	1	\$ 3,591.53	\$ 274.54
906185	02315909040000	1	\$ 3,591.53	\$ 274.54
906186	02315909050000	1	\$ 3,591.53	\$ 274.54
906187	02315909060000	1	\$ 3,591.53	\$ 274.54
906188	02315909070000	1	\$ 3,591.53	\$ 274.54
906189	02315909080000	1	\$ 3,591.53	\$ 274.54
906190	02315909090000	1	\$ 3,591.53	\$ 274.54
906191	02315909100000	1	\$ 3,591.53	\$ 274.54
906192	02315909110000	2	\$ 3,791.06	\$ 289.80
906193	02315909120000	2	\$ 3,791.06	\$ 289.80
906194	02315909130000	2	\$ 3,791.06	\$ 289.80
906195	02316204010000	2	\$ 3,791.06	\$ 289.80
906196	02316204020000	1	\$ 3,591.53	\$ 274.54
906197	02316204030000	1	\$ 3,591.53	\$ 274.54
906198	02316204040000	1	\$ 3,591.53	\$ 274.54
906199	02316204050000	1	\$ 3,591.53	\$ 274.54
906200	02316204060000	1	\$ 3,591.53	\$ 274.54
227196	02266002010000	N/A*	\$ 358,453.69	\$ 27,401.03
227197	02266002020000	N/A*	\$ 553,550.52	\$ 42,314.68
227198	02266002030000	N/A*	\$ 224,112.27	\$ 17,131.66
227199	02266002040000	N/A*	\$ 969,130.22	\$ 74,082.55
227211	02266002160000	N/A*	\$ 212,848.40	\$ 16,270.62
867526	02266002230000	N/A*	\$ 88,494.25	\$ 6,764.70
Major Improvement Area Total			\$ 3,120,000.00	\$ 238,500.00

*Property IDs are found within the Remainder Parcel of the District. Until a plat has been recorded within the Remainder Parcel, the Assessment and Annual Installment will be allocated between each property ID based on the Travis Central Appraisal District acreage. Phase 1 Commercial is located entirely within Property ID #227196.

EXHIBIT G-1 – MAJOR IMPROVEMENT AREA ANNUAL INSTALLMENTS

Installments Due	Principal	Interest [a]	Annual Collection Costs	Additional Interest	Annual Installment
1/31/2020	\$ 50,000	\$ 153,500	\$ 35,000	\$ -	\$ 238,500
1/31/2021	\$ 50,000	\$ 153,500	\$ 35,700	\$ -	\$ 239,200
1/31/2022	\$ 50,000	\$ 151,000	\$ 36,414	\$ -	\$ 237,414
1/31/2023	\$ 55,000	\$ 148,500	\$ 37,142	\$ -	\$ 240,642
1/31/2024	\$ 55,000	\$ 145,750	\$ 37,885	\$ -	\$ 238,635
1/31/2025	\$ 60,000	\$ 143,000	\$ 38,643	\$ -	\$ 241,643
1/31/2026	\$ 65,000	\$ 140,000	\$ 39,416	\$ -	\$ 244,416
1/31/2027	\$ 65,000	\$ 136,750	\$ 40,204	\$ -	\$ 241,954
1/31/2028	\$ 70,000	\$ 133,500	\$ 41,008	\$ -	\$ 244,508
1/31/2029	\$ 75,000	\$ 130,000	\$ 41,828	\$ -	\$ 246,828
1/31/2030	\$ 75,000	\$ 126,250	\$ 42,665	\$ -	\$ 243,915
1/31/2031	\$ 80,000	\$ 122,500	\$ 43,518	\$ -	\$ 246,018
1/31/2032	\$ 85,000	\$ 118,500	\$ 44,388	\$ -	\$ 247,888
1/31/2033	\$ 90,000	\$ 114,250	\$ 45,276	\$ -	\$ 249,526
1/31/2034	\$ 95,000	\$ 109,750	\$ 46,182	\$ -	\$ 250,932
1/31/2035	\$ 95,000	\$ 105,000	\$ 47,105	\$ -	\$ 247,105
1/31/2036	\$ 100,000	\$ 100,250	\$ 48,047	\$ -	\$ 248,297
1/31/2037	\$ 105,000	\$ 95,250	\$ 49,008	\$ -	\$ 249,258
1/31/2038	\$ 115,000	\$ 90,000	\$ 49,989	\$ -	\$ 254,989
1/31/2039	\$ 120,000	\$ 84,250	\$ 50,988	\$ -	\$ 255,238
1/31/2040	\$ 125,000	\$ 78,250	\$ 52,008	\$ -	\$ 255,258
1/31/2041	\$ 130,000	\$ 72,000	\$ 53,048	\$ -	\$ 255,048
1/31/2042	\$ 135,000	\$ 65,500	\$ 54,109	\$ -	\$ 254,609
1/31/2043	\$ 145,000	\$ 58,750	\$ 55,191	\$ -	\$ 258,941
1/31/2044	\$ 150,000	\$ 51,500	\$ 56,295	\$ -	\$ 257,795
1/31/2045	\$ 160,000	\$ 44,000	\$ 57,421	\$ -	\$ 261,421
1/31/2046	\$ 165,000	\$ 36,000	\$ 58,570	\$ -	\$ 259,570
1/31/2047	\$ 175,000	\$ 27,750	\$ 59,741	\$ -	\$ 262,491
1/31/2048	\$ 185,000	\$ 19,000	\$ 60,936	\$ -	\$ 264,936
1/31/2049	\$ 195,000	\$ 9,750	\$ 62,155	\$ -	\$ 266,905
Total	\$ 3,120,000	\$ 2,964,000	\$ 1,419,883	\$ -	\$ 7,503,883

[a] Interest is calculated at a 5.00% rate.

Note: The figures shown above are estimates only and subject to change in annual service plan updates. Changes in administrative expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-2 – LOT TYPE 1 ANNUAL INSTALLMENTS

Installments Due	Principal	Interest [a]	Annual Collection Costs	Additional Interest	Annual Installment
1/31/2020	\$ 57.56	\$ 176.70	\$ 40.29	\$ -	\$ 274.54
1/31/2021	\$ 57.56	\$ 176.70	\$ 41.10	\$ -	\$ 275.35
1/31/2022	\$ 57.56	\$ 173.82	\$ 41.92	\$ -	\$ 273.29
1/31/2023	\$ 63.31	\$ 170.94	\$ 42.76	\$ -	\$ 277.01
1/31/2024	\$ 63.31	\$ 167.78	\$ 43.61	\$ -	\$ 274.70
1/31/2025	\$ 69.07	\$ 164.61	\$ 44.48	\$ -	\$ 278.16
1/31/2026	\$ 74.82	\$ 161.16	\$ 45.37	\$ -	\$ 281.35
1/31/2027	\$ 74.82	\$ 157.42	\$ 46.28	\$ -	\$ 278.52
1/31/2028	\$ 80.58	\$ 153.68	\$ 47.21	\$ -	\$ 281.46
1/31/2029	\$ 86.33	\$ 149.65	\$ 48.15	\$ -	\$ 284.13
1/31/2030	\$ 86.33	\$ 145.33	\$ 49.11	\$ -	\$ 280.78
1/31/2031	\$ 92.09	\$ 141.01	\$ 50.10	\$ -	\$ 283.20
1/31/2032	\$ 97.85	\$ 136.41	\$ 51.10	\$ -	\$ 285.35
1/31/2033	\$ 103.60	\$ 131.52	\$ 52.12	\$ -	\$ 287.24
1/31/2034	\$ 109.36	\$ 126.34	\$ 53.16	\$ -	\$ 288.86
1/31/2035	\$ 109.36	\$ 120.87	\$ 54.22	\$ -	\$ 284.45
1/31/2036	\$ 115.11	\$ 115.40	\$ 55.31	\$ -	\$ 285.82
1/31/2037	\$ 120.87	\$ 109.65	\$ 56.42	\$ -	\$ 286.93
1/31/2038	\$ 132.38	\$ 103.60	\$ 57.54	\$ -	\$ 293.53
1/31/2039	\$ 138.14	\$ 96.98	\$ 58.69	\$ -	\$ 293.81
1/31/2040	\$ 143.89	\$ 90.08	\$ 59.87	\$ -	\$ 293.84
1/31/2041	\$ 149.65	\$ 82.88	\$ 61.07	\$ -	\$ 293.59
1/31/2042	\$ 155.40	\$ 75.40	\$ 62.29	\$ -	\$ 293.09
1/31/2043	\$ 166.91	\$ 67.63	\$ 63.53	\$ -	\$ 298.08
1/31/2044	\$ 172.67	\$ 59.28	\$ 64.80	\$ -	\$ 296.76
1/31/2045	\$ 184.18	\$ 50.65	\$ 66.10	\$ -	\$ 300.93
1/31/2046	\$ 189.94	\$ 41.44	\$ 67.42	\$ -	\$ 298.80
1/31/2047	\$ 201.45	\$ 31.94	\$ 68.77	\$ -	\$ 302.16
1/31/2048	\$ 212.96	\$ 21.87	\$ 70.15	\$ -	\$ 304.98
1/31/2049	\$ 224.47	\$ 11.22	\$ 71.55	\$ -	\$ 307.24
Total	\$ 3,591.53	\$ 3,411.95	\$ 1,634.47	\$ -	\$ 8,637.95

[a] Interest is calculated at a 5.00% rate.

Note: The figures shown above are estimates only and subject to change in annual service plan updates. Changes in administrative expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-3 – LOT TYPE 2 ANNUAL INSTALLMENTS

Installments Due	Principal	Interest [a]	Annual Collection Costs	Additional Interest	Annual Installment
1/31/2020	\$ 60.75	\$ 186.52	\$ 42.53	\$ -	\$ 289.80
1/31/2021	\$ 60.75	\$ 186.52	\$ 43.38	\$ -	\$ 290.65
1/31/2022	\$ 60.75	\$ 183.48	\$ 44.25	\$ -	\$ 288.48
1/31/2023	\$ 66.83	\$ 180.44	\$ 45.13	\$ -	\$ 292.40
1/31/2024	\$ 66.83	\$ 177.10	\$ 46.03	\$ -	\$ 289.96
1/31/2025	\$ 72.90	\$ 173.76	\$ 46.95	\$ -	\$ 293.62
1/31/2026	\$ 78.98	\$ 170.11	\$ 47.89	\$ -	\$ 296.99
1/31/2027	\$ 78.98	\$ 166.16	\$ 48.85	\$ -	\$ 293.99
1/31/2028	\$ 85.06	\$ 162.21	\$ 49.83	\$ -	\$ 297.10
1/31/2029	\$ 91.13	\$ 157.96	\$ 50.82	\$ -	\$ 299.92
1/31/2030	\$ 91.13	\$ 153.40	\$ 51.84	\$ -	\$ 296.38
1/31/2031	\$ 97.21	\$ 148.85	\$ 52.88	\$ -	\$ 298.93
1/31/2032	\$ 103.28	\$ 143.99	\$ 53.94	\$ -	\$ 301.20
1/31/2033	\$ 109.36	\$ 138.82	\$ 55.01	\$ -	\$ 303.20
1/31/2034	\$ 115.43	\$ 133.36	\$ 56.11	\$ -	\$ 304.90
1/31/2035	\$ 115.43	\$ 127.58	\$ 57.24	\$ -	\$ 300.25
1/31/2036	\$ 121.51	\$ 121.81	\$ 58.38	\$ -	\$ 301.70
1/31/2037	\$ 127.58	\$ 115.74	\$ 59.55	\$ -	\$ 302.87
1/31/2038	\$ 139.73	\$ 109.36	\$ 60.74	\$ -	\$ 309.83
1/31/2039	\$ 145.81	\$ 102.37	\$ 61.96	\$ -	\$ 310.14
1/31/2040	\$ 151.89	\$ 95.08	\$ 63.19	\$ -	\$ 310.16
1/31/2041	\$ 157.96	\$ 87.49	\$ 64.46	\$ -	\$ 309.90
1/31/2042	\$ 164.04	\$ 79.59	\$ 65.75	\$ -	\$ 309.37
1/31/2043	\$ 176.19	\$ 71.39	\$ 67.06	\$ -	\$ 314.64
1/31/2044	\$ 182.26	\$ 62.58	\$ 68.40	\$ -	\$ 313.24
1/31/2045	\$ 194.41	\$ 53.46	\$ 69.77	\$ -	\$ 317.65
1/31/2046	\$ 200.49	\$ 43.74	\$ 71.17	\$ -	\$ 315.40
1/31/2047	\$ 212.64	\$ 33.72	\$ 72.59	\$ -	\$ 318.95
1/31/2048	\$ 224.79	\$ 23.09	\$ 74.04	\$ -	\$ 321.92
1/31/2049	\$ 236.94	\$ 11.85	\$ 75.52	\$ -	\$ 324.31
Total	\$ 3,791.06	\$ 3,601.51	\$ 1,725.28	\$ -	\$ 9,117.84

[a] Interest is calculated at a 5.00% rate.

Note: The figures shown above are estimates only and subject to change in annual service plan updates. Changes in administrative expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT H – MAJOR IMPROVEMENTS ALLOCATION

		Estimated					Average Annual		Equivalent Tax						
Lot Type	Units	Buildout Value	Estimated	Average Annual	Assessment Per	Installment per	Assessment Per	Installment per	Rate (per						
		per Unit	Buildout Value	Assessment	Installment	Unit	Unit	Unit	\$100/AV)						
Phase 1															
50' Lot	111	\$	270,000	\$	29,970,000	\$	398,660	\$	31,887	\$	3,592	\$	287	\$	0.1064
60' Lot	7	\$	285,000	\$	1,995,000	\$	26,537	\$	2,123	\$	3,791	\$	303	\$	0.1064
Village Cluster	94	\$	230,500	\$	21,667,000	\$	288,214	\$	23,053	\$	3,066	\$	245	\$	0.1064
Office	47,011	\$	200	\$	9,402,200	\$	125,068	\$	10,003	\$	2.66	\$	0.21	\$	0.1064
Restaurant	1,567	\$	180	\$	282,060	\$	3,752	\$	300	\$	2.39	\$	0.19	\$	0.1064
Retail	7,835	\$	180	\$	1,410,300	\$	18,760	\$	1,500	\$	2.39	\$	0.19	\$	0.1064
				\$	64,726,560	\$	860,990	\$	68,866						
Remainder Parcel															
50' Lot	339	\$	285,505	\$	96,786,144	\$	1,287,445	\$	102,975	\$	3,798	\$	304	\$	0.1064
60' Lot	40	\$	299,364	\$	11,974,560	\$	159,285	\$	12,740	\$	3,982	\$	319	\$	0.1064
Village Cluster	30	\$	239,720	\$	7,191,600	\$	95,662	\$	7,651	\$	3,189	\$	255	\$	0.1064
Office	198,722	\$	214	\$	42,520,272	\$	565,603	\$	45,239	\$	2.85	\$	0.23	\$	0.1064
Restaurant	25,522	\$	194	\$	4,963,350	\$	66,022	\$	5,281	\$	2.59	\$	0.21	\$	0.1064
Retail	33,111	\$	193	\$	6,389,437	\$	84,992	\$	6,798	\$	2.57	\$	0.21	\$	0.1064
				\$	169,825,363	\$	2,259,010	\$	180,685						

EXHIBIT I – MAPS OF MAJOR IMPROVEMENTS

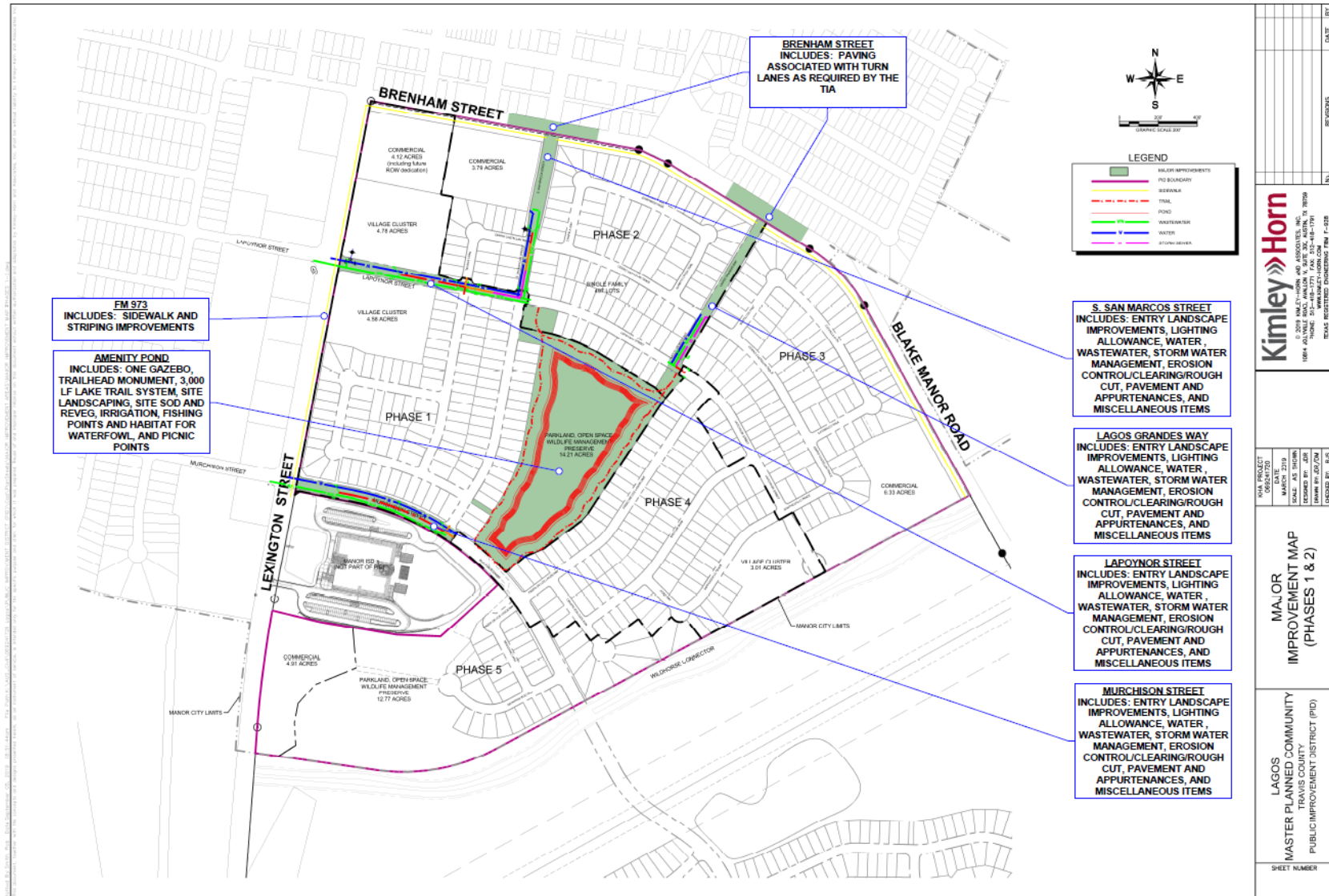


EXHIBIT J – NOTICE OF PID ASSESSMENT TERMINATION



P3Works, LLC
350 Rufe Snow Drive, Suite 200
Keller, TX 76248

[Date]
Travis County Clerk's Office
Honorable [County Clerk Name]
5501 Airport Boulevard
Austin, Texas 78751

Re: City of Manor Lien Release documents for filing

Dear Ms./Mr. [County Clerk Name],

Enclosed is a lien release that the City of Manor is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents below:

City of Manor
Attn: [City Secretary]
105 E. Eggleston Street
Manor, TX 78653

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
P: (817)393-0353
admin@p3-works.com

AFTER RECORDING RETURN TO:

[City Secretary Name]
105 E. Eggleston Street
Manor, TX 78653

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

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS	§	

THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN (this "Full Release") is executed and delivered as of the Effective Date by the City of Manor, Texas, a Texas home rule municipality.

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of the City of Manor, Texas (hereinafter referred to as the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City; and

WHEREAS, on or about March 20, 2019, the City Council for the City, approved Resolution No. 2019-02, creating the Lagos – City of Manor Public Improvement District; and

WHEREAS, the Lagos – City of Manor Public Improvement District consists of approximately 173 contiguous acres located within the City; and

WHEREAS, on or about October 16, 2019, the City Council, approved an ordinance, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the Lagos – City of Manor Public Improvement District; and

EXHIBIT K-1 – PHASE 1 COMMERCIAL LEGAL DESCRIPTION

A METES AND BOUNDS DESCRIPTION OF A 4.120 ACRE TRACT OF LAND

BEING 4.120 acre (179,467 square feet) tract of land situated in the James Manor Survey No. 40, Abstract No. 546, City of Manor, Travis County, Texas; being a portion of that certain 675.6978 acre tract described in instrument to 706 Investment Partnership, LTD, as described in document No. 2005114143 of the Official Public Records of Travis County; and being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod with a plastic cap stamped "KHA" set at the intersection of the southerly right-of-way line of Blake Manor Road (width varies), with the easterly right-of-way line of F.M. 973 (100' width), marking the northwest corner of said 675.6978 acre tract;

THENCE, South 79°43'00" East, 440.25 feet along the southerly right-of-way line of said Blake Manor to a 1/2-inch iron rod with a plastic cap stamped "KHA" set for the northeast corner of herein described tract;

THENCE, South 10°19'09" West, 408.18 feet crossing said 675.6978 acre tract to a 1/2-inch iron rod with a plastic cap stamped "KHA" set on the northeasterly line of Lot 1, Block B, Lagos Phase 1, plat of which is recorded in Document No. 201800065 of the Official Public Records of Travis County;

THENCE, North 79°02'12" West, 444.81 feet along the northeasterly line of said Lot 1, Block B to a 1/2-inch iron rod with a plastic cap stamped "KHA" set on the easterly right-of-way line of said F.M. 973 for the southwest corner of herein described tract;

THENCE, North 10°57'49" East, 402.93 feet along the easterly right-of-way line of said F.M. 973 to the **POINT OF BEGINNING** and containing 4.120 acres of land in Travis County, Texas. The basis of bearing for this description is the Texas State Plane Coordinate System Grid, Central Zone (FIPS 4203) (NAD'83). This document was prepared in the office of Kimley-Horn and Associates, Inc. in San Antonio, Texas.



JOHN G. MOSIER
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6330
601 NW LOOP 410, SUITE 350
SAN ANTONIO, TEXAS 78216
PH. 210-541-9166
greg.mosier@kimley-horn.com

John G. Mosier
9-3-2019

EXHIBIT OF A
4.120 ACRE TRACT
JAMES MANOR SURVEY NO. 40
ABSTRACT NO. 546
CITY OF MANOR, TRAVIS COUNTY, TEXAS

Kimley»Horn

601 NW Loop 410, Suite 350
San Antonio, Texas 78216

FIRM # 10193973

Tel. No. (210) 541-9166
www.kimley-horn.com

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	MAV	JGM	SEP. 2019	069241722	1 OF 2

MOSIER, GREG 9/3/2019 10:01 AM \\SNAFF001\DATA\PROJECTS\NA_SURVEY\069241722-LAGOS COMMUNITY\DWG\EXHIBITS\4.120 LEGAL FOR COMMERCIAL TRACT.DWG

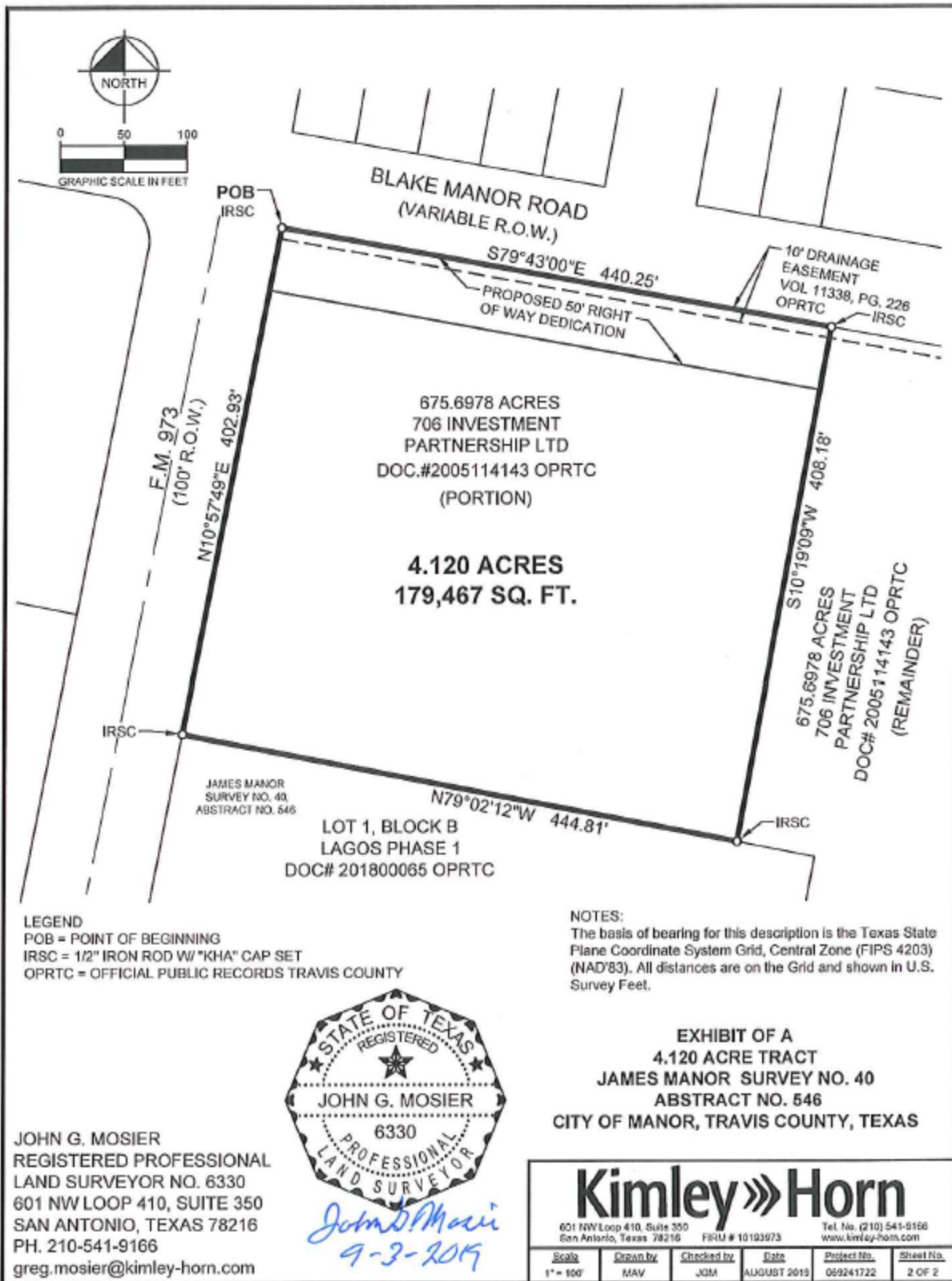
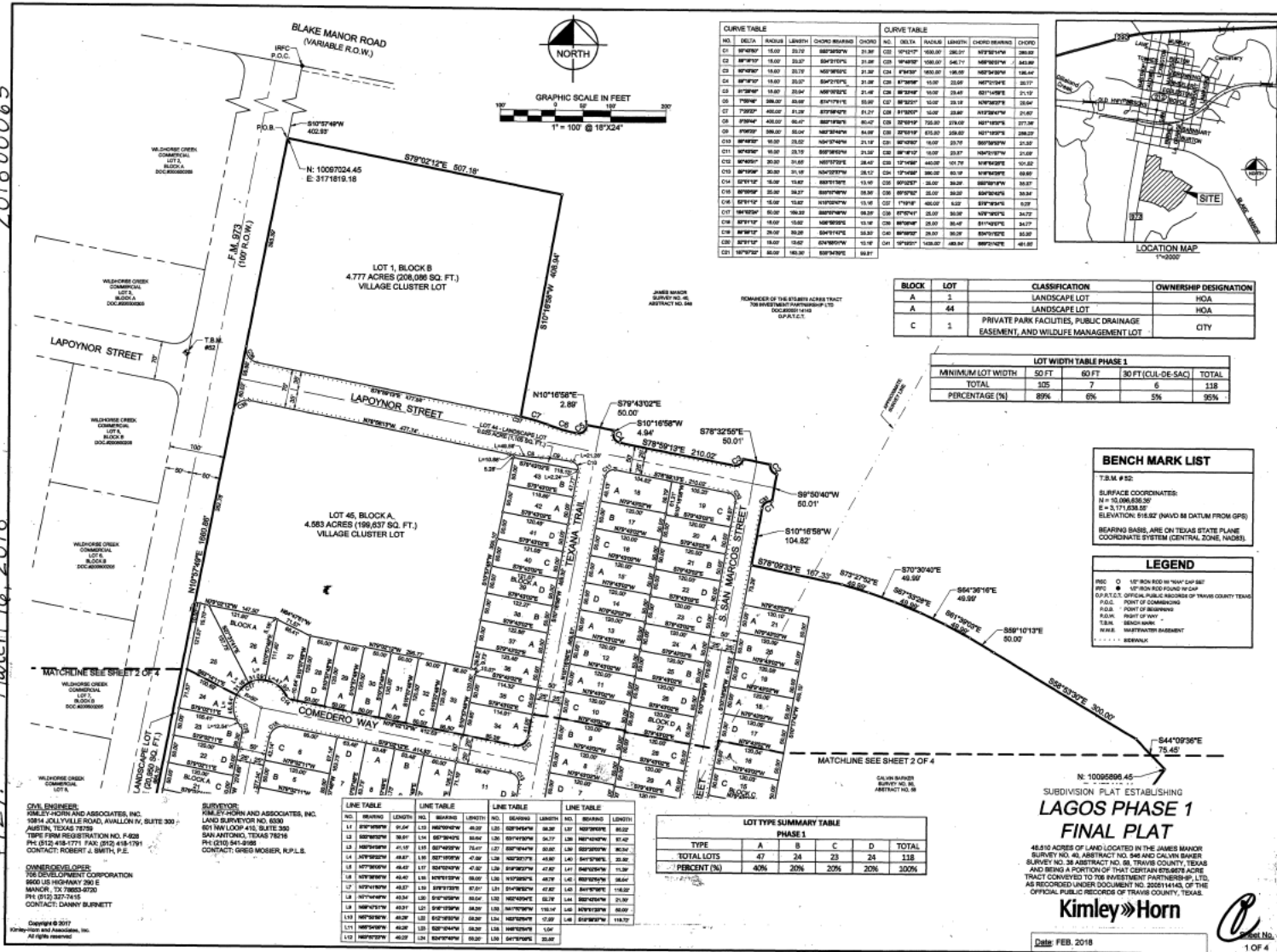


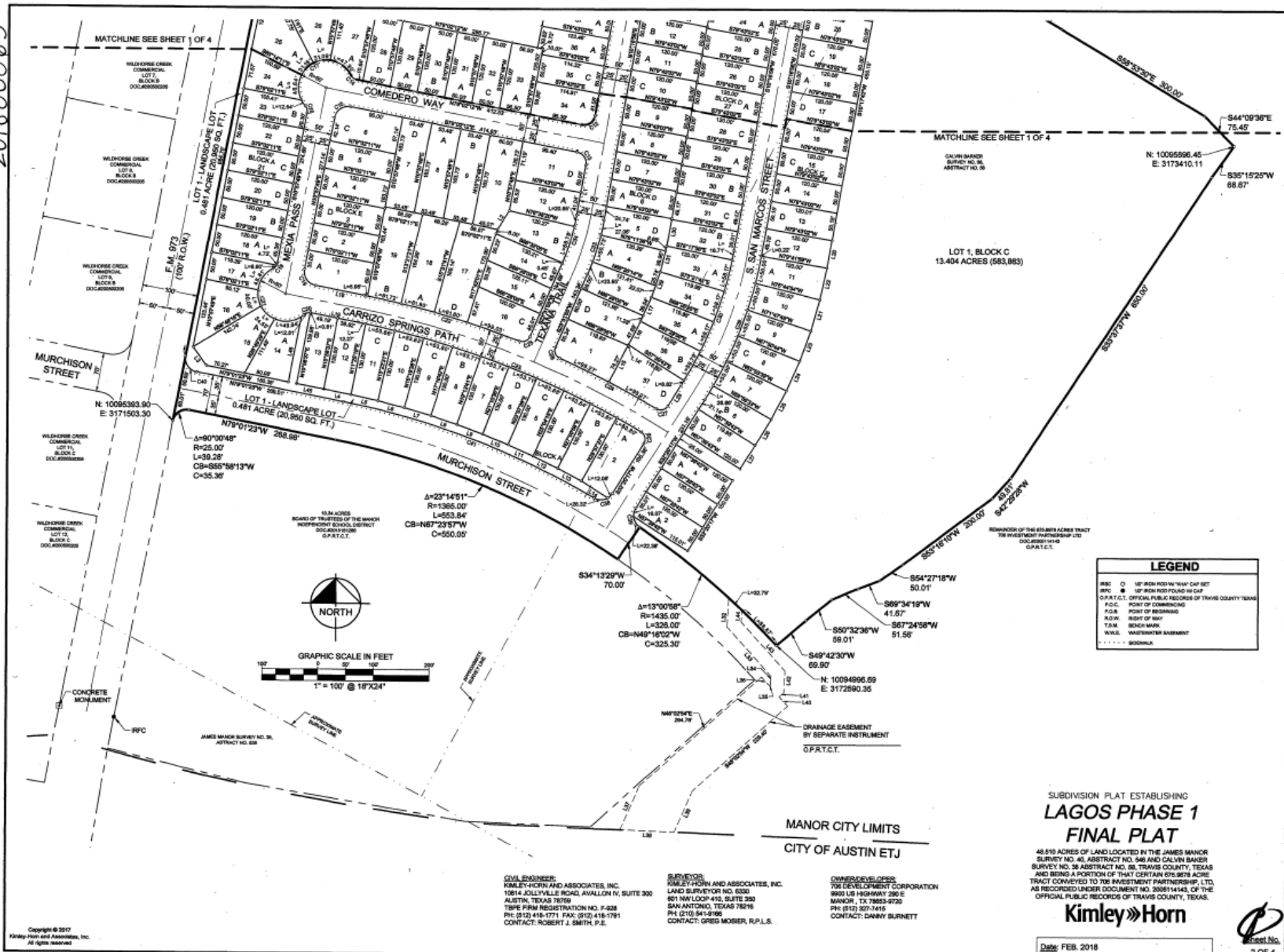
EXHIBIT K-2 – PHASE 1 PLAT

201800065

March 16, 2018

\$129.00





201800065

THE STATE OF TEXAS
COUNTY OF TRAVIS
X
X

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, 706 DEVELOPMENT CORPORATION, A TEXAS CORPORATION, THE OWNER OF 48.510 ACRE TRACT OF LAND IN THE JAMES MANOR SURVEY NUMBER 42, ABSTRACT NUMBER 548, AND CALVIN BAKER SURVEY NUMBER 16, ABSTRACT NUMBER 58, TRAVIS COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN CALLED 676.9675 ACRE TRACT, CONVEYED TO 706 INVESTMENT PARTNERSHIP, LTD., AS RECORDED UNDER DOCUMENT NUMBER 200911443, OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY TEXAS, AND DO HEREBY SUBDIVIDE SAID, HAVING BEEN APPROVED FOR SUBDIVISION, PURSUANT TO THE PUBLIC NOTIFICATION AND HEARINGS PROVISION OF CHAPTER 212 AND 232 OF THE LOCAL GOVERNMENT CODE.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THAT THE UNDERSIGNED OWNER OF THE LAND SHOWN ON THIS PLAN, AND DESIGNATED HEREIN AS LAGOS PHASE 1 OF THE CITY OF MANOR, TRAVIS COUNTY, TEXAS, AND WHOSE NAME IS SUBSCRIBED HERETO, HEREBY SUBDIVIDES SAID 48.510 ACRES OF LAND OF SAID IN ACCORDANCE WITH THE ATTACHED MAP OR PLAT TO BE KNOWN AS LAGOS PHASE 1 AND DO HEREBY DEDICATE TO THE USE OF THE PUBLIC FOREVER ALL STREETS, ALLEYS, PARKS, WATERCOURSES, DRAINAGE, PUBLIC EASEMENTS, AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSED AND CONSIDERATION THEREON EXPRESSED, SUBJECT TO ANY EASEMENT OR RESTRICTIONS HERETOFORE GRANTED AND NOT RELEASED.

WITNESS MY HAND AND SEAL OF OFFICE OF THE COUNTY CLERK, THIS 21st DAY OF February 2018.

BY: Robert Barnes 2/26/2018
706 DEVELOPMENT CORPORATION
9905 US HIGHWAY 290 E
MANOR, TX 78655-9732

THE STATE OF TEXAS
COUNTY OF TRAVIS
X
X

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THE 21st DAY OF February, 2018, BY Robert Barnes AS President OF 706 DEVELOPMENT CORPORATION, ON BEHALF OF SAID CORPORATION.

Diana Hanna
NOTARY PUBLIC
NOTARY REGISTRATION NUMBER: 1245460509
MY COMMISSION EXPIRES: 6/30/2019
COUNTY OF TRAVIS
THE STATE OF TEXAS

CONSENT OF LIENHOLDER

THE UNDERSIGNED, BEING THE HOLDER OF A DEED OF TRUST LIEN DATED _____ RECORDED AS DOCUMENT NO. _____ IN THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS AND THE DEED OF TRUST LIEN DATED _____ AND RECORDED AS _____ IN THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS HEREBY CONSENTS TO THE FOREGOING FINAL PLAT AND AGREES THAT ITS DEED OF TRUST LIEN IS SUBJECT TO AND SUBORDINATE TO THE FINAL PLAT, AND THAT THE UNDERSIGNED HAS AUTHORITY TO EXECUTE AND DELIVER THIS CONSENT OF LIENHOLDER, AND THAT ALL NECESSARY ACTS NECESSARY TO BIND THE LIENHOLDER HAVE BEEN TAKEN.

INTERNATIONAL BANK OF COMMERCE
BY: Robert Barnes
NAME: Robert Barnes
TITLE: President - ISC Austin

THE STATE OF TEXAS
COUNTY OF TRAVIS
X
X

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THE 8th DAY OF March, 2018, BY Robert Barnes AS President OF THE INTERNATIONAL BANK OF COMMERCE, ON BEHALF OF SAID BANK.

Araceli Hernandez
NOTARY PUBLIC
NOTARY REGISTRATION NUMBER: 12460579
MY COMMISSION EXPIRES: 6/2/2020
COUNTY OF TRAVIS
THE STATE OF TEXAS

THE STATE OF TEXAS
COUNTY OF TRAVIS
X
X

I, ROBERT J. SMITH, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF ENGINEERING, AND HEREBY CERTIFY THAT THIS PLAT IS FEASIBLE FROM AN ENGINEERING STAND POINT AND COMPLES WITH THE ENGINEERING RELATED PORTION OF THE CITY OF MANOR, TEXAS SUBDIVISION ORDINANCE, AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

THIS SITE IS LOCATED IN THE COTTONWOOD CREEK WATERSHED.

NO PORTION OF THIS SITE LIES WITHIN THE BOUNDARIES OF THE 100 YEAR FLOODPLAIN AS SHOWN ON THE FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 484830485, EFFECTIVE DATE AUGUST 16, 2014, TRAVIS COUNTY, TEXAS AND INCORPORATED AREAS.

Robert J. Smith
ROBERT J. SMITH, P.E.
REGISTERED PROFESSIONAL ENGINEER NO. 106319
KIMLEY-HORN AND ASSOCIATES, INC.
10814 JOLLYVILLE ROAD
AUSTIN, TEXAS 78759
CONTACT: ROBERT J. SMITH, P.E.


Robert J. Smith
ROBERT J. SMITH
106319
KIMLEY-HORN AND ASSOCIATES, INC.

Copyright © 2017
Kimley-Horn and Associates, Inc.
All rights reserved.

THE STATE OF TEXAS
COUNTY OF BEAUFORT
X
X

I, JOHN G. MOSSER, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF SURVEYING, AND HEREBY CERTIFY THAT THIS PLAT COMPLIES WITH THE SURVEYING RELATED PORTIONS OF THE CITY OF MANOR, TEXAS SUBDIVISION ORDINANCE IS TRUE AND CORRECT, AND WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

John G. Mosser 1-31-2018
JOHN G. MOSSER
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6330
601 NW LOOP 410, SUITE 300
SAN ANTONIO, TEXAS 78216
PH: 210-541-9198



GENERAL NOTES:

1. PROPERTY OWNERS OF THE LOTS ON WHICH THE WASTEWATER EASEMENTS ARE LOCATED AS SHOWN ON THIS PLAT SHALL PROVIDE ACCESS TO THE CITY OF MANOR IN ORDER FOR THE CITY OF MANOR TO INSPECT AND MAINTAIN THE UNDERGROUND FACILITIES LOCATED WITHIN ANY OF SUCH EASEMENTS.
2. A 10' PUBLIC UTILITY AND SIDEWALK EASEMENT IS HEREBY DEDICATED ALONG AND ADJACENT TO ALL STREET RIGHTS OF WAY.
3. PUBLIC SIDEWALKS BUILT TO CITY OF MANOR STANDARDS, ARE REQUIRED ALONG ALL STREETS WITHIN THIS SUBDIVISION. THESE SIDEWALKS SHALL BE IN PLACE PRIOR TO THE ADDING LOT BEING OCCUPIED. FAILURE TO CONSTRUCT THE REQUIRED SIDEWALKS MAY RESULT IN THE WITHHOLDING OF CERTIFICATES OF OCCUPANCY, BUILDING PERMITS, OR UTILITY CONNECTIONS BY THE COVERING BODY OR UTILITY COMPANY.
4. DRIVEWAY AND DRAINAGE CONSTRUCTION STANDARDS SHALL BE IN ACCORDANCE WITH THE REQUIREMENT OF THE CITY OF MANOR STANDARDS UNLESS OTHERWISE SPECIFIED AND APPROVED BY THE CITY OF MANOR.
5. THE OWNER OF THE SUBDIVISION, AND HIS OR HER SUCCESSORS AND ASSIGNS, ASSUMES RESPONSIBILITY FOR PLANS FOR CONSTRUCTION OF SUBDIVISION IMPROVEMENTS WHICH COMPLY WITH APPLICABLE CODES AND REQUIREMENTS OF THE CITY OF MANOR, LAGOS RESIDENTIAL COMMUNITY, INC., A TEXAS CORPORATION, AND/OR ITS SUCCESSORS AND ASSIGNS (THE "HDA") WILL OWN THE FOLLOWING LOTS LOT 1 & 44 BLOCK A. THE HDA WILL MAINTAIN THE FOLLOWING LOT: LOT 1 OF BLOCK C.
6. NO LOT IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTION IS MADE TO THE CITY OF MANOR WATER AND WASTEWATER SYSTEM.
7. NO BUILDINGS SHALL BE CONSTRUCTED OR MAINTAINED WITHIN THE WASTEWATER EASEMENT OR THE UNDERGROUND STORM WATER FACILITIES EASEMENTS WITHOUT THE PRIOR WRITTEN APPROVAL OF THE CITY OF MANOR. THE CITY OF MANOR IS NOT RESPONSIBLE FOR THE DAMAGE TO OR REPLACING ANY PORTIONS OF ANY FENCINGS, LANDSCAPING OR OTHER IMPROVEMENTS CONSTRUCTED WITHIN ANY OF SUCH THREE EASEMENTS WHICH WERE NOT APPROVED BY THE CITY OF MANOR BEFORE THEIR CONSTRUCTION DUE TO THE NECESSARY AND CUSTOMARY WORK BY THE CITY OF MANOR IN REPAIRING, MAINTAINING, OR REPLACING THE UNDERGROUND PIPES AND RELATED FACILITIES WITHIN SUCH EASEMENTS.
8. ALL STREETS, DRAINAGE IMPROVEMENTS, SIDEWALKS, WATER AND WASTEWATER LINES, AND EROSION CONTROLS SHALL BE CONSTRUCTED AND INSTALLED TO CITY OF MANOR STANDARDS.
9. EROSION CONTROLS ARE REQUIRED FOR ALL CONSTRUCTION ON INDIVIDUAL LOTS, INCLUDING DETACHED SINGLE FAMILY IN ACCORDANCE WITH SECTION 14.03 OF THE ENVIRONMENTAL CRITERIA MANUAL.
10. ALL STREETS IN THE SUBDIVISION SHALL BE CONSTRUCTED TO CITY OF MANOR URBAN STREET STANDARDS. ALL STREETS WILL BE CONSTRUCTED WITH CURB AND GUTTER.
11. PRIOR TO CONSTRUCTION, EXCEPT DETACHED SINGLE FAMILY ON ANY LOT IN THIS SUBDIVISION, A SITE DEVELOPMENT PERMIT MUST BE OBTAINED FROM THE CITY OF MANOR.
12. THE SUBDIVISION OWNER/DEVELOPER AS IDENTIFIED ON THIS PLAN IS RESPONSIBLE FOR POSTING FISCAL SURVEY FOR THE CONSTRUCTION OF ALL SIDEWALKS AS SHOWN OR LISTED ON THE PLAN, WHETHER INSTALLED BY THE OWNER/DEVELOPER OR INDIVIDUAL HOMEBUILDERS. IT IS THE RESPONSIBILITY OF THE OWNER/DEVELOPER TO ENSURE ALL SIDEWALKS ARE ADA COMPLIANT UNLESS A WAIVER HAS BEEN GRANTED BY THE TEXAS DEPARTMENT OF LICENSING AND REGULATION.
13. DEVELOPMENT FOR THE LOTS WITHIN THIS SUBDIVISION SHALL COMPLY WITH THE LAGOS PLANNED UNIT DEVELOPMENT.

CIVIL ENGINEER
KIMLEY-HORN AND ASSOCIATES, INC.
10814 JOLLYVILLE ROAD, AUSTIN, TEXAS 78759
TYPE PERM REGISTRATION NO. F-428
PH: (512) 418-1771 FAX: (512) 418-1791
CONTACT: ROBERT J. SMITH, P.E.

SURVEYOR
KIMLEY-HORN AND ASSOCIATES, INC.
LAND SURVEYOR NO. 6330
601 NW LOOP 410, SUITE 300
SAN ANTONIO, TEXAS 78216
PH: (210) 541-9198
CONTACT: GREG MOSSER, R.P.L.S.

OWNER/DEVELOPER
706 DEVELOPMENT CORPORATION
9905 US HIGHWAY 290 E
MANOR, TX 78655-9732
PH: (512) 327-2415
CONTACT: DARBY BURNETT

CITY OF MANOR ACKNOWLEDGMENTS

THIS SUBDIVISION IS LOCATED WITHIN THE CITY OF MANOR CORPORATE CITY LIMITS AS OF THIS DATE 15th DAY OF March, 2018.

ACCEPTED AND AUTHORIZED FOR RECORD BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF MANOR, TEXAS, ON THIS DATE 13th DAY OF Dec, 2017.


WILLIAM J. JONES
WILLIAM J. JONES, CHAIRMAN

ATTEST: Lluvia Tuerina
LLUVIA TUERINA, CITY SECRETARY

ACCEPTED AND AUTHORIZED FOR RECORD BY THE CITY COUNCIL OF THE CITY OF MANOR, TEXAS, ON THIS DATE 13th DAY OF Dec, 2017.

Rita G. Jones
RITA G. JONES, MAYOR

ATTEST: Lluvia Tuerina
LLUVIA TUERINA, CITY SECRETARY



COUNTY OF TRAVIS
STATE OF TEXAS
KNOW ALL ME BY THESE PRESENTS: 2018


I, DANA DEBEAULVOIR, CLERK OF TRAVIS COUNTY, TEXAS, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT OF WRITING AND ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE DATE 16th DAY OF MARCH, 2018, AT 2:45 O'CLOCK P.M. RECORDED ON THE DAY OF 16 DAY OF MARCH, 2018, AT 2:45 O'CLOCK P.M. 201800065

IN THE PLAT RECORDS OF SAID COUNTY AND STATE IN DOCUMENT NUMBER _____ OFFICIAL RECORDS OF TRAVIS COUNTY, TEXAS.

WITNESS MY HAND AND SEAL OF OFFICE OF THE COUNTY CLERK, THIS 16th DAY OF March, 2018

DANA DEBEAULVOIR, COUNTY CLERK, TRAVIS COUNTY, TEXAS

BY: Michael P. Gonzales
MICHAEL P. GONZALES
DEPUTY



SUBDIVISION PLAT ESTABLISHING
LAGOS PHASE 1
FINAL PLAT

48.510 ACRES OF LAND LOCATED IN THE JAMES MANOR SURVEY NO. 42, ABSTRACT NO. 548 AND CALVIN BAKER SURVEY NO. 38, ABSTRACT NO. 58, TRAVIS COUNTY, TEXAS AND BEING A PORTION OF THAT CERTAIN 676.9675 ACRE TRACT CONVEYED TO 706 INVESTMENT PARTNERSHIP, LTD. AS RECORDED UNDER DOCUMENT NO. 200911443, OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

Kimley Horn

Date: FEB. 2018

Sheet No.
3 OF 4

201800065

LEGAL DESCRIPTION
48.530 ACRES OF LAND

48.530 acres of land located in James Manor Survey No. 40, Abstract No. 546 and the Calvin Barker Survey No. 38, Abstract No. 58, Travis County, Texas and being a portion of that certain called 675.6978 acre tract conveyed to 706 Investment Partnership, LTD., a Texas limited partnership, as described in Document Number 2005114543, Official Public Records of Travis County, Texas, said 48.530 acres being more particularly described as follows:

COMMENCEMENT at a set N 1/4 inch iron rod with KVA cap, marking the intersection of the southerly right of way line of Blake Manor Road (variable right of way, with the easterly right of way line of F.M. 979 (D97 R.O.W.), same being the northwesterly corner of said 675.6978 acre tract;

THENCE South 15deg 57' 48" West, along the easterly right of way line F.M. 979, a distance of 402.86 feet, to a set N 1/4 inch iron rod with KVA cap, for the SET N 1/4 (NCH 1830 1830) with KVA CAP OF BEGINNING of the herein described tract;

THENCE leaving the easterly right of way line of said F.M. 979 and into the said 675.6978 acre tract, the following courses:

South 79°02'53" East, a distance of 527.38 feet to a set N 1/4 inch iron rod with KVA cap;
South 12°25'58" West, a distance of 404.84 feet to a set N 1/4 inch iron rod;
Southeasterly, along the arc of a curve to the right having a radius of 400.00 feet, a central angle of 57deg 10' 27", an arc length of 51.35 feet and a chord bearing South 75deg 59' 42" East, 21.21 feet, to a set N 1/4 inch iron rod with KVA cap;
Southeasterly, along the arc of a curve to the left having a radius of 380.00 feet, a central angle of 57deg 50' 40", an arc length of 53.50 feet and a chord bearing South 76deg 17' 51" East, 53.99 feet, to a set N 1/4 inch iron rod with KVA cap;
Northeasterly, along the arc of a curve to the left having a radius of 15.00 feet, a central angle of 51deg 20' 49", an arc length of 28.84 feet and a chord bearing North 55deg 00' 22" East, 22.48 feet, to a set N 1/4 inch iron rod with KVA cap;
North 30°12'59" East, a distance of 5.89 feet to a set N 1/4 inch iron rod with KVA cap;
South 79°42'02" East, a distance of 50.00 feet to a set N 1/4 inch iron rod with KVA cap;
South 10°18'58" West, a distance of 4.54 feet to a set N 1/4 inch iron rod with KVA cap;
Southeasterly, along the arc of a curve to the left having a radius of 15.00 feet, a central angle of 51deg 10' 10", an arc length of 23.37 feet and a chord bearing South 34deg 22' 02" East, 21.08 feet, to a set N 1/4 inch iron rod with KVA cap;
North 78°59'13" East, a distance of 232.02 feet to a set N 1/4 inch iron rod with KVA cap;
Northeasterly, along the arc of a curve to the left having a radius of 15.00 feet, a central angle of 50deg 43' 50", an arc length of 23.75 feet and a chord bearing North 55deg 00' 22" East, 21.33 feet, to a set N 1/4 inch iron rod with KVA cap;
South 18°12'57" East, a distance of 50.00 feet to a set N 1/4 inch iron rod with KVA cap;
Southeasterly, along the arc of a curve to the left having a radius of 15.00 feet, a central angle of 51deg 10' 10", an arc length of 23.37 feet and a chord bearing South 34deg 22' 02" East, 21.08 feet, to a set N 1/4 inch iron rod with KVA cap;
South 7°25'40" West, a distance of 50.00 feet to a set N 1/4 inch iron rod with KVA cap;
Southeasterly, along the arc of a curve to the left having a radius of 15.00 feet, a central angle of 50deg 43' 50", an arc length of 23.75 feet and a chord bearing South 34deg 22' 02" East, 21.33 feet, to a set N 1/4 inch iron rod with KVA cap;
South 12°25'58" West, a distance of 354.82 feet to a set N 1/4 inch iron rod with KVA cap;
South 18°09'31" East, a distance of 40.98 feet to a set N 1/4 inch iron rod with KVA cap;
South 78°27'52" East, a distance of 40.98 feet to a set N 1/4 inch iron rod with KVA cap;
South 70°32'42" East, a distance of 40.98 feet to a set N 1/4 inch iron rod with KVA cap;
South 57°33'28" East, a distance of 40.98 feet to a set N 1/4 inch iron rod with KVA cap;
South 64°38'18" East, a distance of 40.98 feet to a set N 1/4 inch iron rod with KVA cap;
South 61°38'01" East, a distance of 40.98 feet to a set N 1/4 inch iron rod with KVA cap;
South 58°32'13" East, a distance of 50.00 feet to a set N 1/4 inch iron rod with KVA cap;
South 58°39'39" East, a distance of 500.00 feet to a set N 1/4 inch iron rod with KVA cap;
South 64°09'56" East, a distance of 75.45 feet to a set N 1/4 inch iron rod with KVA cap;
South 12°12'25" West, a distance of 68.42 feet to a set N 1/4 inch iron rod with KVA cap;
South 10°18'58" West, a distance of 49.85 feet to a set N 1/4 inch iron rod with KVA cap;
South 23°32'52" West, a distance of 200.00 feet to a set N 1/4 inch iron rod with KVA cap;
South 54°27'38" West, a distance of 55.03 feet to a set N 1/4 inch iron rod with KVA cap;
South 58°34'12" West, a distance of 41.07 feet to a set N 1/4 inch iron rod with KVA cap;
South 57°24'54" West, a distance of 51.56 feet to a set N 1/4 inch iron rod with KVA cap;
South 50°22'37" West, a distance of 59.25 feet to a set N 1/4 inch iron rod with KVA cap;
South 48°42'30" West, a distance of 68.90 feet to a set N 1/4 inch iron rod with KVA cap;
Northeasterly, along the arc of a curve to the left having a radius of 1485.00 feet, a central angle of 13deg 07' 58", an arc length of 255.00 feet and a chord bearing North 55deg 00' 22" East, 225.30 feet, to a set N 1/4 inch iron rod with KVA cap;
South 54°22'29" West, a distance of 70.05 feet to a set N 1/4 inch iron rod with KVA cap located in the northerly line of that certain 13.34 acre tract of land conveyed to Board Trustees of the Manor Independent School District, as described in Document Number 201511206, Official Public Records of Travis County, Texas;

THENCE along the said 13.34 acre tract, the following course:

Northeasterly, along the arc of a curve to the left having a radius of 1360.00 feet, a central angle of 15deg 14' 51", an arc length of 253.84 feet and a chord bearing North 63deg 28' 12" West, 190.05 feet, to a set N 1/4 inch iron rod with KVA cap;
North 79°12'22" West, a distance of 208.38 feet to a set N 1/4 inch iron rod with KVA cap;
Southeasterly, along the arc of a curve to the left having a radius of 25.00 feet, a central angle of 51deg 07' 48", an arc length of 39.26 feet and a chord bearing South 55deg 00' 22" East, 35.36 feet, to a set N 1/4 inch iron rod with KVA cap located in the easterly right of way line F.M. 979;

THENCE North 10°12' 48" East, along the easterly right of way line F.M. 979, a distance of 1860.86 feet, to the POINT OF BEGINNING and containing 48.530 acres (1,111,100 square feet) of land, more or less.

Note of Bearings are based on the Texas State Plane Coordinate System (Central Zone, NAD83) which is based GPS observation.

LAGOS PHASE 1

GENERAL INFORMATION:

TOTAL ACREAGE.....48.510 ACRES
LINEAR FOOT OF 50' ROW.....4,449'
LINEAR FOOT OF 70' ROW.....1,375'
NUMBER OF SINGLE FAMILY LOTS.....118
ACREAGE OF SINGLE FAMILY LOTS.....25.284 ACRES
NUMBER OF NON-RESIDENTIAL LOTS.....5
ACREAGE OF NON-RESIDENTIAL LOTS.....23.226 ACRES
TOTAL NUMBER OF LOTS.....123

SUBDIVISION PLAT ESTABLISHING
LAGOS PHASE 1
FINAL PLAT

48.510 ACRES OF LAND LOCATED IN THE JAMES MANOR SURVEY NO. 40, ABSTRACT NO. 546 AND CALVIN BAKER SURVEY NO. 38 ABSTRACT NO. 58, TRAVIS COUNTY, TEXAS AND BEING A PORTION OF THAT CERTAIN 675.6978 ACRE TRACT CONVEYED TO 706 INVESTMENT PARTNERSHIP, LTD. AS RECORDED UNDER DOCUMENT NO. 2005114543, OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

Kimley»Horn

Sheet No.
4 OF 4

CIVIL ENGINEER
KIMLEY-HORN AND ASSOCIATES, INC.
10614 JOLLYVILLE ROAD, AVALON IV, SUITE 300
AUSTIN, TEXAS 78759
TELEPHONE REGISTRATION NO. F-638
PH: (512) 418-1771 FAX: (512) 418-1791
CONTACT: ROBERT J. SMITH, P.E.

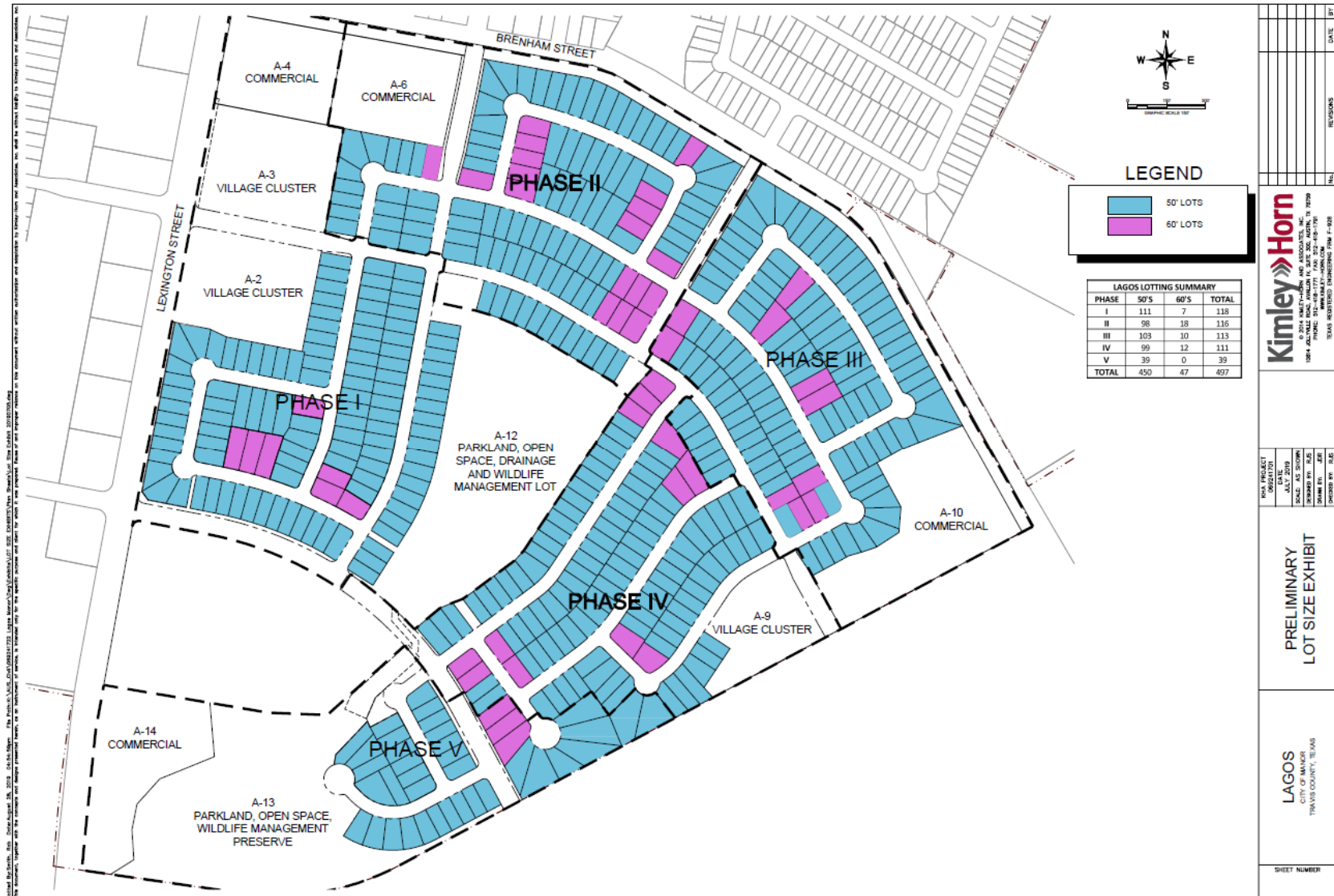
SURVEYOR
KIMLEY-HORN AND ASSOCIATES, INC.
LAND SURVEYOR NO. 6390
601 NW LOOP 410, SUITE 300
SAN ANTONIO, TEXAS 78216
PH: (210) 841-4068
CONTACT: GREG MOSIER, R.P.L.S.

OWNER/DEVELOPER
706 DEVELOPMENT CORPORATION
8600 US HIGHWAY 290 E
MANOR, TX 78656-9720
PH: (512) 327-7418
CONTACT: DANNY BURNETT

Copyright © 2017
Kimley-Horn and Associates, Inc.
All rights reserved.

Date: FEB. 2018

EXHIBIT L – CONCEPT AND PHASING PLAN



**AGENDA ITEM SUMMARY FORM**

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Thomas Bolt, City Manager

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on selecting an appraiser for the Manor Heights Public Improvement District (PID).

BACKGROUND/SUMMARY:

The City adopted a PID policy in February 2018 whereby the City, with input by the Developer, selects a PID appraiser when a PID is created. The City Council approved the creation of the Manor Heights PID in November 2018. In anticipation of PID bonds being issued, the City Council approved the selection of Integra Realty Resources - DFW in January 2019. Since that time, there has been a change in ownership for the property in the PID and the scope of the appraisal has also changed. Based on the changes that have taken place, City Staff makes the recommendation that Flato Realty Advisors, LLC be selected as the appraiser based on their experience in appraising PIDs.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Engagement Letter

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve the selection of Flato Realty Advisors, LLC as the appraiser for the Manor Heights PID and authorize the City Manager to enter and execute any agreements necessary for appraisal services regarding the Manor Heights PID.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



8918 Tesoro Drive, Suite 405 | San Antonio, Texas 78217
Phone: 210-446-3825 | Web: www.flatorealtyadvisors.com

December 9, 2019

Mr. Thomas M. Bolt
City Manager, City of Manor
105 E. Eggleston Street
Manor, Texas 78653

RE: Manor Heights Public Improvement District Market Value Appraisal, Manor, Travis County, Texas

Dear Mr. Bolt,

Thank you for the opportunity to provide a market value appraisal of the above noted property. Flato Realty Advisors, LLC., will complete a market value appraisal to include market value of the Manor Heights PID including Phases 1 and 2 as completed lots and Phases 3, 4 and 5 as "paper" lots, including the completed and proposed offsite improvements, as individually and as if to one purchaser. Our firm has completed a significant number of appraisals of both "as-is" and "prospective" lots and developments in the region over the past number of years.

The analysis and report provided will meet the requirements of the Uniform Standards of Professional Practice of the Appraisal Foundation and Code of Ethics of the Appraisal Institute. The scope of work will consist of a physical property inspection, perusal of documents provided, confirmation of comparable improved and land sales and listings, research and confirmation, market analysis, valuation analysis, and preparation of the (1) value conclusions and (2) valuation report.

It is understood that the purpose of the appraisal is to be for inclusion in an offering document which will be distributed for the purpose of issuing municipal bonds. Flato Realty Advisors, LLC consents to execute necessary certificates in connection therewith (i.e. letter of representation). It is understood that the developer will provide evidence of sufficient funds to complete the improvements contemplated in the appraisal, on hand at the time of bond closing.

Our fee for the market value appraisal, presented as a real estate appraisal report, will be \$11,000 payable as 50% upon engagement and the balance upon completion of the assignment and delivery of the report. Additional work after completion of the report for, but not limited to, research, preparation for court testimony, or court testimony, will be billed at the rate of \$250 per hour. The report can be completed within four weeks of receipt of the executed engagement letter, retainer and subject property information to include (1) survey of land, (2) plat/survey of planned lots, (3) projected/historical development cost, and (4) projected development schedule.

If this proposal is acceptable, please sign and date a copy of this letter and return it. Thank you for the opportunity to be considered for this assignment. We will begin work upon receipt of this executed engagement and retainer. Thank you for consideration of our firm in this important assignment.

Signed,

A handwritten signature in dark ink, appearing to read 'F. Flato', written over a horizontal line.

Franklin L. Flato, MAI
President
Flato Realty Advisors, LLC

Signed

A handwritten signature in dark ink, appearing to read 'T. Bolt', written over a horizontal line.

Mr. Thomas M. Bolt
City Manager
City of Manor



8918 Tesoro Drive, Suite 405 | San Antonio, Texas 78217
Phone: 210-446-3825 | Web: www.flatorealtyadvisors.com

Mutual Limitation of Liability: Appraiser and Client agree that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of Appraiser's services under this Agreement. Appraiser and Client agree that to the fullest extent permitted by applicable law, each party's and its Personnel's maximum aggregate or joint liability to the other party for claims and causes of action relating to this Agreement or to appraisals or other services under this Agreement shall be limited to the total fees and costs charged by the Appraiser for the services that are subject of the claim(s) or cause(s) of action. This limitation of liability extends to all types of claims or causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence, or negligent misrepresentation on the part of either party or its Personnel, but excluding claims/causes of action for intentionally fraudulent conduct, criminal conduct or intentionally caused injury. The Personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel," as used in this paragraph, means the respective party's staff, employees, contractors, members, partners and shareholders. Appraiser and Client agree that they each have been free to negotiate different terms than stated above or contract with other parties.



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

First Reading: Consideration, discussion and possible action on an ordinance rezoning 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1). Applicant: Rene Maruri Avilez Owner: Rene Maruri Avilez

BACKGROUND/SUMMARY:

This property is across the street from the Lions Club which is zoned C-1 and is 4 properties to the east of a C-1 zoned property. The future Gregg Manor extension will create an intersection where the Lions Club driveway exists currently.

The Planning Commission voted 4-1 to approve on July 10th. This item originally appeared before Council on July 17th but due to quorum issues related to conflicts of interest, the item was indefinitely postponed until after the election and the potential for a new council to not have conflicts of interest. This item was postponed at the December 4th meeting.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Ordinance
Rezoning Map
Area Map
Notice Letter
Mailing Labels

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve the first reading of an ordinance rezoning 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1).

PLANNING & ZONING COMMISSION: ☒ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MANOR, TEXAS, AMENDING THE ZONING ORDINANCE BY REZONING A PARCEL OF LAND FROM SINGLE FAMILY (R-1) TO LIGHT COMMERCIAL (C-1); MAKING FINDINGS OF FACT; AND PROVIDING FOR RELATED MATTERS.

Whereas, the owner of the property described hereinafter (the "Property") has requested that the Property be rezoned;

Whereas, after giving ten days written notice to the owners of land within three hundred feet of the Property, the Planning & Zoning Commission held a public hearing on the proposed rezoning and forwarded its recommendation on the rezoning to the City Council;

Whereas, after publishing notice of the public at least fifteen days prior to the date of such hearing, the City Council at a public hearing has reviewed the request and the circumstances of the Property and finds that a substantial change in circumstances of the Property, sufficient to warrant a change in the zoning of the Property, has transpired;

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

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

Section 2. Amendment of Ordinance. City of Manor Code of Ordinances Chapter 14 Exhibit A Zoning Ordinance ("Zoning Ordinance" or "Code"), is hereby modified and amended by rezoning the Property as set forth in Section 3.

Section 3. Rezoned Property. The Zoning Ordinance is hereby amended by changing the zoning district for the land and parcel of property described in Exhibit "A" (the "Property"), from the current zoning district Single Family (R-1) to zoning district Light Commercial (C-1). The Property is accordingly hereby rezoned to Light Commercial (C-1).

Section 4. Open Meetings. That it is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapt. 551, Texas Gov't. Code.

PASSED AND APPROVED FIRST READING on this the 18th day of December 2019.

PASSED AND APPROVED SECOND AND FINAL READING on this the ____ day of August 2019.

THE CITY OF MANOR, TEXAS

Dr. Larry Wallace Jr.,
Mayor

ATTEST:

Lluvia T. Almaraz, TRMC
City Secretary

EXHIBIT “A”

Property Address:
430 West Parsons Street, Manor, Texas 78653

Property Legal Description:
0.56 acres of land out of the James Manor Survey No. 40, Abstract 546

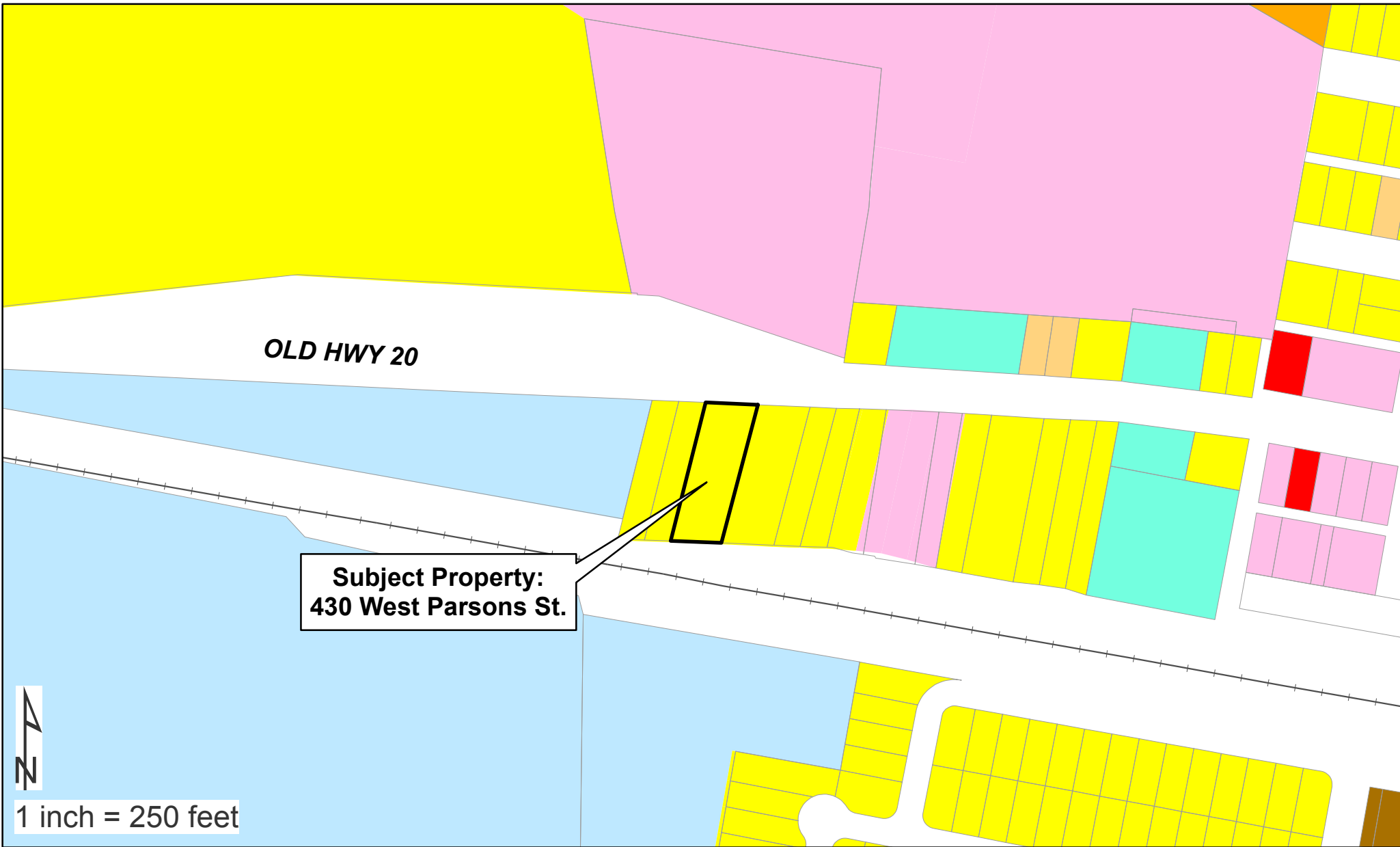
BEGINNING at a ½” iron rod found for the northeast corner of the herein described tract, being on the south right-of-way line of Parson Street (Old State Highway 20) and is the northwest corner of that 0.63-acre tract of land conveyed to Samuel and Racheal Jones by the deed recorded in Volume 12787, Page 2149 of the said Deed Records;

THENCE, S10° 07’ 00” W, (S12° 15’ W – 275.00 feet), with the west line of said 0.63 acre tract, at a distance of 230.18 feet passing a ½” iron rod found perpendicular and 2.41 feet to the east, continuing for a total distance of 256.81 feet to a ½” iron rod set with a plastic cap (stamped “Capital Surveying Co. Inc.”) for the southeast corner of the herein described tract, being on the north right-of-way line of the old H. & T.C. Railroad (200 feet wide), said railroad right-of-way having been conveyed to the City of Austin by a Quit Claim Deed recorded in Volume 9837, Page 414 of the aforementioned Deed Records;

THENCE, N79° 53’ 00” W, (West – 100.00 feet), along the north line of the said railroad right-of-way, being parallel with and 100.00 feet northeast of the center of the existing rails, a distance of 96.53 feet to a ½” iron rod set with a plastic cap (stamped “Capital Surveying Co. Inc.”) for the southwest corner of the herein described tract and the southeast corner of that 0.31 acre tract of land conveyed to Morris Williams by a deed recorded in Volume 4018, Page 1794 of the above said Deed Record;

THENCE, N10° 07’ 00” E, (N12° 15’ – 275.00 feet), leaving the north line of the said railroad right-of-way, with the east line of the 0.31 acre tract, 244.40 feet to a ½” iron rod set with a plastic cap (stamped “Capital Surveying Co. Inc.”) for the northwest corner of the herein described tract, being on the south right-of-way line of the aforesaid Parsons Street and the northeast corner of the said 0.31 acre tract bears N87° 12’ 34” W 50.41 feet;

THENCE, S87° 12’ 34” E, (East – 100.00 feet), with the south right-of-way line of Parsons Street, 97.33 feet to the POINT OF BEGINNING, and CONTAINING within these metes and bounds 0.5554 acres of land area.



Proposed Zoning: Light Commercial (C-1)

*Current Zoning District:
Single Family Residential (R-1)*

Zone		
 	R-1 - Single Family	 DB - Downtown Business District
 	R-2 - Single Family	 NB - Neighborhood Business
 	R-3 - Multi Family	 IN-1 - Light Industrial
 	R-4 - Multi Family Special	 IN-2 - Heavy Industrial
 	M-1 - Manufactured Housing	 I - Institutional
 	M-2 - Manufactured Housing Park	 PUD - Planned Unit Development
 	C-1 - Light Commercial	 A - Agricultural
 	C-2 - Medium Commercial	 Manor ETJ





November 18, 2019

RE: 430 West Parsons Street Rezoning

Dear Property Owner:

The City of Manor City Council will be conducting public hearings to consider a rezoning request for 430 West Parsons Street. You are being notified because you own property within 300 feet of the property for which this request is being made. The request will be posted on the agenda as follows:

Public Hearing: Conduct a public hearing on a rezoning request for 0.56 acres of land out of the James Manor Survey No. 40, Abstract 546, locally known as 430 West Parsons Street, from Single Family (R-1) to Light Commercial (C-1).

The City Council will convene at 7:00PM on December 4, 2019 at 105 E. Eggleston St. in the City Council Chambers.

If you have no interest in the case there is no need for you to attend. You may address any comments to me at the address or phone number listed below. Any communications I receive will be made available to Council members during the discussion of this item. For your convenience, my email address is sdunlop@cityofmanor.org

Sincerely,

Scott Dunlop
Assistant Development Director
512-272-5555 ext. 5

Margarita De Mireles &
Christian Mireles
11202 Burton St
Manor Tx, 78653

Martin Urbano & Lucia De Urbano
12202 Abernathy St
Manor Tx, 78653

Travis County
PO BOX 1748
Austin TX, 78767

Arthur & Nydia Jimenez
11301 Carrie Manor St
Manor Tx, 78653

Jorge Briones &
Walkiria Cardy-Briones
945 Playa Del Norte Dr
Tempe Arizona, 85281

Selendra & Davis Laabs
12204 Abernathy St
Manor Tx, 78653

Jessica & Joshua Avery
12206 Abernathy St
Manor Tx, 78653

Marcos Chavez
12555 Kimbro Rd
Manor Tx, 78653

Elbert Burns
PO Box 413
Manor Tx, 78653

Joetta Wilson
411 W Parsons St
Manor Tx, 78653

Juan Benites
4704 W Parsons St
Manor Tx, 78653

Chiamo Okoro
11503 Hereford St
Manor Tx, 78653

Ambus & Purinea Habbit
432 W Parsons St
Manor TX, 78653

Felipe Carbajol & Isabel Ortuno
PO Box 214
Manor Tx, 78653

Finish Milligan
409 W Parson St
Manor Tx, 78653

Oralia Riojas
PO BOX 89
Manor Tx, 78653

Greal & Daisy Barrs
421 W Parsons st
Manor Tx, 78653

Samuel & Rachel Jones
PO Box 416
Manor Tx, 78653

Entradas Las
9900 US Highway 290
Manor Tx, 78653

Antonio Esparza
16709 Hamilton Point Cir
Manor Tx, 78653

Iglesia Nueva Vida Pentecostal
UPCI
Burns Mem Temple Ch Of God In
413 W Parsons St
Manor Tx, 78653

Roberto Montero
709 Busleigh Castle
Pflugerville Tx, 78660

Travis County Emergency Services
PO Box 846
Manor Tx, 78653

Audrey Smith
10304 Ivy Jade
Schertz Tx, 78154

Lions Club of Manor Inc
PO Box 68
Manor Tx, 78653



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion and possible action on the Third Amendment to the Manor Commons Amended and Restated Project and Incentive Agreement.

BACKGROUND/SUMMARY:

This agreement provides for 25% masonry on proposed multi-family developments and 70% front/50% overall masonry for single family homes Phase 2 and later. It also allows for concurrent review of subdivision plats.

PRESENTATION: ☐ YES ☐ NO

ATTACHMENTS: ☐ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Agreement

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council approve the Third Amendment to the Manor Commons Amended and Restated Project and Incentive Agreement.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE

THIRD AMENDMENT TO THE MANOR COMMONS AMENDED AND RESTATED PROJECT AND INCENTIVE AGREEMENT

This **THIRD AMENDMENT TO THE MANOR COMMONS AMENDED AND RESTATED PROJECT AND INCENTIVE AGREEMENT** (the “Third Amendment”) is made and entered into by and between the **City of Manor, Texas**, a Texas municipal corporation (the “City”), and **Greenview Development Corp.**, a Texas corporation (the “Developer”). The City and the Developer are sometimes hereinafter collectively referred to as the “Parties”.

RECITALS

A. The City and the Developer are parties to that certain Manor Commons Amended and Restated Project and Incentive Agreement dated May 5, 2011, that certain First Amendment to the Manor Commons Amended and Restated Project and Incentive Agreement dated October 17, 2018, and that certain Second Amendment to the Manor Commons Amended and Restated Project and Incentive Agreement dated April 17, 2019 (collectively, the “Manor Commons Agreement”).

B. The City and the Developer desire to amend the Manor Commons Agreement in certain respects including approvals, masonry standards and concurrent review of plats and plans for any portion of the Property owned by Developer, Greenview Development 973 LP, a Texas limited partnership (“Greenview 973”) or Greenview Development Greenbury LP, a Texas limited partnership (“Greenbury”), all to be effective and binding on the Developer, Greenview 973 and Greenbury.

C. The Manor Commons Agreement as further amended by the terms of this Third Amendment is referred to herein as the “Agreement”. All capitalized terms not otherwise defined in these recitals have the meanings given to them in the Manor Commons Agreement.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and in the Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Masonry.

(a) Masonry shall be required on property developed as single family residences in Phase 2 and all remaining sections that follow after Phase 2 for the Village at Manor Commons. The masonry requirements shall be as follows: Unless otherwise approved in writing by the City, seventy percent (70%) minimum of the exterior facade of the front elevations, and fifty percent (50%) minimum combined on all elevations, of each single family structure shall be constructed of clay brick, natural stone, cultured stone, cast stone, stucco or natural stone panels, exclusive of roofs, eaves, soffits, windows, balconies, gables, doors and trim work.

(b) Masonry shall be required on property developed as multifamily residential on the “Market Rate Multi Family Tract”, lot “7B” and as further depicted in Exhibit A attached hereto and incorporated herein as if fully set forth (the “Multi Family Tract”). Said Multi Family Tract is approximately 13.486 acres more or less and not 11.9 acres as labeled in Exhibit A. The masonry requirements shall be as follows: that twenty-five percent (25%) of the exterior facades of the structures (exclusive of roofs, eaves, soffits, windows, balconies, gables, doors and trim) of any elevation be constructed of clay brick, natural stone, cultured stone, cast stone, or natural stone panels; with the percentage changing to fifty percent (50%) for clubhouses.

2. **Timing of Platting.** The Developer agrees to waive the submission requirements of the City’s Subdivision Ordinance and the City agrees to allow concurrent review of the concept plan, preliminary plat, construction plans, and final plat. Upon each submittal the City shall have thirty (30) days to respond to the Developer and/or its authorized representative with comments citing the deficiencies of the plats and plans. After the City has determined the plats and plans meet the minimum requirements of the City’s Subdivision Ordinance, and any other applicable code or regulation, the plats and plans will be heard before the applicable governing body for approval. Reviews of the plats and plans may occur concurrently, but approvals with the applicable governing body must follow the sequence set forth in the City’s Subdivision Ordinance. Payment amounts under the TIA shall be made pursuant to Section 2 above and not be required at plat review.

3. The City Council of the City of Manor, Texas acting in its legislative capacity, hereby reiterates the determinations and findings set forth in the Manor Commons Agreement with reference to this Third Amendment, including all findings of fact and conclusions of law as are necessary to make each of such determinations and findings. In the event of any conflict between the terms of this Third Amendment and the Manor Commons Agreement, this Third Amendment shall prevail.

4. The foregoing Recitals are hereby incorporated by reference and made a part of the Agreement for all purposes. Any capitalized terms used in this Third Amendment unless expressly defined otherwise shall have the meanings given to them in the Manor Commons Agreement. Unless the context specifically indicates otherwise, any and all references to sections or other enumerated provisions made in this Third Amendment shall refer to such sections or provisions of the Manor Commons Agreement.

5. Except as set forth in this Third Amendment, the Manor Commons Agreement shall remain in full force and effect and unamended.

[Signatures on following pages]

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed in multiple originals to be effective as of the _____ day of December, 2019.

CITY:
CITY OF MANOR, TEXAS,
a municipal corporation

By: _____
Dr. Larry Wallace Jr., Mayor

ATTEST:

By: _____
Name: Lluvia T. Almaraz
Title: City Secretary

DEVELOPER:
GREENVIEW DEVELOPMENT CORP.,
a Texas corporation

By: _____
Barth Timmermann, President

ACKNOWLEDGED AND AGREED TO:

GREENVIEW DEVELOPMENT 973 LP,
A Texas limited partnership

By: _____
Barth Timmermann, President of Greenview
Development Corp., its General Partner

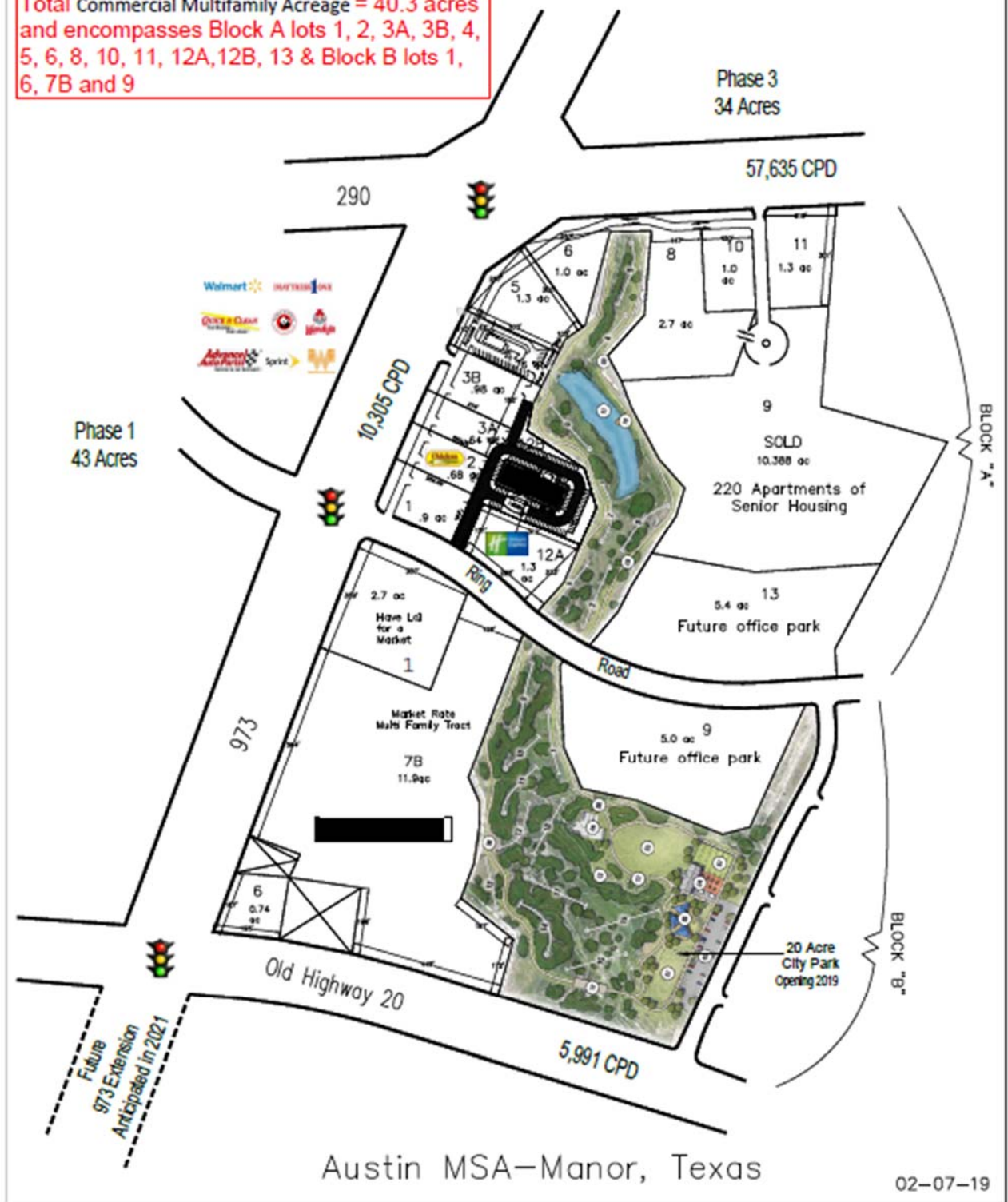
GREENVIEW DEVELOPMENT GREENBURY LP,
A Texas limited partnership

By: _____
Barth Timmermann, President of Greenview
Development Corp., its General Partner

Exhibit “A”
[attached]

Commercial Multifamily Acreage

Total Commercial Multifamily Acreage = 40.3 acres and encompasses Block A lots 1, 2, 3A, 3B, 4, 5, 6, 8, 10, 11, 12A, 12B, 13 & Block B lots 1, 6, 7B and 9





AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action upon a Concept Plan for the Manor Commons SE Commercial, nineteen (19) lots on 73 acres more or less, located near US Hwy 290 E and FM 973 N, Manor, TX. Applicant: ALM Engineering. Owner: Greenview Development 973, LP

BACKGROUND/SUMMARY:

This plan has been approved by our engineers but the developer has requested a postponement to the January 15th meeting while the continue work on an associated development agreement.

PRESENTATION: ☐ YES ☒ NO

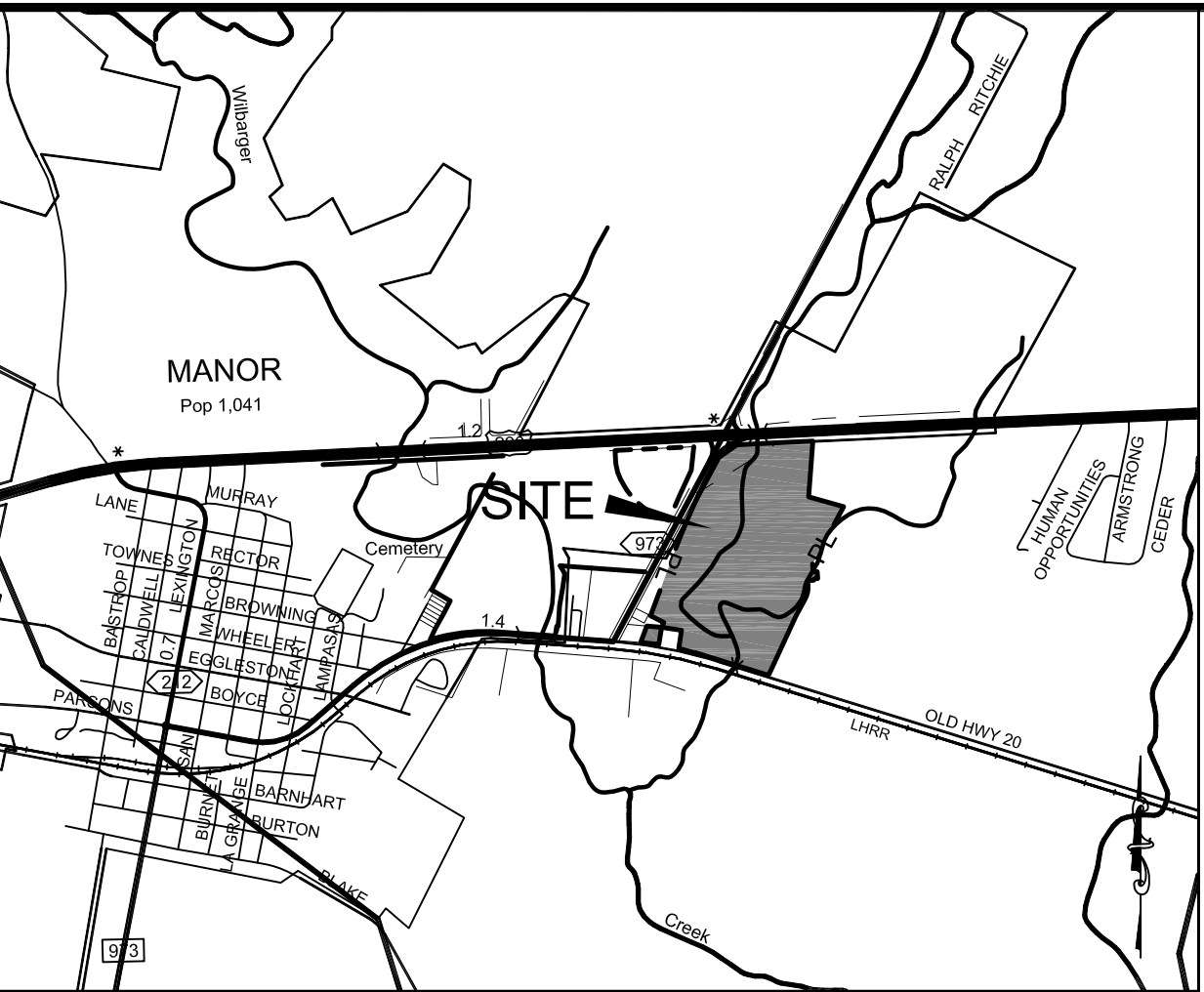
ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Plan
Engineer Comments and Approval Letter
Notice Letter
Mailing Labels

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council postpone a Concept Plan for the Manor Commons SE Commercial, nineteen (19) lots on 73 acres more or less, located near US Hwy 290 E and FM 973 N, Manor, TX to the January 15, 2020, Regular Council Meeting.

PLANNING & ZONING COMMISSION: ☒ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



Owner 3.017 Acres Greenview Development 973, L.P. Document No. 2009176562
3.62 Acres Greenview Development 973, L.P. Document No. 2006207224
2.50 Acres Greenview Development 973, L.P. Document No. 2005187926
39.15 Acres Remainder Greenview Development 973, L.P. Document No. 2005187773
Approximately 28,609 out of the 104.61 Acres Greenview Development Greenbury, L.P.
Document No. 2005237215
Barth Timmermann
501 VALE STREET
AUSTIN, TEXAS
78746
(512)479-6614
(512)479-6577 (FAX)

Engineer: Matthew Mitchell, P.E.
ALM Engineering, Inc.
925 S. Capital of TX Hwy.
Ste. B220
West Lake Hills, Texas 78746
512-431-9600
almeng@sbcglobal.net

Surveyor: Holt Carson, RPLS No. 5166
HOLT CARSON, INC.
1904 Fortview Road
Austin, Texas 78704
(512) 442-0990

Total Number of Blocks: 2
Total Number of Lots: 19
Total Acreage: 73.248 AC

A portion of this property is located in Zone "AE", as defined in the map revision to FIRM Panel No. 48453C0485J, Travis County, Texas, dated April 11, 2016.
A CLOMR has been approved for modification of the floodplain contained within this study under Case # 16-06-1566R.
A LOMR will be submitted following completion of the Flood Plain Modifications.

LINEAR FEET OF NEW STREETS: Water and Wastewater Provider : CITY OF MANOR
RING ROAD - ASBUILT 1650 LF 105 E Eggleston St.
Submittal Date: 105 E Eggleston St.
ZONING: Manor Commons P.U.D. 13805 TX-95,
Coupland, TX 78615

RESIDENTIAL WATER EAST OF PARK : MANVILLE W.S.C.
13805 TX-95,
Coupland, TX 78615

Electrical Supply BLUEBONNET ELECTRIC COOP
3198 East Austin St.
P.O. Box 240
Giddings, TX 78942

Gas Supply Atmos Energy
823 Congress Av. #600
Austin, TX 78701-2435
1-888-288-6700

ESTIMATED PHASE DATES
PHASE 1 - 2019 COMPLETED
PHASE 2A - 2019
PHASE 2B - 2020
PHASE 3A - 2019
PHASE 3B - 2021
PHASE 3C - 2021
PHASE 4 - 2019
PHASE 5 - 2022
PHASE 6 - 2020
PHASE 7 - 2022

- GENERAL NOTES:
- 1.) Water and wastewater systems servint this subdivision shall be designed and installed in accordance with the City of Manor and State Health Department plans and Specifications and specifications shall be submitted to the City of Manor, Water and Wastewater Department for review.
 - 2.) All water and wastewater construction must be inspected by the City of Manor.
 - 3.) No lot in this subdivision shall be occupied until connected to the City of Manor water and wastewater.
 - 4.) Prior to construction, a site development permit must be obtained from the City of Manor.
 - 5.) Prior to Construction on lots in this subdivision, drainage plans will be submitted to the City of Manor for review.
 - 6.) The property owners or assigns shall maintain all drainage easements on private property.
 - 7.) The property owner shall provide for access to drainage easements as may be necessary and shall not prohibit access by governmental authorities.
 - 8.) All building set-back lines shall be in accordance with the City of Manor current Zoning Ordinance.
 - 9.) This subdivision is located within the City of Manor Corporated City Limits as of this date January 2015.

REVISIONS/CORRECTIONS				
Number	Description	Revised (R) Add (A) Void (V) Sheet No. 1	Total # Sheets in Plan Set	REVISION DATE
1	SPILL LOT 12, BLK A TO 10A12B & COMBINE LOT 2-6A7, BLK B INTO ONE LOT	R1	1	9/30/2019

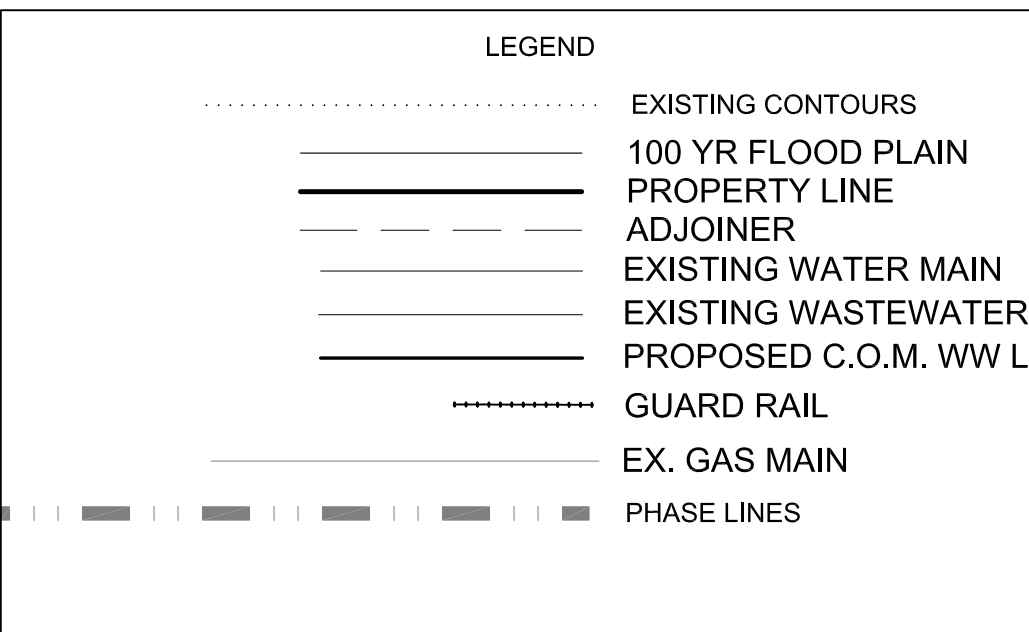
MANOR SE COMMERCIAL CONCEPT PLAN - NOT FOR RECORDATION REVISION #1 SUBMITTAL DATE: September 3, 2019



LINE	DISTANCE	BEARING
L1	219.47	S21°05'35\"W
L2	236.54	S20°27'25\"W
L3	76.46	S23°49'58\"E
L4	72.27	S00°49'14\"E
L5	113.38	S08°12'04\"W
L6	108.42	S20°32'02\"W
L7	197.23	S51°59'16\"E
L8	145.21	S15°38'22\"W
L9	26.59	S15°38'22\"W
L10	252.55	N72°52'09\"W
L11	3.13	S23°37'21\"W
L12	30.75	N72°59'19\"W
L13	195.93	N08°16'32\"E
L14	214.34	N81°40'04\"W
L15	57.17	N24°46'02\"E
L16	158.70	N63°10'08\"W
L17	684.96	N20°29'43\"E
L18	199.71	S88°54'03\"E
L19	240.86	N21°20'10\"E
L20	121.63	S54°32'45\"E
L21	50.76	S54°32'45\"E
L22	77.84	N67°42'19\"W
L23	90.15	N22°25'53\"E

NUMBER	CHORD DIRECTION	RADIUS	ARC LENGTH	CHORD LENGTH
C1	N74°36'57\"W	2635.35	165.47	165.44
C2	N20°31'18\"E	9910.07	9.08	9.08
C3	S4°48'36\"E	955.07	235.87	235.07
C4	N64°45'57\"W	955.07	97.47	97.35
C5	S66°59'07\"W	25.07	39.35	35.42
C6	N21°11'53\"E	9910.07	224.83	224.82
C7	N22°15'14\"E	9910.07	140.49	140.49
C8	S65°49'56\"E	1045.07	431.72	428.68
C10	S50°28'11\"E	958.00	31.47	31.47
C11	S56°52'24\"E	958.00	182.67	182.39
C12	S78°04'13\"E	958.00	526.16	519.57
C13	N76°44'05\"W	1032.00	614.91	605.86
C14	N83°23'14\"W	2635.35	195.23	195.18
C15	N70°45'31\"W	1000.00	804.45	782.94
C17	S26°38'58\"W	332.00	20.92	20.91
C18	S65°59'13\"W	15.00	21.54	19.74
C21	S47°45'50\"E	15.00	23.49	21.16
C27	S22°28'40\"E	25.00	39.46	35.49
C28	S63°44'44\"E	1045.00	143.93	143.82
C29	S51°53'54\"E	1045.00	288.22	287.31
C30	S42°15'34\"W	15.00	23.65	21.27

MANOR COMMERCIAL WW LINE A			
BLOCK A	AC	1500 GPD/AC	LUE'S
1	0.939	1408	5.2
2	0.852	1278	4.7
3	0.945	1418	5.3
4	1.138	1708	6.3
12A	1.330	1995	7.4
12B	3.286	50 units @ 0.5	40.0
BLOCK B			
1	1.408	2110	7.8
2	13.213	306 units @ 0.5	153.0
6	0.742	1113	4.1
WW LUES			
23	850		233.9
290 GRAVITY MAIN			
BLOCK A	AC	1500 GPD/AC	LUE'S
5	1.350	2025	7.5
6	1.078	1618	6.0
8	1.789	2683	9.8
9	200 UNITS @ 0.7 LUE/LUNIT		140.0
10	1.043	1564	5.8
11	2.671	4006	14.8
WW LUES			
			183.9
WATER LUES			
CITY OF MANOR			277.8
MANVILLE W.S.C.			140.0



CITY OF MANOR ACKNOWLEDGEMENTS

THIS CONCEPT PLAN HAS BEEN SUBMITTED TO AND CONSIDERED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF MANOR, TEXAS, AND IS HEREBY RECOMMENDED FOR APPROVAL BY THE CITY COUNCIL ON THIS THE ____ OF ____, 20__ A.D.

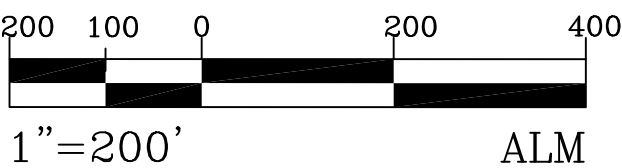
APPROVED: _____ ATTEST: _____
WILLIAM MYERS, CHAIRPERSON CITY SECRETARY

ACCEPTED AND APPROVED FOR RECORD BY THE CITY COUNCIL, CITY OF MANOR, TEXAS, ON THIS THE ____ OF ____, 20__ A.D.

APPROVED: _____ ATTEST: _____
HONORABLE MAYOR RITA G. JONSE CITY SECRETARY
MAYOR OF THE CITY OF MANOR, TEXAS

MANOR SE COMMERCIAL CONCEPT PLAN NOT FOR RECORDATION

MANOR,
TRAVIS COUNTY,
TEXAS
ALM ENGINEERING, INC., F-3565
CONSULTING ENGINEERS
1705 S. Capital of TX Hwy, Ste. 150
Austin, Texas, 78746.



CONCEPT PLAN

MANOR SE COMMERCIAL

FM 973

MANOR, TX

DATE: 9/3/2019

JOB: SITE

DRAWN BY: MM

CHECKED BY: MM

SCALE: 1\"/>

ALM ENGINEERING, INC.
CONSULTING ENGINEERS
925 S Capital of TX Hwy, Ste. B220,
West Lake Hills, Texas 78746
(512) 431-9600 • almeng@sbcglobal.net

9-3-2019



Date: Tuesday, October 15, 2019

Matt Mitchell
ALM Engineering, Inc.
925 S Capital of TX Hwy, Ste B220
West Lake Hills 78746
almeng@sbcglobal.net

Permit Number 2019-P-1217-CP
Job Address: Revised Manor Commons Concept Plan, Manor, TX. 78653

Dear Matt Mitchell,

The first submittal of the Revised Manor Commons Concept Plan (*Concept Plan*) submitted by ALM Engineering, Inc. and received on October 30, 2019, have been reviewed for compliance with the City of Manor Subdivision Ordinance 263B.

Engineer Review

The review of the submittal package has resulted in the following comments. Should you have any questions or require additional information regarding any of these comments, please contact Pauline Gray, P.E. by telephone at (512) 259-3882 or by email at pgray@jaeco.net.

1. The P&Z Chairperson signature block should just state P&Z Chairperson without a name.
2. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(4), a layout of the entire tract and its relationship to adjacent property, existing development and recorded plats should be provided on the Concept Plan.
3. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(5), the owner's name, deed or plat reference and property lines of property within three hundred (300) feet of the development boundaries, as determined by current tax rolls should be provided on the Concept Plan.
4. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(7), proposed major categories of land use by acreage should be listed on the Concept Plan.
5. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8), the proposed number of residential and non-residential lots, tracts or parcels should be listed on the Concept Plan along with the number of LUEs required for each category as well as the traffic volume to be generated by all proposed development other than single family residential.
6. Ring Road is labeled as Ring Drive on the Concept Plan. Please update to the correct street name. Ring Road should be labeled in Manor Commons SE.
7. Clearly show the approximate boundaries of the proposed phases. It is unclear where some of the boundary lines are located.

Please revise the project plans to address the comments noted above. Following revision, please upload one full set of the revised drawings in PDF format. Please include a comment response narrative indicating how comments have been addressed with your plan resubmittal. To access your project online, please go to www.mygovernmentonline.org and use the online portal to upload your drawings in PDF format.

Additional comments may be generated as requested information is provided. Review of this submittal does not constitute verification that all data, information and calculations supplied by the applicant are accurate, complete, or adequate for the intended purpose. The engineer of record is solely responsible for the completeness, accuracy, and adequacy of his/her submittal, whether or not City Engineers review the application for Ordinance compliance.

Thank you,

A handwritten signature in blue ink that reads "Pauline M. Gray". The signature is written in a cursive, flowing style.

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.



October 17, 2019

Re: Permit Number 2019-P-1217-CP
Revised Manor Commons Concept Plan, Manor, TX. 78653
Response #1

To Whom It May Concern,

1. The P&Z Chairperson signature block should just state P&Z Chairperson without a name.
RESPONSE: Corrected as discussed.

2. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(4), a layout of the entire tract and its relationship to adjacent property, existing development and recorded plats should be provided on the Concept Plan.
RESPONSE: Recorded plat information has been added for LDG, City Park, and Village at Manor Commons, Phase 1 properties.

3. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(5), the owner's name, deed or plat reference and property lines of property within three hundred (300) feet of the development boundaries, as determined by current tax rolls should be provided on the Concept Plan.
RESPONSE: All owner and deed information within 300 feet has been shown.

4. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(7), proposed major categories of land use by acreage should be listed on the Concept Plan.
RESPONSE: See table on right side of page.

5. Per City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B Section 21(c)(8), the proposed number of residential and non-residential lots, tracts or parcels should be listed on the Concept Plan along with the number of LUEs required for each category as well as the traffic volume to be generated by all proposed development other than single family residential.
RESPONSE: See tables on right side of page.

6. Ring Road is labeled as Ring Drive on the Concept Plan. Please update to the correct street name. Ring Road should be labeled in Manor Commons SE.
RESPONSE: RING DRIVE is the correct street name and has been labeled at all locations

7. Clearly show the approximate boundaries of the proposed phases. It is unclear where some of the boundary lines are located.

RESPONSE: Phase lines have been widened to help clarify boundaries.

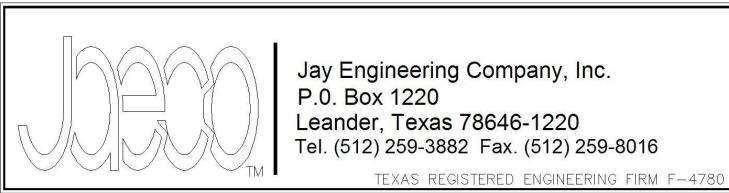
If you have any questions please contact me at (512) 431-9600.

Sincerely,



Matt Mitchell, P.E.





Date: Thursday, November 7, 2019

Matt Mitchell
ALM Engineering, Inc.
925 S Capital of TX Hwy, Ste B220
West Lake Hills 78746
almeng@sbcglobal.net

Permit Number 2019-P-1217-CP
Job Address: Revised Manor Commons Concept Plan, Manor 78653

Dear Matt Mitchell,

We have conducted a review of the concept plan for the above-referenced project, submitted by Matt Mitchell and received by our office on October 30, 2019, for conformance with the City of Manor Code of Ordinances Chapter 10, Section 10.02 Exhibit A Subdivision Ordinance 263B. The Plans appear to be in general compliance with City Ordinance requirements and we therefore take no exception to their approval as presented.

Please submit a hard copy of the Concept Plan to Scott Dunlop at the City of Manor for signatures. A copy of the signed Concept Plan will be uploaded under project files on the my permit now website.

Review of this submittal does not constitute verification that all data, information and calculations supplied by the applicant are accurate, complete or adequate for the intended purpose. The engineer of record is solely responsible for the completeness, accuracy and adequacy of his/her submittal, whether or not City Engineers review the application for Ordinance compliance. Please call if you have any questions or need additional information.

Sincerely,

Pauline Gray, P.E.
Staff Engineer
Jay Engineering Company, Inc.



DEVELOPMENT SERVICES DEPARTMENT

September 23, 2019

RE: Notification for a Concept Plan – Revised Manor Commons SE Commercial

Dear Property Owner,

The City of Manor Planning and Zoning Commission and City Council will be conducting a special and a regularly scheduled meeting for the purpose of considering and acting upon on a concept plan. The request will be posted on the agenda as follows:

Consideration, discussion, and possible action upon a Concept Plan for the Manor Commons SE Commercial, nineteen (19) lots on 73 acres more or less, located near US Hwy 290 E and FM 973 N, Manor, TX.

The Planning and Zoning Commission will meet at 6:30PM on October 16, 2019 at 105 East Eggleston in the City Hall Council Chambers.

The City Council will meet at 7:00PM on October 16, 2019 at 105 East Eggleston in the City Hall Council Chambers.

You are being notified because you own property within 300 feet of the property for which this concept plan has been filed.

If you have no interest in the case there is no need for you to attend. You may address any comments to me at the address or phone number below. Any communications I receive will be made available to the Commissioners during the discussion of this item.

Sincerely,


Scott Dunlop,
Assistant Development Director

sdunlop@cityofmanor.org
512-272-5555 ext. 5

PACESETTER HOMES, LLC
14400 THE LAKES BLVD.
BLD C, STE 200
PFLUGERVILLE, TX 78660

CUBE HHF LP
5 OLD LANCASTER RD
MALVERN, PA 19355

HIBBS ODEEN
PO BOX 14332
AUSTIN , TX 78761-4332

GREENVIEW DEVELOPMENT 157 L P
501 VALE ST
AUSTIN , TX 78746

GREENVIEW DEVELOPMENT 157 LP
% BARTH TIMMERMAN
501 VALE ST
AUSTIN , TX 78746

WILBARGER CREEK MUD NO 2
% ARMBURST & BROWN LLP
100 CONGRESS AVE STE 1300
AUSTIN , TX 78701-2744

WILBARGER CREEK MUD NO 2
% ARMBURST & BROWN LLP
100 CONGRESS AVE STE 1300
AUSTIN , TX 78701-2744

COTTONWOOD HOLDINGS LTD
% DWYER REALTY COMPANIES
9900 US HIGHWAY 290 E
MANOR , TX 78653-9720

PARKER JODIE M & JOYCE F
12211 OLD HIGHWAY 20
MANOR , TX 78653-4506

GREENVIEW DEVELOPMENT 973 L P
% BARTH TIMMERMANN
501 VALE ST
AUSTIN , TX 78746

EARLY RICKY LANE & LESLIE ANN
101 OAK BREEZE CV
GEORGETOWN , TX 78633-5608

EARLY RICKY LANE & LESLIE ANN
101 OAK BREEZE CV
GEORGETOWN , TX 78633-5608

ETERNAL FAITH BAPTIST CHURCH
12720 FM 973
MANOR , TX 78653-5151

TIMMERMANN GERALDINE
PO BOX 4784
AUSTIN, TX 78765

GREENVIEW DEVELOPMENT 973 L P
% BARTH TIMMERMANN
501 VALE ST
AUSTIN , TX 78746

BUTLER FAMILY PARTNERSHIP LTD
PO BOX 9190
AUSTIN , TX 78766-9190

BUTLER FAMILY PARTNERSHIP LTD
PO BOX 9190
AUSTIN , TX 78766-9190

BUTLER FAMILY PARTNERSHIP LTD
PO BOX 9190
AUSTIN , TX 78766-9190

TIMMERMANN TERRELL
PO BOX 4784
AUSTIN, TX 78765-4784

TIMMERMANN TERRELL
PO BOX 4784
AUSTIN, TX 78765-4784

GREENVIEW DEVELOPMENT 973 L P
% BARTH TIMMERMANN
501 VALE ST
AUSTIN , TX 78746

GREENVIEW DEVELOPMENT 973 L P
% BARTH TIMMERMANN
501 VALE ST
AUSTIN , TX 78746



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

First Reading: Consideration, discussion, and possible action on an amendment to the Manor Code of Ordinances Chapter 14 Zoning to amend sections General including Application, and Definitions; Zoning District and Regulations including General Requirements and Limitations, Zoning of Annexed Areas, and Establishment of Zoning Districts; Construction Plans; Conditional Use Permits; Nonconforming Uses; Sexually Oriented Businesses; and other related matters.

BACKGROUND/SUMMARY:

This amendment rewrites a majority of our zoning ordinance. Permitted uses within each zoning category didn't change much, but various conditions were added to certain types of uses. Development standards (setback, building size, etc.) were changed for all uses. New zoning categories are Single Family Estate, Two-Family, Townhome, and Multi-family 15. Modified zones are Single Family Suburban, Single Family Standard, Multi-family 25, Institutional Small and Institutional Large. Also added were sections on architectural standards, outdoor storage, and temporary uses. Conditional uses were changed to Specific Use Permits with a modified section and the nonconformities section was modified. Over half the definitions were written and updated. Sections that will be added to existing or new ordinances are the Sexually Oriented Business, parking reqs., and construction plans.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☐ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☒ NO

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council postpone this item to the January 15, 2020, Regular Council Meeting.

PLANNING & ZONING COMMISSION: ☒ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: July 19, 2017

PREPARED BY: Ryan Phipps, Chief of Police

DEPARTMENT: Police Department

AGENDA ITEM DESCRIPTION:

Consideration, discussion and possible action on an Interlocal Agreement between the City of Manor and the City of Austin for police graphics and decal services.

BACKGROUND/SUMMARY:

The Manor Police Departments uses the City of Austin to complete graphics and decals through their City Fleet Services Office. These graphics and decals are repair, replacement and for new vehicles or city equipment.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Agreement

STAFF RECOMMENDATION:

It is the City Staff's recommendation that the City Council approve the agreement between the City of Manor and the City of Austin for graphic and decal services.

PLANNING & ZONING COMMISSION: ☐ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE

**INTERLOCAL COOPERATION AGREEMENT
FOR MAKE READY DECALING SERVICES
BETWEEN THE
CITY OF AUSTIN AND CITY OF MANOR**

This Interlocal Cooperation Agreement (“Agreement”) is between the City of Austin (“City”), a Texas home-rule municipal corporation, and City of Manor (Manor), a Texas home-rule municipal corporation acting by and through their respective signature authorities, pursuant to and under authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and Chapter 271 of the Texas Local Government Code, for the purpose of participating in a cooperative agreement for decaling services. The undersigned Local Governments may be referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, the City has identified certain local, regional, and state entities that need a reliable source for the decaling of vehicles and related equipment owned or utilized by the Entity;

WHEREAS, the City’s Fleet Services Department is able and willing to provide the facilities, supplies, and labor necessary to provide decaling services to meet Manor’s needs;

WHEREAS, Manor has a need for make-ready decaling services for its vehicles and related equipment;

WHEREAS, the Parties desire to enter into a cooperative agreement which will allow the City to provide decaling services for Manor; and

WHEREAS, the Parties, acting by and through their respective governing bodies, adopt the foregoing premises as findings of said governing bodies; and

WHEREAS, the Austin City Council authorized the negotiation and execution of this Agreement on the [date];

NOW THEREFORE, the Parties agree as follows;

**ARTICLE I
PURPOSE**

The purpose of this Agreement is for the City of Austin Fleet Services Department (“Fleet Services”) to furnish decals and provide installation and removal services for decals on vehicles and equipment owned by City of Manor and presented to the City.

**ARTICLE II
SCOPE OF SERVICES**

The City, through the Fleet Services shall provide all decals, materials, supplies and labor necessary to perform the decaling services on the Manor vehicles and equipment.

- a. The services shall be performed at Vehicle Support Services (“VSS”) operated by Fleet Services, currently located at 6400 Bolm Road, Austin, TX 78721.
- b. Fleet Services will provide decaling services only as their workload allows. The Vehicle Support services will be provided.
- c. City of Manor shall deliver vehicles and equipment to be decaled under this Agreement to VSS. City of Manor shall pick up the vehicles and equipment in which services were performed within one (1) business day of notification that services are complete. City is not responsible for transporting vehicles and/or equipment to or from City of Manor’s location.
- d. Fleet Services shall perform decaling services during normal working hours for VSS, which are from 7:00 A.M. until 4:00 P.M. on Monday through Friday, except for City-recognized legal holidays.

ARTICLE III COMPENSATION

Fleet Services shall be reimbursed for any direct cost for supplies and labor in performing decaling services on the Manor vehicles and equipment as described below.

- a. **City of Manor shall pay the City’s rate of Three Hundred and Eighty Dollars (\$380.00) per unit for decaling services.**
- b. **The City may increase the rates and shall provide City of Manor a thirty calendar (30) day written notice should rates increase.**
- c. **The City will bill Manor on a per job basis for all units decaled. Manor shall pay the City at the address shown on its invoice the amount due within thirty calendar (30) days after receipt of the invoice.**

ARTICLE IV TERM

The term of this Agreement shall commence on the date on which all Parties have executed this Agreement (“Effective Date”) and shall renew automatically annually. This Agreement shall remain in full force and effect unless superseded by a supplemental agreement or terminated as provided in this Agreement.

ARTICLE V TERMINATION

Either Party may terminate this Agreement in whole or in part if the other Party fails to comply with any term or condition of the Agreement. The terminating Party shall notify the other Party of the decision to terminate this Agreement at least thirty (30) calendar days before the effective date of termination. The other Party may avoid termination by correcting the reasons for termination prior to the effective date of termination stated in the notice to the satisfaction of the terminating Party.

- a. In the event that the City notifies Manor of a change in rates that is not acceptable to Manor, Manor shall notify City and provide at least thirty (30) calendar days' notice of the effective date of termination.
- b. Either Party may terminate this Agreement in whole or in part if the other Party fails to comply with any term or condition of the Agreement. The terminating Party shall notify that other Party of the decision to terminate this Agreement at least thirty (30) calendar days before the effective date of termination, and in the case of a partial termination, the portion of the Agreement to be terminated. The other Party may avoid termination by correcting the reasons for termination prior to the effective date of termination stated in the notice of satisfaction of the terminating Party.
- c. If either Party terminates this Agreement, the City has the right to receive payment for all decaling services provided before the effective date of termination.

ARTICLE VI CURRENT REVENUE

The Parties warrant that all payments, expenditures, contributions, fees, costs, and disbursements, if any, required of it hereunder or required by any other agreements, contracts and documents executed, adopted, or approved pursuant to this Agreement, which shall include any exhibit, attachment, addendum or associated documents, shall be paid from current revenues available to the paying Party. The Parties hereby warrant that no debt is created by this Agreement and that any debt created through a purchase shall be the sole obligation of the purchasing Party and no obligation or liability for such debt shall be a liability or obligation of the other Party.

ARTICLE VII FISCAL FUNDING

The financial obligations of the Parties, if any, under this Agreement are contingent upon the availability and appropriation of sufficient funding. Any Party may withdraw from this Agreement without penalty in the event funds are not available or appropriated. However, no Party will be entitled to a refund of amounts previously contributed in the event of withdrawal for lack of funding.

ARTICLE VIII INDEMNIFICATION

To the extent permitted by law, Manor agrees to indemnify and hold harmless the City from any and all claims, judgments, causes of action, or any other type of injury whatsoever, which may arise from Manor's actions or omissions, or those of Manor's agents, servants, employees, contractors, or subcontractors in connection with Manor's use of the City's premises.

**ARTICLE IX
MISCELLANEOUS**

City of Manor agrees to the following provisions:

- a. **Notice**: Any notice required or permitted to be delivered hereunder shall be deemed received when deposited in the United States Mail, Postage Prepaid, Certified Mail, Return Receipt Requested, or by hand-delivery or facsimile transmission addressed to the respective Party at the address set forth opposite the signature of the Party.
- b. **Amendment**: This Agreement may be amended by the mutual written agreement of the Parties.
- c. **Severability**: In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.
- d. **Governing Law**: The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas. Venue for any action concerning this Agreement shall lie in Travis County, Texas.
- e. **Entire Agreement**: This Agreement represents the entire agreement between the Parties with respect to the subject matter covered by this Agreement. There is no other collateral, oral or written agreement between the Parties that in any manner relates to the subject matter of this Agreement.
- f. **Recitals**: The recitals to this Agreement are incorporated herein.
- g. **Counterparts**: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.
- h. **No Assignment**: The Parties may not assign or transfer their rights under this Agreement.
- i. **Compliance with Law**: Each Party is responsible for complying with any additional or varying laws and regulations regarding purchases.
- j. **Certifications**: The signers of this Agreement certify that they possess the right, power, legal capacity and full legal authority to execute this Agreement on behalf of their respective Parties and to bind their respective Parties to the terms and conditions set forth herein.
- k. **No Waiver of Rights**. Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or equity to a Party, including the defense of sovereign immunity, or to create any legal rights or claims on behalf of a person not a party to this Agreement.

This Interlocal Cooperation Agreement is executed to be effective the date of the last party to sign.

CITY OF MANOR

By: _____ Date: _____

Name: _____

Title: _____

Address: _____

FOR CITY OF MANOR, APPROVED AS TO LEGAL FORM:

By: _____ Date: _____

Name: _____

Title: _____

CITY OF AUSTIN

By: _____ Date: _____

Name: _____

Title: _____

Address: _____

FOR CITY OF AUSTIN, APPROVED AS TO LEGAL FORM:

By: _____ Date: _____

Name: _____

Title: Assistant City Attorney



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Consideration, discussion, and possible action on the appointment of two (2) Planning and Zoning Commissioners to the Tree Advisory Committee.

BACKGROUND/SUMMARY:

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Julie Leonard - Letter of Interest

Lian Stutsman - Letter of Interest

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council appoint P & Z Commissioner Lian Stutsman and Julie Leonard to the Tree Advisory Committee.

PLANNING & ZONING COMMISSION: ☒ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: December 18, 2019

PREPARED BY: Scott Dunlop, Assistant Development Director

DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Acknowledge the resignation of Planning and Zoning Commissioner Keith Miller, Place No. 6 and declare a vacancy.

BACKGROUND/SUMMARY:

P&Z Commissioner Keith Miller submitted his resignation to the Planning and Zoning Commission on December 5th, 2019. He attended his last P&Z Committee meeting on November 13, 2019. Mr. Miller held the position of Extra Territorial Jurisdiction (ETJ) Resident - Place No. 6 from January 2017 - December 2019.

PRESENTATION: ☐ YES ☒ NO

ATTACHMENTS: ☒ YES (IF YES, LIST IN ORDER TO BE PRESENTED) ☐ NO

Keith Miller - Resignation Email

STAFF RECOMMENDATION:

It is City staff's recommendation that the City Council acknowledge the resignation of Planning and Zoning Commissioner Keith Miller, Place No. 6 and declare a vacancy.

PLANNING & ZONING COMMISSION: ☒ RECOMMENDED APPROVAL ☐ DISAPPROVAL ☐ NONE

Scott Dunlop

From: Keith Miller
Sent: Tuesday, December 03, 2019 2:24 PM
To: Scott Dunlop

B|E|C Austin d Commission headshots

GENERAL CONTRACTOR

Good afternoon Scott,

I regret to inform you that I will be stepping down from my Place 6 Commissioner's position. I hope you are able to fill my spot without too much trouble. I was a great learning experience. Thanks.

Have a great day,

Keith E Miller
Estimator